



Innovating Technologies for Life

ITL Limited
ABN 16 088 212 088

PO Box 139
Fyshwick Canberra
ACT 2609 Australia

Tel +61 2 6228 3300
Fax +61 2 6228 3377

www.itl-limited.com

6 May 2008

ITL to Acquire the Businesses of IVT & IVM

The Directors of ITL are pleased to announce the execution of agreements to acquire the businesses of two Malaysian companies - Inspire Vision Technologies Sdn. Bhd. and Inspire Vision Medical Sdn. Bhd. through its wholly owned Malaysian subsidiary ITL Healthcare SEA Sdn Bhd.

Acquisition Information

ITL expects the businesses to contribute between \$7m to \$9m in revenue and \$1.25m to \$1.75m in EBIT for FY 2009.

The purchase price for the businesses is approximately \$6m (MYR 18m). The transaction is expected to be earnings accretive in the first year.

The purchase price comprises:

- **an initial payment** of \$2.6m in cash and 8m ITL shares;
- **a deferred payment** (2009 earnout) capped at \$1.3m based on achievement of earnings targets; and
- **a further deferred payment** (2010 earnout) capped at \$1.3m based on achievement of earnings targets.

The transaction will be funded by ITL Limited through an inter-company loan to ITL Healthcare SEA Sdn. Bhd. at commercial interest rates.

IVT & IVM Businesses

These businesses specialise in the marketing and distribution of Ultrasound and Medical Imaging products throughout Malaysia. IVT operates primarily on the Malaysian mainland with IVM distributing in East Malaysia.

Together they have 23 staff located in four offices in Kuala Lumpur, Penang, Kuching and Kota Kinabalu.

They are a major distributor for Siemens, a market leader in imaging technologies and devices and sell primarily into hospitals, clinics and day centres. The business has been in operation for seven years with continuous growth.



Acquisition Benefits

The following benefits have been identified.

- Consolidation of office and warehouse facilities in Kuala Lumpur.
- Stronger presence in regional Malaysia with marketing offices in Penang, Kuching and Kota Kinabalu.
- Administration and accounting savings by consolidation of back-office functions.
- A broader base of product offerings.
- Reducing the reliance on large infrastructure projects.
- Increasing the importance of ITL in the region as a distributor of world class high technology medical equipment.

Expansion Strategy for S.E. Asia

This acquisition is part of ITL's strategy to expand in the South East Asia region and brings enhanced mass into the Malaysian operation. We now have an increased marketing presence of 55 people providing a strong focus on capital equipment, medical devices and consumables into the Malaysia healthcare environment.

The addition of the Siemens' distributorship enhances our standing in the region. This acquisition strengthens ITL's reputation as a leading distributor of world-class healthcare products and services with an experienced and customer focused sales team.

ITL's CEO Bill Mobbs Comments

I am pleased by this acquisition; we have been researching in the region for the right strategic fit for the past twelve months. The consolidation of the IVT/IVM businesses with their strong sales and marketing expertise and leading world-class products supports our operating sales strategy for the region.

All key sales and marketing personnel are continuing in the business under long term contracts with ITL. The consolidated business will continue to be headed by Peppe Foo, who recently was recognised by the Royal Family of Malaysia and given the title Dato.

I look forward to welcoming all the new staff to ITL in the near future.

ITL (ASX: ITD, www.itl-limited.com) is a diversified company within the healthcare industry. Specialising in innovative medical devices and procedure packs for global healthcare markets, ITL manufactures in Australia and Malaysia, and has sales offices in Australia, North America, Europe and Asia. ITL's patented medical devices have a presence in over 35 countries and protect healthcare workers in millions of procedures annually. ITL supplies its range of customised procedure packs to over 200 hospitals across Australia, and within Asia supplies procedure packs, capital equipment and instruments to over 160 hospitals.