

ASX RELEASE

Ellex Medical Lasers Limited (ASX:ELX)

Adelaide, Australia

Date: 27 February 2014

Release: Immediate

Topic: **Financial Results for the half-year ended 31 December 2013**



- **18% increase in revenues**
- **Substantial increase in profit before tax**
- **Outlook is that second-half sales are forecast to be higher than sales for the corresponding period in the 2013 financial year**

**Adelaide, Australia, 27 February 2014** – Ellex Medical Lasers Limited (ASX:ELX), a pioneer in medical technologies for the diagnosis and treatment of eye disease, today announced its financial results for the six months ended 31 December 2013.

Consistent with earnings guidance on 30 January 2014, profit before tax for the six months ended 31 December 2013 was \$654,000, recorded on revenues of \$25.9 million. This compares with a profit before tax of \$59,000 and revenues of \$22.0 million for the six months ended 31 December 2012.

The 18% increase in revenues was primarily attributable to growth in sales in the USA following the introduction in July 2013 of Ellex's world-leading Selective Laser Trabeculoplasty (SLT) range of ophthalmic lasers for the treatment of glaucoma. Sales in the USA were more than double (117%) the sales in the prior comparative period. Good improvements in sales were also recorded in our Asian and South American markets.

The impact of the factors that increased the sales was mitigated by falls in sales in Europe where poor and uncertain economic conditions continue to challenge our business and in Japan where the devaluation of the YEN lowered revenues.

"The impact our SLT lasers have had in the USA market has been very pleasing. We have managed to replicate our strong position outside the USA. An independent market assessment by Market Scope LLC now places Ellex as the leading supplier of SLT lasers in the world", commented Mr Tom Spurling, CEO.

Operating costs increased compared with the prior period, due to increase in production staff, our expansion of the USA sales team and engineering to support new product introductions.

The cash reserves of the business increased during the period following two successful capital placements (in September 2013 and December 2013) that raised a total of \$6 million and a further \$1.3 million of cash was generated from operations. Part of the cash generated was applied to reduce debt, acquire the iScience canaloplasty business on 31 December 2013 and to accelerate the LEAD trial for 2RT™.

Commenting on the outlook for the year, Mr Spurling said "The outlook for the second-half of the fiscal year is strong. SLT demand in the USA continues to be strong and demand in Japan is rising in this quarter as a result of consumption tax changes due on 1 April 2014. As a result, subject to continuation of these trends, we expect group sales for the second-half to be higher than sales for the half-year ended 30 June 2013."

For additional information about Ellex and its products, please visit [www.ellex.com](http://www.ellex.com).

---

## **ABOUT ELLEX**

Ellex Medical Lasers Limited (ASX:ELX) is a pioneer in the development of medical technologies for the diagnosis and treatment of eye disease. With more than 20,000 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, France, 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. Recently Ellex acquired the canaloplasty micro catheter glaucoma treatment, a recurring revenue stream, which Ellex manufactures at a plant in Menlo Park, California.

---

### **For further information on Ellex, please contact:**

Tom Spurling, CEO  
Ellex Medical Lasers Limited  
82 Gilbert Street, Adelaide, SA, 5000  
W +61 8 8104 5293 | M +61 417 818 658  
[tspurling@ellex.com](mailto:tspurling@ellex.com)

Victor Previn, Chairman  
Ellex Medical Lasers Limited  
82 Gilbert Street, Adelaide, SA, 5000  
W +61 8 8104 5200 | M +61 414 661 994  
[vprevin@ellex.com](mailto:vprevin@ellex.com)

Maria Maieli, Company Secretary  
Ellex Medical Lasers Limited  
82 Gilbert Street, Adelaide, SA, 5000  
W +61 8 8104 5200  
[mmaieli@ellex.com](mailto:mmaieli@ellex.com)

### **For media enquiries, please contact:**

Kylie Brown, Corporate Communications  
Ellex Medical Lasers Limited  
82 Gilbert Street, Adelaide, SA, 5000  
W +61 8 8104 5200  
[kbrown@ellex.com](mailto:kbrown@ellex.com)

## CONSOLIDATED RESULTS FOR ANNOUNCEMENT TO THE MARKET

For the half year ended 31 December 2013

Ellex Medical Lasers Limited ACN 007 702 927

This results announcement is to be read in conjunction with the statutory financial statements attached to this announcement.

### Consolidated Results

Revenues from ordinary activities	<b>Up</b>	18%	To	<b>\$A'000</b> 25,883
<b>Consolidated results</b>				
Earnings before interest, tax, depreciation and amortisation (EBITDA)	<b>Up</b>	51%	to	1,403
Profit for the period, before tax	<b>Up</b>	1,008%	to	654
Profit from ordinary activities after tax	<b>Up</b>	171%	to	391
Net profit for the period attributable to members	<b>Up</b>	171%	to	391
<b>Dividends (distributions)</b>				
		Amount per security		Franked amount per security
Final Dividend				
Interim Dividend		Nil		Nil
Previous corresponding period		Nil		Nil
<b>Record date for determining entitlements to the dividend</b>				
<b>NOT APPLICABLE</b>				

## OTHER INFORMATION

For the half year ended 31 December 2013

Ellex Medical Lasers Limited ACN 007 702 927

Net Tangible Assets per Security	Half Year ended 31 December 2013	Half Year ended 31 December 2012
Net tangible asset backing per ordinary security* (excludes value attributable to goodwill, other intangible assets, deferred tax asset, capitalised development expenditure and related deferred grant income)	\$0.20	\$0.19

### Dividends

Date the dividend (distribution) is payable

NOT APPLICABLE

Record date to determine entitlements to the dividend  
(distribution)

NOT APPLICABLE

If it is a final dividend, has it been declared?

NOT APPLICABLE

### Amount per security

	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
<b>Final dividend:</b>			
Current year	0.00 ¢	0.00 ¢	0.00 ¢
Previous year	0.00 ¢	0.00 ¢	0.00 ¢
<b>Interim dividend:</b>			
Current year	0.00 ¢	0.00 ¢	0.00 ¢
Previous year	0.00 ¢	0.00 ¢	0.00 ¢

**Ellex Medical Lasers Limited**

**ACN 007 702 927**

**Report for the half-year ended 31 December 2013**

## **Contents**

## **Page**

Directors' report	2
Auditor's independence declaration	3
Consolidated statement of profit or loss and other comprehensive income	4
Consolidated statement of financial position	5
Consolidated statement of changes in equity	6
Consolidated statement of cash flows	7
Notes to the Consolidated financial statements	8
Directors' declaration	11
Independent auditor's review report	12
Corporate Directory	14

## **Directors' report**

The directors of Ellex Medical Lasers Limited (The Company) submit herewith the financial report of Ellex Medical Lasers Limited and its subsidiaries (the group) for the half-year ended 31 December 2013. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half-year are:

### **Name**

Mr V Previn	Chairman
Mr A Sundich	Non-Executive Director
Mr G Canala	Non-Executive Director
Mr Rahmon Coupe	Non-Executive Director
Dr Meera Verma	Non-Executive Director
Ms Maria Maieli	Company Secretary

### **Principal Activities**

The principal activities of the company during the course of the financial period were the manufacture, service and sale of ophthalmic equipment.

There were no significant changes in the nature of the activities of the company during the period.

### **Review of operations**

Ellex Medical Lasers Limited (Ellex) generated a Net Profit After Tax of \$391 thousand for the half-year ended 31 December 2013 (2012: a Net Profit After Tax of \$144 thousand) on revenue of \$25,883 thousand (2012: \$22,020 thousand).

On 31 December 2013, Ellex acquired the business assets; inventory, accounts receivable, plant and equipment and intellectual property of iScience Interventional Inc's iTrack250 canaloplasty treatment microcatheter. The total purchase price of these business assets was \$1.7 million.

### **Distributors**

Sales to distributors' area were up by 6.7%, compared with the prior comparative period, to \$6,365 thousand.

### **Direct**

Sales direct to end-customers increased by 21.6%, compared with the prior comparative period, to \$19,518 thousand.

### **Auditor's independence declaration**

The auditor's independence declaration is included on page 3 of the half-year report.

### **Rounding of amounts**

The company is a company of the kind referred to in ASIC Class Order 98/100 and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306 (3) of the Corporations Act 2001.

On behalf of the Directors



**Giuseppe Canala**

Director

**Adelaide, 27 February 2014**

Level 1,  
67 Greenhill Rd  
Wayville SA 5034

Correspondence to:  
GPO Box 1270  
Adelaide SA 5001

T 61 8 8372 6666  
F 61 8 8372 6677  
E [info.sa@au.gt.com](mailto:info.sa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF ELLEX MEDICAL LASERS LIMITED**

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Ellex Medical Lasers Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



S J Gray  
Partner – Audit & Assurance

Adelaide, 27 February 2014

Grant Thornton Audit Pty Ltd ACN 130 913 594  
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another's acts or omissions. In the Australian context only, the use of the term 'Grant Thornton' may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

**Consolidated statement of profit or loss and other comprehensive income  
for the half-year ended 31 December 2013**

Consolidated Group		
Note	Half-year ended 31 Dec 2013 \$'000	Half-year ended 31 Dec 2012 \$'000
<b>Revenue</b>	<b>25,883</b>	<b>22,020</b>
Other income / (expenses)	57	111
Changes in inventories of finished goods and work in progress	240	(1,641)
Raw materials and consumables used	(12,906)	(9,516)
Employee benefits expense	(7,570)	(6,547)
Depreciation and amortisation expense	(608)	(730)
Facilities expenses	(819)	(720)
Legal costs	(159)	(43)
Advertising and marketing expense	(814)	(506)
Finance costs	(141)	(141)
Product development raw materials and consumables used	(199)	(210)
Realised foreign exchange gain/(loss)	(475)	(90)
Other expenses	(1,835)	(1,928)
<b>Profit before tax</b>	<b>654</b>	<b>59</b>
Income tax benefit/(expense)	(263)	85
<b>Profit for the period</b>	<b>391</b>	<b>144</b>
<b>Other comprehensive income</b>		
Exchange differences on translating foreign operations	(316)	(634)
<b>Total comprehensive income for the period</b>	<b>75</b>	<b>(490)</b>
<b>Earnings per share:</b>		
From continuing operations:		
Basic (cents per share)	.36	.04
Diluted (cents per share)	.43	.04

Notes to the consolidated financial statements are included on pages 8 to 10.

## Consolidated statement of financial position as at 31 December 2013

Consolidated Group		
Note	31 December 2013 \$'000	30 June 2013 \$'000
<b>Current assets</b>		
Cash and cash equivalents	2,957	786
Trade and other receivables	11,113	10,242
Current inventories	14,958	13,587
Other current assets	1,206	1,347
<b>Total current assets</b>	<b>30,234</b>	<b>25,962</b>
<b>Non-current assets</b>		
Trade and other receivables	184	217
Non-current inventories	1,667	2,514
Property, plant and equipment	3,043	2,473
Capitalised development expenditure	8,764	8,266
Other intangible assets	806	814
Deferred tax assets	6,849	7,100
<b>Total non-current assets</b>	<b>21,313</b>	<b>21,384</b>
<b>Total assets</b>	<b>51,547</b>	<b>47,346</b>
<b>Current liabilities</b>		
Trade and other payables	6,269	6,482
Borrowings	3,382	6,369
Provisions	2,041	2,085
Deferred income	384	406
<b>Total current liabilities</b>	<b>12,076</b>	<b>15,342</b>
<b>Non-current liabilities</b>		
Borrowings	2,119	968
Deferred income	156	52
Provisions	354	155
<b>Total non-current liabilities</b>	<b>2,629</b>	<b>1,175</b>
<b>Total liabilities</b>	<b>14,705</b>	<b>16,517</b>
<b>Net assets</b>	<b>36,842</b>	<b>30,829</b>
<b>Equity</b>		
Issued capital	41,126	35,188
Reserves	(1,739)	(1,423)
Accumulated losses	(2,545)	(2,936)
<b>Parent entity interest</b>	<b>36,842</b>	<b>30,829</b>

Notes to the consolidated financial statements are included on pages 8 to 10.

## Consolidated statement of changes in equity for the half-year ended 31 December 2013

	Issued Capital \$'000	Other Reserve \$'000	Foreign Currency Reserve \$'000	Non- Controlling Interest \$'000	Accumu- lated Losses \$'000	Total \$'000
<b>Balance at 1 July 2012</b>	35,188	142	(1,152)	-	(2,120)	32,058
Total comprehensive income for the period	-	-	(634)	-	144	(490)
<b>Subtotal</b>	35,188	142	(1,786)	-	(1,976)	31,568
Dividends paid or provided for	-	-	-	-	-	-
<b>Balance at 31 December 2012</b>	<b>35,188</b>	<b>142</b>	<b>(1,786)</b>	<b>-</b>	<b>(1,976)</b>	<b>31,568</b>
<b>Balance at 1 July 2013</b>	35,188	142	(1,565)	-	(2,936)	30,829
Total comprehensive income for the period	-	-	(316)	-	391	75
Shares issued during period	6,312	-	-	-	-	6,312
Transaction costs	(374)	-	-	-	-	(374)
<b>Subtotal</b>	41,126	142	(1,881)	-	(2,545)	36,842
Dividends paid or provided for	-	-	-	-	-	-
<b>Balance at 31 December 2013</b>	<b>41,126</b>	<b>142</b>	<b>(1,881)</b>	<b>-</b>	<b>(2,545)</b>	<b>36,842</b>

Notes to the consolidated financial statements are included on pages 8 to 10.

## Consolidated statement of cash flows for the half-year ended 31 December 2013

Consolidated Group		
Note	Half-year ended 31 Dec 2013 \$'000	Half-year ended 31 Dec 2012 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	25,566	21,534
Payments to suppliers and employees	(23,966)	(19,596)
Interest and other costs of finance paid	(141)	(174)
Income tax paid	(112)	(5)
<b>Net cash provided by operating activities</b>	<b>1,347</b>	<b>1,759</b>
<b>Cash flows from investing activities</b>		
Payment for acquisition of business assets	(1,681)	-
Payment for property, plant and equipment	(86)	(318)
Payment for intangible assets	(24)	(22)
Proceeds from sale of PPE	-	3
Payment for capitalised development costs	(827)	(1,177)
Interest received	3	-
<b>Net cash used in investing activities</b>	<b>(2,615)</b>	<b>(1,514)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of equity	6,312	-
Payment for share issue costs	(374)	-
Repayment of borrowings	(1,224)	(253)
Repayment of leases	(6)	(31)
<b>Net cash (used in)/provided by financing activities</b>	<b>4,708</b>	<b>(284)</b>
Net (decrease)/increase in cash and cash equivalents	3,440	(39)
Cash and cash equivalents at the beginning of the period	(513)	1,203
Effects of exchange rate changes on the balance of cash held in foreign currencies	30	(3)
<b>Cash and cash equivalents at the end of the period</b>	<b>2,957</b>	<b>1,161</b>

Notes to the consolidated financial statements are included on pages 8 to 10.

## Notes to the Consolidated financial statements for the half-year ended 31 December 2013

### Note 1: Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Ellex Medical Lasers Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2013, together with any public announcements made during the half-year.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last financial statements for the year ended 30 June 2013, except for the application of the following standards as of 1 January 2013

- AASB 10 *Consolidated Financial Statements*
- AASB 11 *Joint Agreements*
- AASB 13 *Fair Value Measurement*; and
- AASB 119 *Employee Benefits* (September 2011)

Management has reviewed the new requirements of the above standards and has concluded that there is no effect on the classification or presentation of balances as the group has no arrangements within the scope of the above standards.

### Note 2: Operating Segments

#### (i) Segment performance

	Distributors \$'000	Direct \$'000	Total \$'000
<b>Six months ended 31 December 2013</b>			
<b>Revenue</b>			
External sales	6,365	19,518	25,883
<b>Total segment revenue</b>	6,365	19,518	25,883
<b>Segment net profit before tax</b>	1,797	2,475	4,272
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result:			
• Depreciation and amortisation			(608)
Unallocated items:			
• Corporate costs, quality and service charges			(2,871)
• Finance costs			(141)
• Interest revenue			2
Net profit before tax from continuing operations			654

**Ellex Medical Lasers Limited**

Notes to the Consolidated financial statements  
for the half-year ended 31 December 2013

	Distributors \$'000	Direct \$'000	Total \$'000
<b>Six months ended 31 December 2012</b>			
<b>Revenue</b>			
External sales	5,965	16,055	22,020
<b>Total segment revenue</b>	<b>5,965</b>	<b>16,055</b>	<b>22,020</b>
<b>Segment net profit before tax</b>	<b>1,646</b>	<b>2,086</b>	<b>3,732</b>
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Amounts not included in segment result:			
• Depreciation and amortisation			(730)
Unallocated items:			
• Corporate costs, quality and service charges			(2,802)
• Finance costs			(141)
• Interest revenue			-
Net profit before tax from continuing operations			<b>59</b>

**(ii) Segment assets**

	Distributors \$'000	Direct \$'000	Total \$'000
<b>31 December 2013</b>			
<b>Segment assets - opening</b>	7,531	23,634	31,165
Segment asset changes for the period:			
• Net reduction in inventories and receivables	13,063	(9,100)	3,963
Total segment assets	20,594	14,534	35,128
<i>Reconciliation of segment assets to group assets</i>			
Inter-segment eliminations			
Unallocated assets:			
• Deferred tax assets			6,849
• Capitalised development expenditure			8,764
• Intangibles			806
Total group assets			<b>51,547</b>
<b>30 June 2013</b>			
<b>Segment assets – opening</b>	9,449	20,198	29,647
Segment asset changes for the period:			
• Net reduction in inventories and receivables	(1,918)	3,236	1,518
Total segment assets	7,531	23,634	31,165
<i>Reconciliation of segment assets to group assets</i>			
Inter-segment eliminations			
Unallocated assets:			
• Deferred tax assets			7,100
• Capitalised development expenditure			8,266
• Intangibles			814
Total group assets			<b>47,346</b>

**Ellex Medical Lasers Limited**

Notes to the Consolidated financial statements  
for the half-year ended 31 December 2013

**(iii) Revenue by geographical region**

Revenue attributable to external customers below, based on the location of the external customer.

	<b>Half-year ended 31 Dec 2013</b>	<b>Half-year ended 31 Dec 2012</b>
	<b>\$</b>	<b>\$</b>
Region		
Australia	4,655,880	4,527,829
USA	9,627,521	4,440,268
Europe, Middle East and Africa	4,245,934	5,083,125
Japan	4,686,389	5,958,102
Asia	1,963,428	1,721,748
South America	704,237	288,335
	<b>25,883,389</b>	<b>22,019,407</b>

**Note 3: Issued Capital**

	<b>Half-year ended 31 Dec 2013</b>	<b>Half-year ended 31 Dec 2012</b>
	<b>\$</b>	<b>\$</b>
Opening balance	35,188	35,188
Issue of Equity	6,312	-
Share issue costs	(374)	-
Closing balance	<b>41,126</b>	<b>35,188</b>

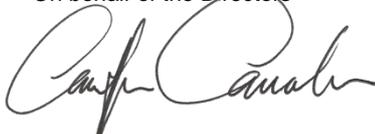
## **Directors' declaration**

The directors declare that:

- (a) The financial statements and notes are in accordance with the corporations Act 2001, including:
  - (i) complying with Accounting Standard 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
  - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date.
- (b) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

Signed in accordance with a resolution of the directors made pursuant to s.303 (5) of the Corporations Act 2001.

On behalf of the Directors



**Giuseppe Canala**  
Director

**Adelaide, 27 February 2014**

Level 1,  
67 Greenhill Rd  
Wayville SA 5034

Correspondence to:  
GPO Box 1270  
Adelaide SA 5001

T 61 8 8372 6666  
F 61 8 8372 6677  
E [info.sa@au.gt.com](mailto:info.sa@au.gt.com)  
W [www.grantthornton.com.au](http://www.grantthornton.com.au)

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ELLEX MEDICAL LASERS LIMITED**

We have reviewed the accompanying half-year financial report of Ellex Medical Lasers Limited (“Company”), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors’ declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year’s end or from time to time during the half-year.

### **Directors’ responsibility for the half-year financial report**

The directors of Ellex Medical Lasers Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

### **Auditor’s responsibility**

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Ellex Medical Lasers Limited consolidated entity’s financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

Grant Thornton Audit Pty Ltd ACN 130 913 594  
a subsidiary or related entity of Grant Thornton Australia Ltd ABN 41 127 556 389

‘Grant Thornton’ refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires. Grant Thornton Australia Ltd is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate one another and are not liable for one another’s acts or omissions. In the Australian context only, the use of the term ‘Grant Thornton’ may refer to Grant Thornton Australia Limited ABN 41 127 556 389 and its Australian subsidiaries and related entities. GTIL is not an Australian related entity to Grant Thornton Australia Limited.

Liability limited by a scheme approved under Professional Standards Legislation. Liability is limited in those States where a current scheme applies.

As the auditor of Ellex Medical Lasers Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Independence**

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ellex Medical Lasers Limited is not in accordance with the Corporations Act 2001, including:

- a giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

*Grant Thornton*

GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



S J Gray  
Partner – Audit & Assurance

Adelaide, 27 February 2014

## Corporate Directory

### Directors

Mr Victor Previn	BE (Chairman)
Mr Alex Sundich	BEC, MComm, ACA, FFINSIA (Non-Executive Director)
Mr Giuseppe Canala	BTECH, BA, FAICD (Non-Executive Director)
Mr Rahmon Coupe	BEng (Hons) (Non-Executive Director)
Dr Meera Verma	PhD, FTSE, FAICD (Non-Executive Director)

### Company Secretary

Ms Maria Maieli	MPA, CPA
-----------------	----------

### Registered Office

Ellex Medical Lasers Limited  
ABN 15 007 702 927  
82 Gilbert Street  
Adelaide South Australia 5000  
Telephone: +61 8 8104 5200  
Facsimile: +61 8 8104 5231

### Auditors

Grant Thornton Audit Pty Limited  
Level 1, 67 Greenhill Road  
Wayville South Australia 5034

### Legal Advisors

Thomsons Lawyers  
Level 7, 19 Gouger Street  
Adelaide South Australia 5000

### Share Registry

Computershare Investor Services Limited  
Level 5, 115 Grenfell Street  
Adelaide South Australia 5000

GPO Box 1903  
Adelaide South Australia 5001

Enquiries within Australia: 1300 556 161  
Enquiries outside Australia: +61 3 9415 4000  
Website: [www.computershare.com](http://www.computershare.com)

### Websites:

[www.ellex.com](http://www.ellex.com)  
[www.slt-ellex.com](http://www.slt-ellex.com)

### Stock Exchange

The company Ellex Medical Lasers Limited is listed on the Australian Securities Exchange (ASX).  
The ASX Code is: ELX-Ordinary Shares.