



24 January 2007

Optiscan first half product sales \$2.49M

- *42 systems shipped to Pentax*
- *Product sales revenue up over 400% on pcp*
- *Further growth expected in second half.*

Melbourne: Optiscan product sales revenue for the six months to 31 December 2006 (unaudited) totalled \$2.49M.

Sales comprised the export to Pentax of 42 endo-microscope systems, destined for on sale to end user customers around the world.

Product release by Pentax commenced in March 2006, so the sales result is up a significant 422% on the previous corresponding period result of \$0.59M.

Optiscan advised shareholders at its AGM in November that there was some uncertainty over the level of forward orders from Pentax. Since that time senior level management discussions with Pentax have clarified the position. Orders and forecasts now at hand indicate that second half product sales will be somewhat stronger than the first half. During the period Optiscan expects to ship a marginally higher number of Pentax systems but with an increasing number of miniature scanners per system.

Directors provide guidance that based on current forecasts and exchange rates revenue from Pentax sales for 2006/07 is expected to be in excess of \$5 million (2006, \$3.2M).

Further details of the financial results for the half-year ended 31 December 2006 will be released in February, when the audit review is completed. In the interim, the directors reiterate the guidance provided at the AGM that the half year result will include the previously announced royalty infringement receipts of \$2.1M and is expect to be near breakeven.

Background

Optiscan is a global leader in microscopic imaging technologies for medical markets.

Optiscan's unique and patented technologies enable high-powered microscopes to be miniaturised and used inside the body. The technology enables microscopic imaging of up to 1000 times magnification to be achieved. Doctors can use the technology to instantly see cellular level details of tissue without the requirement to surgically remove tissue (biopsy).



Pentax is the second largest producer of flexible endoscopes in the US\$1.2Bn pa global flexible endoscope market.

Pentax has been licensed by Optiscan to use its patented miniaturised microscope technology.

Pentax released the world's first fully functional flexible endo-microscope for sale in March 2006.

Optiscan manufactures and sells to Pentax the high value key operating components of the miniaturised endo-microscope system.

Further information:

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