



ASX : IPD

29th August 2008

ASX ANNOUNCEMENT - FINANCIAL RESULTS YEAR ENDED 30 JUNE 2008

ImpediMed Limited today releases its Financial Report and Appendix 4E results announcement for the period ended 30th June 2008.

The results are in line with directors expectations. The business continues its track record of meeting or exceeding milestones set in the company's prospectus for its IPO last year.

Chairman Mel Bridges said "I believe shareholders can be pleased with the way the plan outlined in the company's September 2007 prospectus has been executed. The progress made against the planned milestones stands the business ready for success in its market place in fiscal 2009."

Chief Executive Officer, Greg Brown said "The business has achieved important strategic breakthroughs in fiscal year 2008, and we have put in place a number of key building blocks to support our aggressive marketing strategy for fiscal 2009.

Key Highlights:

- 1) The completion of the acquisition of Xitron Technologies, Inc in San Diego on 1st October 2007.
- 2) The move to a new facility in San Diego on 30th March 2008, which is serving as an operations and logistics hub for the US market, and which has the capacity to support strong growth for at least 5 years
- 3) The lodgment in March 2008 with the US FDA of the company's 510K submission for clearance of its new U400 device targeted at breast surgeons for use in the clinical assessment of lymphoedema in breast cancer patients. The clearance for which is expected by October 2008.
- 4) The release of key papers covered in press releases in recent months which demonstrate two key things:
 - a. That the preoperative assessment of breast cancer patients for subclinical lymphoedema enables clinicians to establish a baseline, which serves to enable the early diagnosis and successful treatment of this debilitating condition. (Journal of Cancer paper, and from the NIH and National Naval Medical Center in the US)
 - b. ImpediMed's technology, bioimpedance spectroscopy (BIS), to be the most direct, accurate and reliable method for assessment and diagnosis of secondary Lymphoedema. (April 2008 Lymphology Journal publication and July 2008 Journal of Clinical Oncology)

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- 5) The completion and launch of the U400 product, for the US and European markets, which the company expects to be the # 1 selling product for fiscal 2009..”

“Fiscal 2009 will be an important year for ImpediMed, and the work done through fiscal 2008 positions the company well”, said Mr Brown.

He went on to say, “As we roll into fiscal 2009, ImpediMed is set to launch a new program with customers in the US which we have been trialing through fiscal 2008, and which will now be built around the new U400 device. Customers (initially breast surgeons and oncologists) will sign up under three year operating agreements that will be the start of a long term relationship. These agreements work for the clinician as they align their outgoings to use the instrument with their revenues from billing. For ImpediMed it creates a long term customer relationship, building revenues, and a sustainable business model.

Key aspects of the results released today included the following:

- Sales Revenue from products and services increased to \$2,341,483 from \$1,213,596, a 93% increase
- Medical business sales revenues increased to \$1,448,581 from \$1,185,282 with 437 devices sold or placed under operating agreements versus 362 for fiscal 2007.
- Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) for fiscal 2008 was negative \$7,639,407 versus negative \$6,628,407 for fiscal 2007, which reflected increased overheads invested in developing the US market, the fruit of which the company expects to see in Fiscal year 2009 and beyond.

At date of signing, the cash on hand is around \$11 Million, following the raising of \$4.2 Million in July 2008. These funds will support the launch of the U400 in the US market, and provide the company with greater than twelve months operating capital.

Mel Bridges
Chairman

Greg Brown
CEO

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About ImpediMed Limited:

ImpediMed Limited develops and globally markets medical device systems for use in non-invasive screening and monitoring of human disorders and diseases.

ImpediMed's primary product range consists of a number of medical devices that enable the early detection and monitoring of secondary lymphoedema in cancer survivors before the onset of symptoms that are detectable using the most commonly used clinical technique.

ImpediMed has the only medical device with an FDA clearance in the United States for the clinical assessment by Health Care Providers of secondary lymphoedema in the arm.

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