

INVESTOR PRESENTATION

Half year to 31 December 2012

FY 2012 - 2013

Dr Peter Neustadt (Executive Chairman)
Dr Kien Nguyen (President SomnoMed Inc.)
Mr Neil Verdal-Austin (CFO)

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Some of the statements contained in this release are forward-looking statements. Forward looking statements include but are not limited to, statements concerning estimates of future sales, expected revenues and costs, statements relating to the continued advancement of the Company's operations and other statements which are not historical facts. When used in this document, and on other published information of the Company, the words such as "aim", "could", "estimate", "expect", "intend", "target", "forecast", "future", "will", "may", "potential", "should" and similar expressions are forward-looking statements.

Although the company believes that its expectations reflected in the forward-looking statements are reasonable, such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors could cause actual results and projections of future performance to differ from these forward looking statements as a result of known and unknown risks, uncertainties and other factors not anticipated by the Company or disclosed in the Company's published material. Many of these factors are beyond the control of SomnoMed Limited and may involve subjective judgement and assumptions as to future events, which may or may not be correct.

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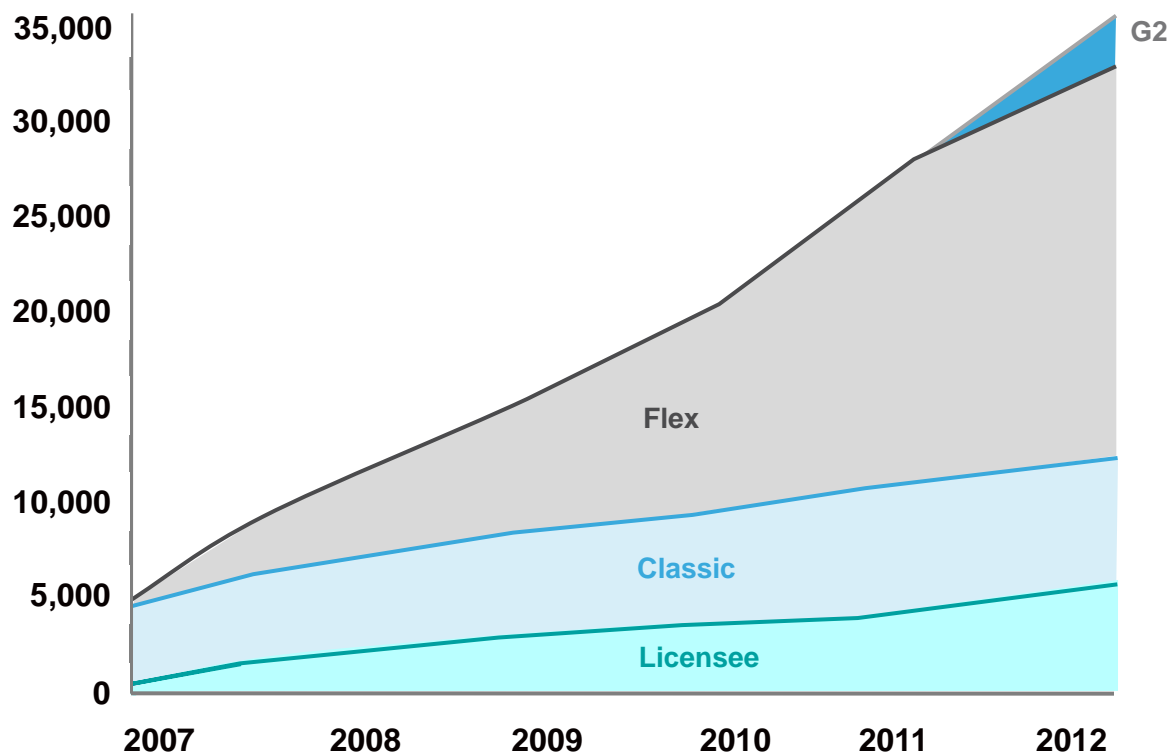
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Financial Highlights and Achievements : First Half FY2012/13

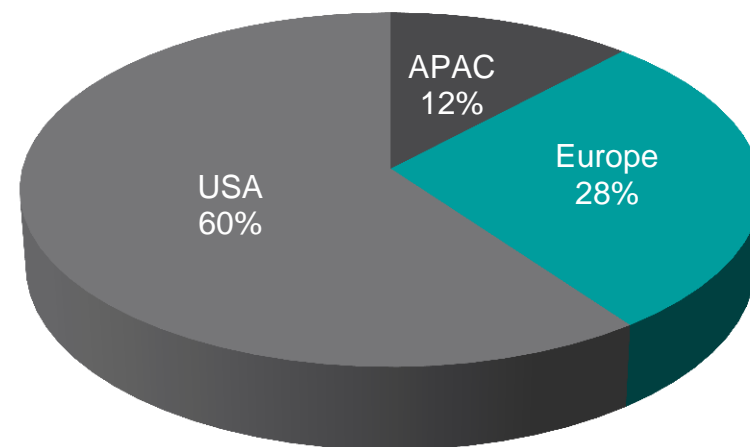
1	2	3	4	5
<p>Revenues = \$9.026 million (+32% Yr on Yr)</p> <p>Driven by:</p> <ul style="list-style-type: none">• Good growth SomnoDent® sales• Integration of Dutch acquisition	<p>SomnoDent® Units sold = 17182 units (+19% Yr on Yr)</p> <p>Driven by:</p> <ul style="list-style-type: none">• Strong growth in European sales• Impact of the US restructuring• Record US licensee sales	<p>EBITDA = \$723k (+194% Yr on Yr)</p> <ul style="list-style-type: none">• Indication of earnings strength at 8.2% revenues• Before US restructuring and acquisition related costs, EBITDA >\$1m or >11% revenues	<p>Main Achievements First Half</p> <ul style="list-style-type: none">• G2 launch globally• Restructuring, upgrading and expansion of US management team• Acquisition of Orthosom (France) and MAS Nordic (Sweden)• Braebon contract (compliance measurement)• Worldwide dental network of 4,300 at 31 December 2012	<p>Continued strong underlying business and disciplined financial management</p> <ul style="list-style-type: none">• SomnoDent® margin around 70%• Self funding for 5 years despite revenues growth X9• Work force now >160 people worldwide

Continuing strong quarterly growth

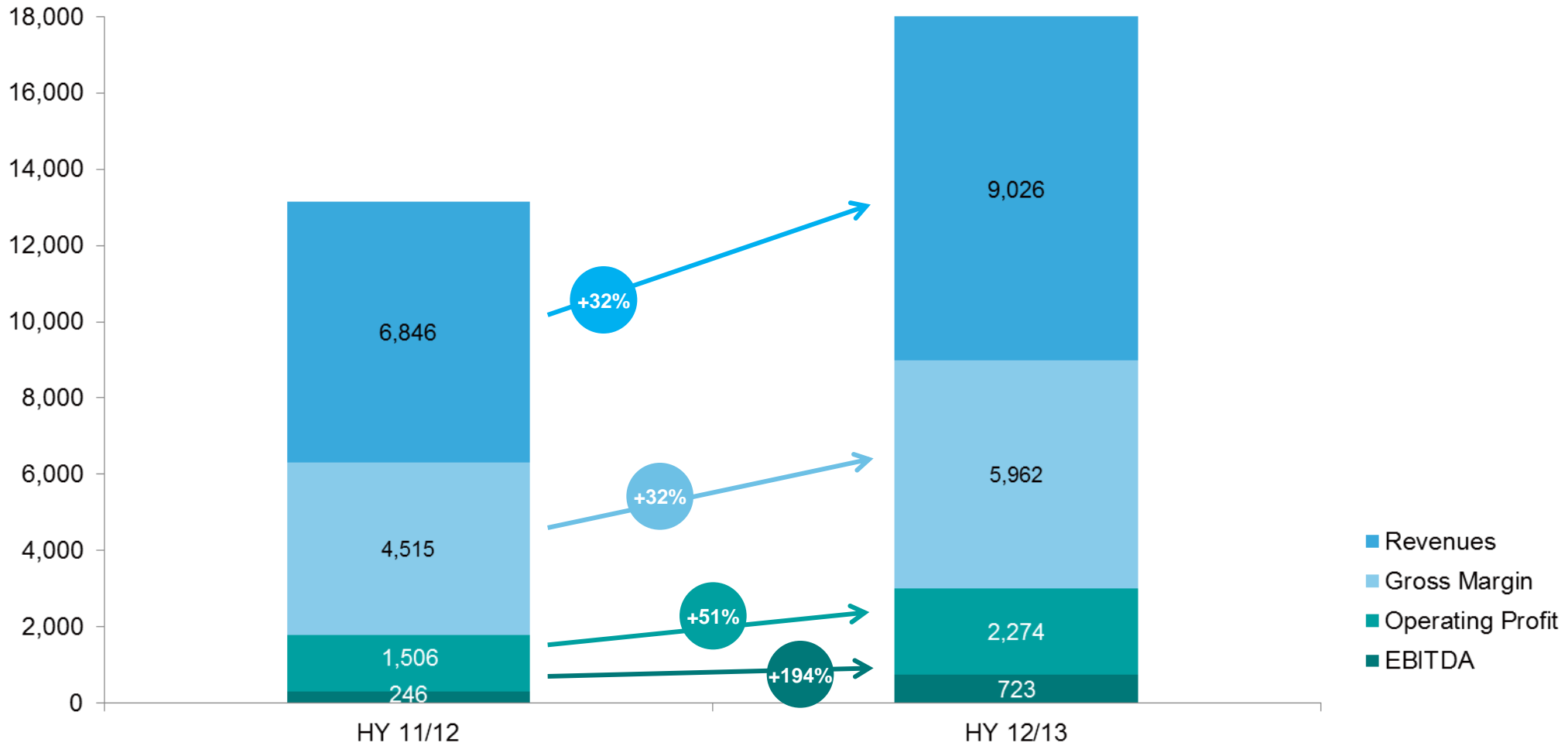
Global Units Sold



Steady Regional Distribution



Half Year Comparison at December 2012 vs 2011



Summary Financial Results

Financial Summary (\$000's)	12/13	11/12	10/11	09/10	08/09	07/08	06/07
	1st H	1st H	1st H	1st H	1st H	1st H	1st H
Units	17,182	14,443	11,450	9,140	5,475	2,916	1,870
Revenue	9,026	6,846	5,975	4,989	3,180	1,497	1,104
Gross Margin	5,962	4,515	3,825	2,847	1,655	728	486
Gross Margin %	66.1%	66.0%	64.0%	57.1%	52.0%	48.6%	44.0%
Operating profit/(loss) before corporate, research, business development and non cash items	2,274	1,506	1,495	1,098	-140	-490	-991
Corporate, research and business development expenses	-1,551	-1,260	-1,101	-832	-931	-788	-540
EBITDA	723	246	394	266	-1,071	-1,278	-1,531
Depreciation amortization non cash item	-386	-258	-133	-126	-311	-308	-227
Interest received and other cash items	59	71	50	46	155	88	33
Net profit/(loss) before tax	408	59	311	186	-1,227	-1,498	-1,725

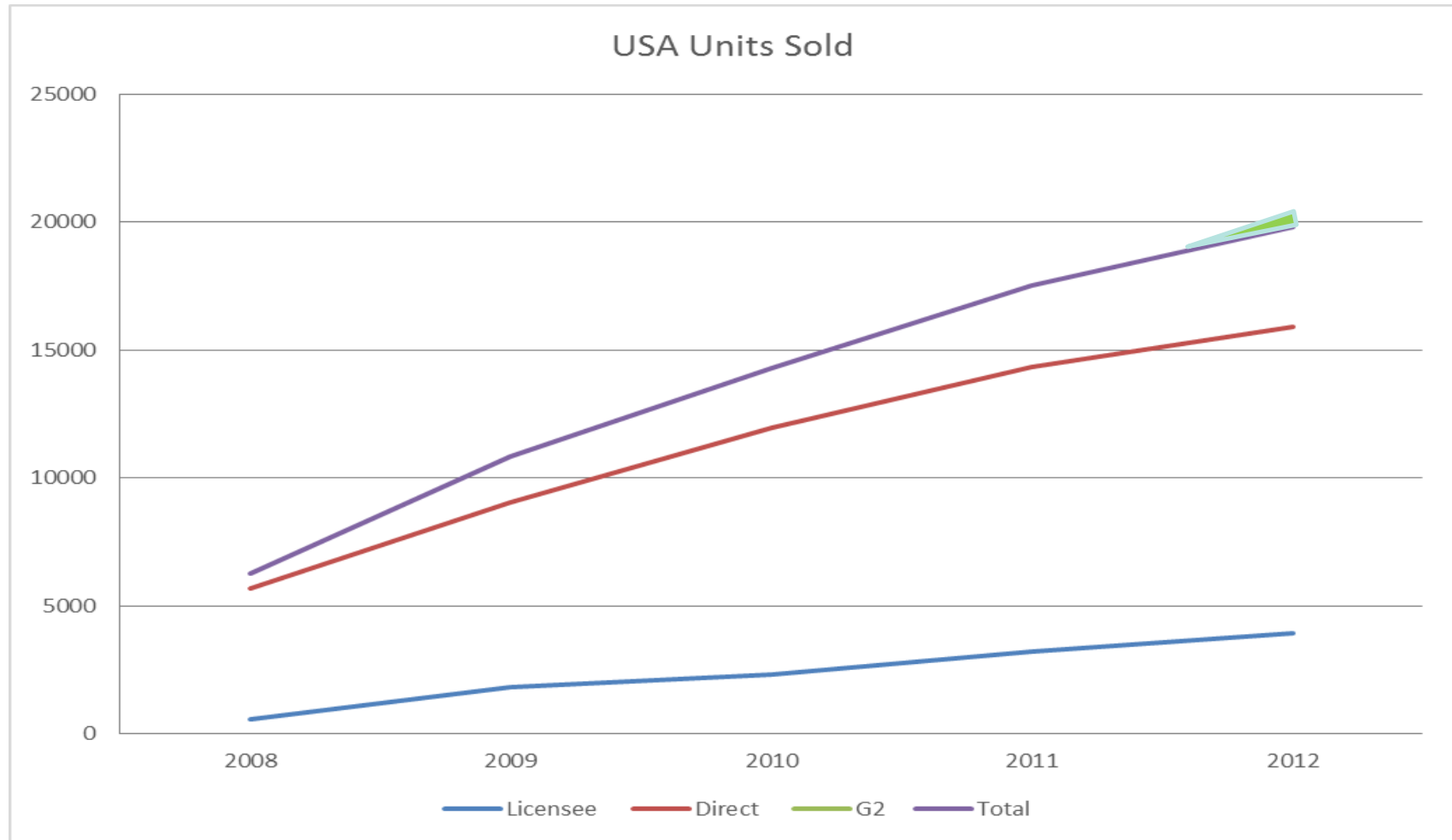
Cash Flow

| Closely managed and tightly controlled

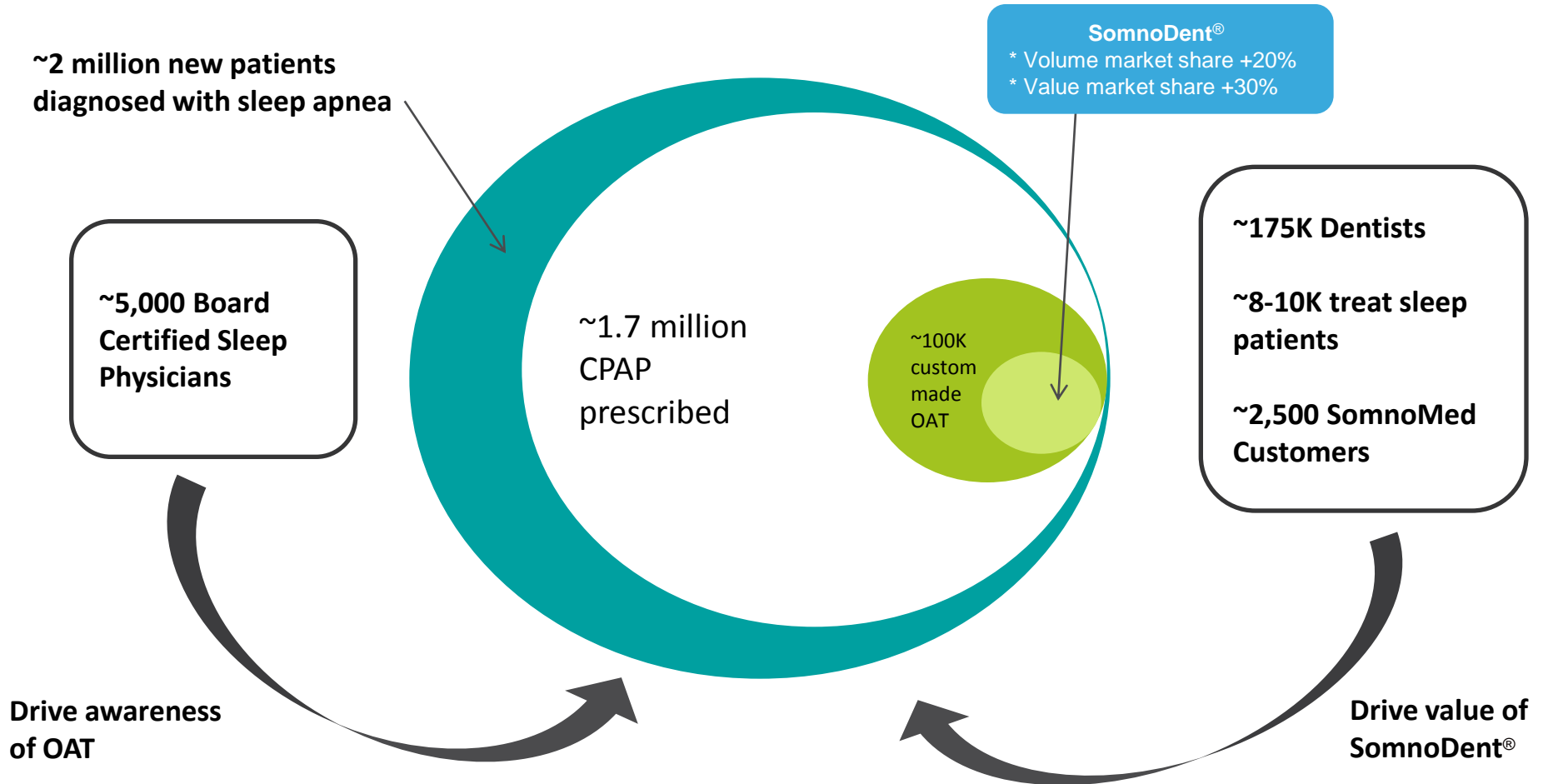
| Half year closed at the same cash held at 30 June 2012 (\$3.535 million) despite growth and additional costs of +\$400k:

- Growth in underlying business
- Acquisition of Orthosom and related costs in France & pre-acquisition costs of MAS Nordic in Sweden
- Ongoing regulatory costs and product development
- Recruitment costs and management changes (US)
- G2 launch

North America – 5 Year Unit Sales Growth



US Market Opportunity



North America – Building Key Components of SomnoMed Medical Initiative to dominate US activities over next 3 years

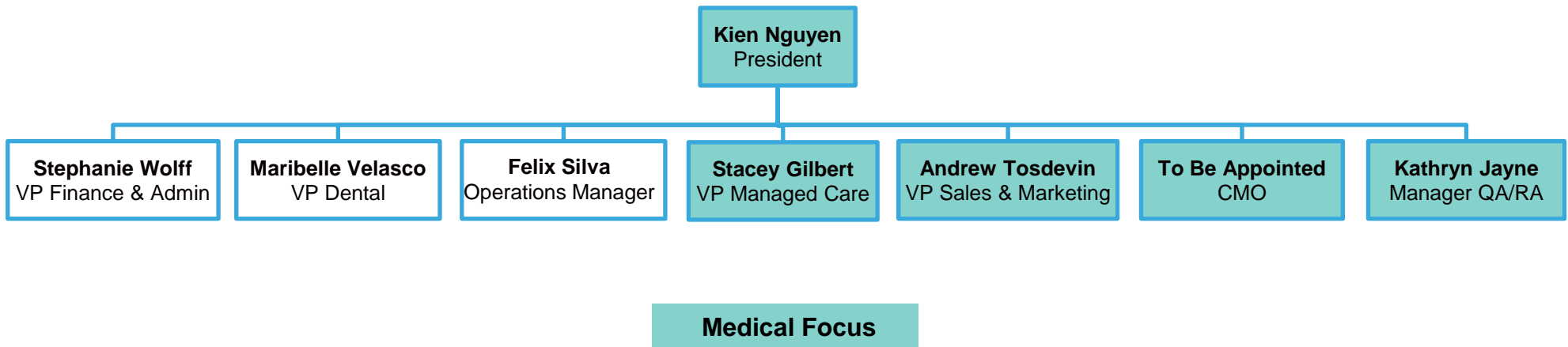
| Building broader medical acceptance

- | *Clinical data*
- | *CMO/MAB*
- | *MATRx*
- | *Compliance measurement*
- | *Medical education program*

| Increasing referrals of patients for SomnoDent® treatment

- | *Positioning the SomnoDent®*
- | *Develop the US organization*
- | *Establish billing competencies*
- | *Expand SomnoMed Preferred Dental Network*

North American Management Team



The Second Half Outlook

- | SomnoDent® G2 roll out to gain momentum
- | Continued strong growth in Europe and steady growth in APAC
- | US direct sales swinging back to expected levels
- | Start of medical initiatives and expansion of MATRx fitted labs
- | Revenues likely to reach \$20m for the year (subject to exchange rate movements)
- | Second half sales 19,000 – 20,000 SomnoDent®
- | Earnings in second half negligible after investment in US medical expansion and absorbing integration and launch costs in France
- | Continuing product improvements, broadening of product line and preparations for launch of DentiTrac compliance measurement in 2013/14



EXECUTIVE CHAIRMAN

Dr Peter Neustadt

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