



INVESTOR PRESENTATION

FY 2011 - 2012

Dr Peter Neustadt (Executive Chairman)
Mr Neil Verdal-Austin (CFO)

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Key topics

1

Financial highlights and main achievements

2

Financials Summary and Cash Flow

3

The future years ahead and strategic direction

4

Guidance and Milestones

FY 2011/12 Financial Highlights

Sales revenue

**+ 23% to
A\$15.24m**

(+28% to
A\$15.8m on
constant
exchange rates)

SomnoDent®
Apnea unit
sales

**+ 23% to
30,878
devices**

MAS Gross
Margin
improved to
70%
compared to
**68% in
2011**

Regional Sales,
Marketing,
Admin &
Regulatory
Expense
**+A\$1.9m
(+38%)
to A\$7.1m**

Group operating
profit before
Corporate,
Research and
Development
**+ 7% to
A\$3.28m**

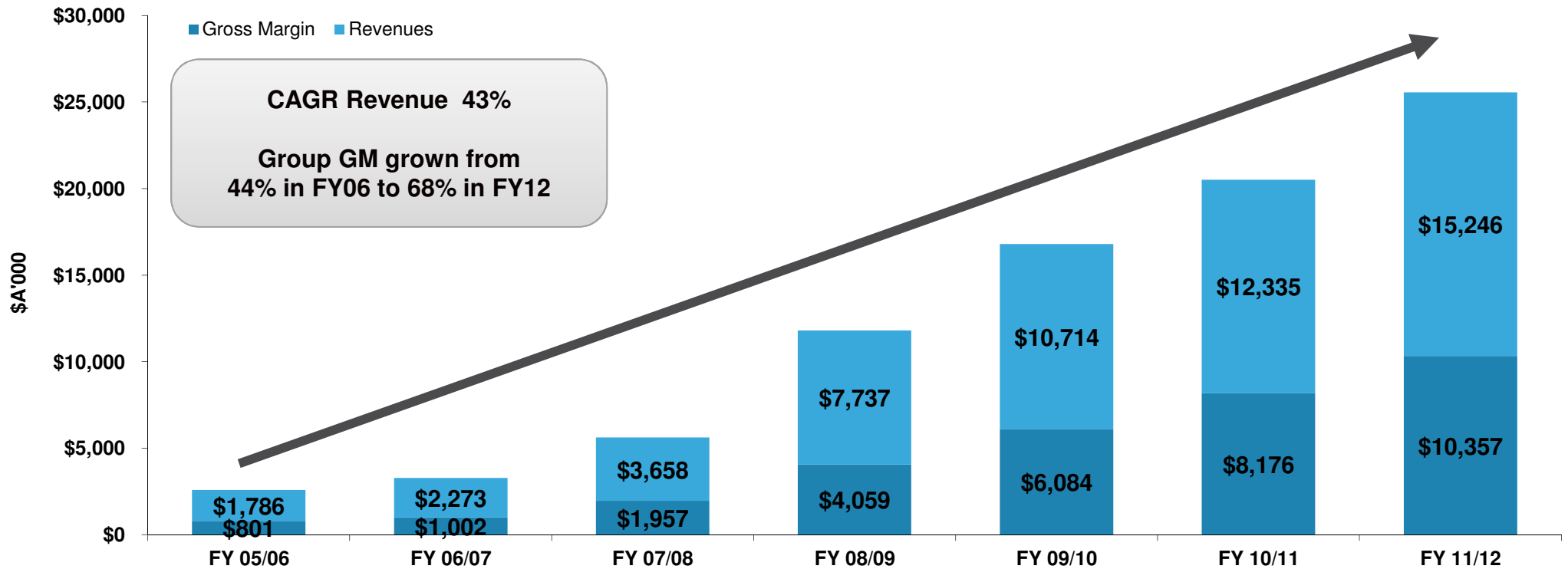
EBITDA
**+ 9% to
A\$1.082m**

Main Achievements 2011/12

Stated Guidelines	Result
Volume MAS 32,000	30,878 (-3.5%)
Revenues +25%	+23% (+28% constant exchange rates)
Bruxism units +100%	+80%
SomnoMed Dental Network >4,000	>3,800 (-5%)
Launch of MATRx	FDA only received May 2012
Launch of SomnoDent® G2	FDA only received June 2012

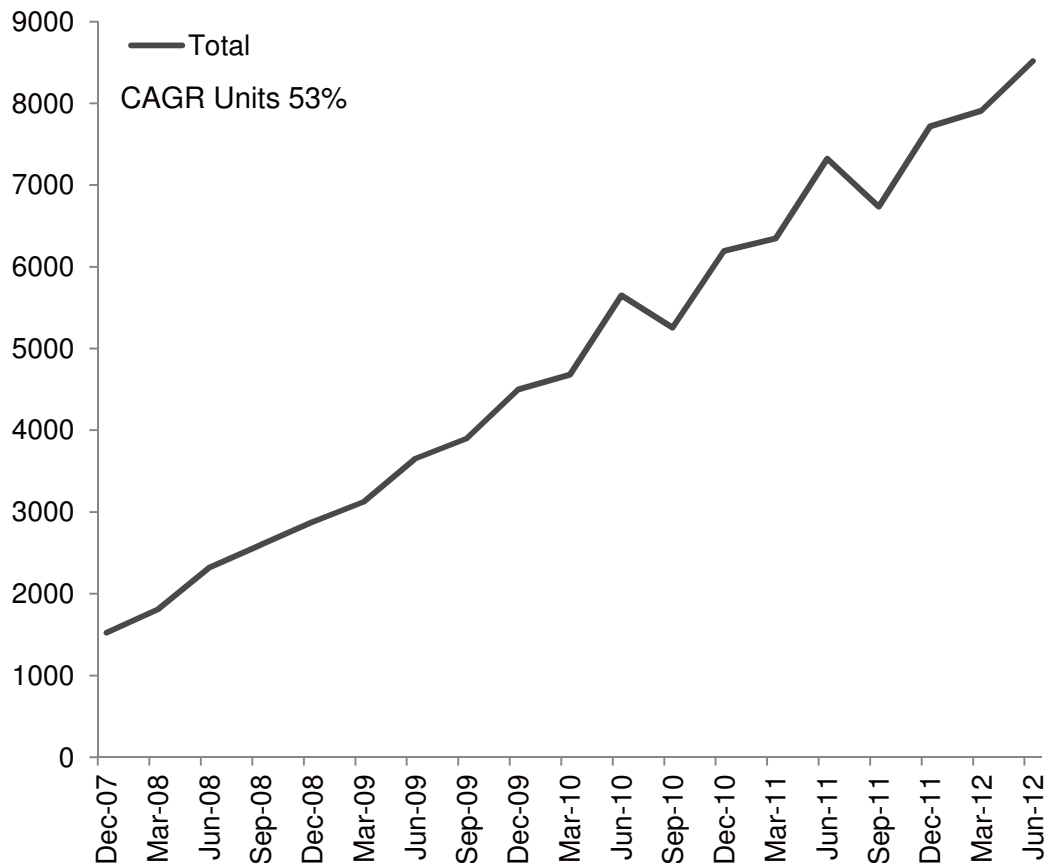
Other Main Achievements
Record sales in all regions
Acquisition of Goedegebuure Slaaptechniek BV
Registration of SomnoDent® as reimbursable device in France
Foundation of SomnoMed France
SomnoMed manufacturing plant expanded and production output increased by 83% between 1 July 2011 and 30 June 2012
Regulatory departments established in Sydney, Dallas and Zurich
Strengthened sales team and business infrastructure within Europe

SomnoMed Progress in Revenue and Gross Margin

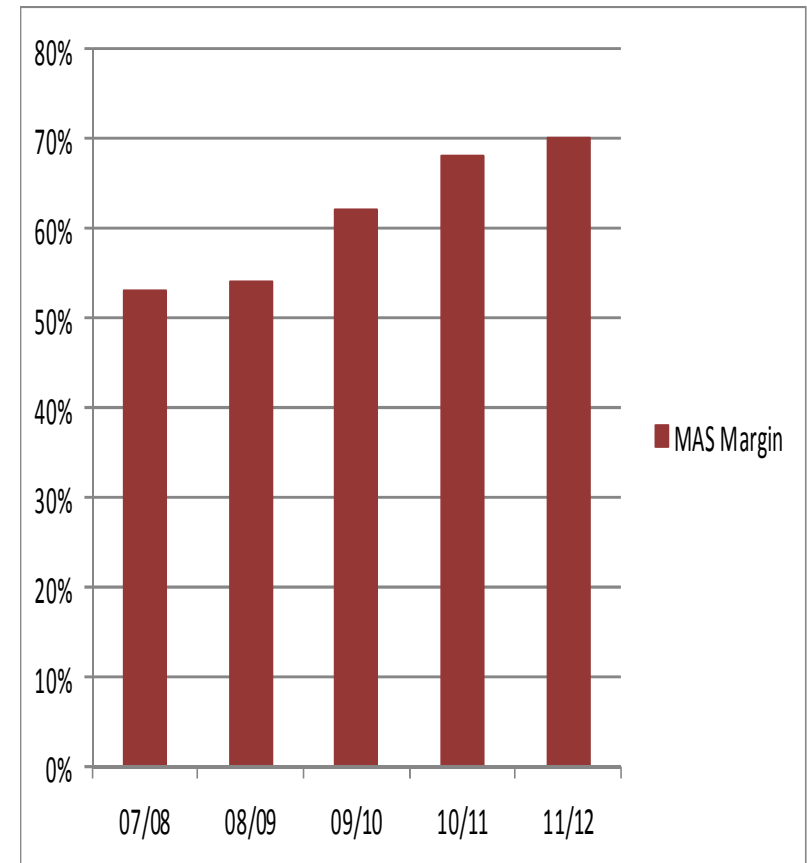


Continuing strong quarterly growth linked to increased MAS Margin to 70%

Units sold per quarter

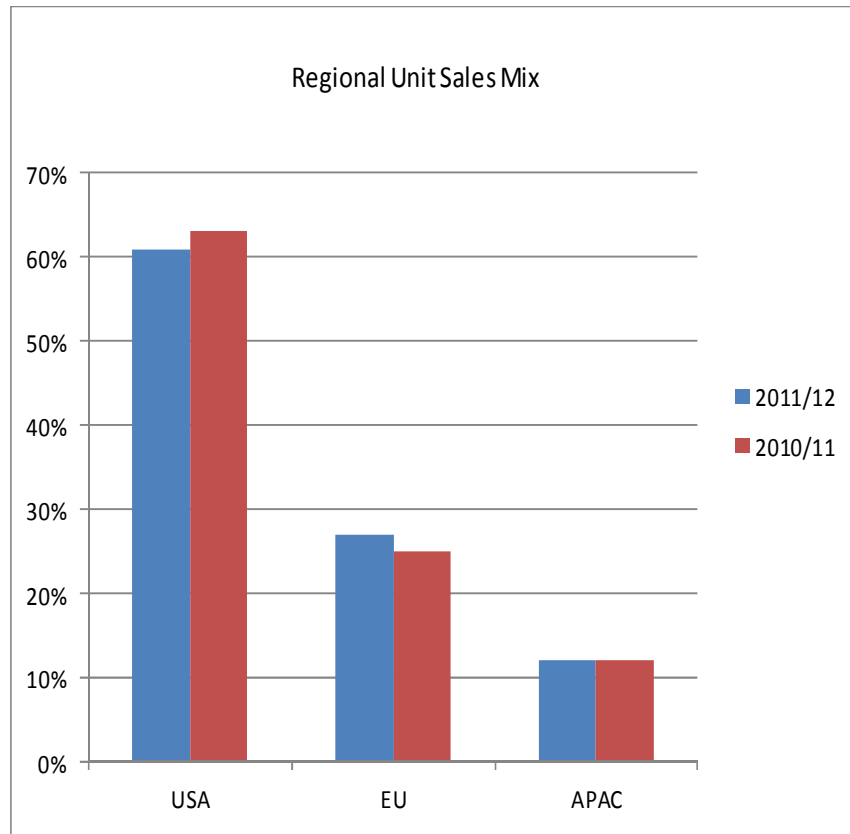


Growth in MAS Margin

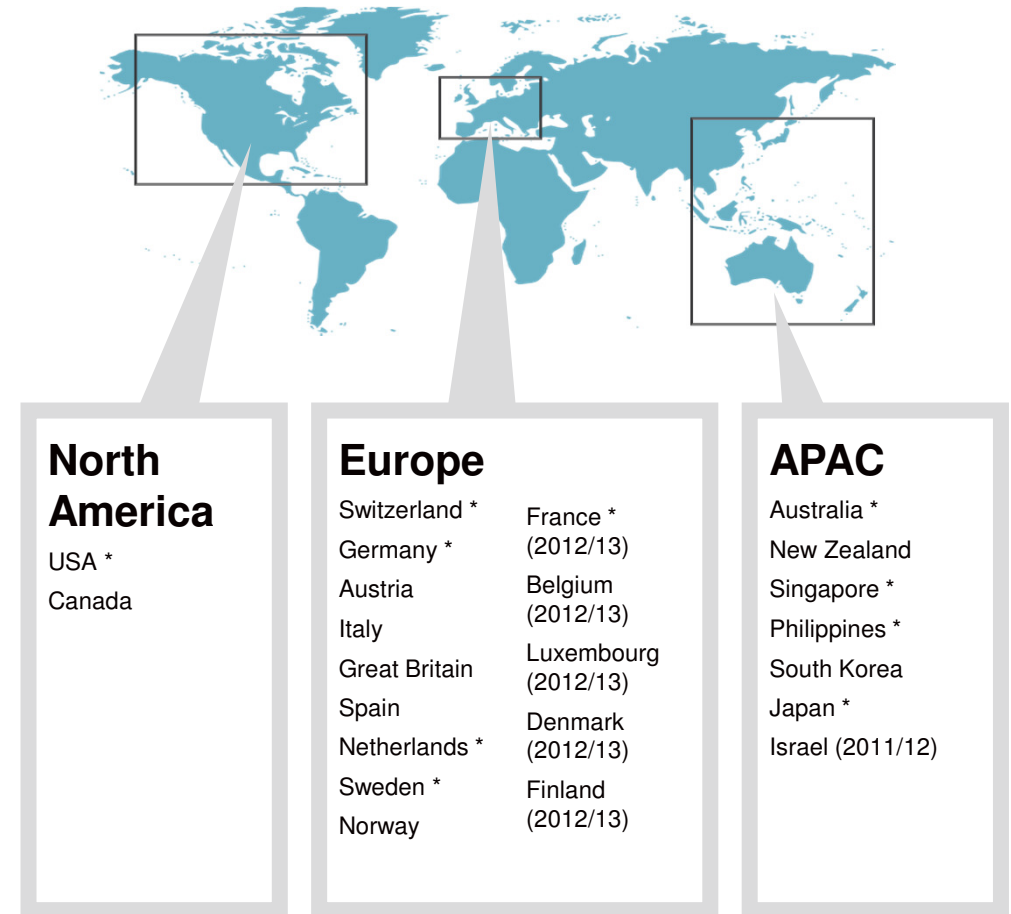


Global Coverage Expanding

Steady regional distribution



Global Expansion

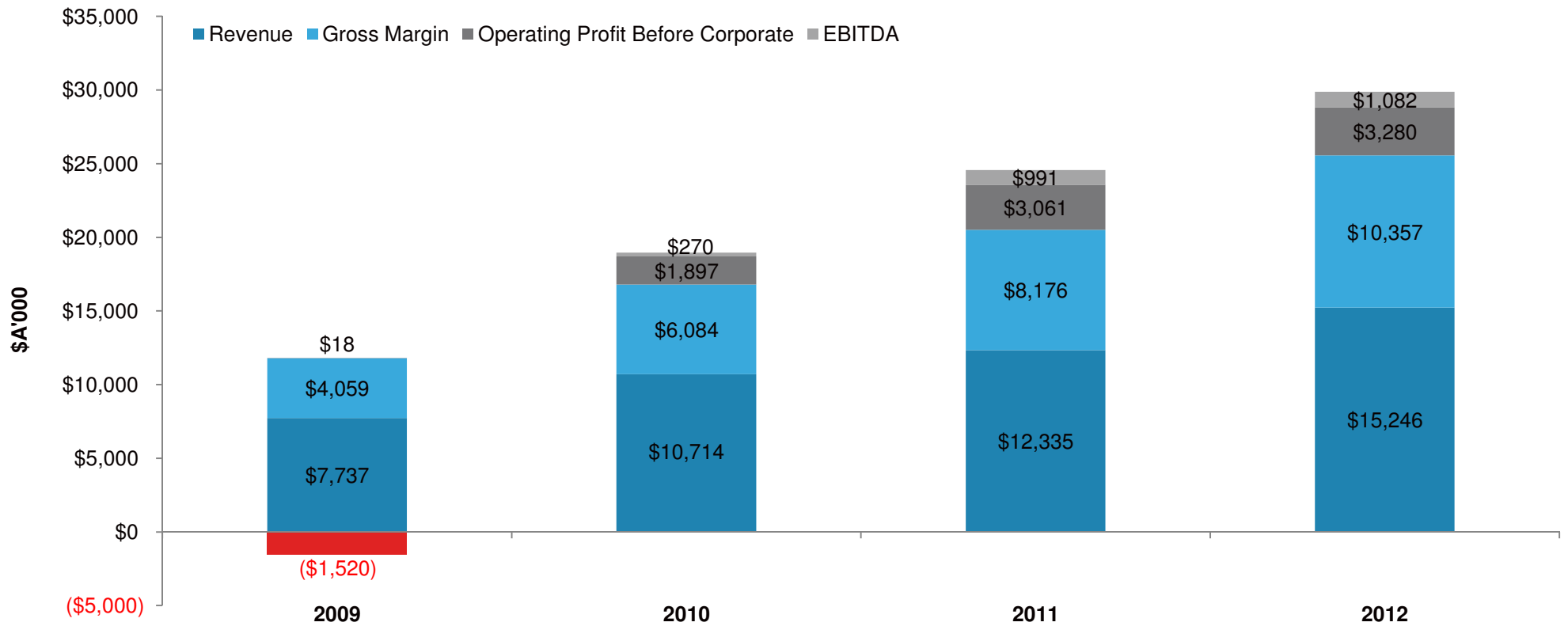


* SomnoMed Subsidiaries

Financial Summary Results

Financial Summary (\$000's)	11/12	10/11	09/10	08/09	07/08	06/07
Units	30,878	25,119	19,543	12,254	7,033	3,503
Revenue	15,246	12,335	10,714	7,737	3,658	2,273
Gross Margin	10,357	8,176	6,084	4,059	1,956	1,002
Operating profit (loss) before corporate, business development and non cash items	3,280	3,061	1,842	19	-933	-1,588
Corporate expenses	-1,891	-1,960	-1,768	-1,786	-1,405	-846
Research and Development	-465	-343	0	0	0	0
Depreciation amortization and non cash items	-526	-363	-215	-510	-677	-973
Interest received and other cash items	191	272	255	475	284	133
Net profit (loss) before tax	589	667	114	-1,802	-2,731	-3,274

EBITDA



Cash Flow

CONSOLIDATED CASH FLOW SomnoMed Limited (\$000's)	2012	2011
Cash from OPERATING ACTIVITIES	290	173
Payments for fixed assets	(270)	(481)
Invest in SOM BV	(300)	-
Payment for intangibles	(212)	(149)
INVESTING ACTIVITIES	(782)	(630)
Proceeds from shares	144	334
Other proceeds	10	188
FINANCING ACTIVITIES	154	522
NET INC (DEC) IN CASH	(338)	65
CASH AT START	3,949	4,293
FX Difference	(73)	(409)
CASH AT END	3,538	3,949

Cash generated from operations

* Improved and remains positive – now \$290k vs \$173k although effected by \$1.5m increase in debtors (from \$2.2m to \$3.7m) due to normal business growth and the acquisition of SOM BV Debtors of \$732k

* Growth despite increased operational costs in admin infrastructure spend in all regions and manufacturing as well as increased sales and marketing investments in sales team growth in all regions.

Investing activities – These have grown indicating re-investment for the future in the following:

1. SomnoMed manufacturing plant and Europe
2. Acquisition of Goedegebuure Slaaptechniek Holland through SomnoMed Netherlands BV
3. Development of the innovative SomnoDent® G2

Positive Outlook for the Years Ahead:

Current Business Model to generate 20-25% volume growth per annum with the following key drivers :

- | Continuing growth through home sleep tests, increasing number of dentists joining the SomnoMed Preferred Dentist network and increasing acceptance of OAT
- | Introduction and growing use of MATRx proof of efficacy of OAT in sleep lab PSG testing
- | Broad distribution of SomnoDent®G2 as innovative and “hard to copy” product
- | Opening of new markets in Europe – France, Belgium, Luxembourg, Denmark, Finland

Positive Outlook for the Years Ahead

EXPANDED BUSINESS MODEL TO INCREASE REFERRALS FROM MEDICAL PRACTITIONERS AND ACCELERATE GROWTH TO 35%+ PER ANNUM

OBJECTIVE

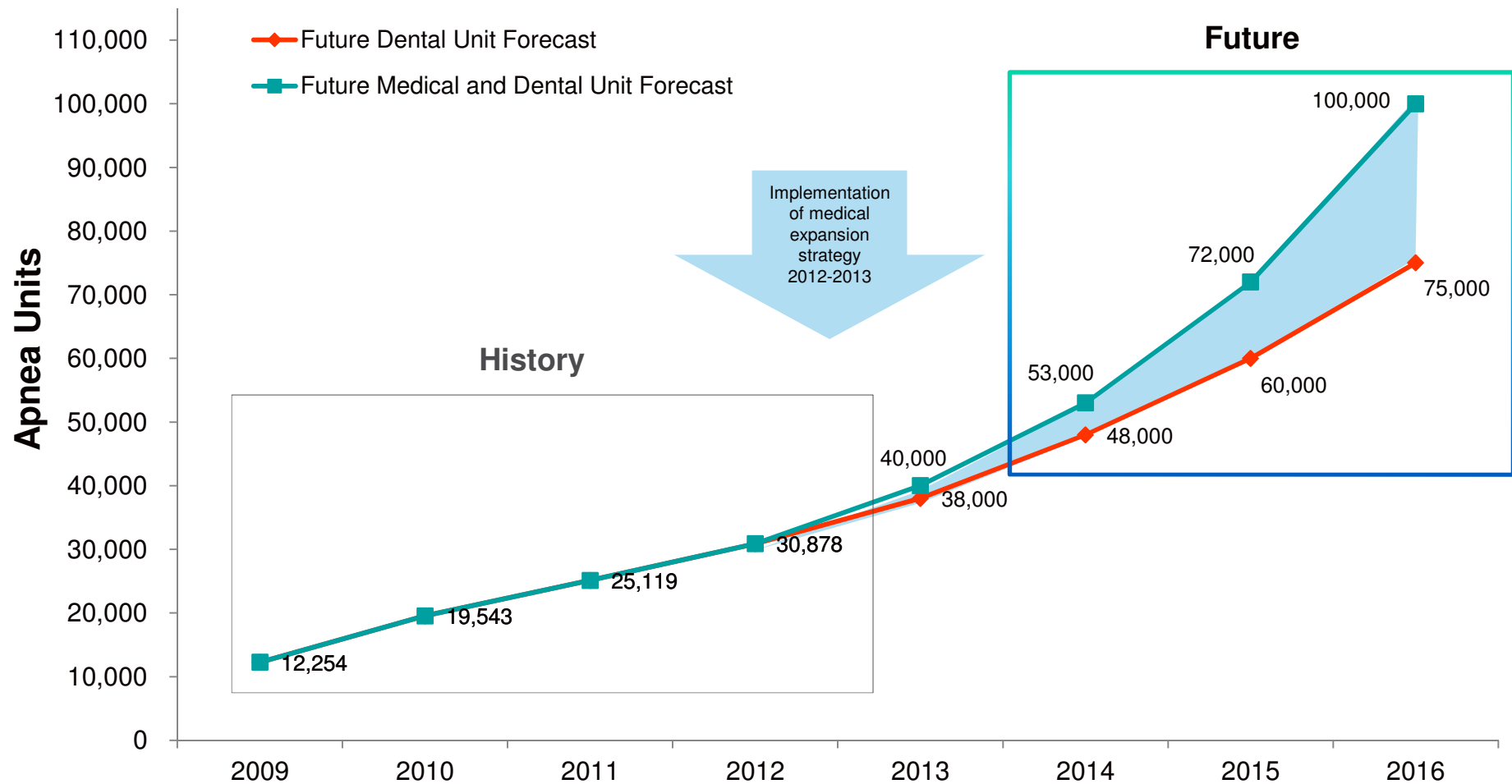
1. Increase acceptance of OAT by medical specialists
2. Position SomnoDent® products as the product of choice
 - (a) *Clinically tried and medically approved*
 - (b) *Safe history with over 100,000 patients treated*
 - (c) *Standard manufacturing under ISO 13485*
 - (d) *Most patient friendly and proven high compliance*
 - (e) *Possibility of individual patient proof of efficacy through MATRx test*
3. Position SomnoMed Preferred Dental Network as educated referral partner for physician and safe fulfiller of “script”

IMPLEMENTATION

SomnoMed North America will expand its medical capabilities and action programs significantly and implement the medical expansion strategy

1. Appointment of new President with proven medical device business experience
2. Appointment of Chief Medical Officer and formation of Medical Advisory Board
3. Appointment of VP Managed Care to expand network of health insurers reimbursing SomnoDent® OAT
4. Expanding SomnoMed Billing Department
5. Building medically oriented marketing department and medical sales force
6. Introducing MATRx into sleep labs delivering proof of efficacy and bonding medical specialist, sleep labs, SomnoMed Preferred Dentists and the SomnoDent® products

Future Business Outlook



Source: Forward projections are based on SomnoMed's internal information, anecdotal evidence received in the market and assumptions relating to the development of the number of sleep tests carried out, of the number diagnosed patients and of the number of medical specialists referring patients for oral appliance therapy. Given the limited availability of hard data the underlying assumptions and forward projections contain a significant risk of deviation in both directions.

Milestones 2012/13

| SomnoDent Apnea unit sales 38,000 to 40,000 units

| SomnoMed Group Revenues to grow to \$18 – 20 million

| Appointment of key executives, staff and implementation of medical expansion program

| Broad launch of SomnoDent® G2 in all SomnoMed markets

| Distribution and installation of MATRx in at least 100 US sleep laboratories

| Increase in number of health insurers listing or contracting SomnoDent® as reimbursable OAT device

| Increase in number of medical specialists referring patients to SomnoDent® treatment

| Expansion of global SomnoMed Preferred Dental Network to over 5,000

| Opening of new markets: France, Belgium, Denmark and Finland



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