

Item 2.02. Results of Operations and Financial Condition.

On November 14, 2011, Lantheus Medical Imaging, Inc. (the “Company”), the registrant, issued its financial results for the three and nine months ended September 30, 2011 in its Quarterly Report on Form 10-Q. The Company is furnishing certain supplemental non-GAAP and other financial information relating to the three and nine months ended September 30, 2010 and 2011 in this Current Report on Form 8-K.

The information in this Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following table sets forth summary consolidated financial data for Lantheus MI Intermediate, Inc. and subsidiaries for the three and nine months ended September 30, 2010 and 2011. The summary consolidated financial data set forth below is not necessarily indicative of future performance. You should read this information together with the Company’s condensed consolidated financial statements and consolidated financial statements included in the Company’s filings with the Securities and Exchange Commission (“SEC”) on Form 10-Q for the three and nine months ended September 30, 2011 and Form 10-K for the year ended December 31, 2010, respectively (the Company’s “Periodic Reports”).

(Unaudited) (In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Statement of Operations:				
Total revenues	\$ 86,232	\$ 96,590	\$ 274,770	\$ 259,157
Cost of goods sold	48,943	53,897	188,439	139,591
Loss on firm purchase commitment	—	—	1,879	—
General and administrative expenses	8,681	7,947	23,935	22,573
Sales and marketing expenses	9,650	10,766	29,747	33,838
Research and development expense	10,338	11,835	31,185	34,957
Operating (loss) income	8,620	12,145	(415)	28,198
Interest expense	(10,599)	(6,801)	(28,117)	(13,937)
Loss on early extinguishment of debt	—	—	—	(3,057)
Interest income	82	41	230	123
Other income (expense), net	355	642	1,298	532
(Loss) income before income taxes	(1,542)	6,027	(27,004)	11,859
Benefit (provision) for income taxes	(452)	(1,853)	9,044	(4,265)
Net (loss) income	<u>\$ (1,994)</u>	<u>\$ 4,174</u>	<u>\$ (17,960)</u>	<u>\$ 7,594</u>
Statement of Cash Flows Data:				
Net cash flows provided by (used in):				
Operating activities	\$ 18,982	\$ 14,251	\$ 25,057	\$ 26,893
Investing activities	(1,153)	(998)	(6,359)	(5,384)
Financing activities	(85)	(908)	(6,953)	(17,045)
Other Financial Data:				
EBITDA(1)	\$ 15,247	\$ 21,411	\$ 24,321	\$ 51,458
Adjusted EBITDA(1)	17,191	21,989	67,346	60,075
Capital expenditures	1,153	998	6,359	5,169

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- (1) EBITDA is defined as net income plus interest, income taxes, depreciation and amortization. EBITDA is a measure used by management to measure operating performance. Adjusted EBITDA is defined as EBITDA, further adjusted to exclude unusual items and other adjustments required or permitted in calculating Adjusted EBITDA under the indenture governing the Company's notes and the credit agreement for the Company's revolving credit facility. Adjusted EBITDA is also used by management to measure operating performance and by investors to measure a company's ability to service its debt and meet its other cash needs. Management believes that the inclusion of the adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about the Company's performance across reporting periods on a consistent basis by excluding items that it does not believe are indicative of its core operating performance.

EBITDA and Adjusted EBITDA, as presented herein, are supplemental measures of the Company's performance that are not required by, or presented in accordance with GAAP. They are not measurements of the Company's financial performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP or as alternatives to cash flow from operating activities as measures of the Company's liquidity.

The Company's measurement of EBITDA and Adjusted EBITDA may not be comparable to similarly titled measures of other companies and are not measures of performance calculated in accordance with GAAP. The Company has included information concerning EBITDA and Adjusted EBITDA in this report because it believes that such information is used by certain investors as one measure of a company's historical performance.

EBITDA and Adjusted EBITDA have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of the Company's operating results or cash flows as reported under GAAP. Some of these limitations are:

- they do not reflect the Company's cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, the Company's working capital needs;
- they do not reflect the significant interest expense or the cash requirements necessary to service interest or principal payments, on the Company's debt;
- although depreciation is a non-cash charge, the assets being depreciated will often have to be replaced in the future, and EBITDA and Adjusted EBITDA do not reflect any cash requirements for such replacements;
- they are not adjusted for all non-cash income or expense items that are reflected in the Company's statements of cash flows; and
- other companies in the Company's industry may calculate these measures differently than the Company does, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to the Company's to invest in the growth of its business. The Company compensates for these limitations by relying primarily on its GAAP results and using EBITDA and Adjusted EBITDA only for supplemental purposes.

For the Company's GAAP results, please see the condensed consolidated financial statements and consolidated financial statements included in the Company's Periodic Reports filed with the SEC.

The following table provides a reconciliation of the Company's net income to EBITDA and Adjusted EBITDA for the periods presented.

(Unaudited) (In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Net income (loss)	\$ (1,994)	\$ 4,174	\$ (17,960)	\$ 7,594
Interest expense, net	10,517	6,760	27,887	13,814
Provision (benefit) for income taxes(a)	62	1,501	(10,204)	3,446
Depreciation and amortization	6,662	8,976	24,598	26,604
EBITDA	15,247	21,411	24,321	51,458
Non-cash stock-based compensation	143	(179)	(1,129)	397
Loss on early extinguishment of debt	—	—	—	3,057
Loss on purchase commitments(b)	—	—	1,879	—
Asset write-off(c)	1,106	82	39,270	2,281
Severance(d)	345	—	1,929	130
Sponsor fee and other(e)	250	250	750	750
Ablavar new manufacturer costs(f)	100	425	326	1,493
Ablavar launch costs(g)	—	—	—	509
Adjusted EBITDA	<u>\$ 17,191</u>	<u>\$ 21,989</u>	<u>\$ 67,346</u>	<u>\$ 60,075</u>

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- (a) Represents provision for income taxes less tax indemnification associated with an agreement with Bristol-Myers Squibb.
- (b) Represents a loss associated with a portion of the committed purchases of Ablavar that the Company does not believe it will be able to sell prior to expiration.
- (c) Represents non-cash losses incurred associated with the write-down of inventory and write-off of long-lived assets.
- (d) Represents severance costs relating to Board approved actions and severance of certain executives.
- (e) Represents annual sponsor monitoring fee and related expenses.
- (f) Represents costs associated with establishing a second manufacturing source for Ablavar.
- (g) Represents costs associated with the launch of Ablavar.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LANTHEUS MEDICAL IMAGING, INC.

By: /s/ Michael P. Duffy

Name: Michael P. Duffy

Title: Vice President and General Counsel

Date: November 14, 2011