

ASX RELEASE

Ellex Medical Lasers Ltd (ASX:ELX)

Adelaide, Australia

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Release: Immediate

Topic: **Ellex Announces Half-Year Results for 2012 Financial Year**



Summary of Financial Performance:

- Profit before tax of \$0.950 million, up 50% compared to \$0.635 million
- Revenue from ordinary activities of \$26.4 million, up 18% compared to 22.4 million

Adelaide, Australia, 23 February 2012 - Ellex Medical Lasers Limited (ASX:ELX), a global leader in ophthalmic laser and ultrasound technology, today announced its financial results for the half-year ended 31 December 2011. Improved sales performance in the Company's direct markets of America and Australia, combined with continued operating efficiencies, has led to an increase in profit before tax of 50% compared with the prior corresponding period.

The Company achieved solid underlying profitability during the period, with profit before tax up to \$0.950 million, compared with the \$0.635 million in the prior comparable period. Sales performance was also strong, with revenues increasing by 18% to \$26.4 million, compared with \$22.4 million in the prior period.

"The revenue lift was very pleasing, especially given the continued rise of the Australian dollar compared with the USD, YEN and EUR - the main currencies for our international customer base," commented Ellex CEO, Tom Spurling.

"Customer demand in the United States has shown improvement over the period," said Mr. Spurling.

Consolidation of the Company's laser and ultrasound manufacturing at its state-of-the art production facility in Adelaide also contributed to improved operational performance during the period. This followed the transfer of all Sacramento-based manufacturing activities for the Company's world-leading Eye Cubed™ diagnostic ultrasound system.

The integration of our laser and ultrasound production processes has resulted in considerable cost reductions and production efficiencies, ensuring optimal utilisation of our Adelaide-based manufacturing infrastructure and resources," added Mr. Spurling.

With the measures introduced in the first-half of the financial year the Company anticipates an improved full-year operating result compared with its performance for the year ended 30 June 2011.

ABOUT ELLEX

Ellex Medical Lasers Limited (ASX:ELX) is a global leader in the design and manufacture of ophthalmic laser and ultrasound systems used by ophthalmologists to diagnose and treat eye disease. With more than 15,000 systems delivered to the market, Ellex has evolved since 1985 from a manufacturing company of primarily OEM products, to direct marketing of its own branded products through subsidiaries in the United States, Japan, Germany and Australia, and a network of distribution partners in more than 100 countries. In recent years, Ellex has diversified its product range beyond lasers and ultrasound equipment to include distribution of a number of complementary third-party ophthalmic products.

For additional information about Ellex and its products, please visit www.ellex.com

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