



ASX/Media Release

ATOS Wellness to focus on core business of managing wellness centres

Divestment of Medec product development and Bodycure businesses

16 December 2008 – Singapore based and ASX listed wellness and health care group ATOS Wellness Limited [ASX: ATW] has finalised its re-structure allowing it to focus on its well established spa and wellness centre business in 2009.

As part of the consolidation ATOS has divested its controlling stake in the MEDEC medical product development, manufacture and sales business and the European Bodycure weight management business.

ATOS has accepted a management buyout offer from the MEDEC senior management, which together with a group of international investors will acquire 51% of MEDEC, including MEDEC International in Australia and the MEDEC Systems factory in Germany. The total consideration of A\$842,000 consists of money already owing to the management plus a minimum cash payment of A\$480,000 within the next 30 months. Additionally the new 51% partner will take over the future finance of MEDEC and has committed to provide A\$400,000 for the completion and modernisation of the MEDEC product range.

The ATOS group will maintain distribution rights for the products in the region of its strength, mainly Singapore and India. The management buyout takes immediate effect.

ATOS has also divested 51% of its new ATOS Wellness Vienna operation, including the German Bodycure Weight Management Franchise to the ATOS Wellness Vienna senior management under Ms Manuela Fiala.

The new 51% ATOS Vienna partner also takes over the future finance of the operation and expansion of the ATOS business in Europe.

Mr Siva Ananda Rajah, the founder of both Body Contours and Atos Wellness in Singapore says: "The re-structure and consolidation of the ATOS group and the sale of the loss making MEDEC operation has been a critical milestone for the 2008 calendar year. Its completion in 2008 allows ATOS to focus on the more profitable wellness centre and spa business with ongoing low risk regional expansion in 2009."

"The sale of 51% of the MEDEC business to the MEDEC management secures the ATOS group's investment in the business and maintains ATW interests in what we still believe to be a substantial future opportunity without any significant financial risks and liabilities. The continuation of the business is in the interest of all MEDEC staff, suppliers, clients and also ATW shareholders."

"The sale of 51% of the ATOS Europe business to the management assures maximum effort in the establishment of the ATOS business in the important European market but again reduces ATW risk and financial exposure. This allows the ATOS group to focus its efforts and resources in maintaining the number one position in the South East Asian region for its wellness centre business," says Mr Ananda.

For further information refer to www.atoswellness.com , www.bodycontours.com.sg and www.medec.com.au

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About ATOS

ATOS is a well established business which has been operating in Singapore for 23 years. ATOS operates 12 exclusive wellness centres in Singapore, Malaysia and India and a wholesale and retail business for MEDEC and related products. 30% of the ATOS business is in retail product sales.

Mr Siva Ananda Rajah, the founder and director of ATOS was also the founder of Body Contours and has been the driving force behind the reverse takeover and restructure of MEDEC Ltd by ATOS.

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