

November 9, 2010



InfuSystem Holdings Reports 29% Revenue Increase and \$3.9 Million of Adjusted EBITDA for the Third Quarter of 2010

MADISON HEIGHTS, MI--(Marketwire - November 9, 2010) - InfuSystem Holdings, Inc. (OTCBB: INHI) (OTCBB: INHIW) (OTCBB: INHIU), the leading provider of infusion pumps and associated products and services, today announced financial results and provided a business update for the third quarter ended September 30, 2010.

Revenue for the third quarter ended September 30, 2010 was \$12.7 million, a 29% improvement compared to \$9.9 million for the same period in 2009. The increase in revenue was predominantly the result of the maturation of new accounts signed during the past several months combined with continued growth of new customers gained during the period and the continued strong performance of the First Biomedical division.

Mr. Sean McDevitt, Chief Executive Officer, commented, "We were very pleased with another record quarter for InfuSystem Holdings, which represents twelve straight quarters of year-over-year growth for our company. Our third quarter growth, which represents impressive contributions from both our consignment pump business and First Biomedical, shows that the broader service offering has been well received by our customers resulting in early success in terms of cross-selling. Going forward we expect continued solid organic growth and continued cross-selling benefits, compounded by strategic complementary acquisitions where we can leverage our strong relationships and distribution channel. We are well on our way to achieving our goal of becoming the leading company in the infusion services market."

Financial Results for the Third Quarter 2010

Revenue for the third quarter ended September 30, 2010 was \$12,733,000, a 29% improvement compared to \$9,902,000 for the same period in 2009. Operating income for the third quarter of 2010 was \$828,000 compared to \$1,363,000 for the same period in 2009. The decrease in operating income was primarily due to costs related to the recent First Biomedical acquisition, higher selling expenses, and higher non-cash stock-based compensation expenses. The net income for the third quarter of 2010 was \$174,000 or \$0.01 per diluted share, compared to net loss of (\$445,000) or (\$0.02) per diluted share, for the same period in 2009. The net income for the third quarter of 2010 included a \$250,000 gain on derivative financial instruments compared to a (\$564,000) loss on derivative financial instruments in the third quarter of 2009.

Adjusted EBITDA for the third quarter ended September 30, 2010 was \$3,933,000, a 4%

improvement compared to \$3,765,000 for the same period in 2009. The increase in EBITDA for the third quarter of 2010 was primarily due to higher gross profit, partially offset by higher selling expenses. The Company defines Adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, and excludes gain (loss) on derivative financial instruments and stock-based compensation, and other non-recurring charges. Adjusted EBITDA is not a measure of performance calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). The Company believes the presentation of Adjusted EBITDA is a relevant and useful measure to assist a reader's ability to understand the Company's operating performance. The Company's management likewise utilizes Adjusted EBITDA as a means to measure its operating performance. Reconciliation from Adjusted EBITDA, a non-GAAP measure, to net income can be found in the appendix.

Total cash and cash equivalents were \$4,692,000 at the end of the third quarter, compared to \$7,750,000 at the end of 2009. As of September 30, 2010, InfuSystem had \$33,475,000 of debt outstanding, compared to \$24,141,000 at year end 2009. Both the decrease in cash and the increase in debt, as compared to year end 2009, are primarily related to the acquisition of First Biomedical and the refinancing of the Company's debt, partially offset by continued strong operating cash flows. The Company also had a \$5,000,000 revolving credit facility in place at September 30, 2010.

Conference Call

The company will host an investor conference call today at 5:00 p.m. ET to discuss its financial results for the third quarter 2010. The investor conference call will be available via live webcast on InfuSystem's website at www.infusystem.com in the Investors section. To participate by telephone, the dial-in number is (888) 637-7725. The access code is 4874415. Investors are advised to dial into the call at least ten minutes prior to the call to register. A replay of the call can be accessed by dialing (888) 203-1112, confirmation number 4874415. An online archive of the conference call will remain on the Company's website for at least 90 days after the call.

About InfuSystem Holdings, Inc.

InfuSystem is the leading provider of infusion pumps and related services. InfuSystem services hospitals, oncology practices and other alternate site healthcare providers. Headquartered in Madison Heights, Michigan, InfuSystem delivers local, field-based customer support, and also operates Centers of Excellence in Michigan, Kansas, California, and Ontario, Canada.

Forward-Looking Statements

Except for the historical information contained herein, the matters discussed in this press release are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those predicted by such forward-looking statements. These risks and uncertainties include general economic conditions, as well as other risks detailed from time to time in InfuSystem's publicly filed documents.

(in thousands, except share data)	2010	2009
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	(Unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 4,692	\$ 7,750
Accounts receivable, less allowance for doubtful accounts of \$1,785 and \$1,842 at September 30, 2010 and December 31, 2009, respectively	7,348	5,517
Inventory	1,457	925
Prepaid expenses and other current assets	492	395
Deferred income taxes	357	125
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Total Current Assets	14,346	14,712
Property & equipment, net	17,154	13,499
Deferred debt issuance costs, net	723	781
Goodwill	63,983	56,580
Intangible assets, net	33,588	28,911
Other assets	249	207
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Total Assets	\$ 130,043	\$ 114,690
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LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 2,177	\$ 1,306
Other current liabilities	2,201	1,573
Derivative liabilities	785	2,670
Current portion of long-term debt	5,336	5,501
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Total Current Liabilities	10,499	11,050
Long-term debt, net of current portion	28,139	18,640
Deferred income taxes	5,649	3,314
Other Liabilities	512	221
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Total Liabilities	\$ 44,799	\$ 33,225
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Commitments and Contingencies	--	--
Stockholders' Equity		
Preferred stock, \$.0001 par value: authorized 1,000,000 shares; none issued	--	--
Common stock, \$.0001 par value; authorized 200,000,000; shares; issued and outstanding 19,941,095 and 18,734,144, respectively	2	2
Additional paid-in capital	85,067	81,410
Accumulated other comprehensive loss	(183)	--
Retained earnings	358	53
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Total Stockholders' Equity	85,244	81,465
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Total Liabilities and Stockholders' Equity	\$ 130,043	\$ 114,690
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(in thousands, except per share data)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net revenues	\$ 12,733	\$ 9,902	\$ 34,154	\$ 28,302
Operating expenses:				
Cost of Revenues --				
Product, service and supply costs	2,130	1,793	5,524	4,447
Cost of Revenues --				
Pump depreciation, sales and disposals	1,706	993	4,094	2,727
Provision for doubtful accounts	986	890	3,454	2,734
Amortization of intangibles	624	456	1,615	1,370
Selling and marketing	1,702	1,201	4,739	3,749
General and administrative	4,757	3,206	12,662	9,307
Total Operating Expenses	11,905	8,539	32,088	24,334
Operating income	828	1,363	2,066	3,968
Other loss:				
Gain (loss) on derivatives	250	(564)	(210)	(1,200)
Interest expense	(609)	(831)	(2,781)	(2,668)
Gain on extinguishment of long-term debt	--	--	1,118	--
Total other loss	(359)	(1,395)	(1,873)	(3,868)
Income (loss) before income taxes	469	(32)	193	100
Income tax (expense) benefit	(295)	(413)	112	(292)
Net income (loss)	\$ 174	\$ (445)	\$ 305	\$ (192)
Net income (loss) per share:				
Basic	0.01	(0.02)	0.02	(0.01)
Diluted	0.01	(0.02)	0.01	(0.01)
Weighted average shares outstanding:				
Basic	19,904,648	18,645,911	19,539,326	18,581,917
Diluted	21,647,904	18,645,911	20,742,765	18,581,917

INFUSYSTEM HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in thousands)	Nine Months Ended September 30	
	2010	2009
OPERATING ACTIVITIES		
Net Income	\$ 305	\$ (192)
Adjustments to reconcile net income to net cash provided by operating activities:		
Loss on derivative liabilities	210	1,200
Gain on extinguishment of long-term debt	(1,118)	--
Provision for doubtful accounts	3,454	2,734
Depreciation and loss on disposal of pumps	4,379	3,250
Amortization of intangible assets	1,615	1,370
Amortization of deferred debt issuance costs	915	382
Stock-based compensation	1,811	529
Deferred income taxes	(519)	787
Changes in assets and liabilities, exclusive of effects of acquisitions:		
Increase in accounts receivable, net of provision	(3,556)	(4,157)
Increase in other current assets	(89)	(632)
Decrease in other assets	170	--
Increase in accounts payable and other liabilities	553	1,803
Decrease in derivative liabilities from termination of interest rate swap	(365)	--
NET CASH PROVIDED BY OPERATING ACTIVITIES	7,765	7,074
INVESTING ACTIVITIES		
Capital expenditures	(1,392)	(4,039)
Cash paid for acquisition, net of cash acquired	(16,418)	--
Proceeds from sales of property	--	1
Other assets	--	(18)
NET CASH USED IN INVESTING ACTIVITIES	(17,810)	(4,056)
FINANCING ACTIVITIES		
Principal payments on term loan	(21,596)	(7,747)
Cash proceeds from term loan	30,000	--
Capitalized debt issuance costs	(808)	--
Common stock repurchased to satisfy statutory withholding on Stock-based compensation	(38)	--
Principal payments on capital lease obligation	(571)	(68)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	6,987	(7,815)
Net change in cash and cash equivalents	(3,058)	(4,797)
Cash and cash equivalents, beginning of period	7,750	11,513
Cash and cash equivalents, end of period	4,692	6,716

INFUSYSTEM HOLDINGS, INC.
GAAP RECONCILIATION
(UNAUDITED)

Reconciliation from Net Income to Adjusted EBITDA:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Net Income (loss)	\$ 174	\$ (445)	\$ 305	\$ (192)
Adjustments:				
Interest expense	609	831	2,781	2,668
Income tax expense (benefit)	295	413	(112)	292
Depreciation	1,487	1,085	3,869	2,971
Amortization	624	456	1,615	1,370
EBITDA	\$ 3,189	\$ 2,340	\$ 8,458	\$ 7,109
Adjustments:				
(Gain) loss on derivatives	(250)	564	210	1,200
Stock based compensation	814	(16)	1,811	529
Acquisition costs	180	-	965	-
Termination benefits	-	877	-	877
Gain on debt extinguishment	-	-	(1,118)	-
Adj. EBITDA	\$ 3,933	\$ 3,765	\$ 10,326	\$ 9,715

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