



ASX / MEDIA RELEASE

Melbourne, Australia, Thursday 10th December 2009

December 2009 Road-show and fund manager presentation

Leading Australia-based medical-devices company, Compumedics Limited (ASX: CMP) is pleased to provide the attached presentation currently being used in meetings with fund managers, brokers and analysts.

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About Compumedics

Compumedics Limited, founded in 1987, 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 computerised 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, currently exceeding 14,000 studies with 20,000 patients scheduled by 2008. With headquarters in Melbourne, Australia and offices in the United States, and Europe the 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 German-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 the innovative Somté recorder product. **In 2007**, Compumedics and Chairman were inducted into the Victorian Manufacturing Hall of Fame. **In 2008** the DWL division received the top 100 German Innovation award. With 20,000 systems installed globally across the finest hospital, universities and clinics the Compumedics sales have grown more than 4 fold from \$9 million (1999) to \$38 million (2009). **In 2009** Compumedics was awarded a design award for its Grael™ PSG/EEG premium laboratory based product. www.compumedics.com

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Compumedics Limited



Corporate Overview
December 2009



Who is Compumedics?

Compumedics is a world leading developer, manufacturer and supplier of medical technology and devices to diagnose sleep and neurological disorders and monitor brain function and brain blood flow.

Compumedics has recently evolved its product line to include a sleep-treatment device.





Global reach



- Corporate headquarters in Melbourne, Australia
- Sales, marketing and support offices in
 - Charlotte, NC. USA
 - Hamburg, Germany
 - Singen, Germany



- Network of more than 30 distributors globally



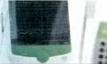
Strategic drivers



- **Home sleep testing (HST)** - Expansion of Compumedics' key sleep diagnostic business through new market opportunities (HST – USA) and sleep diagnostic services (CardioSleep Services® - USA) and new products (Grael™)
- **European expansion** - Grow Compumedics' diagnostic device businesses across Europe (initial German focus) to drive European sales from USD3m pa to closer to USD13m pa, which is what Compumedics achieves in the US market
- **New sleep-treatment market opportunity** with the release of Compumedics' SomniLink® SPAP® system. Currently 800k annual CPAP device sales (USD400m) are driven from Compumedics' global 4,000 installed bed referral base
- **New market opportunity for Long Term EEG Monitoring (LTM)** through the release of the Neuvo® device to USD220m pa global market



A brief chronology



- **1987** Compumedics established Asia Pacific's first fully computerised sleep laboratory.
- **1994** Compumedics wins contracts to supply International Space Station and Space Shuttle flight preparation.
- **1995** the Company was selected to supply equipment to the US Sleep Heart Health Study, the world's largest sleep study with 20,000 patient studies completed by 2008.
- **1998** awarded the overall Australian Exporter of the Year.
- **2000** listed on the Australian Stock Exchange.
- **2002**, acquired US-based Neuroscan - the world's leading supplier of monitoring systems for brain function research. Neuroscan holds around 90% of the market for monitoring systems used for brain function research.

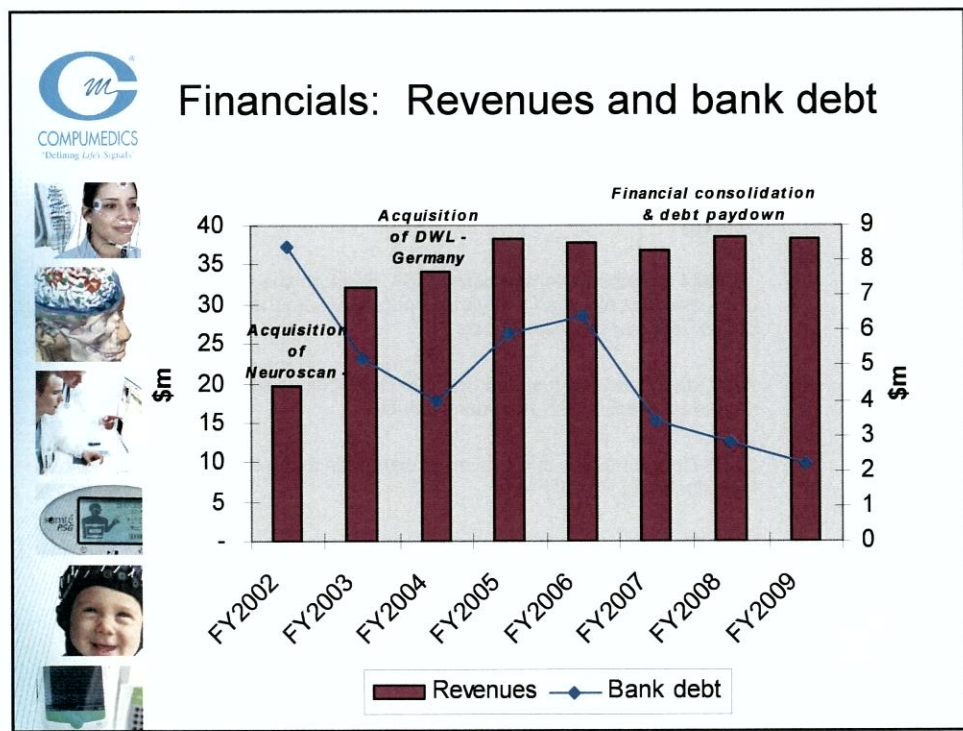
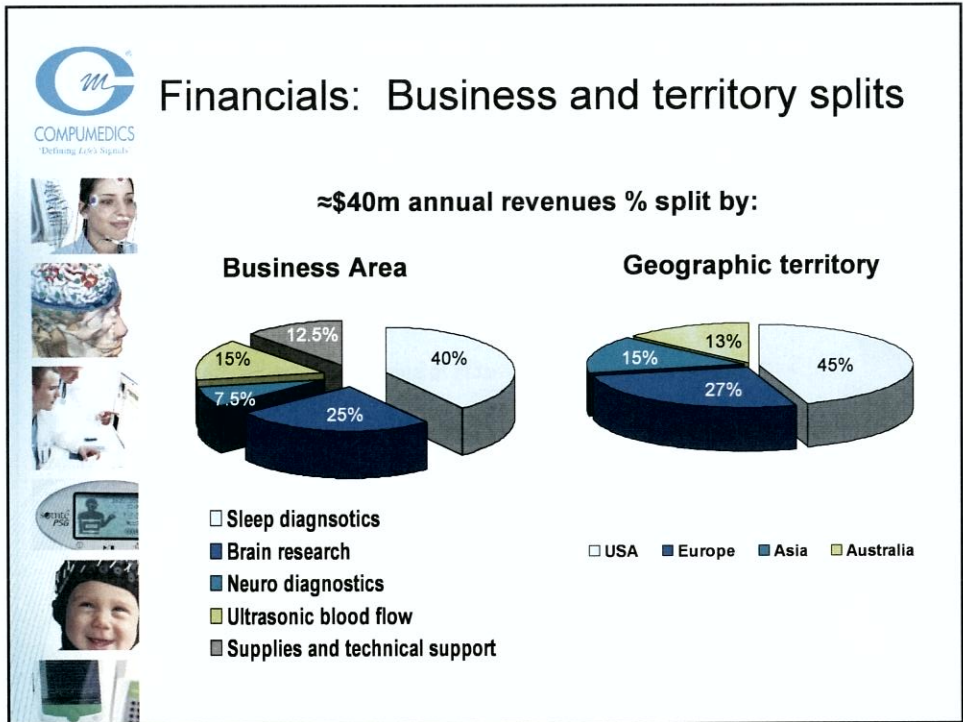


A brief chronology



- **In 2003**, awarded the Frost & Sullivan Award for Market Expansion Strategy
- **In 2004**, acquired German-based DWL Elektronische GmbH, enabling Compumedics to expand its global operations into the neurovascular and cardio-vascular diagnostic fields.
- **2006**, awarded the Frost and Sullivan Technology Leadership award for the innovative Somté® recorder product.
- **2007**, Compumedics and Chairman were inducted into the Victorian Manufacturing Hall of Fame.
- **2008** DWL division received the top 100 German Innovation award.
- **2009** received an award for design excellence for its new generation Grael™ sleep diagnostic system.

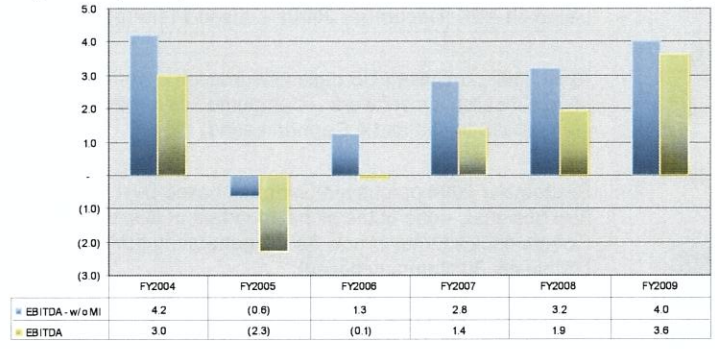
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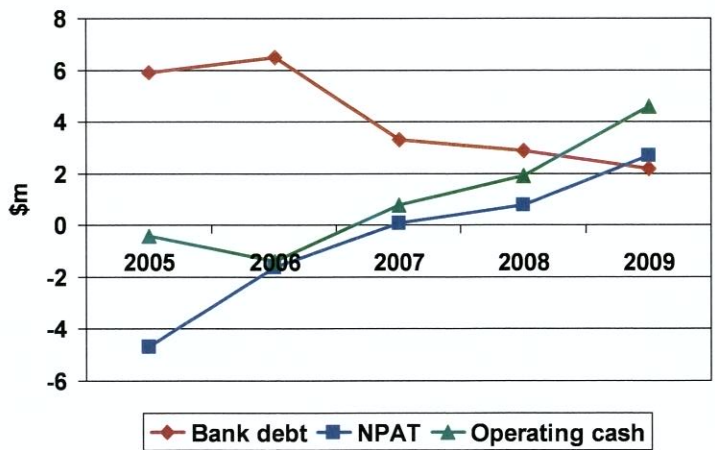


Financials: EBITDA

Compumedics - Earnings before interest, tax, depreciation and amortisation (EBITDA) as reported and without Medical Innovation Division R&D spending



Financials: Profits & cash up, debt down





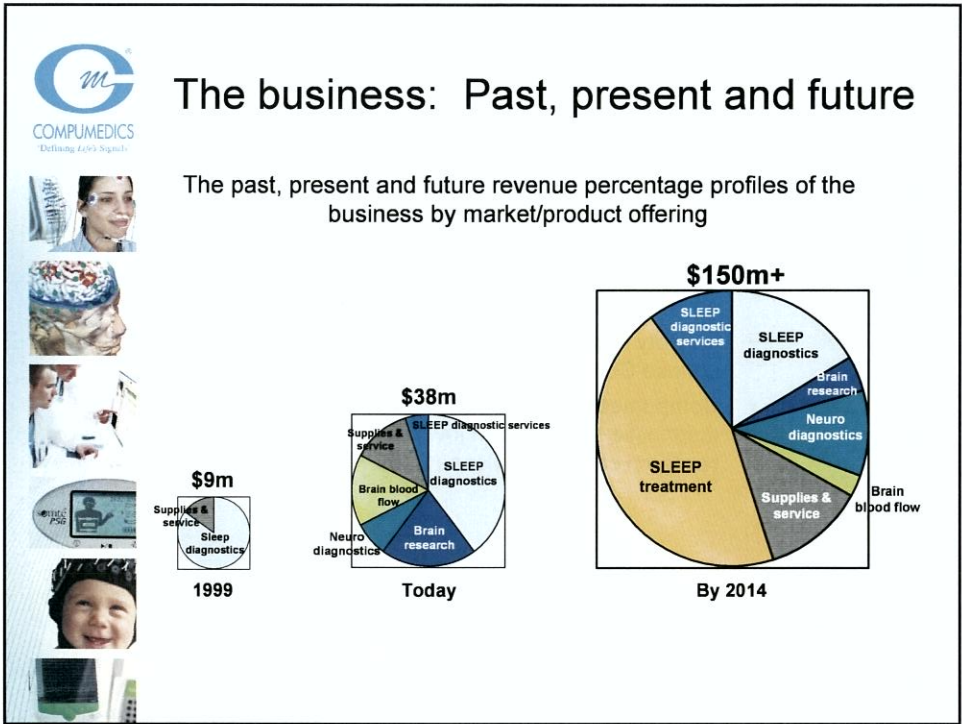
A business snap-shot since listing

- **1999** - Private company with turnover of \$9m pa with 45 staff (1 US based)
- Listed on ASX (**December 2000**) – raised \$11m (post costs/debt)
- **April 2002** purchased US based Neuroscan – worlds' leading brain source localisation software – Compumedics turnover \$34m, with 120 staff (50 US based and 4 German based)
- **September 2004** purchased Germany based DWL – ultrasonic blood flow business – one of the global founders of this technology – Compumedics turnover now \$38m, generating profits, with 160 staff (55 US based, 30 Germany based)
- **June 2005** Have amassed a world class intellectual property portfolio around sleep, brain and ultrasonic blood flow diagnostics and monitoring, but loses close to \$5m – grown too quickly, stretched the financial, management and human resource capability of the Company too far



A business snap-shot since listing

- **June 2006** Reduced loss to \$1.6m in FY2006 whilst maintaining sales, product development and expansion of IP portfolio
- **June 2008** 2 years into the performance transition program - profits reinstated (\$0.8m), on higher revenues of \$38m for FY2008. 160 staff (60 US based and 40 European based)
- **June 2009** Record profit of \$2.7m on stable revenues at \$38m despite GFC. Local presence in key markets - USA (Charlotte, NC), Germany (Hamburg and Singen) with global head office in Australia (Melbourne)
- **June 2010 forward** - Poised, with the existing management team, to resume historical growth levels from key growth opportunities including new products - Grael™ PSG/EEG, Neuvo® LTM EEG, new markets - HST in the USA and European expansion and sleep-treatment with SomniLink® SPAP®





Home sleep testing (HST) USA



- Approved by Medicare and allowed for with all major insurers
- Large undiagnosed market potential – up to 20% of US population said to suffer from sleep apnea
- Compumedics has over 1,500 installed beds of sleep diagnostic equipment in the US to leverage off
- Majority of key opinion leaders in the US in sleep medicine choose Compumedics diagnostic equipment
- Compumedics is the only supplier with a full range of sleep diagnostic devices from low channel count (Somté®) to high-end research capable devices (Grael™ PSG)



HST USA - continued



- Currently only about 4% of all sleep testing in the US is done via HST
- Large untapped market for patients – follow up full PSG patients (post diagnosis and treatment), those patients who will not come to a sleep lab, those patients who cannot come to a sleep lab and low or no insurance patients
- DME (traditional suppliers of CPAPs) blocked from supplying HST devices by Medicare
- Market is still in early stages of development – other low cost medical testing/screener services have proven low-cost testing or screening is viable (e.g. cardiac screener market).

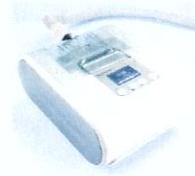




Sleep treatment



- Compumedics introduces its first device for the sleep-treatment market, SomniLink® SPAP®
- Sleep-treatment market is up to 10 times the size of the global sleep diagnostic market at approximately USD2bn pa.
- Compumedics has over 4,000 beds of sleep diagnostic equipment world wide – excellent referral base for the SomniLink® SPAP® with 800k CPAP units pa referred [USD400m] from these beds
- SomniLink® SPAP® device is protected by a family of patents
- SomniLink® SPAP® incorporates technological functions and features derived from Compumedics' 20 plus years experience with sleep-diagnostic technology



European market expansion



- Compumedics to replicate its success with its US direct presence in Germany, based at its office in Singen. This will form a base from which to expand the European presence for the entire Compumedics product offering
- European markets as big as the US – in the US we have 10-15% market share in sleep diagnostics but in Germany less than 3%. Plan to grow revenues from USD3m pa to current US sales of USD13m pa
- Sleep diagnostic products sold directly in Germany since October 2008 – 4 key reference sites (\$1m) won based on AASM compliant Somté® PSG.
- University Medical Center Freiburg chooses Compumedics new Neuvo® LTM device (\$0.6m) over all international competitors

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Neurological diagnostics and LTM



- Existing world market - NEW product, NEW market opportunity for Compumedics
- Specific LTM global market similar in size to sleep diagnostics at USD220m pa
- Expect to replicate market penetration in LTM similar to sleep diagnostics – that is a \$10m pa incremental revenue stream
- Neuvo® LTM product is the integration of Compumedics and Neuroscan's neurological technology
- University Medical Center Freiburg is the first international sale of the Neuvo® product to a key, internationally renowned site



Core products: Sleep



NEW !!! Grael™
World's first high definition PSG amplifier built on over 20 years of experience – delivering unparalleled signal quality, innovative features and efficiency-enhancing technologies.



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Core products: Sleep



Siesta® 802

World leading portable diagnostic device with wireless capability for both sleep and general patient monitoring.



Core products: Sleep



Somté® PSG

The simplest and most convenient way to meet requirements for full PSG ... absolutely anywhere.


Full PSG ambulatory recorder for attended sleep studies using Bluetooth wireless technology, or in an unattended ambulatory setting or both.

Somté®

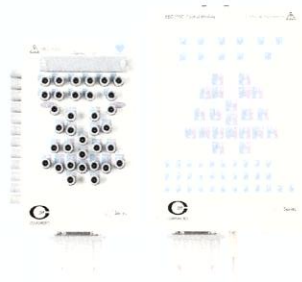

Combined Sleep and CHF monitor for both hospital and private physician application



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COMPUMEDICS
Defining Life's Signals


Core products: Sleep






E-Series

Laboratory based diagnostic product for both full polysomnography (PSG) "sleep" studies and or separate EEG studies. First to be "Network-Ready"




COMPUMEDICS
Defining Life's Signals

Core products: Sleep





ProFusion PSG 3

A high-powered comprehensive software companion to our family of leading-edge sleep recorders/ amplifiers.

Designed to give sleep medicine professionals everything they need :

clarity, power, quality assurance and great reports.





Core products: Neuro diagnostics



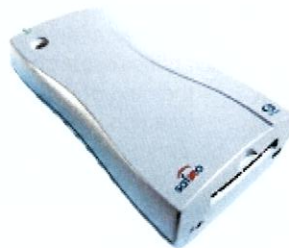
NEW !! Neuvo® LTM

The state of the art technology platform from Compumedics for Long term EEG monitoring.

- Bedside display
- Up to 256 channels
- Single connection
- Touch-screen monitor
 - Wall or Mobile configuration



Core products: Neuro diagnostics




Safiro®

Neurodiagnostic excellence in Ambulatory EEG offering convenience, advanced capabilities and confidence in recordings


- Lightweight and ergonomic
 - 32 Channels
 - Infrared capabilities




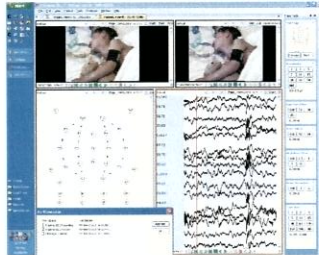
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Core products: Neuro diagnostics










ProFusion EEG4


Next generation clinical LTM software package that offers unprecedented ease of use in the EEG lab, and in post-recording analysis and review

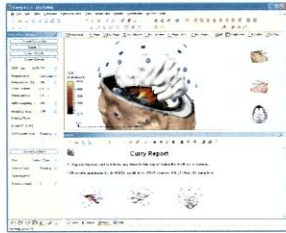



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Core products: Brain monitoring









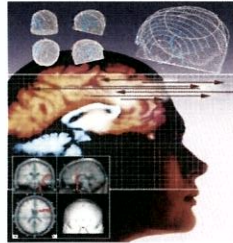
Curry® 6

Offers extensive possibilities for scientific research investigations in the field of multimodal neuro-imaging. Dipole solutions are obtained using various models and reconstruction methods.



Core products: Brain monitoring

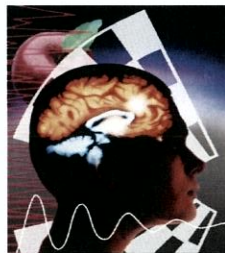


Source

Offers impressive source localisation capabilities, including several dipole models and three spheres, BEM and FEM reconstructions.

Stim

Presents audio and video stimuli and sends stimuli and response to Scan where they are incorporated into the data file.



Core products: Brain monitoring



SynAmps RT

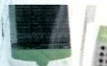
Revolutionary 24-bit acquisition system that offers up to 512 EEG channels with 10G Ohm input impedance and sampling rates capable of up to 20,000 Hertz per channel. The system provides the coordination up of to four headbox units.



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"Defining Life's Signals"



Core products: Ultrasonic blood flow



Embo-Dop

Quantum leap in Emboli detection

Card based unique clinically proven Doppler device to discriminate between gaseous and solid emboli, using special patented multi-frequency probes



Doppler Box

- Unique fully digital Doppler M-Mode
 - "Depth of Flow" Display
 - Size and weight of a "pencil box"
 - Modular
 - Attachable to any PC
 - "Soft" upgrade to any/all Special Function Tests

Emboli Detection
 Emboli Discrimination
 Vasomotor Reactivity
 CO2 Reactivity
 Evoked Flow



COMPUMEDICS
"Defining Life's Signals"



Core products: Ultrasonic blood flow



Multi-Dop

Portable Doppler device for complete routine applications, upgradeable for 1- and 2-channel monitoring diagnostics

EZ-Dop

Compact, portable and modular Doppler for routine diagnostics.





Driving growth and key opportunities



Continue organic growth or consider capital raising and accelerated growth for:

- New HST market opportunity
- European market expansion
- New LTM (Neuvo®) market opportunity
- New sleep-treatment (SomniLink® SPAP®) market opportunity (strategies for sleep-treatment include licensing and/or other spin-out options with focused capital raising)



Summary



- World class patient diagnostic and monitoring device Company
- Uniquely placed in key global markets with strong growth opportunities
- Performance transition program continues with solid outcomes delivered, profits and cash growing - balance sheet strong – net cash position
- Established routes to market in key international markets
- Key growth opportunities in new HST market in the USA, new sleep-treatment device - SomniLink® SPAP®, European expansion and new LTM device - Neuvo®

'Defining Life's Signals'

