

COMPUMEDICS LIMITED

(ACN 006 854 897)

ASX Half-year information 31 December 2015

Lodged with the ASX under Listing Rule 4.2A.3

This information should be read in conjunction with the 30 June 2015 Annual Report.

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Compumedics Limited
Half-year ended 31 December 2015

(Previous corresponding period:
Half-year ended 31 December 2014)

Results for Announcement to the Market

				\$'000
Revenue from continuing operations (Appendix 4D item 2.1)		Up 11% or \$1,724k	to	17,358
Profit before interest and tax (A\$'000)		Up 31% or \$386k	to	1,649
Profit after tax attributable to members (Appendix 4D item 2.2)		Up 106% or \$959k	to	1,863
Net Profit for the period attributable to members (Appendix 4D item 2.3)		Up 106% or \$959k	to	1,863

Dividends/distributions (Appendix 4D item 2.4)	Amount per security	Franked amount per security
Final dividend (prior year)	n/a	n/a

Record date for determining entitlements to the
dividend
(Appendix 4D item 2.5)

n/a

No interim dividend has been declared

Explanation of Revenue (Appendix 4D item 2.6)

The Company generated \$17.4m in revenues from the sale of goods and services, which was 11% higher than the prior corresponding half-year period (pcp). At 31 December 2015, the Company was holding \$5.0m in sales orders to ship, down from \$5.5m at 30 June 2015.

Revenues shipped and invoiced for the six-month period to 31 December 2015 were higher than the pcp due to the following factors:

- 1 The Company achieved overall sales-order growth of 23% over the pcp, or 6.0% adjusted for foreign exchange (FX) movements. Importantly sales-order growth of 19%, after FX movements was achieved in the US sleep and neurology diagnostics business. Australia grew 10% over the pcp, whilst Asia (including China) was consistent with the pcp.

Latin America and Europe grew 38% and 118% respectively over the pcg.

Explanation of Profit after tax (*Appendix 4D item 2.6*)

Profit after tax for the half-year to 31 December 2015 was \$1.9m compared to \$0.9m for the prior corresponding half-year.

The ongoing improvement in the profitability of the Company over the pcg was a result of growth in sales and shipments, the favourable movement in the Australian Dollar compared to both the US Dollar and the Euro and the booking of a net deferred tax asset of \$0.5m.

Gross Margins were temporarily adversely impacted by additional costs incurred in the six months to December 31 related to the movement of some manufacturing activities out of Asia to a 3rd party manufacturer in Melbourne. These processes are now largely bedded down and the efficiency gains targeted should be delivered in the second half of FY2016 and continue into FY2017.

The Company remains committed to its strategic growth plans, whilst at the same time improving productivity and efficiency throughout the business in order to continue to generate consistent and growing profits.

Explanation of Dividends (*Appendix 4D item 2.6*)

No dividends were declared or paid in the period.

Net Tangible Asset (NTA) Backing (*Appendix 4D item 3*)

	2015	2014
Net tangible asset backing per ordinary share	6.2 cents	4.6 cents

Net tangible assets of \$10.342m divided by issued ordinary shares of 168.135m = 6.2 cents per share

Compumedics Limited

Half-year report – 31 December 2015

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Compumedics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

Directors' Report

Interim Report – 31 December 2015

Your directors present their report on the consolidated entity consisting of Compumedics Limited and the entities it controlled at the end of and during the half-year ended 31 December 2015.

Directors

The following persons were directors of Compumedics Limited during the whole of the half-year and up to the date of this report, unless otherwise stated.

Dr. D. Burton
Mr. A. Anderson
Mr. D. Lawson

Review of Operations

A summary of consolidated revenues and results for the half-year is set out below:

	6 months ended Dec 2015	6 months ended Dec 2014
Revenues from continuing operations (A\$'000)	17,358	15,634
Profit before interest, and tax (A\$'000)	1,649	1,263
Profit for the half-year (A\$'000)	1,863	904
Basic earnings per share (cents)	1.1	0.5
Diluted earnings per share (cents)	1.1	0.5

Business / Product Group Performance

Group net profit after tax for the half-year to 31 December 2015 was \$1.9m compared to \$0.9m in the prior corresponding half-year. The result reflects greater sales-orders and shipments, ongoing efficiency gains and the depreciation of the Australian dollar against the US dollar and the Euro. The Group also booked a net deferred tax asset of \$0.5m at 31 December 2015. The Group carried \$5.0m of sales orders on-hand into the second half of the year and expects to continue to reduce the sales orders on-hand in second half of the financial year.

The Group continues to focus on the identified growth opportunities and will pursue these in conjunction with productivity gains and cost reductions in order to continue to grow the earnings of the Group.

The Group continued to improve its financial metrics over the half-year to 31 December 2015 including:

- EBITDA for the half year to 31 December 2015 was \$2.4m compared to \$1.9m in the prior corresponding period.
- Operating cash flows were negative \$(0.4)m for the half-year to 31 December 2015, compared to \$0.4m in the half-year to 31 December 2014. The operating cash flow reflects the Group's lower accounts payable profile at 31 December 2015, as well as the timing of some large receivable balances expected prior to Dec 31, but not received until the first months of calendar 2016.
- Borrowings, at 31 December 2015, of \$1.9 million were broadly consistent with the previous half when compared to the \$2.0m of borrowings at 30th June 2015.
- Cash on hand at 31 December 2015 was \$1.7m, which was lower than the balance at 30th June 2015 at \$2.2m, reflecting the fact some larger accounts receivable balances expected by 31 December 2015, were not received until the first months of calendar 2016 and the reduction in accounts payable.

Explanation of non-IFRS measures of performance

	31 Dec 2015	31 Dec 2014
	\$'000	\$'000
Profit after tax	1,863	904
Tax expense / (benefit)	(477)	12
Interest expense	263	347
Earnings before interest and tax (EBIT)	1,649	1,263
Depreciation	113	138
Amortisation	596	538
Earnings before interest, tax, depreciation and amortisation (EBITDA)	2,358	1,939

The Group's financial results are reported under International Financial Reporting Standards (IFRS). This market release also contains non-IFRS measures including EBITDA, EBIT and constant currency. These measures are presented to enable an understanding of the performance of the business before funding, taxation and the treatment of assets is taken into consideration and to review the performance of the business excluding foreign currency movements. The table above explains how EBITDA and EBIT have been calculated.

Events subsequent to reporting date

There are no matters subsequent to half-year end that would materially impact the financial information provided.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 8.

Rounding of amounts

The Company is of a kind referred to in Class Order 98/100 issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off to the nearest thousand dollars in accordance with that Class Order.

This report is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'D. Burton', with a stylized, flowing script.

D. Burton
Executive Chairman

Melbourne
24 February 2016



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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF COMPUMEDICS LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2015 there have been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

Hayes Knight Audit
Hayes Knight Audit Pty Ltd
Melbourne


Geoff S. Parker
Director

Dated this 24 day of FEBRUARY 2016

Compumedics Limited
Consolidated statement of profit or loss and other
comprehensive income
for the half-year ended 31 December 2015

	Notes	Half-year 2015 \$'000	Half-year 2014 \$'000
Sale of goods		15,778	14,347
Rendering of services		1,580	1,287
Revenue		17,358	15,634
Cost of sales		(7,755)	(6,712)
Gross profit		9,603	8,922
Other revenue		352	627
Administration		(2,699)	(2,246)
Sales & Marketing		(2,880)	(3,132)
Research & Development		(2,815)	(3,102)
Unrealised foreign exchange gain / (loss)		88	194
Finance costs		(263)	(347)
Profit before income tax		1,386	916
Income tax revenue/(expense)		477	(12)
Profit after income tax		1,863	904
Net profit for the period		1,863	904
Other comprehensive income			
Items that may be subsequently reclassified to Profit or Loss when specific conditions are met:			
Foreign currency translation		38	264
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,901	1,168

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of profit or loss and
comprehensive income
for the half-year ended 31 December 2015

	Notes	Half-year 2015 \$'000	Half-year 2014 \$'000
Earnings per share for profit attributable to the ordinary equity holders of the parent:		Cents	Cents
Basic earnings per share		1.1	0.5
Diluted earnings per share		1.1	0.5

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Compumedics Limited
Consolidated statement of financial position
as at 31 December 2015

	Notes	31 Dec 2015 \$'000	30 June 2015 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	4	1,665	2,230
Trade and other receivables		10,077	10,259
Inventories		6,814	5,719
Total current assets		18,556	18,208
Non-current assets			
Deferred tax asset		490	-
Property, plant and equipment		821	797
Intangible assets	3	2,437	2670
Total non-current assets		3,748	3,467
Total assets		22,304	21,675
LIABILITIES			
Current Liabilities			
Trade and other payables		2,670	4,172
Interest bearing liabilities	4	1,919	2,002
Provisions		2,488	2,585
Deferred revenues		1,546	1,388
Income tax payable		62	60
Total current liabilities		8,685	10,207
Non-current liabilities			
Interest bearing liabilities	4	-	-
Provisions		15	11
Deferred revenues		335	189
Total non-current liabilities		350	200
Total liabilities		9,035	10,407
Net assets		13,269	11,268
EQUITY			
Contributed equity		31,369	31,269
Reserves		(521)	(559)
Retained earnings / (losses)		(17,579)	(19,442)
Total equity		13,269	11,268

The above statement of financial position should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of changes
in equity for the half-year
ended 31 December 2015

	Contributed equity \$,000	Reserves \$,000	Retained earnings/ (losses) \$,000	Total \$'000
Balance at 1 July 2014	31,269	(695)	(21,412)	9,162
Profit for the period	-	-	904	904
Other comprehensive income / (loss)	-	264	-	264
Total comprehensive income / (loss) for the half year	-	264	904	1,168
Transactions with owners in their capacity as owners:	-	-	-	-
Balance at 31 December 2014	31,269	(431)	(20,508)	10,330
Balance at 1 July 2015	31,269	(559)	(19,442)	11,268
Profit for the period	-	-	1,863	1,863
Other comprehensive income / (loss)	-	38	-	38
Total comprehensive income / (loss) for the half year	-	38	1,863	1,901
Transactions with owners in their capacity as owners:				
Shares issued during the period	100	-	-	100
Balance at 31 December 2015	31,369	(521)	(17,579)	13,269

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Compumedics Limited
Consolidated statement of cash flows
for the half-year ended 31 December 2015

	Notes	Half-year 2015 \$'000	Half-year 2014 \$'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		18,149	14,881
Payments to suppliers and employees (inclusive of goods and services tax)		(18,593)	(14,743)
Receipts from other income		352	627
Income tax paid		(11)	(12)
Interest paid		(263)	(345)
Net cash (outflow) from operating activities		(366)	407
Cash flows from investing activities			
Purchase of property, plant and equipment		(136)	(315)
Purchase of intangible assets		(364)	(66)
Net cash (outflow) from investing activities		(500)	(381)
Cash flows from financing activities			
Contributed equity		100	-
Repayments of finance leases		(11)	(6)
Proceeds from borrowings		1,560	469
Repayment of borrowings		(1,513)	(282)
Net cash (outflow) from financing activities		136	181
Net increase/(decrease) in cash held		(730)	207
Cash and cash equivalents at the beginning of the period		1,350	(319)
Net foreign exchange differences		102	123
Cash and cash equivalents at the end of the period	4	721	11

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Compumedics Limited
Notes to the financial statements
for the half-year ended 31 December 2015

1 Basis of preparation and accounting policies

(a) Basis of preparation

The general purpose condensed financial report for the half-year ended 31 December 2015 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This half-year financial report does not include all the notes of the type normally included within the annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2015 and any public announcements made by Compumedics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and Australian Stock Exchange Listing Rules.

The accounting policies adopted for the interim condensed consolidated financial statements are consistent with those followed for the preparation of the Group's annual financial statements for the year ended 30 June 2015, and other standards issued as of 1 July 2015 do not have a significant impact on the consolidated financial statements of Compumedics Limited.

The Group has not elected to early adopt any other new standards, amendments or interpretations that are issued but not yet effective.

(b) Going Concern assumption

During the half-year ended 31 December 2015, the Group generated a profit after tax of \$1.9m and negative cash flows from operations of \$0.4m. In the corresponding prior half-year the Group generated a profit after tax of \$0.9m and cash flows from operations of \$0.4m.

The Group had a net debt position of \$0.2m at 31 December 2015 (cash at \$1.7m and debt at \$1.9m). The net cash position at June 2015 was \$0.2m (cash at \$2.2m and bank debts at \$2.0m).

The Group was holding orders on-hand at 31 December 2015 of \$5.0m lower than the \$5.5m of orders on-hand at 30th June 2015.

The Group refinanced its working capital requirements with the Bank of Melbourne prior to 31 December 2015. This has expanded overall facilities by \$1.0m to \$4.5m and should see a material reduction in financing costs over the remainder of FY2016.

As such, the Directors have prepared the financial statements on a going-concern basis.

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2015

Note 2. Operating segment

Identification of reportable segments

The Group has identified its operating segments based on the internal reports, which are produced by geographical segment and which are reviewed and used by the chief operating decision maker, being the Chief Executive Officer and Chief Financial Officer, in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the country of origin and the senior managers who are responsible for the performance of the business in that geographic territory, the type of product and service provided and whether the product is sold directly to end-user customers or via distributors.

The reportable segments are based on geographic territory as these are the sources of the Group's major risks and have the most effect on rates of return.

Geographic locations

Americas

The Group's Americas based business includes, the United States, Canada and Latin America. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultrasonic blood-flow systems, supplies and technical service and support. The USA business also includes the sleep diagnostic services business. Sales in the Americas are predominantly direct sales to end-user customers. The USA office is based in Charlotte, North Carolina.

Australia and Asia Pacific

The Group's head office is based in Melbourne, Australia and the Australia and Asia Pacific territory includes all countries in the Asia Pacific region with major countries for the territory including Japan and China. The Group sells all of its product offerings in this region including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultrasonic blood-flow systems, supplies and technical service and support. The group sells directly to end-user customers in Australia and via a network of distributors into the Asian region.

Europe and the Middle East

The Group's Europe-based business has its principal office in Singen, Germany with a second office in Hamburg, Germany. The European territory includes all countries in the European region, plus all Middle Eastern countries. The Group sells all of its product offerings in this region

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2015

Note 2. Operating segment (continued)

including sleep diagnostic systems, clinical EEG systems, brain monitoring systems, ultrasonic blood-flow systems, supplies and technical service and support. The Group sells its ultrasonic blood-flow systems directly in Germany and all other products are sold via a network of distributors across the territory.

The following table represents revenue and profit information for reportable segments for the half-years ended 31 December 2015 and 31 December 2014.

Half-year ended 31 December 2015

	Continuing operations				
	Australia and Asia				
	USA	Pacific	Europe	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	5,341	7,835	4,182	-	17,358
Intersegment sales	344	1,551	-	-	1,895
Other intersegment revenue	-	44	-	-	44
Total segment revenue	5,685	9,430	4,182	-	19,297
Intersegment elimination	(344)	(1,595)	-	-	(1,939)
Total revenue	5,341	7,835	4,182	-	17,358
 Segment Result	 109	 982	 1,267	 -	 2,358
Other income					
Depreciation and amortisation	(14)	(497)	(198)		(709)
Finance costs	(40)	(210)	(13)		(263)
Net profit or loss before income tax per the statement of profit or loss and other comprehensive income	55	275	1,056		1,386
 Segment Assets	 4,465	 37,761	 6,202	 -	 48,428
Intersegment eliminations	(7)	(26,052)	(65)	-	(26,124)
Total assets per the Statement of Financial Position	4,458	11,709	6137	-	22,304

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2015

Half-year ended 31 December 2014

	Continuing operations				
	Australia and Asia				
	USA	Pacific	Europe	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue					
Sales to external customers	4,332	8,003	3,299	-	15,634
Intersegment sales	286	873	34	-	1,193
Other intersegment revenue	-	44	-	-	44
Total segment revenue	4,618	8,920	3,333	-	16,871
Intersegment elimination	(286)	(917)	(34)	-	(1,237)
Total revenue	4,332	8,003	3,299	-	15,634
Segment Result					
Other income	-	95	532	-	627
Depreciation and amortisation	(7)	(481)	(189)	-	(677)
Finance costs	(94)	(244)	(49)	-	(387)
Net profit or loss before income tax per the statement of profit or loss and other comprehensive income	(1,093)	2,190	(182)	-	915
Segment assets	2,798	34,033	5,652	-	42,483
Intersegment eliminations	(10)	(22,181)	(64)	-	(22,255)
Total assets per the Statement of Financial Position	2,788	11,852	5,588	-	20,228

Compumedics Limited
Notes to the consolidated financial statements
for the half-year ended 31 December 2015

Note 3. Intangible assets

	31 Dec 15 \$'000	30 Jun 15 \$'000
Intangible asset	2,437	2,670

Intangible assets comprise capitalised development costs associated with the SomniLink® SPAP® sleep-treatment device. Development costs of \$0.3m were capitalised in the half-year to 31 December 2015. Amortisation of \$0.6k is included in the profit and loss for the six months to 31 December 2015. The asset is being amortised over a period of 7 years, through to March 2017.

The Germany-based DWL business capitalises development costs associated with its new Multi-Dop X digital system with Colour Doppler Imaging Module. There were no additional costs capitalised in the current period. Sales have commenced during the 2015 financial year and the intangible assets will be amortised over a 7-year period.

Note 4. Cash, Interest bearing liabilities and cash equivalents

	31 Dec 15 \$'000	30 Jun 15 \$'000
Current interest bearing liabilities	1,919	2,002
Non-current interest bearing liabilities	-	-
Total interest bearing liabilities	1,919	2,002
Current interest bearing liabilities comprise:		
Invoice financing facility	944	880
Fixed term borrowings	924	1,107
Other – lease commitments	51	15
Total current interest bearing liabilities	1,919	2,002
Cash and cash equivalents		
Cash	1,665	2,230
Overdraft and trade facility	(944)	(880)
Cash and cash equivalents	721	1,350

Interest bearing liabilities comprise primarily an invoice financing facility provided by the Group's bank and fixed term commercial loans provided by the Groups bank as well as fixed term commercial loans provided by the Groups shareholders together with hire purchase facilities.

Compumedics Limited

**Notes to the consolidated financial statements
for the half-year ended 31 December 2015**

Note 4. Cash, Interest bearing liabilities and cash equivalents (continued)

There were three fixed-term commercial loans. The first loan, with an outstanding balance of \$0.1m at 31 December 2015 is repayable in March 2017. The second loan for \$0.05m is due for repayment March 2016, but will be converted to equity at that time following notification from the shareholder. The third loan for \$0.8m is due for repayment in March 2016 (\$0.6m) and May 2016 (\$0.2m) respectively.

The Group reports cash flows back to cash and cash equivalents as noted in the table above, by subtracting the working-capital financing facilities from actual cash held by the Group at reporting date.

Note 5. Commitments

The Group has lease commitments relating to the offices it runs the business from in Melbourne, Charlotte, Singen, Hamburg and El Paso. The total commitments under these leases are:

Approximate lease commitments due within one year are \$687k
Approximate lease commitments due greater than one year are \$455k

Note 6. Events occurring after reporting date

There are no matters subsequent to half-year end that would materially impact the financial information provided.

**Compumedics Limited
Directors' Declaration
for the half-year ended 31 December 2015**

In accordance with a resolution of the Directors of Compumedics Limited I state that:

In the opinion of the directors:

(a) the financial statements and notes set out on pages 9 to 19 are in accordance with the *Corporations Act 2001*, including:

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

(ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance, as represented by the results of its operations, changes in equity and its cash flows, for the half-year ended on that date; and

(b) there are reasonable grounds to believe that Compumedics Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



David Burton
Executive Chairman

Melbourne
24 February 2016



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF COMPUMEDICS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Compumedics Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Compumedics Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* has been provided to the directors of Compumedics Limited.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Compumedics Limited is not in accordance with the *Corporations Act 2001* including:

- a. giving a true and fair view of the consolidated entity's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- b. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.


Hayes Knight Audit Pty Ltd
Melbourne


Geoff S. Parker
Director

Dated this 26 day of FEBRUARY 2016



Compumedics Limited

Supplementary Appendix 4D information for the half-year ended 31 December 2015

Additional dividend/distribution information² *(Appendix 4D item 5)*

Details of dividends/distributions declared or paid during or subsequent to the year ended 31 December 2015 are as follows:

Record date	Payment date	Type	Amount per security	Total dividend	Franked amount per security	Foreign sourced dividend amount per security
N/A	N/A	N/A	N/A	N/A	N/A	N/A

Dividend/distribution reinvestment plans *(Appendix 4D item 6)* **NOT APPLICABLE**

Material factors affecting the revenues and expenses of the economic entity for the current period

The major impacts to the revenues and expenses of the economic entity in the half-year to 31 December 2015 have already been disclosed elsewhere in this document.

Material factors affecting the assets, liabilities and equity of the economic entity for the current period

The major factors impacting the assets and liabilities of the Company relate to the ongoing focus of the Company on enhancing its financial performance. In this half year period as noted the movement in the Australian dollar to the US dollar and the Euro has also impacted the assets and liabilities of the Company.

Material factors affecting the cash flows of the economic entity for the current period

The major factors impacting the cash flows of the Company relate to the ongoing focus of the Company on enhancing its financial performance. In this half year period as noted the movement in the Australian dollar to the US dollar and the Euro has also impacted the assets and liabilities of the Company.