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Dear Security holders

2011 has been a transitional year for UBI as it moved from a technology start-up company to a company whose technology platform has been validated through the launch of LifeScan's OneTouch® Verio™ blood glucose product across Australia, Europe and North America, and the formation of a strategic partnership with Siemens Healthcare Diagnostics, Inc. for the development and commercialisation of products for the point-of-care coagulation testing market.

Our world class capabilities have again been validated by entering into a further agreement with LifeScan for the development of what will hopefully be their next generation of products for the diabetes market.

Over 2011 the company has significantly reduced the technical risk of the products it is developing through the hard work of our devoted management and staff.

I remain disappointed that the company's share price has not in my view reflected the value created by the company achieving significant commercial and technical milestones and does not in my view reflect the inherent value in the company.

The company and its management are focused on maximizing value to shareholders and will be striving to do this.

I would like to thank the Board and the entire UBI team for their efforts during the 2011 financial year and thank you, our shareholders for your continued support of our company.

Andrew Denver
Chairman