

impedimed

23 August 2017

ASX ANNOUNCEMENT

APPENDIX 4E – Financial Year Ended 30 June 2017

Brisbane, Australia - ImpediMed Limited (ASX: IPD) a global provider of medical technology to non-invasively measure, monitor and manage fluid status and body composition, today released its Appendix 4E – Preliminary Final Report for the financial year ended 30 June 2017.

Financial highlights for the year ending 30 June 2017 include:

- Medical revenue for the year ending 30 June 2017, was \$4.8 million, an increase of 17% on the previous corresponding period (pcp).
- Oncology revenue was \$3.9 million, an increase of 22% pcp.
- The company reported a net loss of \$27.6 million, compared to a net loss of \$26.0 million the previous year, reflecting the company's increased investment in the development of SOZO™ and the commercial launch of L-Dex®.
- Cash balance at 30 June 2017 was \$54.9 million.

Operational highlights for the financial year and through the reporting date included:

- Announced the issuance by the US Food and Drug Administration (FDA) of a 510(k) clearance to market SOZO™ to aid in the clinical assessment of unilateral lymphoedema in the United States on 14 August 2017, after the submission of the application on 17 July 2017;
- Heart failure 510(k) application submitted for SOZO™ to FDA;
- Announced first patient enrollment in SOZO™ Chronic Heart Failure (CHF) Trial at Scripps Health;
- CHF trial to commence with the Mayo Clinic, Lancaster General and Atlantic Health;
- CE Mark obtained for SOZO™ for multiple indications, including fluid status monitoring for heart failure patients and L-Dex® for lymphedema monitoring;
- Commenced commercial sales of SOZO™;
- L-Dex® recommended in American Physical Therapy Association Guidelines;
- Trained 38 new, L-Dex® accounts in the first two quarters of the second year since initial US commercial launch, taking total accounts trained to 110;
- 1,017 of 1,100 patients enrolled to date in PREVENT, the randomised lymphoedema (LE) post-approval clinical trial, with Principal Investigator expecting interim results in CY2017;
- Commencement of Macquarie University SOZO™ trial to determine the best practices for at-home lymphoedema monitoring;
- Announced data from a new independent 596 patient, 6-year L-Dex® study showing substantial reduction in clinical lymphoedema through prospective monitoring and intervention with L-Dex®;
- Commencement of Vanderbilt University School of Nursing at-home study for lymphoedema;

- Ms Judith Downes, Mr Don Williams and Mr Amit Patel appointed to the Board of Directors;
- Added Columbia University Medical Center to the LE post-approval clinical trial;
- Entered into a three-year joint development agreement with the Mayo Clinic
- The Centers for Medicare and Medicaid Services (CMS) published the proposed outpatient payment rates for calendar year 2017, which includes an increased payment rate for code 93702 when billed by a hospital outpatient facility to \$US 127.42, an increase of 13.1%;
- Large scale 5-year independent study on efficacy of L-Dex® in routine clinical practice published, which demonstrates the significantly positive impact L-Dex® can have on patients at-risk for breast cancer related lymphoedema; and
- Established European CHF Medical Advisory Board to advise the company on clinical utility for the use of BIS in chronic heart failure patients.

“I’m very proud of the team’s achievements during the year as we have continued to execute on all aspects of our strategy, including building a top-tier customer base for L-Dex, achieving regulatory approvals and clearances for SOZO and expanding the clinical body of evidence that will assist in driving private payor coverage and broader market adoption. Our heart failure program is also advancing well as we have obtained CE Mark enabling us to commence sales in Australia and Europe, and most recently submitted our heart failure 510(k) application for SOZO to the FDA, where we expect to be able to commence sales upon receiving clearance,” said Richard Carreon, Managing Director and CEO of ImpediMed.

Richard Carreon
Managing Director & CEO

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About ImpediMed

Founded and headquartered in Brisbane, Australia with U.S. offices in Carlsbad, Calif. and Bloomington, Minn., and a European office in Thessaloniki, Greece, ImpediMed is the world leader in the design and manufacture of medical devices employing bioimpedance spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of tissue composition and fluid status.

ImpediMed was the first company to receive FDA clearance in the U.S. to aid healthcare professionals to clinically assess unilateral lymphoedema of the arm and leg in women and the leg in men, for its L-Dex® device. In addition, ImpediMed produces a family of FDA cleared and CE Marked medical devices, including SOZO™, sold in select markets globally.

For more information, visit www.impedimed.com.

ImpediMed Limited - Appendix 4E
ABN 65 089 705 144
Preliminary final report

1 Current Financial Period Ended: 30 June 2017
Previous Corresponding Reporting Period: 30 June 2016

The information contained in this document should be read in conjunction with the ImpediMed Limited Annual Financial Report for the year ended 30 June 2017 ("2017 Financial Report") and any public announcements made by ImpediMed Limited and its controlled entities during the year in accordance with continuous disclosure obligations arising under the ASX Listing Rules.

2 Results for announcement to the market

	Current reporting period \$000	Previous corresponding period \$000
2.1 Revenue from ordinary activities	\$ 6,133	\$ 5,947
Increase (decrease) in revenue (\$000):		\$ 186
Percentage increase (decrease):		3%
Note : Revenue related to goods and services for the year ended 30 June 2017 was \$5.8 million (2016 \$5.8 million), which was consistent with revenue from the prior period. The change by operating segment was an increase of \$0.7 million in medical, and a decrease \$0.7 million in test & measurement. The \$0.7 million increase in the medical segment was due to an increase in total lymphoedema product revenue of \$0.7 million, or 22% year over year.		
2.2 Profit/(loss) from ordinary activities after tax attributable to members	(27,571)	(25,980)
Increase/(decrease) in profit from ordinary activities after tax attributable to members (\$000):		\$ (1,591)
Percentage increase/(decrease):		-6%
Note : Refer to the Directors' Report for a more extensive analysis; however, in summary, in addition to the increase in revenue from ordinary activities above:		
- salaries and benefits expense increased by \$2.3 million		
- research and development expenses increased by \$1.3 million		
- administrative and governance decrease of \$1.4 million		
- consultants and professional fees decreased by \$0.3 million		
2.3 Net profit/(loss) for the period attributable to members	(27,571)	(25,980)
Increase/(decrease) in net profit for the period attributable to members (\$000):		\$ (1,591)
Percentage increase/(decrease):		-6%
Note: Refer to 2.2 above and to the Directors' Report in the 2016 Financial Report.		

3 Dividends

3.1 Dividends **Nil**

There were no dividends declared and paid during the reporting period on ordinary shares.
There were no dividends proposed and not yet recognised as a liability during the reporting period.

3.2 Dividend Record Date **Not applicable**

4 Financial Statements		
4.1 Statement of comprehensive income Refer to the Consolidated Statement of Comprehensive Income in the 2017 Financial Report.		
4.2 Statement of financial position Refer to the Consolidated Balance Sheet in the 2017 Financial Report.		
4.3 Statement of cash flows Refer to the Consolidated Cash Flow Statement in the 2017 Financial Report.		
4.4 Statement of retained earnings Refer to the Consolidated Statement of Changes in Equity in the 2017 Financial Report for movements in retained earnings.		
5 Net tangible assets per security		
	Current reporting period	Previous corresponding period
5.1 Net tangible assets (\$000)	56,385	82,777
Issued share capital at reporting date (\$000)	219,493	218,807
	Current reporting period	Previous corresponding period
Number of shares on issue at reporting date	375,526,036	373,584,471
Net tangible assets per security	\$ 0.15	\$ 0.22
6 Earnings per security		
	Current reporting period	Previous corresponding period
6.1 Weighted average number of ordinary shares (excluding reserved shares) for basic earnings per share (EPS)	374,699,571	319,882,595
Loss per share from continued operations		
Basic EPS	\$ (0.07)	\$ (0.08)
Loss per share from profit attributable to ordinary shares		
Basic EPS	\$ (0.07)	\$ (0.08)
Diluted earnings per share has been determined to be the same as basic earnings per share as the actual calculation is anti-dilutive for both periods presented.		
Refer to Note 1 - Earnings per share in the Annual Financial Report for the year ended 30 June 2017 for additional information pertaining to EPS for the current reporting period.		
7 Acquisitions and divestments There were no entities over which control has been gained or lost during the reporting period.		
8 Foreign entities Not applicable.		
9 Associates and joint ventures Not applicable.		
10 Commentary on results for the financial year Refer to the Annual Financial Report for the year ended 30 June 2017.		
11 Results of segments Refer to Note 3 - Segment reporting in the Annual Financial Report for the year ended 30 June 2017 for additional information pertaining to segment results for the current reporting period.		
12 Audited Report The report is based on audited accounts which are not subject to dispute, modification, or qualification.		