



2015 FY Update and Revised Guidance

Azure Healthcare Limited (the Company) wishes to update the market on recent financial developments including its expected profit result for the 12 months to 30 June 2015.

Operating Performance and 2015 Financial Year Guidance

Over the last financial year the Company has continued to invest significantly in its operations, including accelerating product research and development, to further enhance its world-leading technologies in healthcare communication and clinical workflow management solutions.

This investment has been undertaken in conjunction with solid revenue growth over the year, which reflects the Company winning a number of substantial hospital and healthcare facility contracts in Australia and overseas.

As a result of accelerated and additional \$2.1 million expenditure on research, development and technical product support; \$0.9 million in duplicated factory and setup costs, which the Company has prudently opted to expense rather than capitalise, Azure Healthcare anticipates a Net Profit After Tax for the 12 months ended 30 June 2015 in the range of \$0.8 to \$1.0 million compared to its NPAT of \$3.87 million for the previous corresponding period. This result is subject to the completion of audit activities that are expected to be completed by 31 August 2015.

Highlights for year ending 30 June 2015:

- Revenue from ordinary activities up approximately 12% to \$35 million;
- Research and development investment has been fully expensed and paid for out of operating cash flow;
- During the period the Company has increased staffing and research and development investment expenditure to \$4.7 million compared to \$2.6 million for the previous corresponding period to resource itself for future anticipated growth; In particular the Company increased investment in research, development and expanded production in the United States, with the business expected to transition to the US over the next 12 -18 months;
- This expansion has necessarily caused some duplication in manufacturing facilities at the present time, and it is expected duplicated factory costs and increased research and development expenditure will occur over the next 12-18 months until the business transition is complete. The Board is fully committed to increased research and development for the Company's 4th generation software products, which will provide increased product integrations, critical information dashboards and workflow solutions translating into higher future software and recurring revenues. The Board's view is that this will position the Company at the forefront of technology once completed.

Outlook

Azure Healthcare's Executive Chairman, Robert Grey, said:

"The anticipated 2015 result represents a transition period for the Company, with continued revenue growth for Azure following further significant project wins in Australia, the United States and other key markets.

"Azure is continuing to make good progress across its operations, and we expect this will translate into higher returns for shareholders over time.

"In order to position the business for further strong growth over time, the Company accelerated and increased its investment on research & development as well as expanding our Dallas, Texas, manufacturing facility. The US is a huge market for Azure, and pleasingly the Company is continuing to increase its product footprint as more and more healthcare facilities recognise our world-leading capabilities in clinical workflow software and healthcare solutions.

"Our increased investment resulted in higher operating expenses over the period, leading to an overall reduction in group earnings from the previous corresponding period. However the Azure Board remains committed to the Company's long-term global growth strategy, including transitioning manufacturing and research and development to the largest healthcare market.

"The Azure Group now has its products installed in more than 8,500 sites globally. This footprint of installed nurse call systems is one of the largest in the world and enables us to leverage off our existing relationships and create further opportunities emerging from the rapid increase in clinical workflow requirements in the healthcare sector.

"The opportunities to integrate our systems and technologies include Patient Electronic Records, Real-Time Patient Telemetry, Admissions, Discharge and Transfer software, Real Time Location Services, Patient Flow, Touch Tablets, Smart and Wireless telephony."

About Azure Healthcare Limited (ASX:AZV)

Azure Healthcare Limited is an international provider of healthcare communication and clinical workflow management solutions. The company is headquartered in Australia, has subsidiaries in six countries and supports more than 8,500 healthcare facilities through our global reseller network which includes growing markets in health, aged care and remand care. Azure Healthcare services markets including Australia, New Zealand, Canada, UK, USA, Asia and the Middle East. For further information please refer to the Company's website www.azurehealthcare.com.au

For further information please contact:

Mr Robert Grey
Chairman & Chief Executive Officer
Telephone: +614 1135 1938
Email: robert.grey@azurehealthcare.com.au

Mr Jason D'Arcy
Company Secretary
Telephone: +614 1767 7732
Email: jason.darcy@azurehealthcare.com.au