



ASX release

28 January 2010

## **1st Half Market update**

AtCor Medical Holdings Limited (ASX:ACG), the developer and marketer of the SphygmoCor<sup>®</sup> system which measures central blood pressures and arterial stiffness non-invasively, today announced unaudited H1 FY2010 sales of \$4.4 million, a 13% decline in constant currency terms from the record H1 sales in FY2009. This figure does not include a large pharma order that had been expected in December and is now expected to close within the next 30 days. Without this delay the business would have reported positive growth for the half in constant currency. Non-pharma sales for the half grew 17% pcp in constant currency.

AtCor expects to return to double-digit sales growth in H2, and FY2010 sales in constant currency terms are expected to exceed FY2009.

First half sales in the United States declined 6%, reflecting the impact of the delayed pharma order. Clinical practice sales in the US rose 59% compared to H1 FY2009, reflecting increased demand in the clinical sector. In Europe, where Government health budgets, pharma budgets and private funding were extremely hard hit, sales declined 36% on the pcp, although there was improvement toward the end of the period. Asia-Pacific sales grew by 20%.

AtCor chief executive officer Duncan Ross said, "The sales pipeline remains strong, with several pharmaceutical contracts under negotiation and expected to close in the second half. After significant delays, we are pleased to see deal flow returning. Also encouraging is increasing uptake of SphygmoCor in clinical practice evidenced by the sharp clinical sales rise in the US; evidence supporting clinical use continues to build, and more studies are due to report."

Net loss for the 6 months to 31 Dec 2009 will be approximately \$1.2 million vs. a net profit of \$180,000 in 1H 2009. A significant portion of this difference may be attributed to foreign exchange movements with 1H 2010 showing an FX loss of \$200,000 vs. an FX gain of \$600,000 in pcp. This result compares favourably to 2H 2009, which reported a net loss of \$1.87 million.

The company also today lodged its quarterly cash flow report with ASX. This showed net cash outflows of \$1.3 million for H1 FY2009 and cash balance at 31 December 2009 of \$1.972 million. AtCor does not anticipate a need to raise funds for operating purposes in the foreseeable future.

AtCor's half-year results will be announced on 18 February 2010.

## **About AtCor Medical**

AtCor Medical develops and markets products for the early detection of cardiovascular risk and management of cardiovascular disease. Its technology allows researchers and clinicians to measure central blood pressure non-invasively. The company's SphygmoCor® system visibly identifies the effects of reflected blood pressure in the central aortic pressure wave, effects which cannot be detected with standard blood pressure monitoring. More than 2,100 SphygmoCor® systems are currently in use worldwide at major medical institutions, research institutions and in various clinical trials with leading pharmaceutical companies, and the company's technology have been featured in over 400 peer-reviewed studies published in leading medical journals. AtCor has operations in Australia, the United States, and Europe. For further information, please visit our web site at [www.atcormedical.com](http://www.atcormedical.com)

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