

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

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

SomnoMed Limited

ABN

35 003 255 221

Quarter ended ("current quarter")

31st March 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from customers	3,803	10,200
1.2 Payments for		
(a) staff costs	(1,332)	(4,022)
(b) advertising and marketing	(614)	(1,553)
(c) research and development	(22)	(98)
(d) leased assets	-	-
(e) other working capital	(1,494)	(4,281)
(f) business development	(153)	(851)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	24	95
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other income- net grants/R&D concessions	50	168
Net operating cash flows	262	(342)

+ See chapter 19 for defined terms.

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Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	262	(342)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(371)	(407)
(b) equity investment associate	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(50)	(185)
(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 Loan to associated entity	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
	(421)	(592)
Net investing cash flows		
1.14 Total operating and investing cash flows	(159)	(934)
Cash flows related to financing activities		
1.15 Net Proceeds/Costs from issues of shares, options, etc.	-	129
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 (provide details if material)	-	-
	-	129
Net financing cash flows		
Net increase (decrease) in cash held	(159)	(805)
1.21 Cash at beginning of quarter/year to date	3,261	3,949
1.22 Exchange rate adjustments to item 1.20	(11)	(53)
1.23 Cash at end of quarter	3,091	3,091

+ See chapter 19 for defined terms.

SomnoMed continues with sales growth and new sales records in Q3

SomnoMed Limited announced today its results for the third quarter to March 2012. Unit sales reached a new record with 7,903 units, 25% higher than in the same quarter in the previous year, when sales reached 6,346 units. Third quarter sales were ahead of Q2 sales with increased sales in all regions (US, APAC and Europe) in Q3. Global unit sales for the nine months are just over 22,000 units.

Revenue numbers for the March quarter of \$3.8 million were 26% more than the same period last year. Total revenue growth for the full 9 months is 18% (26% with constant exchange rates).

SomnoMed's CEO Mr Ralf Barschow commented, "New record sales were achieved in all regions in Q3 and trends are encouraging for the remainder of the financial year."

All regions generated operating profits well ahead of the corresponding period in the prior year. The ongoing investment in manufacturing, operations and logistics during the year has again allowed SomnoMed to increase the gross margin of the business to 69% from 67% in the March quarter of 2011."

"The recent announcement that SomnoMed's MATRx system has now received FDA clearance allows us to put the proof of individual treatment effectiveness in the forefront of our medical drive and strategic positioning in the industry in anticipation of the Sleep Congress 2012 to be held in June in Boston, USA," commented Mr Barschow.

The cash use for the quarter was \$170,000, including cash payments of \$371,000 made in connection to the completion of the acquisition of SomnoMed's share in the Dutch company and associated transaction costs. SomnoMed had a cash balance of \$3.1 million at the end of Q3.

+ 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	66
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments made during the quarter include directors' fees

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. (See AASB 1026 paragraph 12.2).

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

+ See chapter 19 for defined terms.

Reconciliation of cash

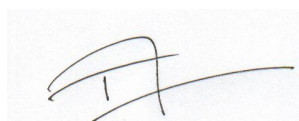
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	2,034	1,537
4.2 Deposits at call	1,057	1,724
4.3 Bank overdraft	-	-
4.4 Other (provide details) Bank Bills	-	-
Total: cash at end of quarter (item 1.22)	3,091	3,261

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	Goedegebuure Slaaptechniek B.V.	N/A
5.2 Place of incorporation or registration	Netherlands	
5.3 Consideration for acquisition or disposal	\$A1.379m	
5.4 Total net assets	\$A0.84m	
5.5 Nature of business	Oral Appliance Distributor	

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:
 (Company Secretary)

Date: 27th April 2012

Print name: T A Flitcroft

+ 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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