



MEDEC acquires Centurion to strengthen market position in treatment tables

21 November 2006, Perth Australia: Perth based health care company MEDEC Limited (ASX: MAA) has strengthened its international position in developing, manufacturing and marketing treatment tables by acquiring the business of Centurion Tables Pty Ltd. Centurion is Australia's oldest manufacturer of treatment tables.

The acquisition of Centurion becomes effective 1 December 2006 and gives MEDEC three treatment table product ranges including Centurion, the Athlegen range and the Eagle Master range. Manufacturing, assembly and service facilities are in Ballarat and Sydney Australia; Straubenhardt Germany; and Jiangmen China.

The acquisition and integration of Centurion and the set up of a new MEDEC Australia head office in Sydney will cost approximately \$1 million over the next 3 years. This is expected to add \$1 million revenue per year taking forecast revenue for the 2007 financial year to \$21 million.

Centurion commenced business in 1977 and is well known as Australia's longest established manufacturer of professional portable treatment tables. Centurion supplied 1200 treatment tables to the Sydney Olympic Games – Australia's largest single order for treatment tables.

With effect since 15 November 2006 the present proprietor of Centurion Mr Stephen Falkiner has taken over the position as CEO of MEDEC Australia Ltd and also heads the MEDEC treatment table division internationally. Mr Falkiner is an MBA who studied in Australia and US, and also has a degree in marketing. He has many years of experience in the development, manufacture and marketing of treatment tables, electrotherapy and electro-magnetic therapy equipment.

Effective from 1 March 2007 MEDEC will establish a new 850 sqm Australian head office in Sydney at Old Canterbury Road, Lewisham. This will include a 450sqm showroom and training centre which will display all the MEDEC brands in energy medicine equipment, treatment tables, beauty equipment and age care equipment. MEDEC will also continue to provide specialised manufacturing, assembly and service facilities in Sydney.

The MEDEC treatment table brands will still be marketed separately and all existing sales, marketing, supply and manufacturing agreements of all the brands will be honored.

“This expansion reinforces MEDEC's position as the leading supplier of professional treatment tables to the Australian health care and beauty industry,” says Josef A Plattner, executive director of MEDEC Ltd. “We expect revenue of our international treatment table division to grow to \$10 million per year in the 2008 financial year. With the appointment of Mr Stephen Falkiner as the CEO of MEDEC Australia we gain a reputable senior executive with international experience to head the treatment table division.

“The extensive MEDEC product range and international network is an ideal basis to build a strong international business”; says Stephen Falkiner, the new CEO of MEDEC Australia. “We are now confident that we will provide the best possible equipment and service to our Australian and international customers at very competitive prices.”

For further information refer to:

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About MEDEC

MEDEC is an Australian based company that was listed on the ASX in October 2003 providing equipment and services to the Health Care industry. The MEDEC group of companies has several product ranges including the award winning Athlegen brand, which is Australia's market leader in treatment tables for the wellness industry and the innovative MEDEC wellness products. Manufacturing facilities are established in Australia, Germany and China.

Since its establishment in 2001, the MEDEC group has grown substantially. MEDEC's major market at present is Europe, Asia and Australia with marketing facilities and franchise concepts in the weight management and fitness industry. More than 100 franchise outlets are expected to take over the application, sales and promotion of the MEDEC product range in the next 12 months.

MEDEC operates showrooms in all Australian capital cities as well as in Germany. 15 international distributors display MEDEC products in showrooms to the wellness and health industry. The products have been sold to more than 30 countries.

The focus of market expansion is presently on Europe, South East Asia and Australia.