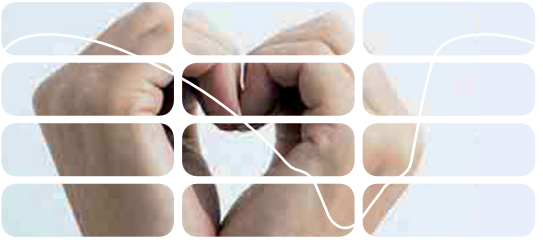


at the heart of  
cardiovascular management



Volume 1 - July 2006

## ACHIEVEMENTS

There have been many exciting developments for AtCor Medical since listing on the ASX last November:

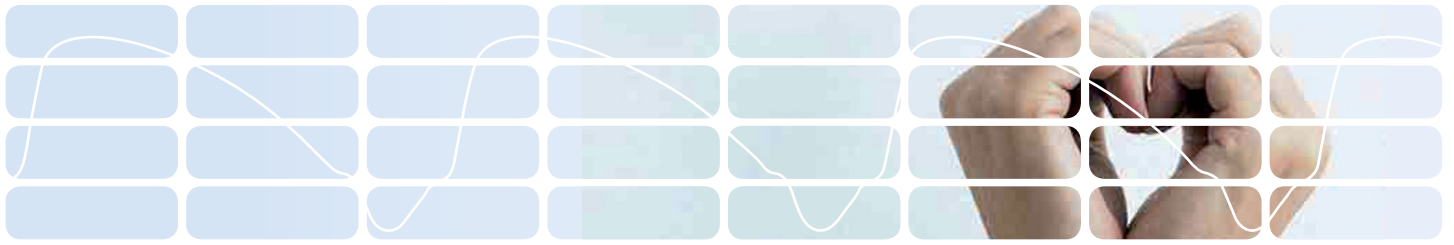
- Results from two major international clinical outcome trials announced in November put central blood pressure measurement firmly on the map in research and clinical practice, also establishing AtCor as the “central blood pressure” company.
- We appointed a president to head AtCor’s United States business team – Duncan Ross (profile on page 2)
- We have completed recruitment and training of a talented USA sales and marketing team, which is now ready to take AtCor strongly into the market.
- AtCor’s SphygmoCor® is now used in 14 of the 20 top USA heart centres, according to the USA News & World Report.
- Our long-standing work with the Mayo Clinic, the first and largest not-for-profit group practice in the world, on new preventive cardiovascular methods for clinical practice is progressing well.
- In Europe, we recruited our first local employee, Uwe Kohlmuenzer, as vice-president Europe, and he is revitalising our European business. He was previously with Abbott Laboratories’ vascular devices division, where he achieved a ten-fold sales increase in four years.
- More than 900 SphygmoCor systems have now been sold worldwide.

## Snapshot of AtCor

AtCor was founded to commercialise a unique technology, developed in Australia, to obtain central blood pressures and other key heart function parameters non-invasively with the same accuracy as an invasive catheter placed centrally in the heart. This SphygmoCor system assesses cardiovascular risk and manages patients at risk of heart attacks, strokes and heart failure. It augments and complements existing clinical techniques such as blood pressure measurement, ECG measurement of the heart’s electrical signals and echocardiography imaging. AtCor is headquartered in Sydney, and has 27 employees - 13 in Australia, 12 in the USA, and 2 in Europe.

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More than 900 SphygmoCor systems have been sold in over 40 countries. Of these, about 50 per cent were sold in Europe, and 25 per cent in the USA; and over 95 per cent of sales to date were to medical research and clinical trials markets. Our new USA team is starting to expand sales of SphygmoCor into clinical practice for use by specialists.

## OUR 2006 COMPANY OBJECTIVES

1. Create USA sales & marketing capability
2. Grow sales worldwide in the research and pharmaceutical markets
3. Drive clinical practice adoption in the USA

## SphygmoCor – how does it work?

- The SphygmoCor system records the blood pressure pulse waveform at the wrist.
- Using this recording, it derives the blood pressure pulse waveform at the heart.
- From this data, SphygmoCor then calculates:
  - Central aortic blood pressure.
  - Key heart function parameters.
- It then compares these new patient parameters against population “normals” to assess cardiovascular status.

Results from this non-invasive procedure provides an assessment of cardiovascular risk. This simple, inexpensive test can be conducted in a doctor’s office.



## Duncan Ross

**AtCor President,  
North America**



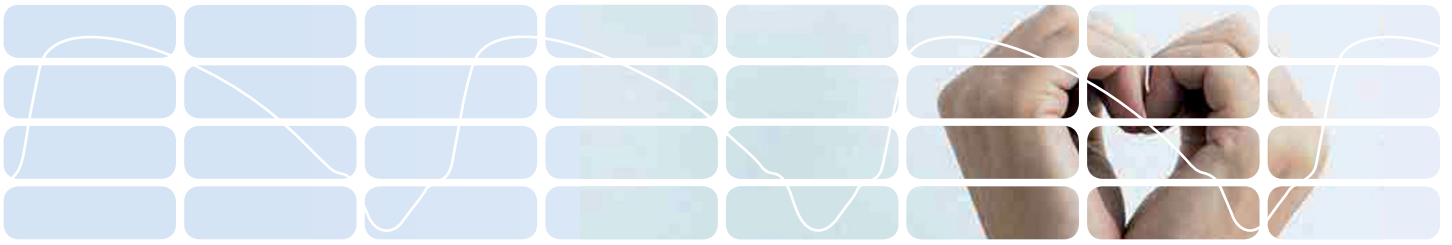
Duncan Ross joined AtCor from Fisher Scientific, where he was group president of the company’s laboratory equipment business – a USA \$250 million worldwide operation. He previously spent 11 years with Baxter Healthcare and has more than 23 years experience in the clinical diagnostics and life sciences device industry.

Duncan is excited by the potential of the SphygmoCor system, commenting: “The increasing adoption of our technology in all stages of pharmaceutical trials is sending a strong message to support AtCor’s entry into the clinical market ...central pressures matter!”

## What does SphygmoCor do?

Not only does the SphygmoCor address the key cardiovascular risks – heart failure, heart attack and stroke - but it does so in a non-invasive way. This central blood pressure data is otherwise only available from an invasive catheter to the heart.





**The key heart function parameters that SphygmoCor provides are:**

- Blood pressure at the heart
- Load on the heart
- Coronary artery pressure
- Timing of the heart pumping cycle
- Measures of arterial stiffening

The ability to assess and manage cardiovascular risk and disease in patients, both cost effectively and painlessly, has significant benefits for clinical practice and for patient's health.

**CORPORATE TIMETABLE**

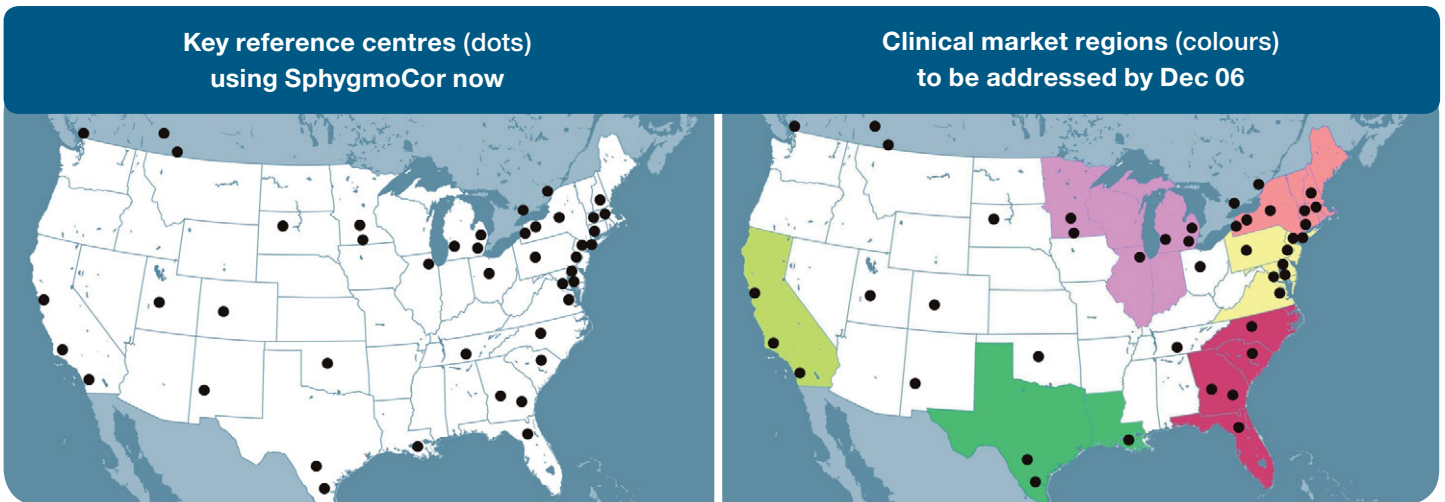
Release of annual results	4 September
Annual general meeting	9 November

# USA UPDATE

AtCor USA now has a Chicago head office, and its 12 employees are located there and in Atlanta, Baltimore, Boston, and Texas. AtCor sells nationally in the research and clinical trials market sector,

and has established key opinion leader sites nationwide. AtCor's initial clinical market roll-out will focus on the east coast regions (see map), and will extend into California and Texas later this year.

## Clinical practice market in USA – planned regional expansion



## Some key customers

**Medical centres:**

Mayo Clinic, Johns Hopkins, Columbia, Cornell, Cleveland Clinic, Wake Forest, Harvard (Brigham & Womens, Joslin Diabetes), Yale, Hospital of the University of Pennsylvania, University of California at San Francisco, Duke, Cedars Sinai, Rush University, Georgetown, Emory and University of Florida

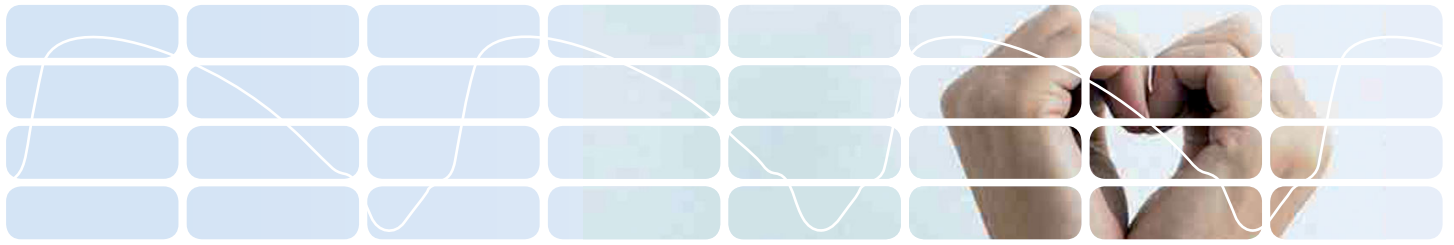
**Pharma companies:**

Novartis, GSK, Pfizer, Boehringer Ingelheim, Servier, Genzyme, BMS, Astra Zeneca

We have recruited top industry level executives to head marketing services, reimbursement and payer relations, clinical and scientific affairs and national sales.

**AtCor Medical, Inc. (USA)**

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# Why is there so much interest in AtCor's new central blood pressure measurement technology?

The blood pressure at the heart is the important blood pressure – as this is the load the heart has to work against and adapt to. When your doctor takes your blood pressure with an inflatable cuff around your forearm, he or she is making an estimation of what is actually happening to the blood pressure at your heart. However, there can be big differences between the cuff measurement of blood

pressure in the arm and the central pressures at the heart.

This is why there is great interest in having a non-invasive system like SphygmoCor that gives your doctor directly the central pressures data he or she is implicitly trying to manage, in a simple test which can be performed in minutes in the office.

## The ASCOT/CAFE trial – why it is so important

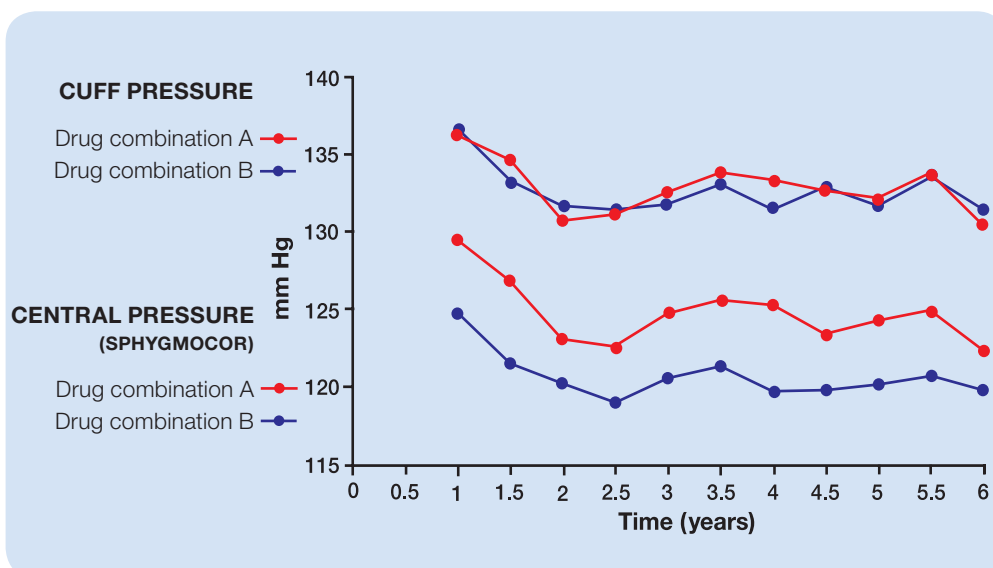
The Pfizer-sponsored Anglo-Scandinavian Cardiac Outcomes Trial (ASCOT) was launched in 1997 to evaluate the relative benefits of using new drugs or established drugs to treat high blood pressure. In 2004, ASCOT closed early having shown that the new drugs offered large patient outcome advantages in over 19,000 patients. However, the cuff was unable to show any difference in blood pressure between the two drug regimens.

The Conduit Artery Functional Evaluation (CAFE) sub-study was set up to see how the different drug regimens affected central blood pressures. Starting in 2001, more than 2,000

patients already recruited into ASCOT were recruited into the CAFE trial. Using AtCor's SphygmoCor to measure central blood pressure, the trial showed large differences in blood pressures at the heart for the two drug regimens, clearly explaining the big difference in patient outcomes.

Results from the CAFE trial were published in March 2006, and established the importance of measuring central blood pressures in order to understand drug effects and to manage hypertension. AtCor's SphygmoCor system is the only way to obtain central blood pressures non-invasively.

### DIFFERENCE BETWEEN CUFF AND CENTRAL BLOOD PRESSURES WITH TWO DRUG COMBINATIONS



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