

12 May 2014

**BY FAX - ORIGINAL IN POST**  
**(781-357-3301)**

GI Dynamics, Inc.  
25 Hartwell Avenue  
Lexington, MA 02421

**Re: Notice of Interests of Substantial Shareholder under Section 671B**

Company Secretary:

Enclosed is a Form 603 dated 09 May 2014. Please note that a copy of this report has been sent to the Australian Stock Exchange.

The Capital Group Companies, Inc. ("CGC") is the parent company of Capital Research and Management Company ("CRMC"). CRMC is a U.S.-based investment management company that manages The American Funds family of mutual funds. CGC is also the parent company of Capital Group International, Inc. ("CGII"), which in turn is the parent company of five investment management companies: Capital Guardian Trust Company, Capital International, Inc., Capital International Limited, Capital International Sàrl and Capital International K.K. The companies mentioned above provide investment management services through three groups, Capital Research Global Investors, Capital World Investors and Capital International Investors.

Neither CGC nor any of its affiliates own shares of your company for its own account. Rather, the shares reported on Form 603 are owned by accounts under the discretionary investment management of one or more of the investment management companies described above.

For the purposes of this Notice an outstanding share balance of 466,570,270 CDIs was used to calculate the percentages of holdings of the relevant share capital. We believe this outstanding share balance is current; however, if this number is not accurate, please contact us as soon as possible so that we may make the necessary revisions to this Notice.

Should you have questions or require additional information, please contact Gina Martinez or Vivien Tan at (213) 615-0469 or send a fax message to (213) 615-4056. Alternatively, you may contact us via e-mail at [GRGroup@capgroup.com](mailto:GRGroup@capgroup.com).

Regards,

Gina Martinez  
Principal Compliance Specialist

**Form 603****Corporations Act 2001 Section 671B****Notice of initial substantial holder**

To Company Name/Scheme GI Dynamics, Inc.

ACN/ARSN

**1. Details of substantial holder (1)**

Name The Capital Group Companies, Inc.

ACN/ARSN (if applicable) n/a

The holder became a substantial holder on 9 May 2014

**2. Details of voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
CHESS Depositary Interest (CDIs)	43,140,000 CDIs	43,140,000 CDIs	9.25%

**3. Details of relevant interests**

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
The Capital Group Companies, Inc.		43,140,000 CDIs

The shares being reported under this section are owned by accounts under the discretionary investment management of 1 investment management company (Capital Research and Management Company) which is a direct or indirect subsidiary of The Capital Group Companies, Inc., 333 South Hope Street, 55th Floor, Los Angeles, California 90071.

**4. Details of present registered holders**

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
		none	
See Annexure A dated 9 May 2014 (copy attached)			

**5. Consideration**

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
The Capital Group Companies, Inc.	9 January 2014	Average price of 0.52 AUD		43,140,000 CDIs

**6. Associates**

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

The company (Capital Research and Management Company) referred to in paragraph 1(a) is a wholly owned direct or indirect subsidiary of The Capital Group Companies, Inc.

**7. Addresses**

The addresses of persons named in this form are as follows:

Name	Address
The Capital Group Companies, Inc.	333 South Hope Street, 55 <sup>th</sup> Floor Los Angeles, CA 90071

**Signature**

print name: Walter R. Burkley

Capacity: Senior Counsel

sign here \_\_\_\_\_

Date: 12 May 2014

## **Annexure “A”**

This is the Annexure of 1 page marked Annexure “A” referred to in Form 603 (initial) signed by this corporation dated 9 May 2014.

The Capital Group Companies, Inc.

By: \_\_\_\_\_  
Walter R. Burkley  
Senior Counsel

Australia Annexure  
GI Dynamics, Inc.  
9 May 2014

<u>CG Investment Management Company</u>	<u>Account Number</u>	<u>Number of CDIs</u>	<u>% Held</u>
Capital Research and Management Company	11000035	30,320,000	
	11000075	12,820,000	
		43,140,000	
		<hr/>	
GRAND TOTAL		43,140,000	9.25%

**Nominee List**

**GI Dynamics, Inc.**

**09 May 2014**

**Nominee Name**

Cede & Co.  
55 Water Street  
New York, NY 10006

11000035	30,320,000
11000075	12,820,000

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Total Shares:	43,140,000
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