

Compumedics successfully completes another funding milestone

New capital injection strengthens key growth focus on emerging China market

- Beijing Bestmed, Compumedics' China-based distributor, invests \$0.5m in the Company, becoming a top 10 shareholder
- Compumedics expects to return to profitability in the first quarter of FY2014
- Combined funding initiatives, will facilitate the shipping of a record \$10m of sales-orders currently on-hand, including a new \$1.3m order, placed by Beijing Bestmed, to support continued growth of sales into China.

Compumedics Limited (ASX: CMP) is pleased to announce that it has completed a \$0.5m funding round into the Company with Beijing Bestmed, its long-term distributor in China. The investment is split between equity and short-term debt. As a result, Beijing Bestmed will become one of Compumedics' top ten shareholders with a 2.9% holding of shares in the Company.

In commenting on the investment by Bestmed, Dr. David Burton, Chairman and CEO of Compumedics said:

"It is with great pleasure that Compumedics welcomes Bestmed Beijing as a strategic and significant shareholder. We have had a business relationship with Beijing Bestmed for more than a decade. Together we have built a significant footprint in China that we will further develop in this new chapter of our relationship, as the sleep diagnostics and neurology markets there continue to develop over coming years. We look forward to working more closely together on these opportunities."

This funding, together with the recently established working capital facility with BIBBY Financial Services (limit \$2.5m), and some final lending currently being negotiated/completed, will enable the Company to ship a record \$10.0m of sales orders it currently has on-hand. As a result, the Company expects to return to profitability in the first quarter of FY2014 (September 2014). This will underpin future sales growth, profitability and positive cash generation for the Company, through the remainder of FY2014.

The recent improvement in currency markets will also lead to margin and profitability gains on top of the margin improvement initiatives the Company has implemented and is continuing to implement.

In commenting on the re-financing activities of the Company, Dr. David Burton, Chairman and CEO, said:

"I am very grateful for the tireless efforts of our CFO, David Lawson, in working across the business to not only help close this funding round but also our new facilities with BIBBY Financial Services and those funding initiatives still to be completed.

For personal use only

The completion of these funding rounds will bring to an end a difficult trading chapter for the Company and will underpin a renewal of the business by locking in adequate funding facilities at a time when economic circumstances appear to be moderating in our favour as a net exporter.

I look forward to sharing further up-dates as we move positively forward."

About Compumedics

Compumedics Limited was founded in **1987** by current Chairman/CEO Dr. David Burton and today is a global leader in the design and manufacture of diagnostic technologies for sleep disorders, neurophysiology and cardiology. In **1987** Compumedics established Asia Pacific's first fully computerized sleep laboratory. Compumedics holds 80% share of the Australian sleep-diagnostic market, and has a major and rapidly growing presence in the US, European and Asian marketplaces for its sleep, neurological, and Doppler blood-flow diagnostic monitoring devices. In **1995** the company was selected to supply equipment to the US Sleep Heart Health Study, the world's largest sleep study of its kind, with over 8,000 participants scheduled by 2008. With headquarters in Melbourne, Australia and offices in the United States and Europe, its products are distributed in over 50 countries. In **1998** Compumedics was awarded the overall Australian Exporter of the Year. In **2000** Compumedics was listed on the Australian Stock Exchange. In **2002**, Compumedics acquired US-based **Neuroscan** - the world's leading supplier of instruments for brain research. In the US - the world's largest medical device market - Neuroscan holds around 90% of the market for brain-research products. In **2003** Compumedics was awarded the Frost & Sullivan Award for Market Expansion Strategy. In **2004**, Compumedics acquired Germany-based **DWL Elektronische GmbH**, enabling Compumedics to expand its global operations into the neurovascular and cardio-vascular diagnostic fields. In **2006**, Compumedics was awarded the Frost and Sullivan Technology Leadership award for its innovative Somte[®] recorder product. In **2007**, Compumedics and its Chairman were inducted into the Victorian Manufacturing Hall of Fame. In **2008** the DWL division received a top 100 German Innovation award. With 20,000 systems installed globally across the finest hospital, universities and clinics Compumedics sales have grown more than 4-fold from \$9 million (1999) to \$39 million (2008). In **2009** Compumedics was awarded a design award for its GRAEL[®] PSG/EEG premium laboratory-based product. In **2010** Compumedics was recognized by the Australian Innovation Government and Industry body as one of Australia's Top 100 Health Innovators through its world leading devices for sleep diagnostics. In **2011** Compumedics was selected as one of the 25 innovative Australian companies by the Australian Governments Department of Innovation, Industry, Science and Research (Industry).

For further background please visit: www.compumedics.com <http://www.compumedics.com>

For further information please contact:

David Burton, Chairman and CEO
Compumedics Limited
T: (03) 8420 7300
M: 0414 384684
E: dburton@compumedics.co.au

Rod North, Managing Director,
Bourse Communications Pty Ltd
T: (03) 9510 8309,
M: 0408 670 706
E: rod@boursecommunications.com.au