



CytoSorbents Corporation (NASDAQ: CTSO)

A Leader in Critical Care Immunotherapy

Q3 2018 Earnings Conference Call

November 6, 2018

Conference Call Participants

Dr. Phillip Chan, MD, PhD

Chief Executive Officer and President

Vincent Capponi, MS

Chief Operating Officer

Kathleen Bloch, MBA, CPA

Chief Financial Officer

Dr. Eric Mortensen, MD, PhD

Chief Medical Officer

Dr. Christian Steiner, MD

Vice President of Sales and Marketing

Chris Cramer, MBA

Vice President of Business Development

Moderator: Jeremy Feffer – LifeSci Advisors

Safe Harbor Statement

Statements in this presentation regarding CytoSorbents Corporation and its operating subsidiaries CytoSorbents Medical, Inc and CytoSorbents Europe GmbH that are not historical facts are forward-looking statements and are subject to risks and uncertainties that could cause actual future events or results to differ materially from such statements. Any such forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. It is routine for our internal projections and expectations to change. Although these expectations may change, we are under no obligation to inform you if they do. Actual events or results may differ materially from those contained in the projections or forward-looking statements. The following factors, among others, could cause our actual results to differ materially from those described in a forward-looking statement: our history of losses; potential fluctuations in our quarterly and annual results; competition, inability to achieve regulatory approval for our device, technology systems beyond our control and technology-related defects that could affect the companies' products or reputation; risks related to adverse business conditions; our dependence on key employees; competition for qualified personnel; the possible unavailability of financing as and if needed; and risks related to protecting our intellectual property rights or potential infringement of the intellectual property rights of third parties. This list is intended to identify only certain of the principal factors that could cause actual results to differ from those discussed in the forward-looking statements. Readers are referred to a discussion of important risk factors detailed in the Company's Form 10-K filed with the Securities and Exchange Commission on March 8, 2018 and other reports and documents filed from time to time by us, which are available online at www.sec.gov.



Operational Highlights

- 51,000+ CytoSorb treatments delivered, from 31,000 a year ago
- Record trailing 12-month total revenue of \$21.1M, including record 12-month product sales of \$19.1M with a mix of strong direct and distributor/partner activity in a total of 53 countries
- Well-capitalized with a healthy cash balance of \$24.9M (9/30/18) providing sufficient working capital into second half of 2020
- Blended product gross margins of 72%. Expected to rise now that full production in Q4 2019 is from the new manufacturing facility
- Debuted the PerLife™ Organ Preservation System for organ transplant, which uses CytoSorbents' proprietary sorbent technology, at the 27th International Congress of the Transplantation Society
- Received CytoSorb procedure code in Switzerland, pending payment designation



Clinical Trial Update

- U.S. REFRESH 2 Pivotal Trial
 - 400 patient RCT PMA multi-center adaptive trial targeting reduction of post-op AKI using CytoSorb during complex cardiac surgery
 - Protocol amendment was approved by the FDA in September, with subsequent approvals by the ethics committees at our clinical trial sites
 - Trial site feedback – easier with more patients to enroll
 - 20 patients now enrolled, 14 active clinical trial sites with a total of 25 sites to be active in the near future → Expecting enrollment to accelerate
- REMOVE Endocarditis Trial (funded by German government)
 - 250 patient RCT: Safety and efficacy of CytoSorb to improve organ dysfunction when used intraoperatively during valve replacement for infective endocarditis
 - First patient in January, now with 62 patients at 9 centers
 - Planned interim analysis on first 50 patients focused on inflammatory mediators (e.g. cytokines) in the next several months
- HemoDefend Pivotal Trial
 - Point-of-care filter removes non-infectious contaminants from transfused pRBCs
 - U.S. pivotal trial for U.S. FDA approval expected to start in early 2019



Q3 2018

Financial Highlights



CytoSorbents

Working to Save Lives Through Blood Purification

Q3 2018 Comparative Revenue Results

	Quarter Ended Sept 30, 2018	Quarter Ended Sept 30, 2017	% Incr.
Product revenue	\$ 5,102,748	\$ 3,448,661	48%
Grant and other income	640,225	375,638	70%
Total revenue	\$ 5,742,973	\$ 3,824,299	50%

- Q3 2018 CytoSorb[®] sales were \$5.1M, a 48% increase over \$3.4M in Q3 2017
- ~\$20.4M annualized product sales run (as of Q3 2018) versus ~\$13.8M in Q3 2017
- Total revenue in Q3 2018 increased to \$5.7M, which includes both product sales and grant revenue, compared to \$3.8M in Q3 2017, an increase of 50%
- Q3 2018 gross profit was approximately \$3.7M, an increase of \$1.4M as compared to gross profit of approximately \$2.3M for the third quarter of 2017, a 61% increase
- Gross profit margins on product sales were ~72% for Q3 2018, versus 69% for Q3 2017, due to YoY reduction in COGS as a result of production efficiencies achieved

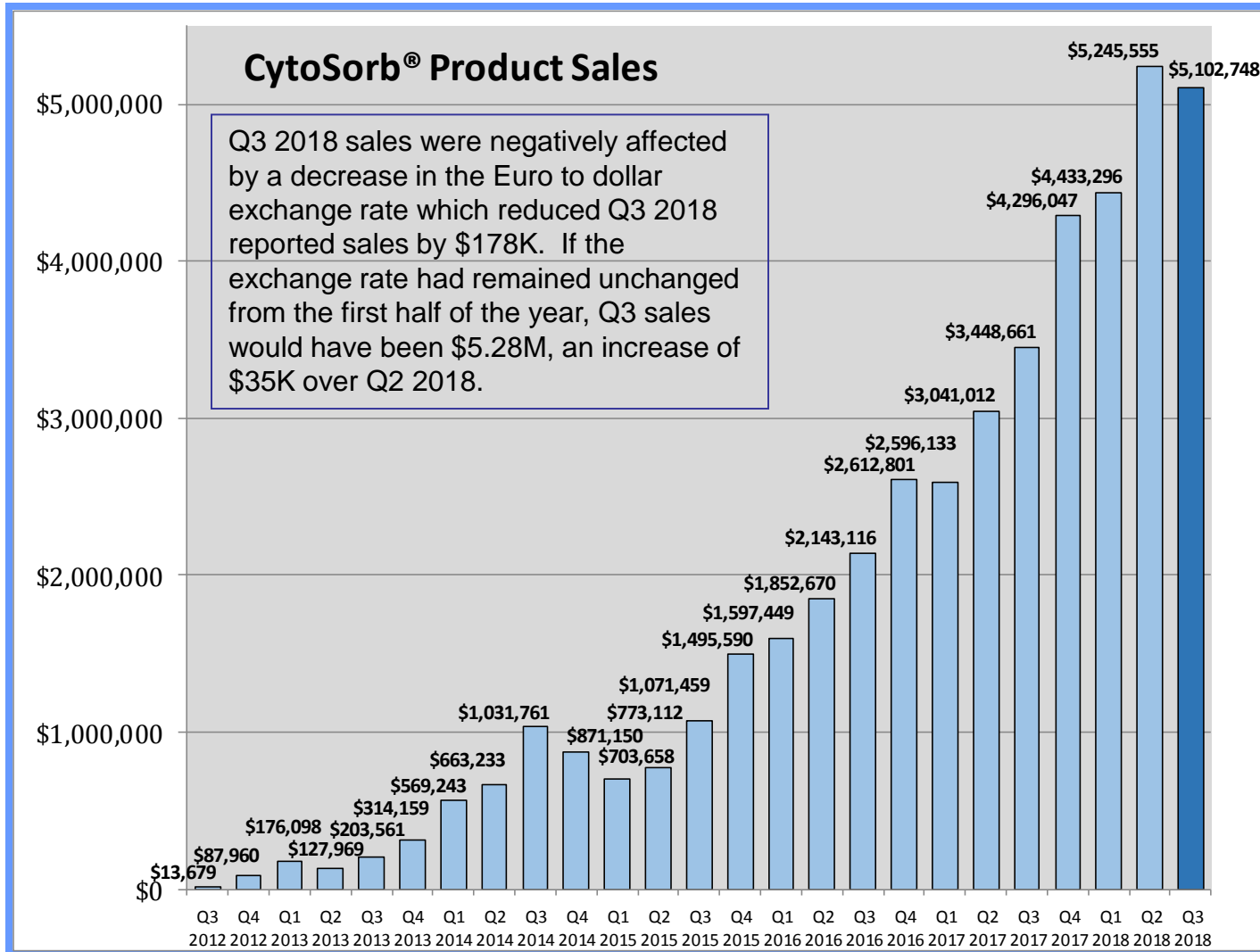
Comparative 9-Month Revenue Results

	9 Months Ended Sept 30, 2018		9 Months Ended Sept 30, 2017		% Incr.
Product revenue	\$14,781,599		\$9,085,806		63%
Grant and other income	\$1,641,464		\$1,418,237		16%
Total revenue	\$16,423,063		\$ 10,504,043		56%

- Product sales for the first nine months of 2018 were \$14.8M, a 63% increase over product sales of \$9.1M for the same period a year ago
- Grant revenue was approximately \$1.6M for the first 9 months of 2018, ~16% higher than grant revenue from the same period of 2017
- Total revenue for the first nine months 2018, which includes both product sales and grant revenue, was \$16.4M as compared to \$10.5M for the same period of 2017, an increase of 56%

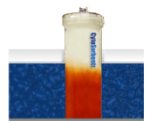
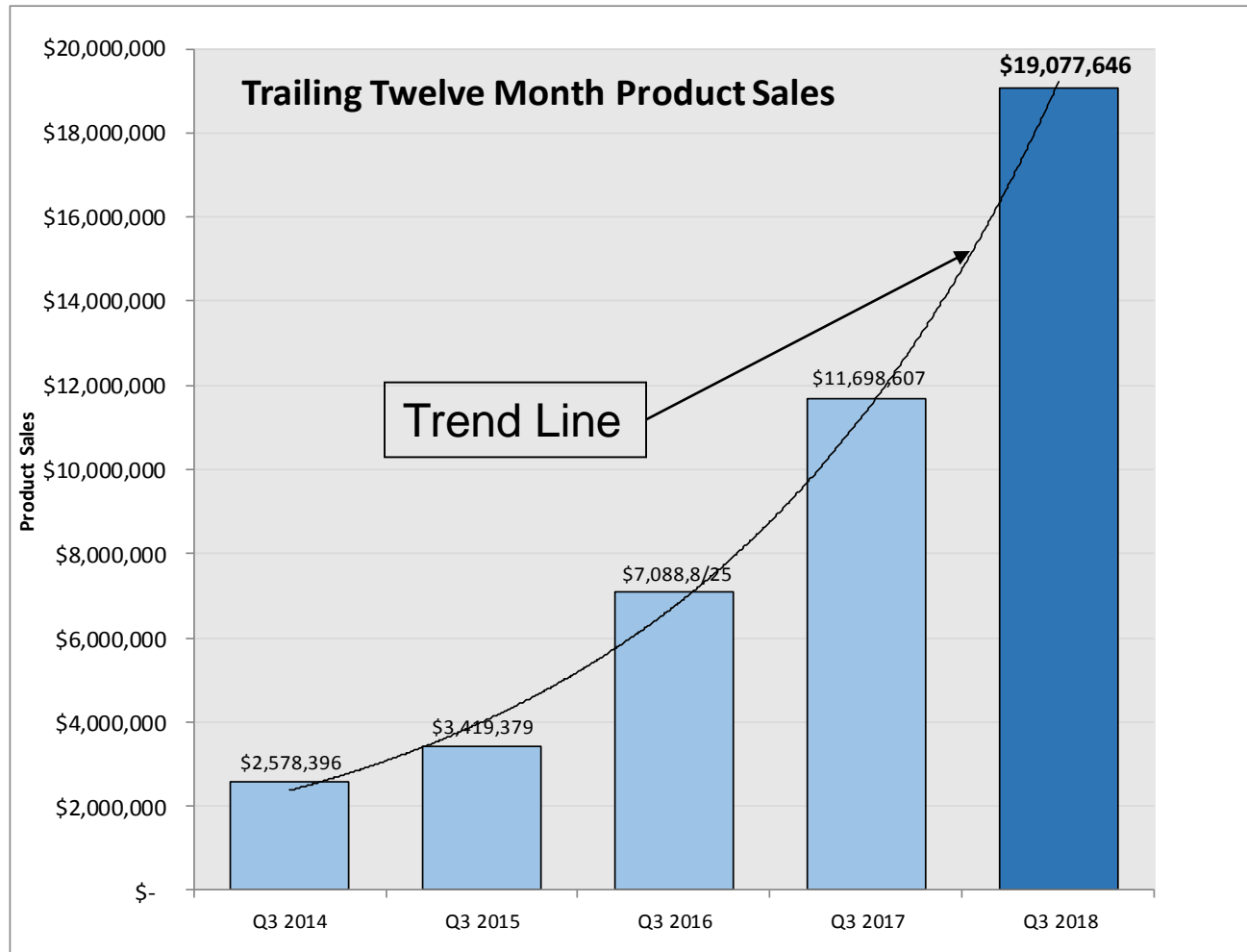
Quarterly Product Sales

25 Consecutive Quarters of Year-over-Year Sales Growth



Trailing Twelve Months Product Sales

Over the past three years, the compound growth rate of return (“CAGR”) on product sales was 77%

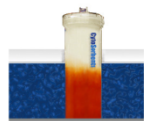


Working Capital and Cap Table

Working Capital as of							
	9/30/2018	6/30/2018	3/31/18	12/31/17	12/31/16	12/31/15	12/31/14
Current Assets:							
Cash and short-term investments	\$24,911	\$25,282	\$ 21,090	\$ 17,322	\$ 5,245	\$ 7,509	\$ 5,550
Grants and accounts receivable, net	3,643	2,903	2,352	2,206	1,433	649	819
Inventories	779	769	680	796	834	1,191	538
Prepaid expenses and other current assets	617	1,826	393	415	316	512	700
Total current assets	29,950	30,780	24,515	20,739	7,828	9,861	7,607
Current Liabilities:							
Accounts payable	1,859	1,253	2,139	1,244	1,330	685	698
Accrued expenses and other current liabilities	2,402	2,238	1,847	2,604	2,115	723	825
Current maturities of long-term debt		-		4,000	833		
Deferred revenue				-	-	-	1
Total current liabilities	4,261	3,491	3,986	7,848	4,278	1,408	1,524
Net Working Capital	\$ 25,689	\$ 27,289	\$ 20,529	\$ 12,891	\$ 3,550	\$ 8,453	\$ 6,083

Cap Table 9/30/2018

	Fully Diluted Common Shares
Common Stock	31,633,432
Options	4,230,979
Warrants	430,358
Restricted Stock Unit Awards	139,138
	36,433,907



Guidance

- We expect Q4 2018 product sales will exceed Q3 2018 product sales
- Continue to expect solid growth and achievement of operating profitability in 2018 on a quarterly basis (less non-cash expenses and clinical trial costs)
- Anticipate expansion in blended product gross margins (currently at 72%) as we scale up production from our new manufacturing facility

Q&A Session

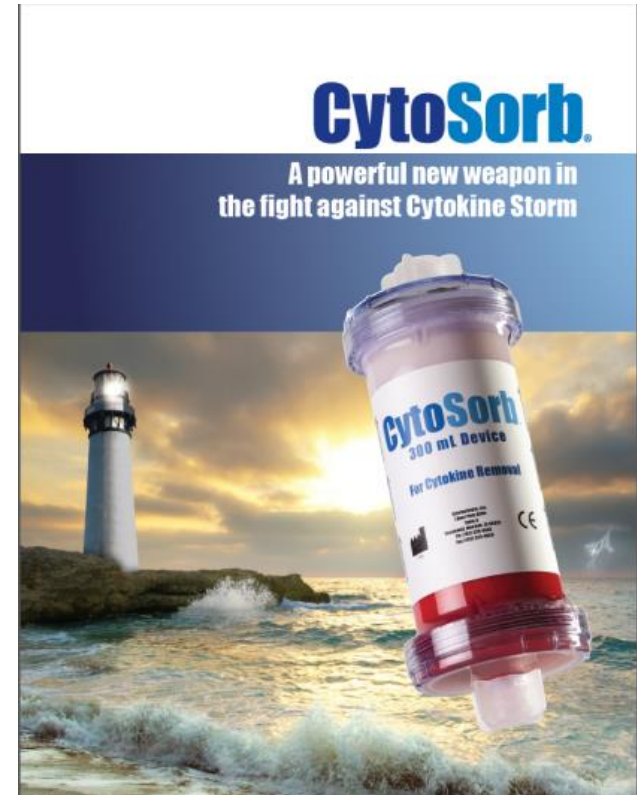
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NASDAQ: CTSO

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