



NEW RECORDS IN SEPTEMBER CONFIRM GUIDANCE

16th October 2014, SomnoMed Limited (ASX:SOM) announced that a strong result in September, with sales of 4,535 apnea devices, had produced a growth of 25.2% year over year. This allowed the seasonally weakest Northern summer quarter to generate total sales of 11,200 units (+20.3% year over year).

September broke a number of records – being the highest sales volume achieved globally in any month and individual record results in all three global regions, with growth rates for the month of US +23.9%, Europe +27.1% and APAC/Japan +26.2%.

“July and August are the weakest months of the year caused by summer holidays, especially in Europe. However, the record sales reached in September confirm our guidance for the half year,” commented Dr. Peter Neustadt, Executive Chairman of SomnoMed Limited.

As expected, emerging markets such as Norway, Belgium, France, Italy, Korea and New Zealand showed strong growth. First devices were sold in Finland and the UK. There were good developments in Japan and Australia. The company’s core markets in the US, Sweden and Holland also produced good growth in the month and the quarter confirming the company’s growth expectations for 2014/15.

“Our new products, SomnoDent[®] Fusion and SomnoDent[®] Herbst Advance have been launched after the Northern hemisphere’s summer holidays. First reactions are very good and we are looking forward to see their share of our business growing throughout the year,” said Neustadt.

In September the Managed Care operation of SomnoMed North America entered into a direct contract with another US insurer. Under this contract SomnoMed will supply devices and dental services to patients diagnosed with mild and moderate conditions on a first line basis. A number of SomnoMed network dentists have been presented to and vetted by the insurer to fit SomnoDent[®] devices. The insurer represents about 500,000 members.

Construction work at SomnoMed’s manufacturing plant to double its capacity is underway and is expected to be concluded by the end of this year.

The Share Purchase Plan (SPP) offer which was sent to our shareholders in August was limited to one million shares. Applications lodged with SomnoMed for the SPP exceeded over \$6 million, resulting in the offer being oversubscribed in excess of four times. As a result the board of SomnoMed excluded all shareholders who participated in the prior placement from receiving any shares in the SPP.

At the end of September 2014 SomnoMed held cash of approximately \$9million.

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About SomnoMed

SomnoMed is a public company providing diagnostic and treatment solutions for Sleep-related Breathing Disorders including obstructive sleep apnea, snoring and bruxism. SomnoMed was commercialized on the basis of extensive clinical research. Supporting independent clinical research, continuous innovation and instituting medical manufacturing standards has resulted in SomnoDent[®] becoming the state-of-the-art and clinically proven medical oral appliance therapy for obstructive sleep apnea. SomnoDent[®] is the most comfortable and effective design and treatment solution for over 175,000 patients in 26 countries.

For additional information, visit SomnoMed at <http://www.somnomed.com.au>