

Company announcement

Pro Medicus Limited full-year results

Friday 22 August 2014

HIGHLIGHTS

- **\$2.23 million profit turnaround from underlying operations**
- **Revenue of \$14.45 million – up 27.1%**
- **Significant improvement in US operations and an increase in Australian sales**
- **Cash balance at 20 June \$15.26 million**
- **Company remains debt-free**
- **1c per share (fully franked) final dividend making total for year of 2c per share (fully franked)**

Leading e-health company Pro Medicus Limited [ASX: PME] today announced its full-year results for the year to 30 June 2014.

Profit from underlying operations was \$1.58 million, compared to a loss of \$0.65 million for the corresponding period last year. Annual revenue was \$14.45 million, up 27.1%. At year end, the company's cash reserves were in excess of \$15 million. Directors declared a final dividend of 1c a share, making a total for the year of 2c a share, fully franked.

CEO Dr Sam Hupert said the key driver of the profit increase was the significant improvement in the performance of Pro Medicus' US operations supplemented by an increase in Australian sales and pointed to three key announcements which underline the strength, and increasing acceptance by key players in the market, of the company's imaging technology.

- **21 October 2013** Pro Medicus's wholly-owned subsidiary, Visage Imaging Inc, signed a five-year US\$4million agreement with VISN23, a large regional Veterans Affairs network in the United States of America.
- **21 November 2013** Pro Medicus' Visage 7 imaging technology was successfully implemented as part of RG2, vRad's next-generation radiology operational management solution.
- **22 April 2014** Pro Medicus announced the signing of a contract with a large US health network to use Pro Medicus' Visage 7 technology as a core component of its new enterprise imaging platform for primary diagnosis by radiologists, and distribution of diagnostic images to their referring physicians. The six year operational, transaction based, contract has a minimum value of \$A20 million to Pro Medicus, with potential for further upside.

Revenue from Pro Medicus' North American operations increased by 85.1%, largely attributable to new sales and an increase in transaction-based revenue from sales of Visage technology. Notably, the results do not include revenue from the key sale in April 2014 to the large US health network. The benefits of this deal will begin to flow through in the current year's results and beyond.

Dr Hupert said, "Operationally, the result represents a \$2.23 million turnaround for us. We believe there will be further upside FY15 as a result of contracts we have already won in the US coming on stream, as well as any further opportunities that crystallise in both US and Australian markets."

He added, "Having won these recent US deals has definitely put us on the map and has helped generate a growing list of opportunities as health networks, hospital groups and imaging centers increase their understanding of how our technology can improve both primary diagnoses by radiologists, as well as electronic storage and distribution of diagnostic images."

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About Pro Medicus Limited:

Pro Medicus Limited [ASX: PME] is Australia's leading medical IT and e-health provider. Founded in 1983, the company provides a full range of integrated software products and services to individual, corporate and public health providers. More than 26,000 doctors are now connected to the company's e-health service, promedicus.net. A key growth area for the company is the adoption of its digital technology by radiology providers as they move away from analogue systems. An increasing number of Australian practices are taking up Pro Medicus' digital technology and the company is now also making substantial inroads into the North American market. In late 2004, the company signed a watershed three-year \$10 million deal with Agfa North America to exclusively license the Pro Medicus Practice Management and digital radiology software products for the large and rapidly growing private imaging centre market in the US and Canada. It subsequently announced a \$2.6 million contract with a large Canadian radiology group which was completed in 2005. In 2007 and 2008 Pro Medicus achieved the predicted growth in the take up of its digital integration in the Australian private market, steady growth in its e-health offering, as well as recording ongoing growth in its export sales. In late January 2009 the company announced the purchase of Visage Imaging, a leader in advanced 3D visualization technology. As a result of the Visage acquisition, the company now has a suite of leading edge 3-D PACS and advanced visualisation products that combined with its Practice Management (RIS) and e-health solutions constitutes one of the most comprehensive "end to end" solutions for the radiology profession. Pro Medicus now employs 70 people and has offices in Melbourne, Berlin and San Diego.

www.promedicus.com.au