



28 May 2014

ASX ANNOUNCEMENT

Trading Update

Medical Developments International Limited ("MVP") advise sales for FY14 are expected to be circa \$9.3m.

Sales of our Respiratory Device business have been negatively impacted by \$2m by three external factors:

- The merger between EBOS and Symbion has delayed sales until the beginning of FY15;
- Sales in New Zealand were impacted by an unusually mild winter; and
- GSK cancelled its Respiratory Device supply contract.

We are confident there has been no long term negative impact on the size of the market for our products and, as expected, the sales for our respiratory products are recovering. Sales for our New Zealand business are already back to the same levels for the six months ending 30 June 2013, and we have strong forward orders. We have a new agreement with Symbion and new initiatives with other trading partners which we hope will grow our market share significantly in FY15 and deliver long term growth.

We continue to invest heavily in our expansion plans and will make a separate announcement about these before the market opens tomorrow. In the meantime, we expect the underlying profit after tax for the twelve months ending 30 June 2014 will be circa \$750,000. The underlying profit does not include one off licence payments for distribution agreements we are negotiating in Australia and in parts of Europe, some of which we expect to announce in CY 2014.

Enquiries:

David Williams
Chairman
Medical Developments International Ltd
0414 383 593

John Sharman
Chief Executive Officer
Medical Developments International Ltd
03 9547 1888

About Medical Developments International Ltd

MVP is a leader in emergency pain relief and respiratory products. The Company manufactures Pentrox®, a fast acting minor trauma & emergency pain relief product. It is used in Australian Hospitals including Emergency Departments, Australian Ambulance Services, the Australian Defence Forces, Sports Medicine and for analgesia during short surgical procedures such as Dental and Cosmetic surgery as well as in other medical applications.



Respiratory Devices

MVP's Space Chamber and Space Chamber Plus devices deliver category leading performance for Asthma and COPD sufferers. Both devices have MVP's patented Cross Valve technology which allows patients to manage their disease more effectively and deliver medication more efficiently. In the course of obtaining FDA approval, a number of independent clinical laboratory trials were conducted at world recognised facilities proving the Space Chambers' performance as "best practice".

