



Interim Results

Six Month Period Ended 31 March 2011

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Forward-Looking Statements



Certain statements made in this presentation are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates and projections about its industry, its beliefs and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the Company's control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions shareholders and prospective shareholders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this presentation. The forward-looking statements made in this presentation relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

1. *H1 2011 Highlights*
2. Financial Performance
3. Strategic Update
4. Summary & Outlook

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H1 2011 Financial Highlights

Accelerating Performance



- Revenues up 22% to \$58.0m (H1 2010: \$47.3m)
 - Business mix evolving
 - Rental revenues down 8% to \$41.7m (H1 2010: \$45.4m)
 - Outright device sales increased to \$11.7m (H1 2010: \$1.3m)
 - Device sales under finance lease of \$3.1m (H1 2020: \$0m)
 - Service revenues increased 167% to \$1.5m (H1 2010: \$0.6m)
- Gross profits increased 16% to \$36.1m (H1 2010: \$31.2m)
- Profits before tax up 117% to \$3.9m (H1 2010: \$1.8m)
- Continued strong cash generation in the period
 - Net cash flow from operations \$18.9m (H1 2010: \$21.6m)
- Net debt reduced to \$27.9m (H1 2010: \$32.7m, FY 2010: \$21.1m)
 - Reduction while paying \$10.75m in cash for Opto Global

H1 FY11 Operating Highlights

Continued Progress



- New business models and new products driving growth
 - Total customer base expanded up 124 to 4,036 devices (H1 2010: up 34)
 - Average monthly **optomaps**® per site 112 (H1 2010: 109)
 - Average monthly revenues per site \$1,973 (H1 2010: \$2,099)
 - Reduction in number of customers de-installing to 3% (H1 2010: 5%)
- 30 millionth **optomap**® performed today!
- Strengthened core intellectual property position
- Opto Global integration on track
 - First products rolled out to sales force; early signs promising
 - 200Tx launched in Australia; 6 orders at APAO show

H1 FY11 Operating Highlights

Investing in the Future



- Investing in ophthalmology and international expansion
- Continued clinical studies supporting **optomap**® widefield retinal examinations, as “gold standard”
 - Recent Moorefield’s study relating use of **optomap**® to screen Alzheimer’s disease
 - Commencing work on Age Related Eye Disease Study 2 (AREDS 2) into AMD
- Good progress on future product pipeline
 - New Image Management product launch planned for Q4 FY11
 - Daytona on track for Q1 2012 launch

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Financial Highlights

Increased Revenues & Profits



	H1 2011 (unaudited)	H1 2010 (unaudited)	Change	Change %	
Revenues	\$58.0m	\$47.3m	\$10.7m	22%	
Gross Profits	\$36.1m	\$31.2m	\$4.9m	16%	
Operating Profit	\$5.5m	\$4.3m	\$1.2m	28%	
Profit before tax	\$3.9m	\$1.8m	\$2.1m	117%	
Profit after tax	\$4.5m	\$1.5m	\$3.0m	200%	
EPS diluted (cents)	6.2c	2.1c	4.1c	195%	
Cash flow from operating activities	\$18.9m	\$22.7m	(\$3.8m)	(17%)	
Reduction in net debt pre \$10.7m OG deal	\$3.6m	\$13.5m	(\$9.9m)	(73%)	
Net debt (cash less lease finance liabilities)	\$27.9m	\$32.7m	\$4.8m	15%	

Income Statement

Continued Growth



	H1 2011	% of sales	H1 2010	% of sales	FY 2010	% of sales
	\$m		\$m		\$m	
Revenue	58.0		47.3		106.3	
Gross profit	36.1	62%	31.2	66%	70.9	67%
Sales, distribution & service costs	(12.8)	22%	(10.6)	22%	(24.5)	23%
Administration costs	(17.1)	29%	(16.1)	34%	(28.3)	27%
Share-based payments	(0.7)		(0.2)		(0.6)	
Total overheads	(30.6)	53%	(26.9)	57%	(53.4)	50%
Operating profit (EBIT)	5.5	9.5%	4.3	9%	17.5	16%
Net finance costs	(1.6)		(2.5)		(4.8)	
Tax (charge)/credit	0.6		(0.3)		1.3	
Profit after tax	4.5	8%	1.5	3%	14.0	13%
Post-tax EPS (diluted)	6.2c		2.1c		19.9c	

Key Drivers

- 22% increase in revenues
- Selling & distribution costs include investment in building Ophthalmology & ROW markets
- Admin costs include \$0.9m one-off costs re Opto Global plus ~ \$0.5m of OG ongoing costs not fully reflected in increased sales
- Finance costs reducing with debt levels
- Small tax credit on recognition of additional tax losses

Revenues Shift in Mix



	H1 2011 \$m	Gross Margin %	H1 2010 \$m	Gross Margin %	FY 2010 \$m	Gross Margin %
Operating leases	41.7		45.4		89.0	
Service & warranty	1.5		0.6		1.5	
	43.2	61%	46.0	66%	90.5	64%
Sales-outright	11.7	68%	1.3	77%	8.1	80%
Sales-finance leases	3.1	58%	-		7.7	79%
Total Revenues	58.0	62%	47.3	66%	106.3	67%
North America	49.6	85.5%	41.9	88.5%	93.4	87.8%
Rest of World	8.4	14.5%	5.4	11.5%	12.9	12.2%

Key Drivers

- Significant increase in revenues, up 16% not including finance leases
- Service & warranty increase with device sales, \$2.8m of deferred revenue secured to be released in future periods
- Good levels of device sales-average \$67k across 124 devices sold. \$0.7m from other product sales
- Finance lease revenues arose from 54 contracts, average \$57k
- As per Y/E guidance, gross margins reduced with sales mix and values of individual devices sold
- Growth in all markets plus entry into Japan and other markets via Opto Global

Cash Flow

Continued Cash Generation



	H1 2011 \$m	H1 2010 \$m
Pre-tax profit	3.9	1.8
Depreciation, amortisation & impairment	15.0	15.4
Cost of capital sales/loss on fixed asset disposals	4.9	1.5
Acquisition of Opto Global (cash element)	(10.7)	-
Receivable for capital sales under finance leases	(2.4)	-
Change in inventory, debtors, creditors, provisions	(3.2)	1.5
Investment in PPE & intangibles	(14.6)	(7.6)
New proceeds from vendor financing	2.8	15.9
Repayments on vendor financing	(15.6)	(18.8)
Share-based payments	0.6	0.2
Other movements (tax, share proceeds etc)	0.1	0.5
Net cash movement	(19.6)	10.3
Cash at start of period	41.2	30.1
Cash at end of period	21.6	40.4

Key Drivers

- Significant, but reducing level of non-cash items included in operating profit
- Majority of cost of capital sales is the net book value of the devices and is a non-cash item
- Finance lease receivables will be collected through MMPs over 4-5 years
- \$13m investment in refurbishing P200s, building new P200C and P200MA
- Lease finance debt levels reduced by \$12.8m to \$49.5m, net debt \$27.9m
- \$0.4m from share options exercised
- \$19.6m cash from operations and cash receipts from finance lease sales
- Approximately \$153m of future cash receipts secured (MMPs on operating leases and \$9.7m of finance lease receivables)

Balance Sheet

Further Increase in Shareholder's Equity



	31/3/11 \$m	30/9/10 \$m	Change in H1 \$m
PP&E	49.2	63.4	(14.2)
Intangible assets	24.4	8.1	16.3
Deferred tax	9.8	11.0	(2.2)
Finance lease receivables	9.7	7.3	2.4
Other receivables	17.0	14.1	2.9
Inventories	18.0	5.8	12.2
Cash	21.6	41.2	(19.8)
Current liabilities	(42.4)	(39.1)	3.3
Non current liabilities	(26.1)	(36.8)	(10.7)
Net Assets	81.2	75.0	6.1
Cash	21.6	41.2	
Lease liabilities	(49.5)	(62.3)	
Net debt	(27.9)	(21.1)	(6.8)

Key Drivers

- PP&E decreased with \$13m CAPEX, offset by \$12.8m depreciation, \$4.9m disposals & \$10.2m transfer to inventory
- Intangibles increased by \$16.5m on Opto Global acquisition, \$6m licenses & contracts (expect \$0.8m pa amortisation) and \$10.5m goodwill including \$1.8m deferred tax
- Consideration for OG of \$14.3m (\$10.7m cash, \$1.0m shares, \$2.5m deferred consideration)
- Receivables up with finance leases & higher sales
- Inventory up \$2m plus \$10.2m transfer from PP&E as build out 200Tx devices
- \$12.8m decrease in lease liabilities
- Liabilities include \$2.7m of deferred revenue (service contracts etc.) and \$2.5m deferred consideration

Financial Guidance



	As Guided Nov 2010	Update
Revenues	<ul style="list-style-type: none"> ➢ Anticipate further drive towards device sales (outright and under finance leases) particularly with 200Tx device in H2 ➢ Expect further reductions in operating lease revenues as contracts switch to device sales, service revenues should increase 	<ul style="list-style-type: none"> ➢ 166 device sales delivered and expected to accelerate. 200Tx launched March 2011 ➢ \$3.1m of finance leases delivered in H1, significant increase expected in H2 with majority of new & renewing leases being finance leases ➢ Service revenues increased, will continue to rise ➢ Operating lease revenues will continue to fall with switch to other business models
Devices	<ul style="list-style-type: none"> ➢ Target 10% customer de-install rate ➢ Target net install in 2011 both on rental & capital bases ➢ P200 devices will be sold alongside 200Dx upgrade ➢ New build devices will primarily be 200Tx 	<ul style="list-style-type: none"> ➢ 3% deinstalls in H1, anticipate <10% for year ➢ Further net installs anticipated ➢ Pricing differential between P200 & 200Dx attracting sales and renewals ➢ In H1 saw significant investment in upgrading P200 to 200Dx and new-build P200C devices but H2 will be focused on 200Tx ➢ Expect acceleration in sales of Opto Global devices

Financial Guidance *(Continued)*



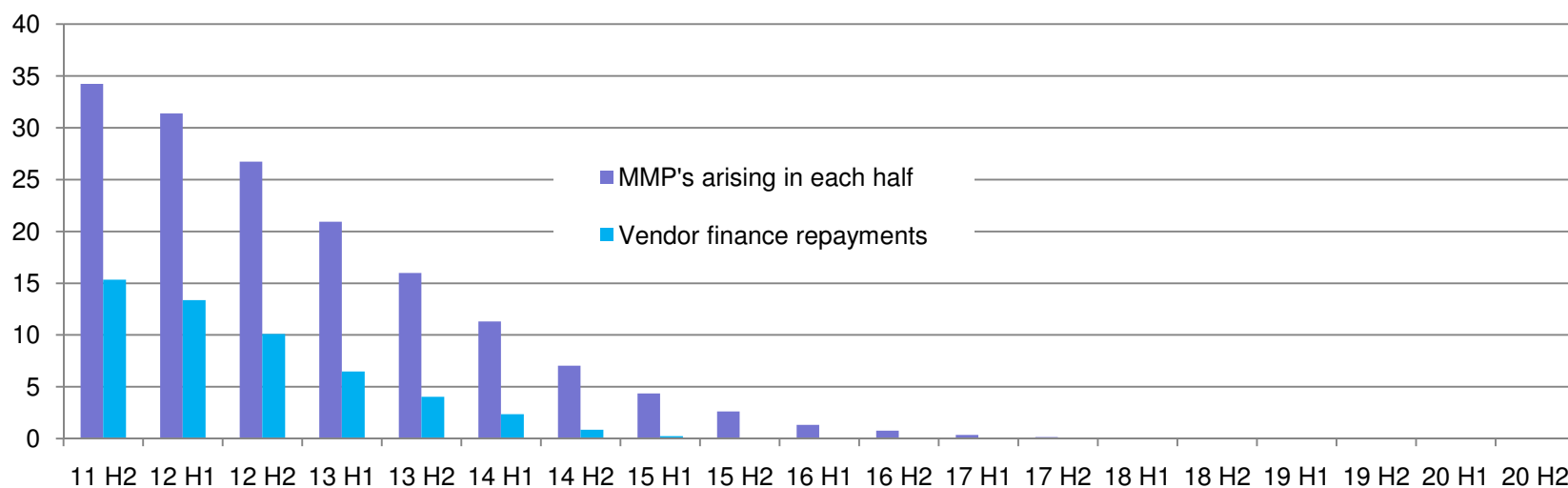
	As Guided Nov 2010	Update
Gross Margins	<ul style="list-style-type: none"> ➢ Overall expect modest increase in cost of sales ➢ Depends on mix of product sales, margin on P200 highest, margin on 200Tx lower 	<ul style="list-style-type: none"> ➢ Gross margins reduced to 62% ➢ Could fall slightly lower for full year with sales mix (product and model) and Opto Global influence
Overheads	<ul style="list-style-type: none"> ➢ Gross R&D spend ~ 6-7% of revenues (some capitalised), rising over time 	<ul style="list-style-type: none"> ➢ Still expecting ~ \$6m-\$7m R&D spend for year ➢ Anticipate reduction in overheads as % of sales in H2 ➢ H1 included Opto Global acquisition and investment in building sales channels
Net Debt	<ul style="list-style-type: none"> ➢ Continued reduction expected ➢ Will be impacted by \$11m Opto Global acquisition ➢ Anticipate reduction in levels of finance debt 	<ul style="list-style-type: none"> ➢ Reduction expected as working capital converted to sales and cash, though Daytona may require additional inventory build ➢ No current expectation to draw down further vendor finance debt
Other		<ul style="list-style-type: none"> ➢ Cost of future refurbishment and device build will be reflected through inventory rather than capital additions

Installed Base & Future Cash Flows

Under Operating & Finance Leases



Market	Operating leases	Device Sales-finance leases	Device Sales – outright	Totals
North America (up 84 in half)	3,019	128	381	3,528
Rest of world (up 40 in half)	428	14	66	508
Totals	3,447	142	447	4,036
Weighting	85%	4%	11%	100%



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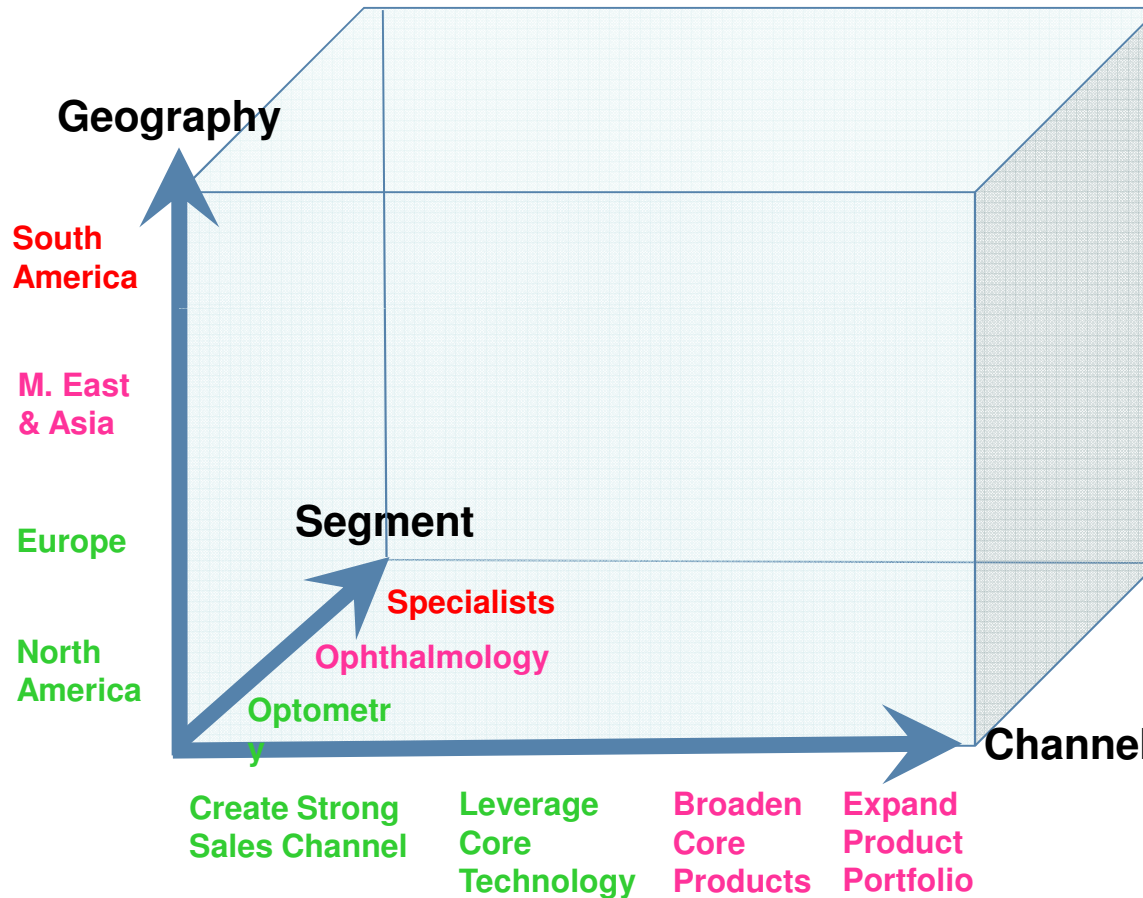
Appendix – Additional Information

The Vision

A Leading Retinal Solutions Provider



Drive growth globally - expand our channel, segments & geography



Key: **xxx** – Strong presence

xxx – Limited progress to date

xxx – Still to be commenced

Achieving Our Vision

Leverage Core Technology & Sales Channels Globally



-
- Maximise the value of our core technology
 - Protect the core technology
 - Develop new market led products
 - Deliver clinical evidence
 - Leverage our direct sales channel
 - Maximise usage in the installed base
 - Seek new customers and segments
 - Sell complementary products
 - Exploit geographic opportunities
 - Europe
 - Australia
 - Emerging Markets
 - Seek synergistic products / technology

Strengthened our intellectual property position

- Significant progress made in strengthening the patent portfolio with two additional key patents granted
 - Improvements in or relating to scanning laser ophthalmoscopes - COE* Optical System (USA) and
 - Improvements in or relating to retinal scanning – Optomap 3D (EU, China and South Africa)
- COE Optical System patent granted in the US provides protection for a further 15 years
 - Covers implementation of the optical arrangement on current products and overlaps with the original wide field SLO patent which expires in 2014
- Further 10 patents relating to the core technology have been filed and are pending

Achieving Our Vision

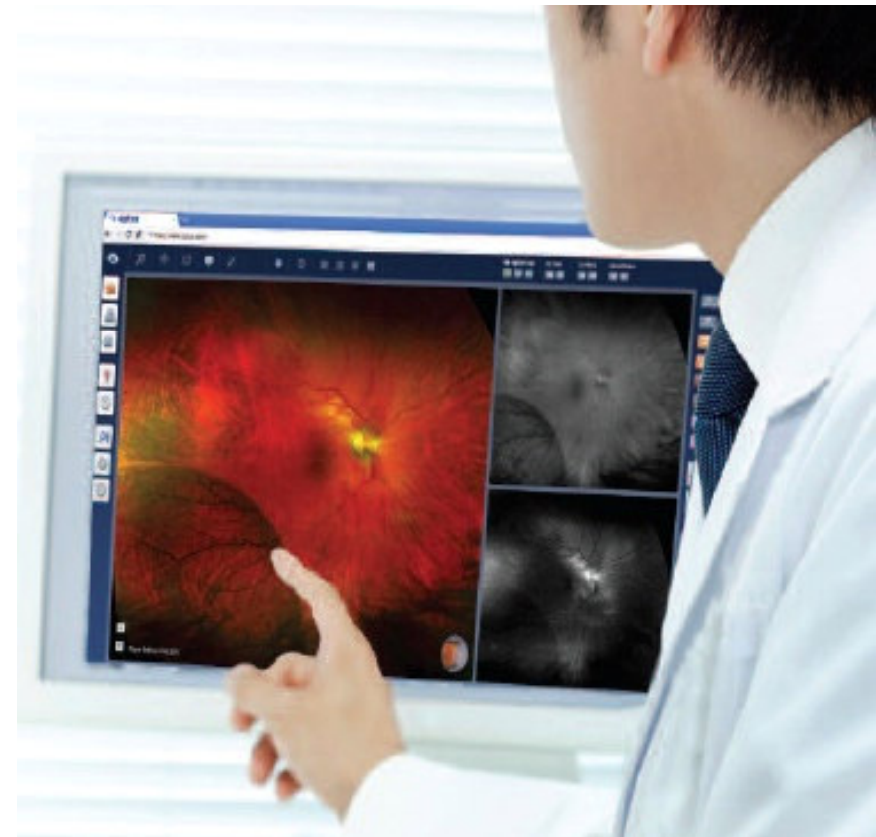
Developing New Products



Image Management (Stand Alone)

Key Features

- Automatically archive images to the Optos Cloud for secure storage
- Fully integrate with Electronic Medical Records Systems
- Referral Management System for improving practice efficiency
- Web-based review from any internet connection in the world and from any computer or tablet
- Planned launch Q3 2011
- Free of charge to rental customers – increased value of rental proposition



Achieving Our Vision

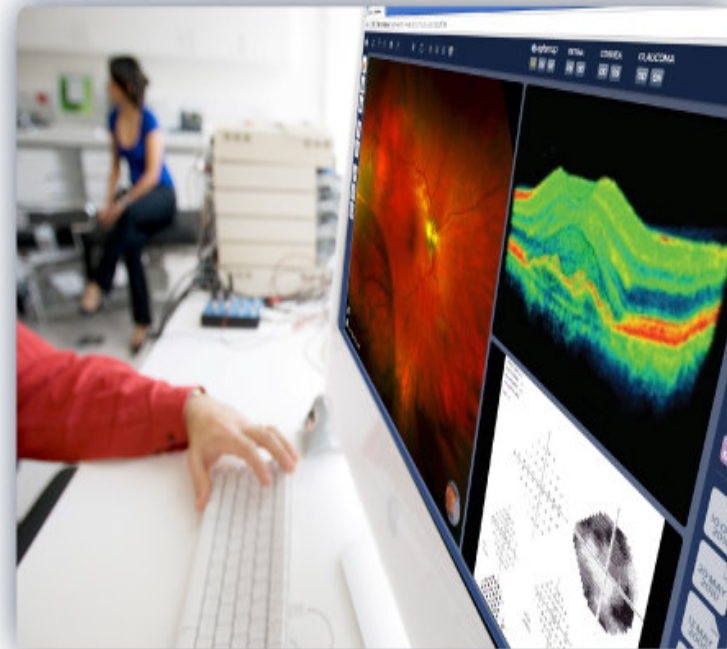
Developing New Products



Image Management (PACS*)

Key Features

- Review all of a practice's images and diagnostic reports from Optos and 3rd party devices side-by-side in a single application
- Customizable multi-modality views including "retina," "optic nerve head" and "cornea" for a comprehensive view of the structure and pathology
- Full SAAS** offering with customers paying for usage – improving our customer's efficiency and controlling our service costs
- Launch planned for H1 FY12



Note: * - Picture Archiving and Capture System ** - Software As A Service

Daytona project on track

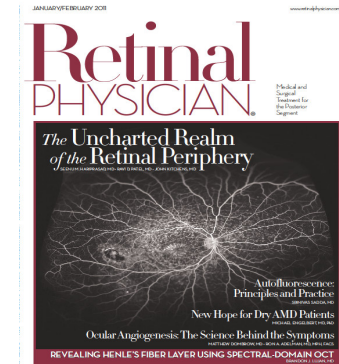
- Desk top, high resolution, lower manufacturing cost device
- Project progressing to schedule – targeting Q1 2012 product launch (will be shown at Autumn shows)
- Evolutionary prototype developed to validate technology choices
- Successful imaging achieved on live eyes
- Hardware interface and software user interaction design well advanced using demonstrators to collect clinical feedback
- Still on track to meet original design specification with respect to size, weight, functionality and cost
- Product positioning, pricing being developed

Achieving Our Vision

Demonstrating Clinical Need



- 5 clinical peer reviewed papers in first half
 - Working with internationally recognised leading institutes e.g. Weill Cornell University, Jules Stein Eye Institute and State University of New York State College of Optometry
- 20 new clinical studies at the recent *Association for Research in Vision and Ophthalmology (ARVO)*
 - Results suggest that Optos' technology has important clinical significance in the management of major eye diseases such as Diabetes, Age-related Macular Degeneration (AMD), Uveitis and potentially Alzheimer's Dementia
- Now commencing Age-Related Eye Disease Study 2 (AREDS2)
 - A nationwide US study conducted by the National Eye Institute and researching over 1000 subjects to determine the importance of the periphery in the progression of vision loss from AMD
- Anticipate publishing clinical study results of a key diabetes study comparing **optomap**® to current 'gold standard' for diabetes screening



Achieving Our Vision

Leveraging Our Direct Sales Channel



- Continuing to increase usage in installed rental base – 30 million **optomaps**® milestone today!
- Successfully driving new business models (outright sales) and 200Dx in core optometry market
- Creating demand for the 200Tx in Ophthalmology
- Continuing to strengthen sales force
 - Vit Ret sales force in NA (VP and 6 new reps)
 - Europe (9 new reps)
 - Far East (Regional VP and 3 new reps)
- Limited success with Acutome products in H1 due to sales focus on core products
- Initial Opto Global products sales promising

Achieving Our Vision

Exploit Geographic / Synergistic Product Expansion



- Opto Global (OG) – Australian ophthalmic and optometric device company with a global distribution network acquired in December 2010
- Consideration of \$10.75m cash, \$1m shares, up to \$3m earn-out
- Identified synergies include:
 - Direct sales of OG products in US (OG has no sales in US)
 - Direct sales of OG products in Optos European markets
 - Sales of Optos products in Australia via OG direct sales team
 - Opportunity to leverage OG distributors in emerging markets (Far East, ME & Africa, South America)



Achieving Our Vision

Exploit Geographic / Synergistic Product Expansion



Opto Global integration on track – accretive in Year 1

Synergy Element	Key Elements	Timing						Status	
		FY11		FY12					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Sales of Opto Global Products in NA	<ul style="list-style-type: none"> Smart Charts Perimeters Ophthalmology products 								<ul style="list-style-type: none"> Sales commenced Awaiting approval Training in H2
Sales of Opto Global Products in Direct European markets	<ul style="list-style-type: none"> Smart Charts Perimeters Ophthalmology products 								<ul style="list-style-type: none"> Sales commenced Training Q3 Training Q3/Q4
Sales of Optos Products in Australia	<ul style="list-style-type: none"> 200Tx 200Dx 								<ul style="list-style-type: none"> Sales commenced Sales commenced
Sales of Optos Products via Opto Global distributors	<ul style="list-style-type: none"> 200Dx 200Tx 								<ul style="list-style-type: none"> Training of selected distributors in Q4

 **75 Smart Charts and 6 200Tx ordered already**

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Summary & Outlook



- Continued strong financial performance in H1, confidence in FY outlook
- Investing in ophthalmology launch and sales channels globally
- Continued opportunity to leverage incremental growth and margins
 - Core business
 - European, Australia, Middle East and Asia expansion
 - Operational efficiencies
- Future growth drivers in place
 - New core technology products – 200Dx for Optometry and 200Tx for Ophthalmology
 - Image Management software significantly strengthens rental value proposition
 - Ability to leverage Opto Global, Accutome and other products through existing channels
 - Ability to leverage new Opto Global distribution network for Optos products
 - Daytona on schedule, ‘game-changing potential’

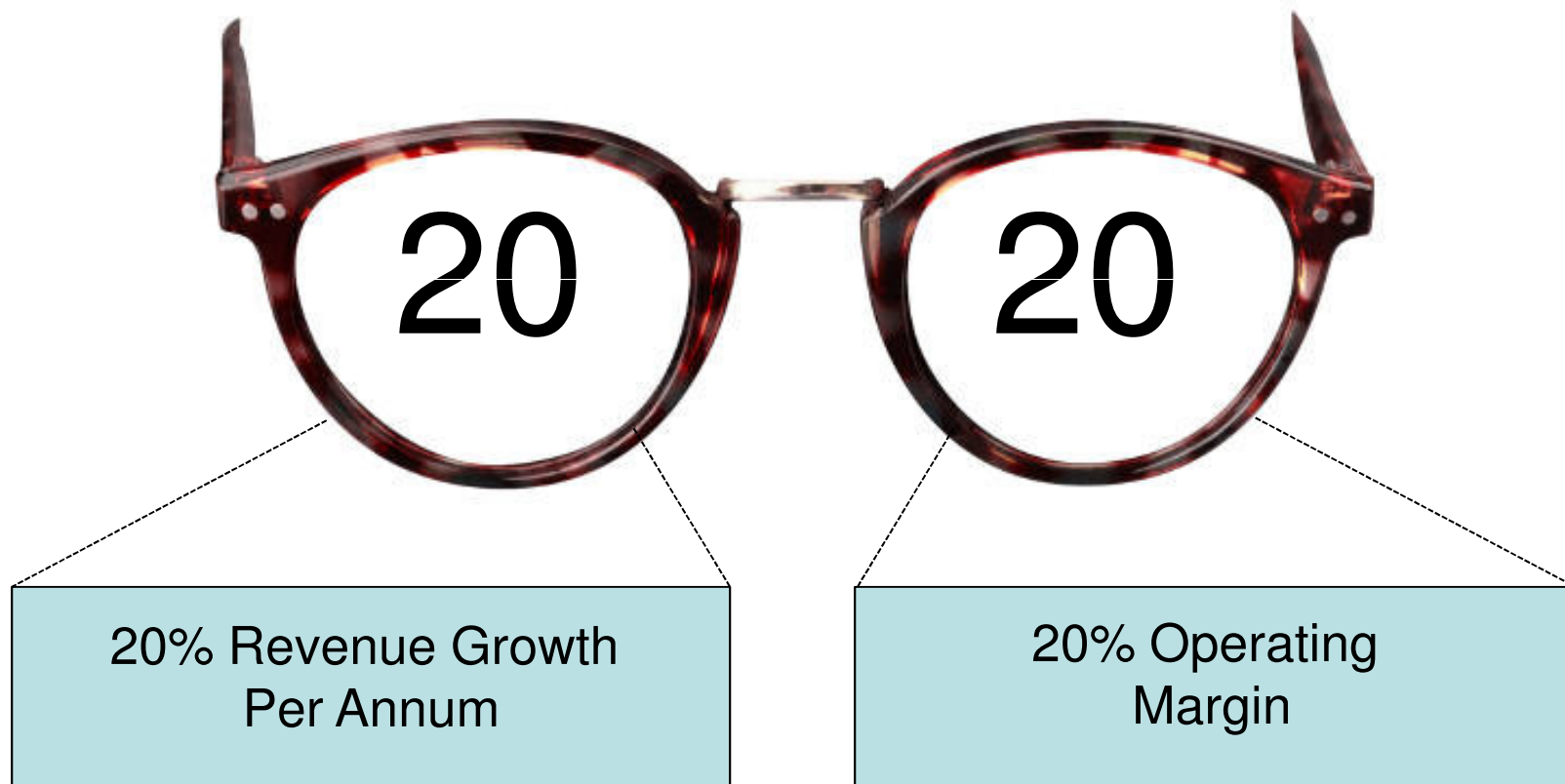
 **Focus continues to be on execution – outlook positive**

Summary & Outlook

Our Vision – For the Medium to Long-Term



Building towards a 20:20 vision...



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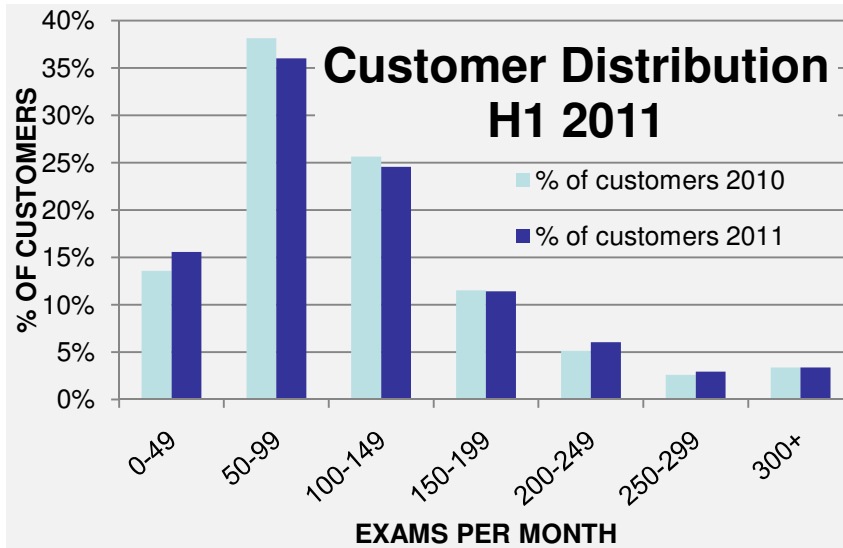
Key Performance Indicators



Key Performance Indicators (“KPIs”)	H1 2011	H2 2010	H1 2010	Comment
Total number of customer sites at period end	4,036	3,912	3,831	Good overall growth in customers
Change in 6 month period	124	81	34	Acceleration in rate of growth
Number of PPP customer sites at year end	3,589	3,630	3,650	Rental customers still 89% of base
Change in PPP customers in period	(41)	(20)	25	Many buying devices at renewal
Number owning devices outright	448	288	181	11% now own devices
Outright sales in the period	166	107	9	Pricing is attracting sale (av. \$67k)
%age of customers de-installed in the period	3%	5%	5%	Reflects benefit of choice
Average no. of monthly optomaps ® per rental site	112	111	109	Continued increase in utilisation
Average price per optomap ® per rental site	\$17.6	\$17.8	\$19.2	Drop in H210 to attract long term renewals
Average monthly optomap ® revenue per rental site	\$1,973	\$1,999	\$2,099	Smaller reduction this period
Number of patients having an optomap ® at rental sites	2.4m	2.5m	2.4m	Rental customers only, >10% own outright
Revenue growth over previous period	22%	25%	(1%)	Strong outright sales
Operating margin	9.5%	22%	9.0%	H2 traditionally strong, H1 2011 includes one-off Opto Global costs
Future cashflows from rental contracts & finance leases	\$156m	\$180m	\$170m	Fewer contracts falling to renew in period plus impact of device sales

Appendix – Additional Information

Leveraging Our Direct Sales Channel



'Like For Like'	No of Sites	Average Optomaps / site
De-installs	119	80
Installs	182	97
Like For Like	3,407	117

