



30 January, 2006:

### **AtCor Medical first half revenue up 40 per cent**

AtCor Medical Holdings Limited (ASX:ACG), the developer and marketer of SphygmoCor<sup>®</sup>, a system to measure central cardiovascular function non-invasively, today announced sales of \$1.73 million for the six months to 31 December 2005, up 40 per cent compared to the previous corresponding period.

The company sold 95 SphygmoCor units to medical research centres and pharmaceutical companies worldwide, including a strong increase in sales in the United States. Sales included a significant order from Novartis, a major pharmaceutical company, for use in an international multi-centre clinical trial.

AtCor Medical finished the quarter with a strong cash position of more than \$15 million, following its successful IPO which closed oversubscribed in November 2005.

Today, the company lodged its first Appendix 4C since its IPO. Net operating outflows were \$976,000, after receipts from customers of \$965,000, in line with expectation.

SphygmoCor received a powerful endorsement from the Conduit Artery Functional Endpoint (CAFÉ) sub-study of the Anglo-Scandinavian Cardiac Outcomes Trial (ASCOT), and the Strong Heart Study results released at the American Heart Association conference in November 2005. Both studies showed that measuring central blood pressure at the heart is the key to understanding cardiovascular risk, and a better predictor of cardiovascular outcomes such as heart failure, heart pressure and stroke than traditional cuff blood pressure measured at the arm.

Mr Ross Harricks, AtCor Medical chief executive officer said, “AtCor Medical’s progress in the United States was particularly encouraging, and we anticipate growth in the US market as we expand our direct sales force and extend our rollout.”

Audited figures for the six months to 31 December 2005 will be released in the week commencing 27 February.

For further information, please contact:

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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

ATCOR MEDICAL HOLDINGS LIMITED

ABN

81 113 252 234

Quarter ended ("current quarter")

31 DECEMBER 2005

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (...6.. months) \$A'000
1.1 Receipts from customers	965	1,796
1.2 Payments for		
(a) staff costs	(860)	(1,607)
(b) advertising and marketing	(85)	(171)
(c) research and development	(67)	(138)
(d) leased assets	(18)	(38)
(e) other working capital	(1,061)	(1,586)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	150	157
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Grants received	-	193
<b>Net operating cash flows</b>	<b>(976)</b>	<b>(1,394)</b>

+ See chapter 19 for defined terms.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (...6... months) \$A'000
1.8 Net operating cash flows (carried forward)	<b>(976)</b>	<b>(1,394)</b>
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		
(b) equity investments		(90)
(c) intellectual property		(39)
(d) physical non-current assets	(32)	
(e) other non-current assets		
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(32)</b>	<b>(129)</b>
<b>1.14 Total operating and investing cash flows</b>	<b>(1,008)</b>	<b>(1,523)</b>
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.	16,029	17,495
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		
1.18 Repayment of borrowings		
1.19 Dividends paid		
1.20 Other – loans to directors and staff (at commercial interest rates)	(1,638)	(1,638)
<b>Net financing cash flows</b>	<b>14,391</b>	<b>15,857</b>
<b>Net increase (decrease) in cash held</b>	<b>13,383</b>	<b>14,334</b>
1.21 Cash at beginning of quarter/year to date	1,674	723
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>15,057</b>	<b>15,057</b>

+ 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	238
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	<p>Explanation necessary for an understanding of the transactions</p> <div style="border: 1px solid black; padding: 5px;"> <p>Salaries and directors fees \$171,000. Consulting fees to a director (M O'Rourke) \$67,000.</p> </div>	

**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

Loans to staff and directors were to allow these parties to exercise options issued prior to IPO. The loans are for up to 4 years and accrue a commercial rate of interest (as defined by current tax legislation).

- 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. (See AASB 1026 paragraph 12.2).*

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

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+ See chapter 19 for defined terms.

**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	15,057	1,674
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	15,057	1,674

**Acquisitions and disposals of business entities**

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

**Compliance statement**

- 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.
- This statement does ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  Date: .....30 Jan 2006.....  
 (Director/Company secretary)

Print name: Peter Manley.

+ 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 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a)- policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting 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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