



Annual General Meeting

21 October 2009

Martyn Myer AO Chairman

1. Corporate overview & developments
2. FY2009 financial results

Our people are our strength

- 32 FTE in Australia, USA and UK
- Scientific expertise
 - Dr Paul Maruff
 - Dr John Harrison
 - Dr David Darby
 - Dr Peter Snyder
- Operational capabilities
 - Lead by Sophie Egholm (ex Pfizer, joined March 2009)
 - Staff in Melbourne, USA and UK
- Technological advancements
 - Lead by Dale Fraser
 - Staff in Melbourne and USA

The importance of quality assurance

- Regularly audited by customers for compliance with regulations as prescribed by regulatory authorities (eg FDA)
- Focussed on compliance with all applicable regulations
- Full time QA manager based in Melbourne
- Expect to have secured ISO9001:2008 certification by 30 June 2010

Other important developments

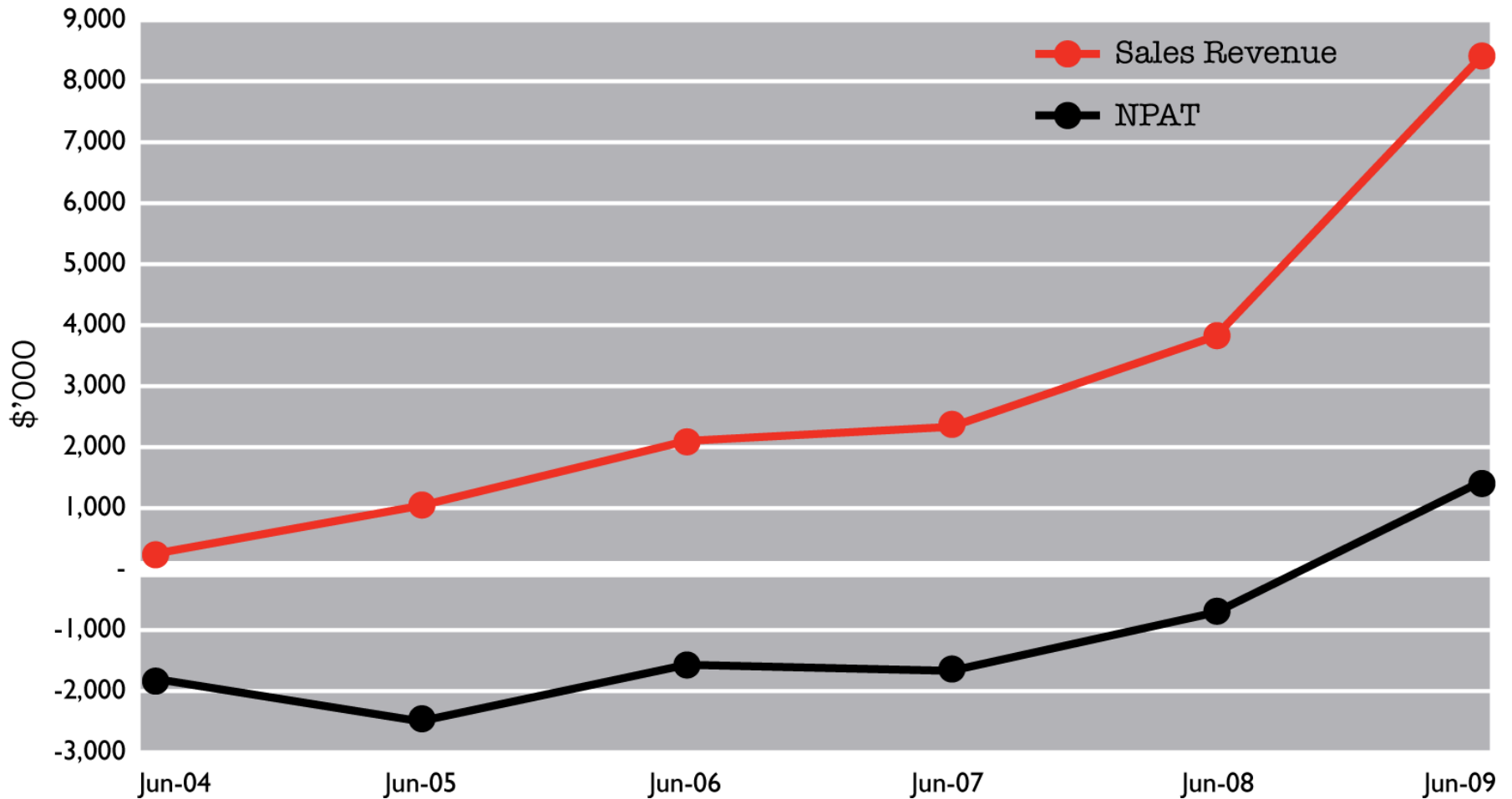
- Competitive marketplace
 - 3 key players in niche market (CGS, CDR, Cambridge Cognition)
 - United BioSource Corporation (UBC) purchase of CDR after termination of UBC / CGS strategic partnership
 - UBC has sold 100% of their holding of CogState shares
- New product development
 - NTB is a paper and pencil battery of cognitive tests designed for use in Alzheimer's disease studies
 - Developed by CogState scientist, Dr John Harrison
 - Use of NTB in Alzheimer's disease studies endorsed by the FDA
 - CogState licensed distributor of NTB
 - Use CogState back-end technology and real time data analysis to add sophistication to paper and pencil testing methodologies
 - Increased use of CogState in conjunction with NTB tests

The reasons for CogState's revenue growth

- A structural migration towards computerised cognitive testing from the traditional paper and pencil methods;
- The pharmaceutical industry increasingly outsources non-core functions and now relies on specialist providers of niche services;
- There is a continued focus of R&D on central nervous system diseases, eg Alzheimer's disease & schizophrenia, where cognitive change is an important metric in measuring the effectiveness of a new drug compound;
- Validation of CogState's operational ability to manage large, international clinical trials in multiple countries and languages
- There is a continued focus on scientific leadership and academic research to support the use of CogState technology

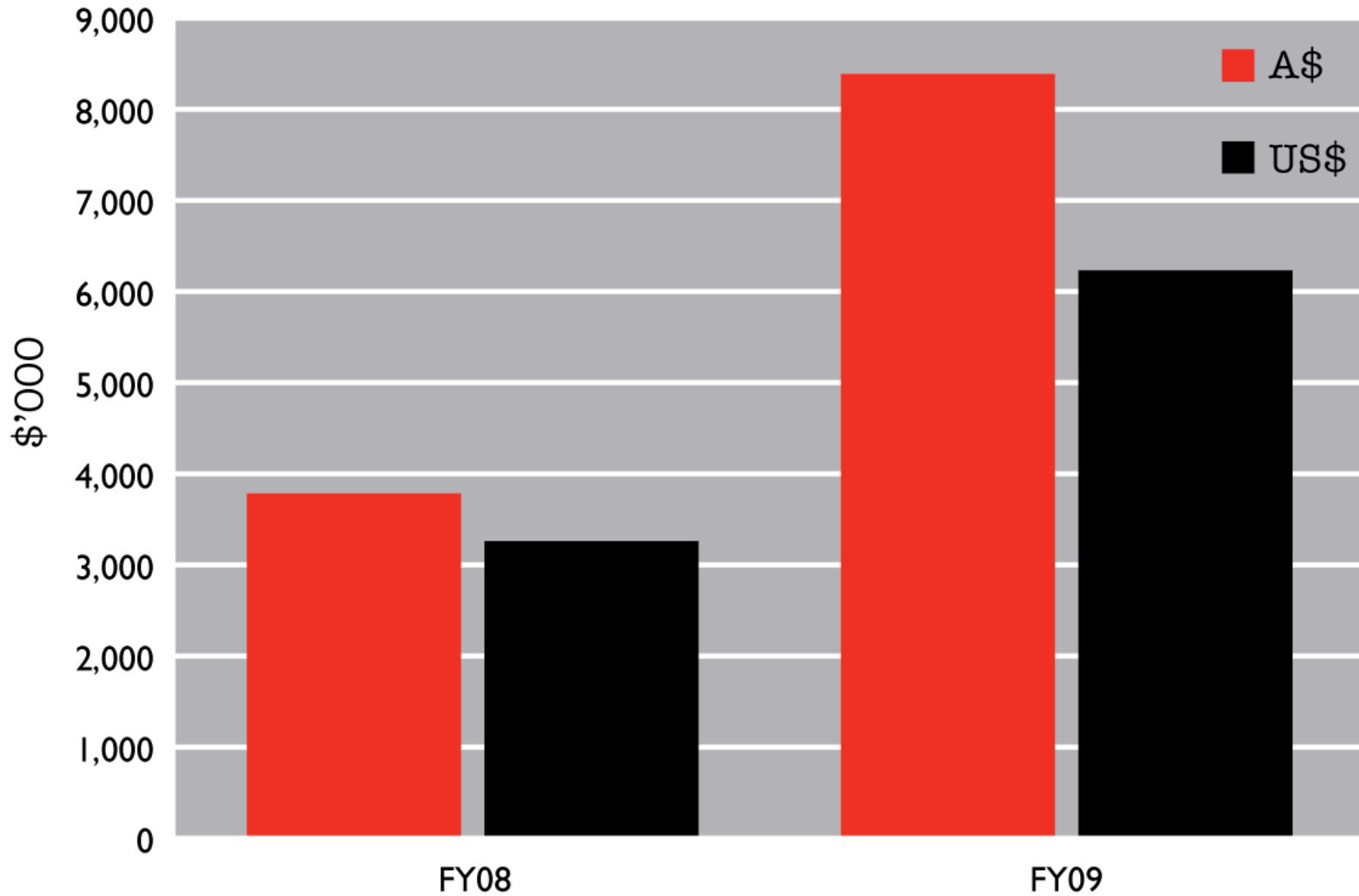
Profit driven by strong sales growth

CogState Sales Revenue and Profitability, by Financial Year



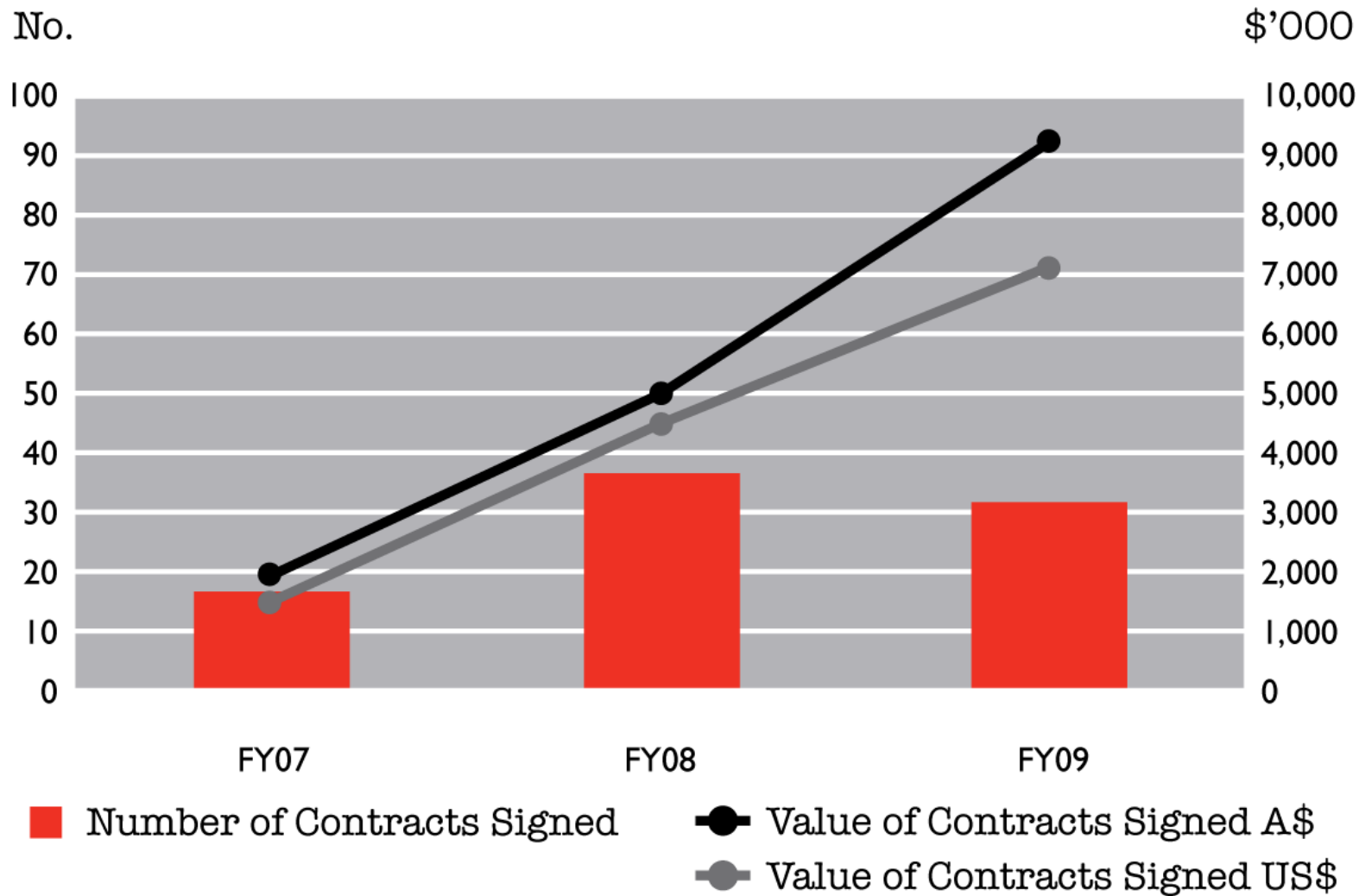
Lower A\$ helped boost sales revenue

CogState Sales Revenue A\$ vs US\$



Larger clinical trials increase value of sales contracts

CogState Sales Contracts Signed by Financial Year



Brad O'Connor

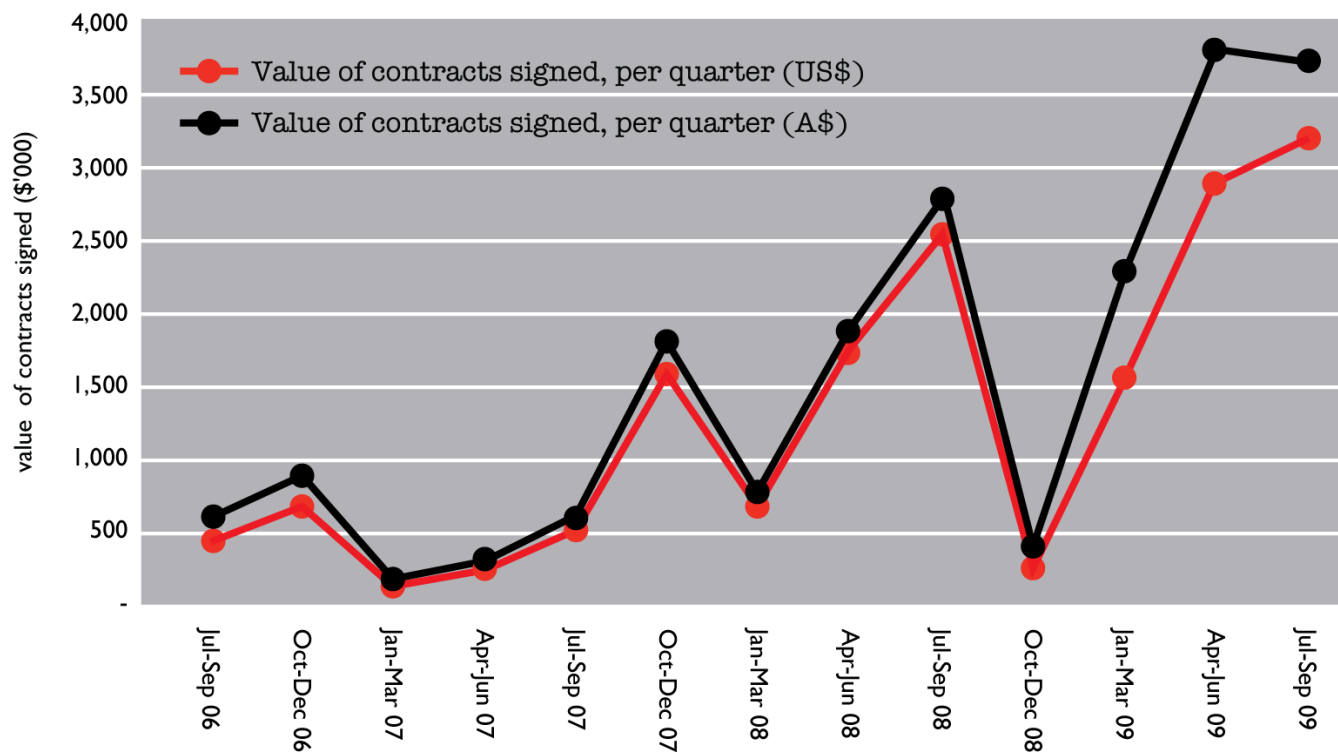
Chief Executive Officer

1. Year to date trading conditions
2. Half year profit guidance

Strong trading conditions producing contract growth

- September quarter
 - revenue and cash receipts on target
 - strong interest from new and existing customer base
 - US\$3.18m (A\$3.73m) contracts signed in Q1

CogState Sales Contracts Signed Per Quarter



Contracted future revenue on the rise

- Contracted future revenue is secured by a signed sales contract and will be recognised as revenue upon achievement of a milestone at a future point in time
- 75% growth in contracted future revenue
 - 30-Sep-09: US\$4.9m (or A\$5.3m at US\$0.92)
 - 30-Sep-08: US\$2.8m (or A\$3.1m at US\$0.90)
- 65% growth in contracted future revenue that will be recognised in the next 9 months of the financial year
 - 30-Sep-09: US\$3.3m (or A\$3.6m at US\$0.92)
 - 30-Sep-08: US\$2.0m (or A\$2.2m at US\$0.90)
- At 30-Sep-08, contracted future revenue of US\$2.0m represented 44% of actual US\$ revenue recorded for the 9 months to 30-Jun-09

H1 revenue growth despite high A\$

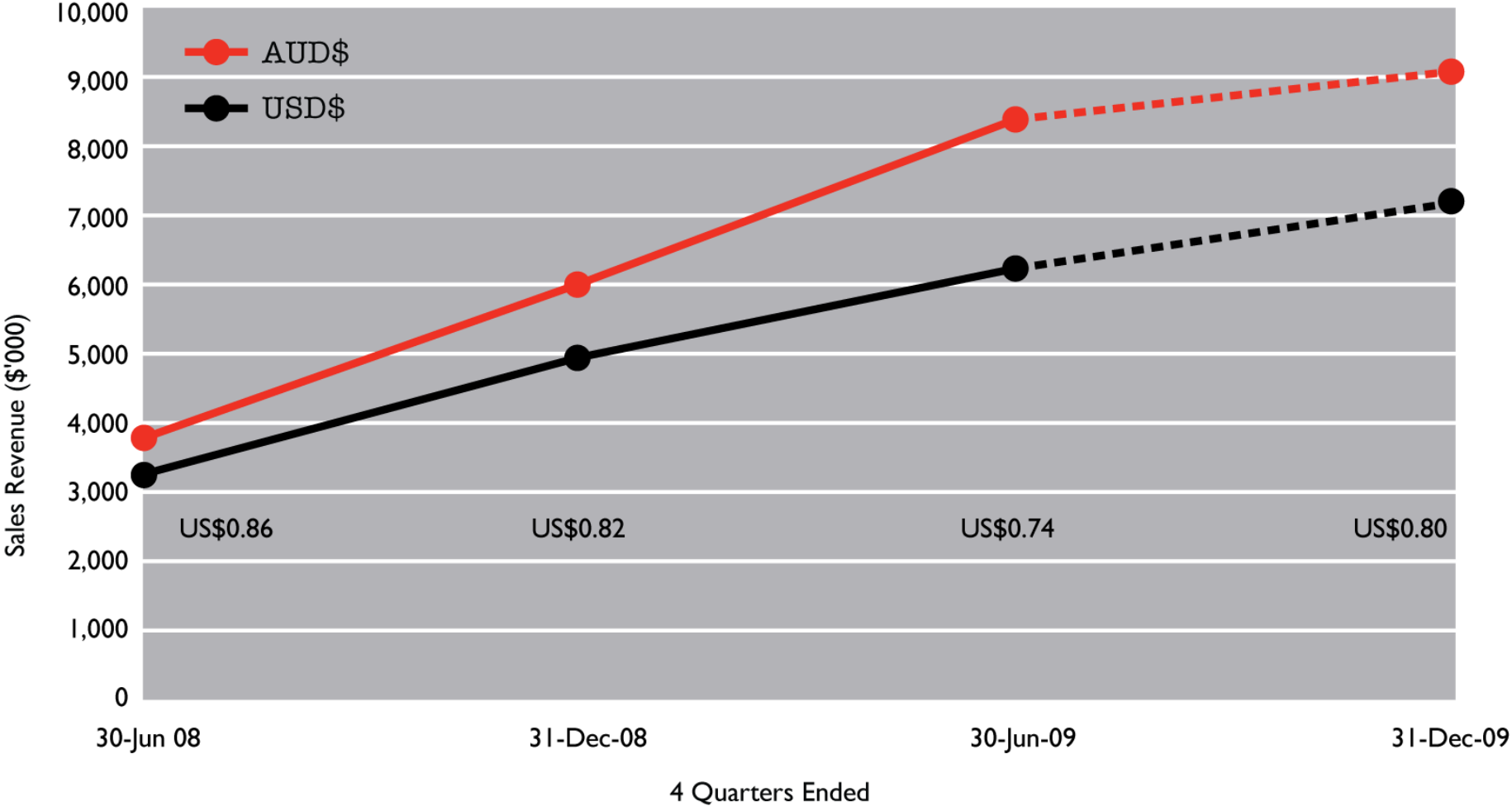
- H1 revenue forecast to be in range of US\$4.0 – US\$4.2m
- The prevailing exchange rates will impact on the amount of A\$ revenue recognised

Forecast	US\$4.0m	-	US\$4.2m
At US\$0.92 exchange rate	A\$4.63m	-	A\$4.75m
At US\$0.96 exchange rate	A\$4.52m	-	A\$4.64m

- 88-90 % of forecast H1 revenue is contracted and the remaining 10-12% is based on proposals that management are confident of signing before 31 Dec 09
- H1 revenue of A\$4.75m would result in revenue of A\$9.27m for the 12 months from 1 January 2009 – 31 December 2009

US\$ revenue growth on target

CogState Sales Revenue, Trailing 12 Months including forecast H1 revenue



FY 2010: H1 Profit Guidance

Strengthening A\$ will impact revenue and profitability

H1 Forecasts:

Half Year (H1) Forecast	US\$0.92			US\$0.96		
	\$'000,000		\$'000,000	\$'000,000		\$'000,000
US\$ revenue	US\$4.0	-	US\$4.2	US\$4.0	-	US\$4.2
A\$ revenue	A\$4.63	-	A\$4.75	A\$4.52	-	A\$4.64
Operating Profit Earnings, before interest, grant income, tax, foreign exchange gain/loss and termination fees	A\$0.84	-	A\$0.96	A\$0.73	-	A\$0.85
Termination fees	(A\$0.20)	-	(A\$0.20)	(A\$0.19)	-	(A\$0.19)
Interest, grant income, tax, and foreign exchange gain/loss	(A\$0.20)	-	(A\$0.20)	(A\$0.26)	-	(A\$0.26)
NPAT	A\$0.44	-	A\$0.56	A\$0.28	-	A\$0.40

Half Year Profit Comparison (at US\$0.92)

Half Year Results	Jul 08 – Dec 08	Jan 09 – Jun 09	Jul 09 – Dec 09 (Forecast)
	\$'000,000	\$'000,000	\$'000,000
US\$ revenue	US\$2.94	US\$3.30	US\$4.20
Average rate of conversion	US\$0.76	US\$0.73	US\$0.88
A\$ Revenue	A\$3.87	A\$4.52	A\$4.75
Operating Profit Earnings, before interest, grant income, tax, foreign exchange gain/loss and termination fees	A\$0.42	A\$0.73	A\$0.96
Termination fees ⁽¹⁾	-	(A\$0.58)	(A\$0.20)
Grant income and R&D tax rebate ⁽²⁾	-	A\$0.35	-
Foreign exchange gain/loss	A\$0.65	(A\$0.19)	(A\$0.21)
Interest and tax	(A\$0.03)	A\$0.08	A\$0.01
NPAT	A\$1.04	A\$0.39	A\$0.56

(1) Termination fees for H2 forecast to be A\$0.10m

(2) R&D tax rebate will not be received in FY 2010 as revenue has exceeded max. allowable under the program

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