



30 January 2013

## ASX RELEASE

### ASX ANNOUNCEMENT – APPENDIX 4C – QUARTER ENDED 31 DECEMBER 2013

Brisbane, Australia - **ImpediMed Limited (ASX:IPD)** (the Company) is pleased to provide its Appendix 4C quarterly cash flow report (unaudited) for the quarter ended 31 December 2013.

ImpediMed CEO, Mr. Richard Carreon said, “We are pleased to announce that our U.S. lymphoedema business grew 54% versus Q2 of last year and that our cash burn for the quarter was down 42% versus Q1 of this year dropping from \$2.98 million to \$1.74 million. As we bring the Company’s expenses down, we are mindful of protecting our core business needs.”

Our overall revenue was down 15% in Q2 versus Q2 of last year and down 7% year-to-date. The fall-off in revenue was principally driven by our non-core businesses.

The lymphoedema business continues to be our main focus. While the U.S. experienced strong growth quarter over quarter, the Australian and International businesses were down 37% versus Q2 of last year and 11% year-to-date. In the U.S., several of the initiatives the Company launched earlier in the year are starting to gain traction. We have begun to see growth across our targeted healthcare customer segments. In Australia, the Company will be shifting our business from a capital equipment model to a consumable business focused on clinician adoption. ImpediMed believes this new direction for Australia will begin to payoff in the second half of this financial year.

Mr. Carreon added, “Management continues to vigorously scrutinise our expenses to reduce the cash burn. Although we are very pleased with how far we have come in the past two quarters; we see additional opportunities for further reductions in the coming quarters.

Key highlight from the quarter:

- On 29 October the Australasian Lymphology Association (ALA) issued a new Position Statement, “Monitoring for the Early Detection of Breast Cancer Related Lymphoedema”. This position statement represents additional clinical guidelines in support of pre-emptive care models for patients at risk of lymphoedema. The ALA’s Position Statement is relevant to the Company and our shareholders due to their independent recognition of L-Dex® U400 device reading utilising bioimpedance spectroscopy (BIS) and its role in aiding in the clinical assessment of unilateral lymphoedema of the arm in female breast cancer patients.

#### Cash Flow Report Commentary

Cash on hand as of 31 December 2012 was \$9.65 million as compared with \$11.39 million at 30 September 2012 and \$14.51 million at 30 June 2012. Receipts from customers for the quarter ending 31 December 2012 are up by 15% at \$0.73 million compared to the corresponding quarter ending 31 December 2011 and lower by 13% when compared to the most recent

quarter ending 30 September 2012 of \$0.84 million. Receipts from customers for the half-year ended 31 December 2012 were up 6% compared to the prior half-year.

Net operating cash flows for the quarter was down considerably at \$1.74 million or 42% compared to \$2.98 million and \$2.99 million cash used in the previous quarters ended 30 September 2012, and 30 June 2012 respectively. The decrease in net operating cash flows used from the previous quarters and over the prior half-year, results from a reduction in all areas of expenditure.

**Richard Carreon**  
**CEO**

## **ENDS**

**For further information contact:**

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L-Dex<sup>®</sup> is a trademark of ImpediMed Limited.

The L-Dex scale is a tool to assist in the clinical assessment of unilateral lymphoedema of arm and leg in women and the leg in men by a medical provider. The L-Dex scale is not intended to diagnose or predict lymphoedema of an extremity.

### **About ImpediMed**

ImpediMed Limited is the world leader in the development and distribution of medical devices employing Bioimpedance Spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of fluid status. ImpediMed's primary product range consists of a number of medical devices that aid surgeons, oncologists, therapists and radiation oncologists in the clinical assessment of patients for the potential onset of secondary lymphoedema. Pre-operative clinical assessment in cancer survivors, before the onset of symptoms, may prevent the condition from becoming a lifelong management issue and thus improve the quality of life of the cancer survivor. ImpediMed has the first medical device with an FDA clearance in the United States to aid health care professionals, clinically assess secondary unilateral lymphoedema of the arm and leg in women and the leg in men.

For more information, visit: [www.impedimed.com.au](http://www.impedimed.com.au)

## Appendix 4C

### Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

ImpediMed Limited

ABN

65 089 705 144

Quarter ended ("current quarter")

31 December 2012

#### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter	Year to date (six months)
		\$A'000	\$A'000
1.1	Receipts from customers	731	1,573
1.2	Payments for (a) staff costs	(1,190)	(2,589)
	(b) advertising and marketing	(65)	(307)
	(c) research and development	(242)	(660)
	(d) leased assets	(4)	(11)
	(e) other working capital	(1,030)	(2,872)
1.3	Dividends received	0	0
1.4	Interest and other items of a similar nature received	59	137
1.5	Interest and other costs of finance paid	0	0
1.6	Income taxes paid	0	0
1.7	Other (provide details if material)	1	11
	<b>Net operating cash flows</b>	<b>(1,740)</b>	<b>(4,718)</b>

+ See chapter 19 for defined terms.

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**admitted on the basis of commitments**

		Current quarter	Year to date (six months)
		\$A'000	\$A'000
1.8	Net operating cash flows (carried forward)	(1,740)	(4,718)
<b>Cash flows related to investing activities</b>			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	(5)	(5)
	(e) other non-current assets	0	0
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	1	2
	(e) other non-current assets	0	0
1.11	Loans to other entities	0	0
1.12	Loans repaid by other entities	0	0
1.13	Other (provide details if material)	0	0
	<b>Net investing cash flows</b>	<b>(4)</b>	<b>(3)</b>
1.14	<b>Total operating and investing cash flows</b>	<b>(1,744)</b>	<b>(4,721)</b>
<b>Cash flows related to financing activities</b>			
1.15	Proceeds from issues of shares, options, etc.	0	(1)
1.16	Release of restricted cash	0	72
1.17	Proceeds from borrowings	0	0
1.18	Repayment of borrowings	0	0
1.19	Dividends paid	0	0
1.20	Other (provide details if material)	0	0
	<b>Net financing cash flows</b>	<b>0</b>	<b>71</b>
	<b>Net increase (decrease) in cash held</b>	<b>(1,744)</b>	<b>(4,650)</b>
1.21	Cash at beginning of quarter/year to date	11,394	14,514
1.22	Exchange rate adjustments to item 1.20	(1)	(215)
1.23	<b>Cash at end of quarter</b>	<b>9,649</b>	<b>9,649</b>

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**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	151
1.25	Aggregate amount of loans to the parties included in item 1.11	0
1.26	<p>Explanation necessary for an understanding of the transactions</p> <p>Item 1.7: Year- to- date amount includes receipt of royalty payments.</p> <p>Item 1.24: Payments to directors consist of Directors' salaries and the Directors' fees for the quarter including superannuation. This excludes any amounts that were unpaid as at the end of the quarter.</p>	

**Non-cash financing and investing activities**

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	N/A
2.2	Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest	N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	---	---
3.2	Credit standby arrangements	---	---

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**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	5,128	6,859
4.2 Deposits at call	4,521	4,535
4.3 Bank overdraft	0	0
4.4 Other (provide details)	0	0
<b>Total: cash at end of quarter (item 1.23)</b>	<b>9,649</b>	<b>11,394</b>

**Acquisitions and disposals of business entities**

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date:

30 January 2013



Print name: Peggy J. Brooker  
Chief Operating Officer and Chief Financial Officer

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## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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