

'Defining Life's Signals'

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Dear Compumedics' stakeholders,

We are pleased to have lodged Compumedics' final 4E and business update as today's ASX releases.

In particular, we are encouraged by the Net Profit After Tax \$2M7, which is 12.5% greater than our pre-audit announcements three weeks ago and 261% greater than the last financial year's profit.

The record low level of debt and record profit and cash generation were achieved by Compumedics during a period when the expensed R&D remained at levels twice the industry standard (12 %), and thus we are positioned with our most substantial product roll-out since Compumedics' ASX listing in 2000.

While we clearly understand the need to intensify our focus on productivity improvements and strengthened business fundamentals, these results clearly articulate the culmination of a rejuvenated business well positioned to take advantage of the opportunities ahead. We thank you for your continued trust and support and look forward to sharing with you a number of special milestones and business updates as Compumedics continues to forge ahead.

Yours sincerely,

David Burton Chairman and Chief Executive Officer











