



30 July 2014

ASX ANNOUNCEMENT

APPENDIX 4C – QUARTER ENDED 30 JUNE 2014

Brisbane, Australia – **ImpediMed Limited** (ASX: IPD) (“the Company”), is pleased to provide its Appendix 4C quarterly cash flow report (unaudited) for the quarter ended 30 June 2014.

ImpediMed again continued its sales growth momentum recording \$1.02 million of total revenue for the quarter, which included lymphoedema (L-Dex) sales of \$0.50 million, an increase of 39% compared to the same period last year.

Operating cash burn for the quarter was \$2.65 million, an increase of \$0.3 million or 13% on a comparable basis to the same period last year (excluding the R&D Tax Credit of \$0.78 million in FY2013). The increase was due to additional spending on staff, oncology advisory board and production of devices as the Company increased its activities leading up to the CPT® Category I code becoming effective 1 January 2015.

Key highlights from the quarter:

- The Company completed its Share Purchase Plan (SPP) on 24 April 2014 raising \$2.35 million. Together with the institutional placement, which raised approximately \$8.83 million, ImpediMed raised \$11.18 million (before costs).
- Vanderbilt University, a leading US cancer centre, was the first site named in the L-Dex international post-approval study, and the first patients were enrolled, six months ahead of schedule.
- At a special symposium during the 15th annual meeting of the American Society of Breast Surgeons (ASBrS) held in May, five of the United States’ leading lymphoedema experts presented new data on the use of ImpediMed’s L-Dex technology.
- Continued growth of our lymphoedema revenue, mainly driven by growth in the US market.

President and CEO Richard Carreon stated, “This has been another outstanding quarter of achievement for ImpediMed. Sales are growing organically as we continue to focus on activity that will drive US market sales as the CPT® Category I code (government pay code) comes into effect on 1 January 2015. The commencement of our L-Dex international post-approval study will also be integral to market adoption, so it was very pleasing to have the first patient enrolled at Vanderbilt, the first trial site, six months ahead of schedule.”

Cash Flow Report Commentary

Cash on hand as of 30 June 2014 was \$10.81 million as compared with \$3.10 million at 31 March 2014 and \$7.32 million at 30 June 2013. Receipts from customers for the quarter ending 30 June 2014 were \$1.18 million, an increase of 45% as compared to the same quarter in financial year 2013.

Net operating cash outflows for the quarter were \$2.65 million compared to \$1.56 million in the same quarter in financial year 2013.

Richard Carreon
CEO

ENDS

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About ImpediMed

ImpediMed Limited is the world leader in the development and distribution of medical devices employing Bioimpedance Spectroscopy (BIS) technologies for use in the non-invasive clinical assessment and monitoring of fluid status. ImpediMed's primary product range consists of a number of medical devices that aid surgeons, oncologists, therapists and radiation oncologists in the clinical assessment of patients for the potential onset of secondary lymphoedema. Pre-operative clinical assessment in cancer survivors, before the onset of symptoms, may prevent the condition from becoming a lifelong management issue and thus improve the quality of life of the cancer survivor. ImpediMed has the first medical device with an FDA clearance in the United States to aid health care professionals, clinically assess secondary unilateral lymphoedema of the arm and leg in women and the leg in men.

For more information, visit: www.impedimed.com.au

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

ImpediMed Limited

ABN

65 089 705 144

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter	Year to date (twelve months)
	\$A'000	\$A'000
1.1 Receipts from customers	1,183	3,603
1.2 Payments for		
(a) staff costs	(1,909)	(5,065)
(b) advertising and marketing	(195)	(405)
(c) research and development	(203)	(401)
(d) leased assets	(4)	(14)
(e) other working capital	(1,536)	(4,585)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	12	66
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	0	0
Net operating cash flows	(2,652)	(6,801)

+ See chapter 19 for defined terms.

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	Current quarter \$A'000	Year to date (twelve months) \$A'000
1.8 Net operating cash flows (carried forward)	(2,652)	(6,801)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	0	(32)
(e) other non-current assets	0	0
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	0	0
(b) equity investments	0	0
(c) intellectual property	0	0
(d) physical non-current assets	0	0
(e) other non-current assets	0	0
1.11 Loans to other entities	0	0
1.12 Loans repaid by other entities	0	0
1.13 Other (provide details if material)	0	0
Net investing cash flows	0	(32)
1.14 Total operating and investing cash flows	(2,652)	(6,833)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	10,586	10,586
1.16 Release of restricted cash	0	0
1.17 Proceeds from borrowings	0	0
1.18 Repayment of borrowings	0	0
1.19 Dividends paid	0	0
1.20 Other (provide details if material)	0	0
Net financing cash flows	10,586	10,586
Net increase (decrease) in cash held	7,934	3,753
1.21 Cash at beginning of quarter/year to date	3,103	7,316
1.22 Exchange rate adjustments to item 1.20	(225)	(257)
1.23 Cash at end of quarter	10,812	10,812

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	268
1.25	Aggregate amount of loans to the parties included in item 1.11	0

1.26 Explanation necessary for an understanding of the transactions

Item 1.24: Payments to directors consist of Directors' salaries and superannuation and Directors' fees for the quarter and year-to-date. This includes Directors' salaries and Directors' fees of \$164,000 that were accrued and unpaid at the end of the previous quarter.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	---	---
3.2	Credit standby arrangements	---	---

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Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	10,812	3,103
4.2	Deposits at call	0	0
4.3	Bank overdraft	0	0
4.4	Other (provide details)	0	0
Total: cash at end of quarter (item 1.23)		10,812	3,103

Acquisitions and disposals of business entities

		Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration	N/A	N/A
5.3	Consideration for acquisition or disposal	N/A	N/A
5.4	Total net assets	N/A	N/A
5.5	Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

Date:

30 July 2014

Print name: Morten Vigeland
Chief Financial Officer

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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