



ASX RELEASE

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CHAIRMAN'S ADDRESS

The financial year 2007/08 has proved to be a disappointing one for your company.

From a revenue point of view, you will note from the accounts, a significant increase has occurred but substantial losses have negated the revenue gains.

On the positive side there have been major changes in the organisation. Probably the most significant change is linked to our name change to ATOS Wellness Limited, when we completed the acquisition of Ananda Rajah's company in late January 2008. Due to technical and other issues some earlier transactions with Body Contours had to be unwound and thus the merger of ATOS with Medec was delayed over 6 months.

Further changes related to a complete revision of our structure and move to reduce our exposure to non-core activities. The most notable of these, being the management buyout of Medec Australia P/L by Stephen Falkiner, allowed this loss making operation to depart our balance sheet. A review of Body Cure Europe, our manufacturing facility in Germany, plus changes to Inspired Life took much of management's time.

As you are all aware our founding chairman and CEO, Joseph Plattner, took the opportunity to retire at the end of the 2007 financial year and Ananda Rajah took the reigns to drive the company through this difficult period.

It would be no surprise to anyone that the credit squeeze has impacted all business world wide and ATOS has been affected as well. Access to capital to cope with all the changes and tidying up of the books has been difficult as the company has had to rely basically on cash flow to cope.

We have reached a point where we can safely claim to be on top of most issues and can forecast a much improved set of figures for the coming year.

I would like to thank my fellow board members, all staff with special mention of Ananda / Pathma and Pushpa, who have coped well in their first involvement with a publicly listed Australian Company, and a special thanks also to shareholders who have patiently waited for the company to prosper.

Gordon Getley
Chairman

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