



ASX Announcement

Friday 29 August 2008

CogState Reports Full Year Sales Revenue Increase of 61%

Financial highlights:

- Total revenue, including sales revenue, interest received and grant income, increased 51% to \$3.9 million
- Sales revenue increased 61% to \$3.8 million
- Sales into the clinical trials area made up 94% of sales revenue – recognised revenue from clinical trials increased 65%
- Expenses increased by 11% to \$4.9 million
- Net loss for the year, after tax, of \$0.7 million, a 55% improvement

Leading healthcare technology provider, CogState Ltd (ASX: CGS), today announced its full year results for the financial year ending 30 June 2008, reporting a total revenue increase of 51% to \$3.9 million, up from \$2.6 million.

Since CogState began selling its technology solution into the pharmaceutical trials market in 2004, the company has consistently grown revenue, year on year.

CogState has proven itself as a leader in cognition testing and recently signed a strategic partnership with United BioSource Corporation (UBC). The agreement will enable customers to leverage both CogState's scientific and software capabilities with UBC's global operations to support full scale clinical development programs. The partnership will enable CogState to aggressively pursue larger, late phase clinical trial contracts with unmatched operational capabilities in international, multi-centre clinical trials.

CogState CEO, Brad O'Connor commented, "We are going from strength to strength, as illustrated by our full year results. We have approximately \$3 million in revenue already locked in for the 2009 financial year, and this is before we take into account the increase in revenue and marketshare that we are expecting from our strategic alliance with UBC. This puts us in a very enviable position at the moment."

Outlook

Earlier this month, CogState announced that nine contracts have been signed since 1 July 2008, with a combined value of approximately \$2.3 million. Of the \$2.3 million contract value, CogState expects approximately 63% of that revenue (\$1.46 million) to be recognised in the financial year ending 30 June 2009.

Taking into account the contracts in place at 30 June 2008 as well as those signed since 1 July 2008, CogState now has contracts that will generate in excess of \$4 million of revenue over the life of the contracts. CogState expects approximately \$3 million of that revenue to be recognised in the financial year ending 30 June 2009.



Financial summary:

	Year ended 30 June 2008 \$	Year ended 30 June 2007 \$	% Change
Revenue	3,932,122	2,604,837	50.95%
Net operating revenue	3,783,487	2,349,856	61.01%
EBITDA	(916,912)	(1,875,207)	51.10%
EBIT	(1,043,619)	(1,967,101)	46.95%
Profit / (Loss)	(746,496)	(1,653,257)	54.85%
Net increase/(decrease) in cash held	(167,358)	(1,382,185)	87.9%
Earnings per share	(0.015)	(0.037)	

About CogState

CogState Ltd (ASX: CGS) specialises in the development and commercialisation of rapid, computerised tests of cognition (brain function). The tests are sold to pharmaceutical, biotechnology, nutraceutical and functional food companies to quantify the effect of drugs or other interventions on human subjects participating in clinical trials.

Since sales into the clinical trials market began in 2004, CogState has secured agreements with organisations including Pfizer, AstraZeneca, GlaxoSmithKline, Merck, Abbott Laboratories, Centres for Disease Control (USA), ALZA Corporation (a member of the Johnson and Johnson group), Lundbeck and Organon USA. CogState is currently expanding its existing activities in the US and European clinical trial markets.

For additional information:

Company inquiries:

Brad O'Connor
Chief Executive Officer
CogState Ltd.
Mob: 0411 888 347 or
(US mob) +1 203 435 1244
boconnor@cogstate.com

Media inquiries:

Rebecca Piercy
Gavin Anderson & Company
Mob: 0422 916 422
rpiercy@gavinanderson.com.au