

Optiscan Imaging Limited and its Controlled Entity

Profit and Loss Statement for the half year ended 31 December, 2000

	Consolidated	
	December	December
	<u>2000</u>	<u>1999</u>
	\$	\$
Operating loss before depreciation, amortisation and income tax	(1,655,570)	(589,060)
Depreciation and amortisation	<u>(538,153)</u>	<u>(442,765)</u>
Operating loss before income tax	(2,193,723)	(1,031,825)
Income tax expense (benefit) attributable to operating loss	<u>-</u>	<u>-</u>
Operating loss after income tax	(2,193,723)	(1,031,825)
Accumulated losses at the beginning of the financial period	(5,954,109)	(3,283,475)
Accumulated losses at the end of the financial period	<u>(8,147,832)</u>	<u>(4,315,300)</u>
Basic earnings per share (cents per share)	(3.51)	(2.02)

The accompanying notes form an integral part of this profit and loss statement.

Optiscan Imaging Limited and its Controlled Entity

Balance Sheet at 31 December, 2000

	December 2000 \$	Consolidated June 2000 \$	December 1999 \$
Current assets			
Cash	154,199	600,790	144,117
Receivables - Commercial Bills	9,003,818	11,072,900	3,062,399
Receivables - other	986,851	695,288	496,273
Inventories	749,787	626,171	279,596
Other	79,346	24,188	13,300
Total current assets	<u>10,974,001</u>	<u>13,019,337</u>	<u>3,995,685</u>
Non current assets			
Property, plant and equipment	954,491	554,626	526,415
Intangibles	4,342,786	4,680,117	5,017,448
Total Non current assets	<u>5,297,277</u>	<u>5,234,743</u>	<u>5,543,863</u>
Total assets	<u>16,271,278</u>	<u>18,254,080</u>	<u>9,539,548</u>
Current liabilities			
Accounts Payable	484,053	183,621	300,239
Provisions	140,898	186,477	128,938
Total current liabilities	<u>624,951</u>	<u>370,098</u>	<u>429,177</u>
Non current liabilities			
Borrowings	-	320,000	320,000
Provisions	45,070	70,445	36,939
Total non current liabilities	<u>45,070</u>	<u>390,445</u>	<u>356,939</u>
Total liabilities	<u>670,021</u>	<u>760,543</u>	<u>786,116</u>
Net assets	<u>15,601,257</u>	<u>17,493,537</u>	<u>8,753,432</u>
Shareholders' equity			
Share Capital	23,676,609	23,375,166	12,996,256
Reserves	72,480	72,480	72,476
Accumulated losses	(8,147,832)	(5,954,109)	(4,315,300)
Total shareholders' equity	<u>15,601,257</u>	<u>17,493,537</u>	<u>8,753,432</u>

The accompanying notes form an integral part of this balance sheet.

Optiscan Imaging Limited and its Controlled Entity

Statement of Cash Flows for the half year ended 31 December, 2000

	Consolidated	
	2000	1999
	\$	\$
Cash flows from operating activities		
Receipts from customers	44,618	449,389
Royalties received	376,268	581,815
Grant income received	-	290,733
GST received	47,841	-
Payments to suppliers and employees	(2,677,181)	(2,107,583)
Interest received	330,200	38,059
Interest and other costs of finance	(22,666)	-
Net operating cash flows	<u>(1,900,920)</u>	<u>(747,587)</u>
Cash flows from investing activity		
Payments for plant and equipment	<u>(596,196)</u>	<u>(235,665)</u>
Net investing cash flows	<u>(596,196)</u>	<u>(235,665)</u>
Cash flows from financing activities		
Repayment of borrowings	(320,000)	(80,000)
Proceeds from issue of shares	-	2,500,000
Proceeds from exercise of options	301,443	421,122
Share issue costs paid	-	(30,265)
Net financing cash flows	<u>(18,557)</u>	<u>2,810,857</u>
Net (decrease)/increase in cash held	(2,515,673)	1,827,605
Cash at the beginning of the financial period	<u>11,673,690</u>	<u>1,378,911</u>
Cash at the end of the financial period	<u>9,158,017</u>	<u>3,206,516</u>

The accompanying notes form an integral part of this statement of cash flows.

Optiscan Imaging Limited and its Controlled Entity

Notes to the Half year Financial Statements

31 December 2000

Note 1: Basis of preparation

These general purpose consolidated financial statements have been prepared for the half-year ended 31 December, 2000 in accordance with Australian accounting standard AASB1029: Half-Year Accounts and Consolidated Accounts. It is recommended that this report be read in conjunction with the 30 June 2000 Annual Report and any public announcements made by Optiscan Imaging Ltd during the half-year in accordance with the continuous disclosure obligations of the Corporations Law and Australian Stock Exchange Listing Rules.

	Consolidated	
	December	December
	2000	1999
	\$	\$

Note 2: Revenue and Expenses

Operating loss has been arrived at after including:

Operating revenue:

Sales revenue	34,645	741,028
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Other operating revenue:

Interest revenue	321,931	38,059
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Grant received	201,000	650,809
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Royalty revenue	300,635	234,091
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Other	-	897
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Total operating revenue	<u>858,211</u>	<u>1,664,885</u>
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Operating loss is after charging the following expenses:

Amortisation and depreciation:

Amortisation of goodwill	337,331	337,331
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Depreciation of plant & equipment	<u>200,822</u>	<u>105,434</u>
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	538,153	444,931
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Research and development	553,979	581,057
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Other operating expenses:

Interest & borrowing costs

Interest - related entities	6,000	8,167
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