



New Distribution Agreement Compumedics initiates Middle East presence

Melbourne Australia, Wednesday, June 27, 2007

Leading Australia-based medical diagnostics company, Compumedics Limited (ASX: CMP), has completed an agreement with Jarf Kherad Company Limited, an Iranian company, for the distribution of Compumedics' products in Iran.

Jarf Kherad will distribute Compumedics' sleep-diagnostics products and neurology products including the award-winning Somté®, Somnea, Siesta®, Safiro, E-Series, Profusion PSG as well as the Neuroscan suite of products, including the new long-term EEG-monitoring Neuvo® product line in the Iranian market. The agreement will provide Compumedics with a minimum of \$1.6 million sales over three years. An initial order has already been placed to exploit the Iranian market potential.

Jarf Kherad Background

Jarf Kherad was established in Iran in 1990 by a group of engineers who, collectively, possessed significant experience in the fields of sales and technical service of medical equipment. The company has specialised in sales and servicing medical, clinical, and hospital equipment throughout Iran, servicing over 700 hospitals in that country. The company has indicated they generated over \$6.3 million of revenue in 2006. They have relationships with companies based in the United Kingdom, United States, Germany, and China. Their experience working with this range of international companies places them well to work with Compumedics.

Mr David Burton, CEO of Compumedics said,

"The expansion of Compumedics' distribution network in Iran is a further key example of Compumedics' execution of its strategic plan to strengthen and scale-up its core businesses. We are delighted to have the opportunity to work with Jarf Kherad to develop new markets in the Middle East.

This relationship, combined with our recent agreements to exploit the German neurophysiological monitoring market and sleep-diagnostics markets, should generate contracted revenue of at least \$9.1 million over three years. We expect to be able to announce further distribution agreements expanding Compumedics' international distribution network for its core products over the next few months."

David Burton
Executive Chairman, CEO
Compumedics Limited

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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. The company has corporate headquarters in Melbourne, Australia and offices in the United States, Asia and Europe. 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 hold around 90% of the market for brain-research products. This acquisition has enabled Compumedics to take advantage of the synergies between research and clinical-based Neuro Diagnostic technologies, re-affirming our commitment as a world-class developer of both sleep and neuro-diagnostic systems. In 2003 Compumedics was awarded the Frost & Sullivan Award for Market Expansion Strategy. In 2004, Compumedics acquired Iranian-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 for their pursuit of excellence in manufacturing.

Compumedics has grown to become a global medical diagnostic company with world leadership in three of the most exciting high-growth sectors and some 12,000 systems installed. Compumedics businesses now include their core and pioneering sleep-diagnostics (Sleep Division), Neuro-diagnostics (Neuroscan and Neuroscience Divisions), and non-invasive blood-flow diagnostics (DWL Division). All of these fields were pioneered or discovered in the 1980s, validated in the 1990s and are only now undergoing rapid commercialisation into the rapidly expanding \$1 billion plus global market.

The company has increased its sales more than 4 fold from \$9 million (1999) to \$38 million (2006), reflecting its continued commitment to an effective sales and R&D organisation.

www.compumedics.com