



Company Announcement

8 August 2008

Avastra Sleep Centres Limited (ASX:AVS): Avastra Updates FY 2009 Guidance

Avastra projects revenues in FY 2009 to grow 29% to \$A 47.7 million from \$A 37 million expected in FY 2008, with net profit after tax of \$A2 million - \$A2.5 million. This compares to an expected net loss in FY 2008 \$A4.3 million - \$A 5.4 million.

The primary drivers of the projected improvement in profitability are increased revenue, improved productivity and reduced costs. The company anticipates over 20% growth in its diagnostic testing and DME lines of business and lower growth in clinical research trials.

The company will be updating shareholders on its operations and business plan for FY 2009 at an Extraordinary General Meeting to be held at the Riverside Centre in Brisbane at 11 am on 8 August 2008.

About Avastra

Avastra Sleep Centres is one of the largest sleep services companies in the United States. Avastra's operations span over 25% of the U.S. and can be found from coast-to-coast and throughout the Midwest. Currently, AVS has 34 centres and over 300 beds owned or under management contract.

Since November 2006, Avastra has acquired seven sleep diagnostic companies, including Pacific Sleep Medicine Services and California Sleep Solutions in the West, the somniSleep Group in the Midwest, Sleep Medicine Centers in the East, and Sleep Medicine Institute Management in Seattle, Washington. Avastra also operates sleep centers in Oregon, Utah, and Arizona.

By Order of the Board

Charles King

Company Secretary

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