



ASX Media Release

MEDEC – Business development in the USA.

29 June 2005: Perth based health care equipment company MEDEC Limited [ASX: MAA] has reached agreement with Takara Belmont USA Inc, the USA's leading salon and spa equipment business to distribute MEDEC's Athlegen products throughout North America. Athlegen, a wholly owned subsidiary of MEDEC, designs and manufactures a range of spa, beauty, massage and medical products widely viewed as being the best available. The Athlegen brand is a multi-award winning business recognized for its high quality standards and innovative designs.

The agreement provides a launching pad for MEDEC and Athlegen products to be marketed and sold in what is the world's most lucrative health equipment market. It is expected that the first shipment of equipment will arrive at Takara Belmont's St Louis facility in August 2005.

Takara Belmont was founded in Japan in 1921 and is the global leader in products, furnishings and equipment which excel in design and technology for the beauty salon and spa market segment. With offices around the globe, the Takara Belmont group also has divisions in the dental and medical markets. In 2006 Takara Belmont celebrates 85 years in business and its 50 year anniversary in the US market. In the USA, Takara Belmont sells its products through 13 showrooms which encompass several channels, direct to salon owner, distributor, and national chain accounts.

“ This agreement establishes a point of entry into the USA for MEDEC's Athlegen products, in what will become our most important market”, said Chief Executive Officer Josef Plattner. “Having Takara Belmont as our partner in this market provides instant exposure, marketing power and potential high volume sales for our products. There are more than 12,000 day spas and many more beauty salons operating in the USA and this figure is growing at a rapid rate and will continue to do so in the medium term. Medec is now poised for significant revenue growth from the North American region” Mr Plattner said.

MEDEC is building on already established markets of Australia, NZ, Europe and the Middle East and has recently established distribution and joint venture agreements in China, South Korea, United Kingdom and South East Asia, positioning the MEDEC group for continued growth.

For further information visit www.medec.com.au and www.athlegen.com

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About MEDEC

MEDEC is an Australian based health care equipment company that was listed on the ASX in October 2003. The MEDEC group of companies and its subsidiaries 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 energy medicine products.

Since its establishment in 2001, the MEDEC group has grown substantially. MEDEC's major market at present is Europe with two subsidiaries and 25 distribution outlets, USA with 8 outlets and Australia with 8 outlets.

MEDEC / Athlegen operate showrooms in all Australian capital cities as well as in Malaysia and Germany. 15 international distributors sell the products to the wellness and health industry and 50 international franchisees offer the energy stimulating products to the public. The products have been sold to more than 30 countries.

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

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