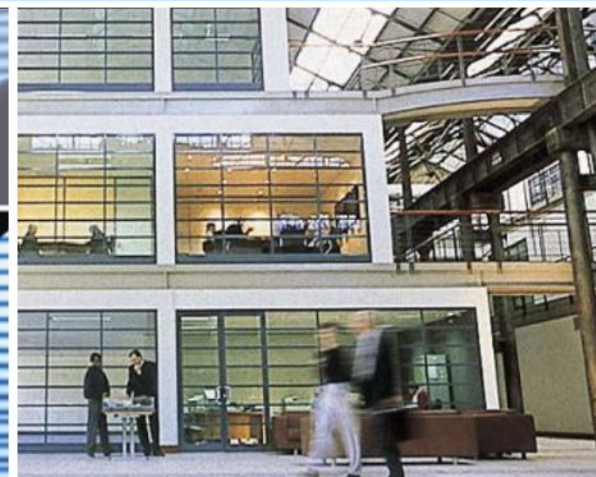


ATP Innovatons

2006 Performance Report



*ATP Innovations is Australia's
premier technology convergence hub,
facilitating the commercialisation
of research & development.*

We are please to present you with our 2006 ATP Innovations Performance Report.

This survey has been conducted annually since October 2001. The aim is to monitor our levels of service delivery to our clients and the ongoing progress of our client companies.

We continue to find the data derived from this process extremely valuable in developing our business and refining our service delivery in addition to reporting our progress to many different entities..

For the purposes of the 2006 survey we had a 95% response rate from clients and tenants.

Over the past 5 years we have observed significant positive shifts in client responses and in levels of satisfaction with the delivery of our services. The level of these changes did however 'plateau' around 2004 and since that time we have not observed major shifts in the responses indicating that we are delivering a consistent level of service across all indicators.

(a) Services and Infrastructure

- There was a high overall (range 85-100%) level of satisfaction with our general services and infrastructure.
- One area which we were acutely aware was a problem is the speed of our internet connection which a peak times can become congested. This is primarily a result of the range of new internet intensive applications being used by clients but for which our system was never designed. We are encouraging data intensive clients to consider moving their service to either that provided by the Park or signing up for an ADSL2+ connection from an independent ISP.
- During 2006 our occupancy rates remained high (average 95%) and at times during the year we were under pressure to accommodate a number of company expansions.
- Company numbers increased to 60 during the year with 13 new entrants. This reflects the good pipeline of opportunities we saw during the year.
- ATP Innovations staff to client/tenant ratios (1:10) and the time allocated to advising companies (60%) remained constant.

Some comments from Clients

"...Very useful and great facilities..."

"...all staff go out of there way to offer whatever assistance we ask..."

(b) Business Programs

- Overall there continues to be a high level of satisfaction with our business programs delivery (average 95%) and this has been a consistent result over the past 2 years.
- Whilst there is a little more spread in the responses this year than for 2005 in areas such as assisting through 1:1 business reviews and establishing key business relationships, this may reflect that many of our companies have now reached levels of maturity where they rely less on our services that they would in earlier days of their residency.
- There is a core of companies with which intense business development work has occurred and these relationships have resulted in these companies issuing equity to ATP innovations. We therefore conclude that our value to these businesses has been significant and this has been reflected in many of the comments received during the year and in the survey.

- We are cognisant that a number of companies have now matured to a point where they are ready to migrate over the next year, and as a consequence we will need to recruit new clients during 2007.
- Of the existing companies in the precinct there continued to be a high survival rate (100%) for the year with no companies winding up during the period. This is we believe due to the higher standards of selection we imposed on entrants (commencing 2002) along with increased attention to their needs and our ability to move quickly to assist them with specific business issues when times are difficult.
- Overall the number of staff employed by clients within the precinct remained static during 2006 at 199 compared with (208) for 2005; 35% of these employees came from university derived companies or entities. Including tenants in the final total, the number of employees in the precinct was 326 as of December 2005.
- In the past three years ATP Innovations companies have raised over \$130,000,000 in investment capital. 2006 continued this strong trend with our clients and tenant companies raising \$33,980,000. The sources of capital varied from venture capital to companies receiving a range of government grants. Breaking this into sectors for 2006, \$9.6 million was invested into our Life Sciences companies and \$24.3 million into ICT and other.
- It is worth noting that 61% (~\$20M) of the capital raised came from companies we designate as having arisen from University derived entities.
- Patent and trademark activity continues to be active as one would expect from a cluster of sophisticated technology companies. Since 2004 these companies have made 141 patent applications with 51 granted, and 60 Trade Mark applications with 32 approved.
- The number of companies within our programs derived from universities during 2006 was 12 with no new entrants. However it should be noted that we have been working very closely with our partners on a range of projects which should yield further prospects entering the precinct in the coming years.
- Two companies successfully migrated during the period and no companies discontinued operations (100% survival rate)
- We also followed up with past clients who had migrated from the precinct and were delighted to learn that 100% of those we could contact, continue to grow and expand over the past year. There were no failures recorded.
- ATP Innovations continued a vigorous program of external relationships during 2006 with participation in many conferences and other activities aimed at contributing to the wider technology community in general as well as maintaining critical relationships.

Some comments from Clients

"... [ATP Innovations] was able to add enormous benefit to our organisation..."

"...access to legal advice is a wonderful step..."

"...[Programs of a] ...very high in standard..."

"...the business has been able to be moved in the right direction for growth..."

"...first class!..."

"...ATP Innovations provides...a great confidence booster..."

"... thank you ...I am proud to be part of ATP Innovations...you continue to do a fantastic job..."

BizNetClub

- bizNetClub has continued to deliver high quality events and speakers which appear to have more than satisfied the majority of our members and attendees, with an 86% overall satisfaction rating and with 95% saying they would recommend the program to other parties.
- bizNetClub has now be in operation for over 5 years and requires continual tweaking and renewal to keep it fresh. This is quite a challenge and we find that membership numbers have stabilized around the 200 mark but annual renewals have dropped somewhat.

Some comments from Clients

"...Very useful for networking..."

"...Well organised, attracts the right audiences..."

"...I have learned a lot from the seminars..."

"...Biznetclub membership is well priced for the advantages received..."

Concluding Comment

Our client services, business programs, and general business offerings continue to offer a high level of client satisfaction – we have adapted these services where possible to meet ongoing client needs and requests and are constantly assessing internally, changes we can make to ensure we operate a business to the highest standards.

Overall our companies have continued to perform well during 2006. ATP Innovations has strived to deliver a high standard of services and these are reflected in the ongoing levels of client satisfaction in the delivery of our programs.