



Cyclopharm Limited

Half Year Presentation

August 2008

Highlights

- ☑ Strong underlying performance of the Technegas division
- ☑ Strong balance sheet
- ☑ Strong trading cashflow
- ☑ Continued geographic expansion in Europe, Asia and South America
- ☑ Technegas submission to the US FDA is 85% complete. Submission planned for second half of 2008.
- ☑ PET Nuclear Pharmacy development plans progressing well.
- ☑ The Australian government doubled the approved indications for PET.



Profit & Loss

cyclopharm

Nuclear Medicine



Profit before tax and finance costs increased 223% to \$482,285 (2007: 149,367).

Whilst Technegas related sales revenue was down on the prior comparative period, gross profit margins and profitability improved due to a shift in sales mix (ie more PAS than Generators).

The Molecular Imaging division did not contribute revenue. Costs associated with the development of the PET Nuclear Pharmacies were capitalised.

For the half year ended	30 June 2008	30 June 2007
	\$	\$
Technegas Division		
Sales Revenue	4,351,514	4,790,891
Profit before tax and finance costs	594,999	603,982
Molecular Imaging		
Sales Revenue	-	-
Profit before tax and finance costs	(116,783)	(219,000)
Corporate		
Sales Revenue	-	-
Profit before tax and finance costs	4,069	(235,615)
Consolidated		
Sales Revenue	4,351,514	4,790,891
Profit before tax and finance costs	482,285	149,367

Balance Sheet

cyclopharm

Nuclear Medicine

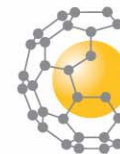


Balance Sheet Summary	30 June 2008	31 December 2007
	\$	\$
Total Current Assets	8,448,719	7,763,729
Total Non-current Assets	4,160,565	3,213,820
Total Assets	12,609,284	10,977,549
Total Current Liabilities	1,780,009	1,584,918
Total Non-current Liabilities	3,411,219	2,050,487
Total Liabilities	5,191,228	3,635,405
Net Assets	7,418,056	7,342,144

Strong balance sheet

Net gearing of 17% with the capacity to fund initial rollout of Molecular Imaging facilities and new Technegas markets

Operating Cashflow



	30 June 2008	30 June 2007
	\$	\$
Operating activities		
Receipts from customers	5,532,280	5,748,483
Payments to suppliers and employees	(3,879,117)	(5,260,962)
Other	(116,316)	(248,944)
Net cash flows from operating activities	1,536,847	238,577

Strong trading cashflow

The Technegas operations underpin the success of the business generating strong operating cashflows.

Molecular Imaging



Melbourne - Lloyd Street, Kensington

- ✓ Land purchased
- Design under development
- Construction to commence early 2009

Lloyd Street, Kensington is a proposed asset of Group



Sydney – Macquarie University Hospital

- ✓ Design phase completed
- ✓ Bunker construction completed
- ✓ Cyclotron selected
- Fit-out commencing Q1 2009
- Facility Certification scheduled Q3 2009

Macquarie University Private Hospital, not an asset of the Group

The critical steps required before commercialisation is achieved for the Melbourne and Sydney sites are depicted above.

Technegas Divisional Review



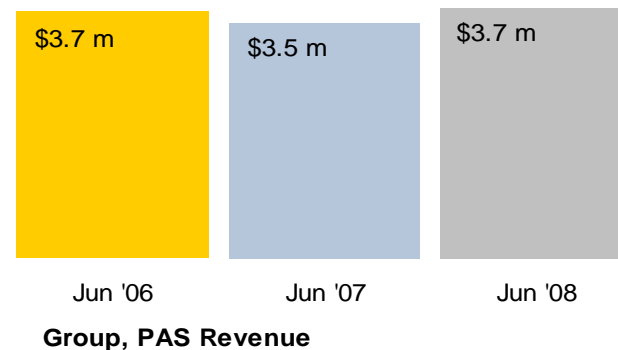
Revenue from TechnegasPlus generators and PAS decreased 11%

18 TechnegasPlus generator sales (2007: 48) and 67,000 PAS unit sales (2007: 72,850) were recorded in the first half.

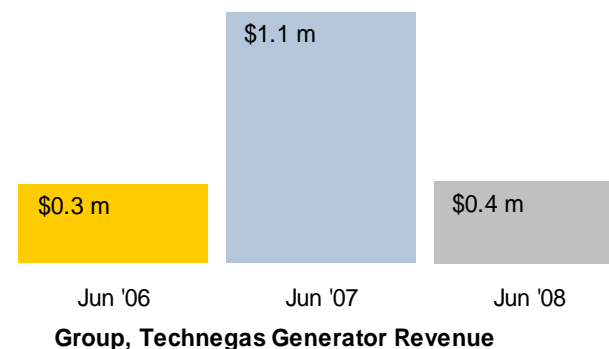
Our gross margin for TechnegasPlus generators and PAS improved by 9% due to a shift in the sales mix (ie more PAS than Generators).

Regulatory approval was received in Brazil. Further growth expected in Eastern Europe, Russia and Latin America.

Technegas New Drug Application (NDA) to the US FDA is 85% complete. Lodgment is expected this financial year.



Group, PAS Revenue



Group, Technegas Generator Revenue

Outlook



Continued focus on developing the Molecular Imaging division. We expect to complete construction of the Sydney PET Nuclear Pharmacy this year and fit out to commence in Q1 2009.

We expect stronger TechnegasPlus Generator and PAS sales revenue in the second half of 2009 and continued improvement in profitability due to a shift in the sales mix and the absence of one off costs experienced in 2007.

We are poised to lodge our NDA application in the US this financial year.