

Company announcement Pro Medicus Limited Interim Results

21 February 2019

HIGHLIGHTS

- **Revenue \$25.3m – up 59.4%**
- **Reported after-tax profit \$9.1m – up 184.3%**
- **Underlying after-tax profit \$9.2m – up 79.9%**
- **EBIT margins increased to 51.8%**
- **Cash reserves \$24.7m**
- **Company remains debt-free**
- **Fully franked interim dividend of 3.5c per share**
- **Special fully franked dividend of 2.5c per share**
- **Ten-year anniversary of Visage Imaging acquisition**

Leading health imaging company Pro Medicus Limited [ASX: PME] today announced a first-half after-tax profit of \$9.1m for the six months to 31 December 2018, 184.3% higher than for the previous corresponding period.

During the period, revenues rose in all key jurisdictions: by 40% in North America, by 30% in Australia, and by 204% in Europe, resulting in revenue for the half increasing by 59.4% to \$25.3m.

The interim results figures are based on new AASB 15 accounting standards that deal with customer revenue, which will now be deemed to be spread evenly over the period of contracts. Last year's figures have also been updated for comparison purposes.

The company's cash reserves at 31 December 2018 were \$24.7m. The company will pay an interim dividend of 3.5c per share and a special dividend of 2.5c. Pro Medicus remains debt-free.

Dr Sam Hupert, Pro Medicus CEO, said "The interim result was particularly pleasing in that we saw solid growth in all three major jurisdictions. There was a significant up-tick in transaction revenues in the US as a greater number of transactions flowed from our Yale and Mayo implementations, our implementations in Australia are progressing well and our wholly-owned European subsidiary, Visage Imaging GmbH, signed a A\$3+million extension to the contract it has with a large German Government Hospital network."

In November 2018, the company announced a \$27m, seven-year contract with Partners Healthcare in the USA for the prestigious Massachusetts General Hospital and Brigham and Women's Hospitals, ranked the fourth and twentieth best hospitals in the USA respectively. The contract based on a transaction model has inherent upside with expectations that Pro Medicus' technology will be rolled out to the rest of the Partners Healthcare network as part of the second phase of the implementation.

Dr Hupert described the deal with Partners Healthcare as one of the most significant in the company's history and one that resonated worldwide.

During the period the company also successfully completed major go lives at Yale New Haven and the Jacksonville and Phoenix campuses at Mayo Clinic as well as several smaller implementations. The Partners implementation is scheduled to commence in May/June this year, with revenue from the contract starting to flow in the first half of the 2020 financial year.

Dr Hupert said, "We continue to be on or ahead of our implementation schedule. Our North American pipeline continues to be strong both in terms of quantity and quality of prospects and we are seeing an increasing number of new opportunities, so we feel we are well placed."

He said the company would continue to actively pursue opportunities in the large enterprise, academic, corporate and private imaging centre markets. The Australian market continued to grow as a result of increased adoption of the Visage RIS and Visage PACS products.

"It is just on ten years since Pro Medicus acquired Visage Imaging and it has been a very exciting decade for us," Dr Hupert said. "From being relatively unknown as recently as five years ago, we have become one of the leading providers in healthcare imaging in North America. Our technology is now used by a growing number of leading healthcare systems including two of the top four hospitals in the US, a position we are looking to build on."

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About Pro Medicus Limited:

Pro Medicus Limited [ASX: PME] is a leading medical imaging IT provider. Founded in 1983, the company provides a full range of radiology IT software and services to hospitals, imaging centres and health care groups worldwide. In late January 2009, the company announced the purchase of Visage Imaging, which has become a global provider of leading-edge enterprise imaging solutions, pioneering the best-of-breed, or Deconstructed PACS® enterprise imaging strategy. Visage 7 technology delivers amazingly fast, multi-dimensional images streamed via



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an intelligent thin-client viewer. The company offers a leading suite of RIS, PACS and e-health solutions constituting one of the most comprehensive end-to-end offerings in radiology. Pro Medicus has global offices in Melbourne, Berlin and San Diego. www.promed.com.au

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