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SomnoMed breaks through 10,000 unit sales in 4th Quarter

2 July 2013, Sydney: SomnoMed Limited (ASX:SOM) today announced record unit sales for the fourth quarter to June 2013. Continued growth in volumes in the June quarter by 17.5% over the same period last year was reflected in the record 10,009 units sold. This compares to the 8,518 units sold in Q4 of 2012 and represents the highest number of SomnoDent® devices sold so far in any quarter in its history.

The total number of sleep apnea units sold in 2012/13 was 35,841. This is above SomnoMed's previous forecast that annual sales would be in the order of 35,000 units, reflecting the improvement of operational issues in the US which impacted on sales, especially in Q3. The quarter's growth of 17.5% beats the annual growth of 16% posted for the full 12 month period to June 2013 indicating a stronger run rate into the new fiscal year.

The quarterly result was driven by record sales in all trading regions. The APAC region grew 9% while posting a sales high during the month of May. Japan posted a 31% growth for the fourth quarter albeit from a smaller base with a June record month. The US recorded a growth of 10% for the quarter compared to the same quarter in the previous year with record sales recorded in May, reflecting the trend of improvements in our operations. Europe trumped all regions with a growth of 36% for the quarter with new all-time records being set in June. As a group SomnoMed has achieved record unit sales in two of the three months in the fourth quarter.

SomnoMed's Executive Chairman Dr Peter Neustadt commented, "The results achieved in the fourth quarter are an indication that operational and sales issues which affected our sales in the US, especially in Q3, are being resolved. Very good progress has been made and is reflected in the sales achieved in the quarter. It is very pleasing and indicative of the strength of our SomnoDent® products that we passed the milestone of selling worldwide over 10,000 units in a quarter for the first time and that we could exceed our April forecast for the year by achieving total sales of just under 36,000. The 17.5% growth achieved for the quarter places us back towards the growth curve envisaged for SomnoMed from our dental business across all regions. As the medical initiative starts to unfold in 2013/14 in the US it is important to state that the results achieved in the 2012/13 year did not include any additional sales from the new US medical initiatives.

"We are very pleased with the developments in Europe and results achieved in APAC in 2012/13. The integration of the businesses acquired in Holland, France and Sweden are progressing well and to our expectations. The introduction of the new Braebon Compliance chip, the successful introduction of our new leading product, the SomnoDent® G2, and the mid-price SomnoDent® Herbst device approved by the FDA in June, as well as the launch of our Medical Initiative in Baltimore with our new CMO, will form a solid base from which SomnoMed will continue to grow." said Dr. Neustadt.

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About SomnoMed

SomnoMed is a public company providing diagnostic and treatment solutions for Sleep-related Breathing Disorders including obstructive sleep apnea, snoring and bruxism. SomnoMed was commercialized on the basis of extensive clinical research. Supporting independent clinical research, continuous innovation and instituting medical manufacturing standards has resulted in SomnoDent® becoming the state-of-the-art and clinically proven medical oral appliance therapy for obstructive sleep apnea. SomnoDent® is the most comfortable and effective design and treatment solution for over 130,000 patients in 22 countries.

For additional information, visit SomnoMed at <http://www.somnomed.com.au>