



ASX / MEDIA RELEASE

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Compumedics' German DWL[®] business wins \$200,000 (€120,000) innovation grant

Leading Australia-based medical-devices company, Compumedics Limited (ASX: CMP) is pleased to announce that its Germany based DWL[®] business has been awarded a \$200,000 (€120,000) grant from the *Zentrales Innovationsprogramm Mittelstand*: a German Government innovation program. The program supports innovation of small and medium-sized German companies. The grant was awarded for the purpose of developing an "integrated ultrasound-Doppler-system for flexible endoscopy".

This award represents an additional key milestone in the realisation of Compumedics' strategy across all its businesses in the key German medical devices market. This award follows previously announced Germany-based contract wins; including the AUD366K (€230K) sleep-diagnostics devices contract with prestigious Berlin-based ZSL (Zentral Sleep Lab) Service GmbH and the \$325K (€195K) devices contract with the Malteser Hospital. This award further demonstrates the significant contribution the DWL[®] business has made, and continues to make to Compumedics, since its acquisition in 2004.

In commenting on this significant achievement, Mr. Witte, Managing Director of Compumedics Germany GmbH (Compumedics DWL[®]), said,

"The development of an integrated ultrasound-Doppler-system for flexible endoscopy is a major step for the DWL[®] business in extending its product portfolio. During endoscopic operative interventions (e.g. ulcer operation), bleeding is a severe risk potentially causing a high rate of mortality. Using ultrasound-Doppler during endoscopic procedures, blood vessels in the base of the ulcer can be reliably identified so accidental injuries and consequential bleeding can be minimised".

Mr David Burton, Executive Chairman of Compumedics Limited, said,

"Compumedics' DWL[®] business, based in Singen, Germany, is a critical part of the Group's overall strategy to build a global medical-device company by supplying products incorporating world-leading technology to its principal markets in sleep-disorder monitoring, brain-function monitoring, and ultrasonic blood-flow monitoring. This grant, together with the "Top 100 Innovative German SMEs" award won by the DWL[®] business last year confirms the technology leadership, innovative nature, but most importantly, business expansion opportunity for the DWL[®] business".

Compumedics has developed a world-class portfolio of products incorporating leading-edge technologies focused on sleep disorders, neurological disorders and ultrasonic blood-flow monitoring, underpinned by a significant patent portfolio. These markets offer significant commercial growth opportunities well into the future.

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The DWL[®] business has been, and remains, a vital and profitable part of the Compumedics Group since its acquisition by Compumedics in September 2004. Whilst the current market opportunity for the existing DWL[®] products is highly specialised, it has contributed in excess of \$35 million (€20m) in revenues to the Group since its acquisition. During that time DWL[®] has been profitable and the Group expects the DWL[®] business to increase its revenues and earnings as market shares are increased for current products and new products create new market opportunities. Further, with the eventual development of potential stroke diagnostic and treatment applications for DWL's ultrasonic transcranial Doppler blood-flow system, the market opportunities may grow exponentially.

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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