



11 September 2006

The Manager Companies
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Madam

IMD SIGNS SUPPLY AGREEMENT WITH TERUMO CORPORATION

The Directors are pleased to advise that BMDi Pty Ltd ('BMDi'), a wholly owned subsidiary of IMD Group Limited (the 'Company'), has signed a Supply Agreement with the Australian Branch of Terumo Corporation ('Terumo').

Terumo has distinguished itself as a high quality manufacturer of medical products, operating four factories and 46 sales branches in Japan, as well as 34 other locations, employing 11,000 people worldwide and generating annual sales of in excess of US\$2.1 billion. Terumo products are reputed for their leading-edge technology in markets worldwide and are contributing to the healthcare of people in more than 150 countries.

The 2 year Supply Agreement provides for BMDi to be the preferred supplier to the Australian Branch of Terumo of a comprehensive range of medical sharps collectors designed for use in hospitals, clinics, laboratories and the broader community including for drug and alcohol safe injection and needle exchange programs.

This Agreement provides the Company with a comprehensive and well established distribution channel for its products into the Australian and New Zealand markets.

Yours faithfully

A handwritten signature in black ink, appearing to read "P. Nightingale", is written over a light blue rectangular background.

Peter J. Nightingale
Company Secretary

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