



ABN 35 078 166 122

PO BOX 760, NORTH RYDE, NSW 1670 AUSTRALIA
Centrecourt Business Park, Unit D4, 25-27 Paul Street North, North Ryde NSW 2113
Tel: +61 2 9856 0400 Fax: +61 2 9856 0404

24 February 2004

Sirtex Medical Ltd (ASX:SRX) – December 2003 Half Year Results

Chairman's Report

Overview:

The Directors are pleased to submit the Financial Report for the half year ended 31 December 2003 to the shareholders. The first half of fiscal 2004 presented your company with many challenges, some highlights and a few frustrations. The company has now implemented most of the management changes needed to drive the company forward, has established the European operations, has effectively dealt with the overwhelming issue of reimbursement in USA and looks forward to a bright future.

Sales revenue for the half increased by 22% in comparison to the corresponding period for last year. Sirtex is dissatisfied with this small increase in revenue and, as was previously explained in the announcements of 24th October 2003 and 30th January 2004, this was due primarily to the low level of Federal reimbursement that existed in the USA for all of 2003 and, to a lesser extent, strengthening of the Australian dollar. This problem with reimbursement has now been overcome. Marketing expenses have grown in accordance with predictions as Sirtex builds the infrastructure to grow the market. The company's cash position has improved marginally over the past six months. There were several large one-off expenses incurred during the period including forward payments to the University of Sydney and costs associated with relocating the management marketing and medical team to Europe. Operating gross margin dropped slightly to 78% due to higher raw material costs and the stronger Australian dollar, while administration costs have decreased as result of restructuring management.

There is still a great deal to be done, but I am confident that the difficult period of the last six months is behind us. The major tasks ahead are to grow the USA and European markets, enter new markets including Japan, rapidly complete several new clinical trials and drive the hyperthermia technology to clinical application.

Management Restructure:

The failed takeover bid by Cephalon was the catalyst for instituting the needed changes in company management. Over the past six months we refocused activities to achieve the goals set by the company when Sirtex listed in 2000. In the past eight months Sirtex has appointed new Heads of Regulatory Affairs, Quality Assurance, Clinical Trials Management, European Medical Director and a new CEO for European Operations. Sirtex also is revisiting Board composition and expects to make announcements on changes in the near future.

Many other subordinate staff positions in Australia and USA have been changed as well and this has greatly strengthened the company. I am confident that Sirtex is now stronger and more focused to capitalise on what has always been the company's potential.

Australia:

Although the USA fully reimburses the cost of SIR-Spheres[®], there is currently no reimbursement from the public purse in Australia and this has severely retarded uptake of the technology here. Sirtex has been negotiating with the Medical Services Advisory Committee (MSAC) and will submit a further application to that body later this year to address this issue. Sirtex is not able to predict the outcome from that submission but will be requesting the Federal Government to fund treatment of cancer patients with SIR-Spheres[®] in line with many other medical treatments.

USA:

The greatest challenge of the past six months was the growing resistance from USA hospitals to use Sirtex's products resulting from the low level of Federal reimbursement that was fixed for all of calendar 2003. Sirtex announced the positive results of its discussions with the Centres for Medicare and Medicaid Services (CMS) on 13 August 2003 and 7 November 2003. A further announcement of 15 December 2003 cleared the way for USA hospitals to obtain full reimbursement from January 1st 2004. As this change resulted from new legislation enacted in December 2003, it will be several months before the enabling CMA regulations are completed and the benefit flows through to hospitals. Management in USA has started working with hospitals to implement the changes allowing them to purchase SIR-Spheres[®] with full reimbursement. We expect the benefits of this new legislation to become evident in the June quarter.

A new manufacturing hot-box facility that was designed for production of SIR-Spheres[®] is nearing completion in the USA. It will be shipped to a new Sirtex location on the east coast of USA in the coming months and USA production is expected to start later this year.

Europe:

A European subsidiary company and office has been established in Bonn. The European team are now working with many hospitals to establish the technology there. Sirtex will initially concentrating on Germany, Belgium and UK with new staff being recruited to expand the European operations. Sirtex expects to see meaningful revenue from Europe by mid-year.

Research & Development:

As announced on 21 January 2004, the hyperthermia project progressed well over the past four months and as a result, Sirtex recently commissioned the University of Sydney to assist with two new development projects in order to drive the project forward as quickly as possible. Further information on the progress of this technology will be available within six months.

Clinical trials:

Positive clinical trial results are the scientific bases that drive adoption of any new technology. Sirtex has already undertaken several clinical trials with very positive results. However more are needed, especially in the jurisdictions where local results can be more effectively used for marketing and reimbursement purposes. Many new clinical trials will be initiated during 2004 and will become a high focus for the company.

B N Gray
Chairman & CEO
24 February 2004

Appendix 4D (rule 4.2A.3)

Half Year report

Name of entity

SIRTEX MEDICAL LTD

ABN

35 078 166 122

Half-year ended ('current period')

31 December 2003

Results for announcement to the market

Extracts from this report for announcement to the market.

\$A'000

Revenues from ordinary activities	Up	22%	to	4,888
Loss from ordinary activities after tax attributable to members	Up	44%	to	(180)
Loss for the period attributable to members	Up	44%	to	(180)
Dividends (distributions)				
	Amount per security		Franked amount per security	
Final dividend	NIL¢		NIL¢	
Interim dividend	NIL¢		NIL¢	
Previous corresponding period	NIL¢		NIL¢	
Record date for determining entitlements to the dividend	N/A			
Comments:				

NTA backing

	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	26.9 cents	19.1 cents

Sirtex Medical Limited

ACN 078 166 122

Financial Report for the Half-Year Ended 31
December 2003

Sirtex Medical Ltd

Financial Report
for the Half-Year Ended 31 December 2003

	<i>Page Number</i>
<i>Directors' Report</i>	<i>1</i>
<i>Independent Review Report</i>	<i>2</i>
<i>Directors' Declaration</i>	<i>3</i>
<i>Statement of Financial Performance</i>	<i>4</i>
<i>Statement of Financial Position</i>	<i>5</i>
<i>Statement of Cash Flows</i>	<i>6</i>
<i>Notes to the Financial Statements</i>	<i>7</i>

Sirtex Medical Limited

Directors' Report

The directors of Sirtex Medical Limited submit herewith the financial report for the half-year ended 31 December 2003. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half-year are:

Name

Dr B.N Gray
Dr C.N Sutton
Dr M Panaccio
Mr G.D Boyce
Mr C Rowland

The above named directors held office during and since the end of the half-year except for:

- Dr C.N Sutton – retired July 1, 2003

Review of Operations

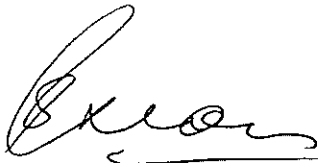
Refer to Chairman's Report.

Rounding Off Of Amounts

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the financial report are rounded off to the nearest thousand dollars.

Signed in accordance with a resolution of directors.

On behalf of the Directors



Bruce N Gray - Director

Sydney, 24 February 2004

Deloitte Touche Tohmatsu
A.B.N. 74 490 121 060
Grosvenor Place
225 George Street
Sydney NSW 2000
Australia

DN 10307887
Telephone (02) 9322 7000
Facsimile (02) 9322 7001
www.deloitte.com.au

INDEPENDENT REVIEW REPORT TO THE MEMBERS
OF SIRTUX MEDICAL LIMITED

Scope

We have reviewed the financial report of Sirtux Medical Limited for the half-year ended 31 December 2003 as set out on pages 3 to 8. The financial report includes the consolidated financial statements of the consolidated entity comprising the disclosing entity and the entities it controlled at the end of the half-year or from time to time during the half-year. The disclosing entity's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the disclosing entity to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the entity's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Sirtux Medical Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
 - (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2003 and of its performance for the half-year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.


DELOITTE TOUCHE TOHMATSU


G.M. Sanford

Partner
Chartered Accountants

Sydney, 24 February 2004

Member of
Deloitte Touche Tohmatsu

Sirtex Medical Limited

Directors' Declaration

The directors declare that:

- (a) the attached financial statements and notes thereto comply with Accounting Standards;
- (b) the attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- (c) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001; and
- (d) in the directors' opinion, there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to s. 303(5) of the Corporations Act 2001.

On behalf of the Directors



Bruce N Gray - Director

Sydney, 24 February 2004

Sirtex Medical Limited

Consolidated Statement of Financial Performance for the Half-Year Ended 31 December 2003

	Half-Year Ended 31 December 2003 \$'000	Half-Year Ended 31 December 2002 \$'000
Note		
Sales revenue (sale of goods)	4,628	3,794
Cost of Goods Sold	(1,006)	(522)
Gross Profit	3,622	3,272
Other revenue from ordinary activities	260	223
Depreciation and amortisation	(139)	(158)
Marketing expenses	(2,237)	(980)
Research and Development expenditure	(228)	(295)
Occupancy expenses	(234)	(234)
Regulatory expenses	(168)	(137)
Quality Assurance	(68)	(51)
Clinical Trials	(114)	(41)
Administration expenses	(627)	(951)
Other expenses from ordinary activities	(261)	(78)
(Loss) / Profit From Ordinary Activities Before Income Tax Expense	(194)	570
Income tax benefit / (expense) relating to ordinary activities	14	(695)
Loss From Ordinary Activities After Related Income Tax Expense	(180)	(125)
Net Loss	(180)	(125)
Total Revenue, Expense And Valuation Adjustments Attributable To Members Of The Parent Entity Recognised Directly In Equity	Nil	Nil
Total Changes In Equity Other Than Those Resulting From Transactions With Owners As Owners	(180)	(125)
Earnings per Share:		
Basic (cents per share)	(0.3) cents	(0.2) cents
Diluted (cents per share)	(0.3) cents	(0.2) cents

Notes to the financial statements are included on pages 7 and 8.

Sirtex Medical Limited

Consolidated Statement of Financial Position as at 31 December 2003

	Half-Year Ended 31 December 2003 Note	Year Ended 30 June 2003 \$'000
Current Assets		
Cash assets	1,328	1,702
Receivables	2,205	2,680
Inventories	160	121
Other financial assets	9,515	8,519
Current tax assets	232	478
Total Current Assets	13,440	13,500
Non-Current Assets		
Property, plant and equipment	462	428
Intangibles	2,405	2,495
Deferred tax assets	1,993	1,681
Total Non-Current Assets	4,860	4,604
Total Assets	18,300	18,104
Current Liabilities		
Payables	720	1,379
Interest-bearing liabilities	11	-
Current tax liabilities	124	223
Provisions	120	147
Other	-	30
Total Current Liabilities	975	1,779
Non-Current Liabilities		
Provisions	40	32
Total Non-Current Liabilities	40	32
Total Liabilities	1,015	1,811
Net Assets	17,285	16,293
Equity		
Contributed equity	22,952	21,780
Reserves		
Accumulated losses	(5,667)	(5,487)
Total Equity	17,285	16,293

Notes to the financial statements are included on pages 7 and 8.

Sirtex Medical Limited

Consolidated Statement of Cash Flows for the Half-Year Ended 31 December 2003

	Inflows/(Outflows)	
	Half-Year Ended 31 December 2003 \$'000	Half-Year Ended 31 December 2002 \$'000
Note		
<i>Cash Flows from Operating Activities</i>		
Receipts from customers	5,601	1,442
Payments to suppliers and employees	(5,947)	(3,189)
Interest and Bill discounts received	275	215
Income tax paid	(405)	-
Net cash used in operating activities	(476)	(1,532)
<i>Cash Flows From Investing Activities</i>		
Payment for property, plant and equipment	(71)	(27)
Net cash used in investing activities	(71)	(27)
<i>Cash Flows From Financing Activities</i>		
Proceeds from issues of equity securities	1,172	365
Net cash provided by financing activities	1,172	365
<i>Net Increase/(Decrease) In Cash Held</i>	625	(1,194)
<i>Cash At The Beginning Of The Half-Year</i>	10,140	9,851
Effects of exchange rate changes on the balance of cash held in foreign currencies	(14)	-
<i>Cash At The End Of The Half-Year</i>	10,751	8,657

Notes to the financial statements are included on pages 7 and 8.

Sirtex Medical Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

1. Basis of Preparation

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 1029 "Interim Financial Reporting". The half-year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the 2003 annual financial report.

Significant Accounting Policies

The accounting policies adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the 2003 annual financial report.

2. Significant Transactions

Nil

3. Subsequent Events

The company purchased a German shelf company on 9 February 2004 (Sirtex Medical Europe GmbH) from which European operations will be run.

4. Dividends

No dividends have been paid or provided for in respect of the half year ended 31 December 2003 or the half-year ended 31 December 2002.

Sirtex Medical Limited

Notes to the Financial Statements for the Half-Year Ended 31 December 2003

5. Segment Information

Segment Revenues:								
	External Sales		Inter-segment		Other		Total	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Asia Pacific	445	574	3,410	1056	-	8	3,855	1,638
USA	4,023	3,220	-	-	-	-	4,023	3,220
Europe	160	-	-	72	-	-	160	72
Total of all segments							8,038	4,930
Eliminations							(3,410)	(1,128)
Unallocated							260	215
Consolidated							4,888	4,017

Segment Results:			2003 \$'000	2002 \$'000
Asia Pacific			700	(821)
USA			(784)	1,764
Europe			(110)	(373)
Total of all segments			(194)	570
Eliminations			-	-
Unallocated			-	-
Profit from ordinary activities before income tax expense			(194)	570
Income tax benefit / (expense) relating to ordinary activities			14	(695)
Profit from ordinary activities after related income tax expense			(180)	(125)
Extraordinary items			-	-
Net profit			(180)	(125)

6. Issuances, Repurchases and Repayments of Securities

In the period between July 1 2003 and December 31 2003, 849,678 options were exercised for consideration of \$1,172,255 resulting in 849,678 ordinary shares being issued.