

CONTINUOUS GROWTH OF SOMNOMED IN THIRD QUARTER

10th April 2015, SomnoMed Limited ("SOM": ASX) is pleased to announce total revenues grew by 17.3% to \$7.62 million during third quarter, bringing the revenues for the nine months of the financial year 14/15 to \$22.4 million, 17.8% higher than in the same period in the previous year. The third quarter of the financial year produced total sales of 12,063 SomnoDent[®] units, the second highest quarter in the Company's history and 9.6% above the same quarter in the previous year.

The month of March generated sales of 5,128 SomnoDent[®] units (an increase 24.5% over the prior year) and total revenues of \$3.03 million (an increase 27.7% over the prior year), recording the second highest revenue and unit sales month in the history of SomnoMed.

During the quarter sales accelerated in all regions. In March Europe achieved sales of over 1,800 units for the first time, which was 21% higher than in March the previous year. Direct sales in the US, which represent more than 80% of the Company's total North American sales, grew by over 31% compared to the same month in 2014. Sales to US licensees also grew by 27% in March, after a flat first two months of the quarter, following paralyzing winter weather in the Northern US and Canada.

Above the average regional growth was recorded in Scandinavian countries, in new and emerging markets in Europe, and in Korea, Singapore and Japan during the quarter.

"Total sales for the year now stand at 36,838 MAS units. Given the strong March result we are confident of setting a new record in fourth quarter sales this year. Our new products are performing well and have strengthened our US direct sales," said Dr. Peter Neustadt, SomnoMed Executive Chairman.

SomnoMed had \$8.48 million in cash at the end of March 2015, after absorbing \$300,000 in capital expenditure, largely linked to payment for equipment for the expansion of its production facility.

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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 200,000 patients in 27 countries.

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