



The Medicines Company Reports First Quarter 2008 Financial Results

23 Apr 2008

PARSIPPANY, N.J.--(BUSINESS WIRE)--April 23, 2008--The Medicines Company (NASDAQ: MDCO) today announced its financial results for the first quarter of 2008.

Financial highlights for the first quarter of 2008:

- Net revenue increased by 19% to \$79.4 million for the first quarter of 2008 from \$66.6 million for the first quarter of 2007.
- Angiomax(R) (bivalirudin) U.S. sales increased by 16% to \$76.9 million for the first quarter of 2008 from \$66.3 million for the first quarter of 2007.
- Angiomax/Angiox international net revenue in the first quarter of 2008 increased \$2.2 million to \$2.5 million compared to \$0.3 million in the first quarter of 2007.
- Net income for the first quarter of 2008 was \$4.9 million, or \$0.09 per share, compared to net income of \$3.0 million, or \$0.06 per share for the first quarter of 2007.
- Excluding stock-based compensation expense and non-cash income taxes, the Company reported first quarter non-GAAP net income of \$12.4 million, or \$0.24 per share, compared to non-GAAP net income of \$8.2 million, or \$0.15 per share for the first quarter of 2007.

John Kelley, President and Chief Operating Officer, stated, "This was a strong quarter. We are pleased with the top line growth in our base business which we expect to continue. We are also excited about our other platforms for growth including expansion into Europe, near term pipeline opportunities and business development activities."

The following table provides reconciliations between GAAP and non-GAAP net income for the first quarter (Q1) of 2008 and 2007. Non-GAAP net income excludes stock-based compensation expense and the non-cash provision for income taxes:

	Reported	FAS 123R	Non-Cash	
	GAAP	Stock-Based	Provision	
	Net	Compensation	Income	Non-GAAP Net Income
(in millions)	Income	Expense	Taxes	(1)

Q1 2008	\$4.9	\$4.6	\$3.0	\$12.4
Q1 2007	\$3.0	\$3.5	\$1.6	\$8.2

Note: Amounts may not sum due to rounding.

(1) Excluding stock-based compensation expense and the non-cash provision for income taxes

Reconciliations between GAAP and non-GAAP fully diluted EPS for the first quarter (Q1) of 2008 and 2007 are provided in the following table:

Income (per share)	Reported	FAS 123R	Non-Cash	
	GAAP Net Income	Stock-Based Compensation Expense	Provision for Income Taxes	Non-GAAP Net (1)
Q1 2008	\$0.09	\$0.09	\$0.06	\$0.24
Q1 2007	\$0.06	\$0.07	\$0.03	\$0.15

Note: Amounts may not sum due to rounding.

(1) Excluding stock-based compensation expense and the non-cash provision for income taxes

The Company believes that presenting the non-GAAP information contained in the financial tables and in this press release assists investors and others in gaining a better understanding of the Company's core operating results and future prospects, expected growth rates or forecasted guidance, particularly as related to stock-based compensation expense and the non-cash provision for income taxes. Management uses this non-GAAP information, in addition to the GAAP information, as the basis for measuring the Company's core operating performance and comparing such performance to that of prior periods and to the performance of its competitors. Such measures are also used by management in its financial and operating decision-making. Non-GAAP information is not meant to be considered superior to or a substitute for the Company's results of operations prepared in accordance with GAAP. A reconciliation of GAAP results with non-GAAP results may also be found in the attached financial tables.

There will be a conference call with management today at 8:30 AM Eastern Time to discuss first quarter 2008 financial results, operational developments and guidance. The conference call will be available via phone and webcast. The webcast can be accessed at The Medicines Company website at www.themedicinescompany.com (<http://www.themedicinescompany.com>).

The dial in information is listed below:

Domestic Dial In: 877-548-7901

International Dial In: 719-325-4900

Replay is available from 11:30 AM Eastern Time following the conference call through May 7, 2008. To hear a replay of the call dial 888-203-1112 (domestic) and 719-457-0820 (international). Passcode for both dial in numbers is 4364074.

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About The Medicines Company: The Medicines Company (NASDAQ: MDCO) is committed to delivering innovative, cost-effective acute care products in the worldwide hospital marketplace. The Company markets Angiomax(R) / Angiox(R) (bivalirudin) in the United States and other countries for use in patients undergoing coronary angioplasty, a procedure to clear restricted blood flow in arteries around the heart. The Company also has two products in late-stage development, Cleviprex(TM) (clevidipine butyrate) injectable emulsion and cangrelor. The Company's website is <http://www.themedicinescompany.com> (<http://www.themedicinescompany.com>).

Statements contained in this press release about The Medicines Company that are not purely historical, and all other statements that are not purely historical, may be deemed to be forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Without limiting the foregoing, the words "believes," "anticipates" and "expects" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by these forward-looking statements. Important factors that may cause or contribute to such differences include the extent of the commercial success of Angiomax, whether the Company's products will advance in the clinical trials process on a timely basis or at all, whether the Company will make regulatory submissions for product candidates on a timely basis, whether its regulatory submissions, such as the Company's new drug application regarding Cleviprex and supplemental new drug application for an ACS indication for Angiomax, will receive approvals from regulatory agencies on a timely basis or at all, risks associated with the establishment of international operations, and such other factors as are set forth in the risk factors detailed from time to time in the Company's periodic reports and registration statements filed with the Securities and Exchange Commission including, without limitation, the risk factors detailed in the Company's 10-K filed on February 29, 2008, which are incorporated herein by reference. The Company specifically disclaims any obligation to update these forward-looking statements

The Medicines Company
Consolidated Statements of Operations
(unaudited)

(in thousands, except per share data)	Three months ended March	
	2008	2007
31,		
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Net revenue	\$79,427	
\$66,647		
Operating expenses:		
Cost of revenue	19,092	
17,780		
Research and development	18,663	
19,478		
Selling, general and administrative	35,350	
27,138		
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Total operating expenses	73,105	
64,396		
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Income from operations	6,322	
2,251		
Other income	2,381	
2,583		

Fixed assets, net	3,406
3,245	
Intangible assets, net	14,785
14,929	
Restricted cash	5,000
5,000	
Deferred tax assets	43,015
46,018	
Other assets	180
136	
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Total assets	\$ 356,602 \$
361,516	
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LIABILITIES AND STOCKHOLDERS' EQUITY	
Current liabilities	\$ 67,497 \$
83,620	
Stockholders' equity	289,105
277,896	
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Total liabilities and stockholders' equity	\$ 356,602 \$
361,516	
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The Medicines Company
Reconciliation of GAAP to non-GAAP Measures
(Amounts in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,			

	2008			

	GAAP (1)		Non-Cash	Non-
GAAP	As		Tax	(4) As
Adjusted	Reported	SFAS123R	Provision	

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Net revenue	\$ 79,427	\$ -	\$ -	\$ -
79,427				
Operating expenses:				
Cost of revenue	19,092	(137) (2)	-	-
18,955				
Research and development	18,663	(680) (2)	-	-
17,983				
Selling, general and administrative	35,350	(3,745) (2)	-	-
31,605				
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Total operating				

expenses	73,105	(4,562)	-	
68,543				
Income from operations	6,322	4,562	-	
10,884				
Other income	2,381	-	-	
2,381				
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Income before income				
taxes	8,703	4,562	-	
13,265				
Provision for income				
taxes	(3,850)	-	3,016 (3)	
(834)				
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Net income	4,853	4,562	3,016	
12,431				
Basic earnings per				
common share	\$ 0.09	\$ 0.09	\$ 0.06	\$
0.24				
===== =====				
Shares used in				
computing basic				
earnings per common				
share	51,749	51,749	51,749	
51,749				
===== =====				
Diluted earnings per				
common share	\$ 0.09	\$ 0.09	\$ 0.06	\$
0.24				
===== =====				
Shares used in				
computing diluted				
earnings per common				
share	52,274	52,274	52,274	
52,274				
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- (1) GAAP Results
- (2) Non-cash stock compensation expense
- (3) Non-cash tax provision
- (4) Non-GAAP Results

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SOURCE: The Medicines Company

