RECORD NET PROFIT AFTER TAX
NZ$169.2m

↑18%

RECORD OPERATING PROFIT
NZ$240.1m

↑14%

RECORD OPERATING REVENUE
NZ$894.4m

↑10%

TOTAL DIVIDEND FOR THE YEAR
NZ 19.5CPS FULLY IMPUTED

↑17%

GROSS MARGIN IMPROVEMENT

205bps

HOSPITAL REVENUE GROWTH
NZ$500.4 MILLION

↑15%

NEW APPLICATIONS CONSUMABLES REVENUE GROWTH

↑24%

Fisher & Paykel
HEALTHCARE

Dear Shareholders

We are pleased to report a record financial result with net profit after tax of $169.2 million, an increase of 18% over the previous year.

Operating revenue in our Hospital product group grew 15% to a record $500.4 million, driven again by growth from "new applications" of 24%. Consumables revenue from these "new applications", being products used in nasal high flow therapy, non-invasive ventilation and surgery, now accounts for 54% of our Hospital consumables revenue.

Revenue growth in obstructive sleep apnea (OSA) masks was 9% and was the major contributor to overall Homecare operating revenue growth of 4% to a record $381.5 million.

Our global team continues to deliver on our vision of improving care and outcomes through inspired and world-leading healthcare solutions. Assisting clinicians around the world to deliver the best possible patient care through continuous product improvement, pioneering new therapies and changing clinical practice, continues to be key to our success.

Healthcare systems are grappling with growing and ageing populations and the subsequent increased costs of delivering medical services, and we are uniquely placed to help address these demands.

Dividend

The Board has approved an increased final dividend for the year of 11.25cps. This takes the total dividend for the financial year to 19.5cps, an increase of 17% on the previous year.

Tony Carter

Lewis Gradon

We have high quality products that are designed to be easy to use, to help reduce a patient's need for costly, higher intensity care, and where possible, to facilitate a patient's independence and treatment in the home.

Achieving this often requires a change in clinical practice. For example, our Optiflow™ nasal high flow therapy system, which is driving a significant proportion of our growth, is at its core about changing clinical practice. The growth we are experiencing in demand for our products for nasal high flow therapy is supported by a significant number of clinical studies published showing meaningful benefits, and the efforts of our highly skilled teams who share this new evidence with clinicians on a daily basis.

This financial year we invested $86 million in research & development, equating to 9.6% of our operating revenue. This consistent investment has led to our current exciting and productive period of new product releases, and we anticipate further new masks, respiratory consumables, flow generators and compliance monitoring solutions to be introduced to the market over the next several years. Over the past year, we released a number of exciting new products – the F&P 950™, SleepStyle™, Optiflow Junior 2 and Nivairo™ and Brevida™ masks.
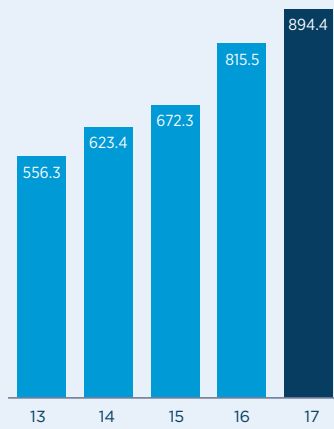
Our consistent long-term strategy continues to deliver growth and, with current rates, we expect to achieve NZ$1 billion in operating revenue within the next financial year.
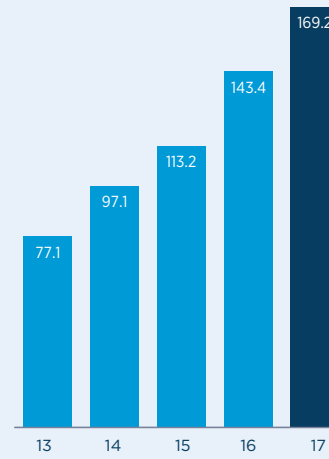
TONY CARTER, CHAIRMAN

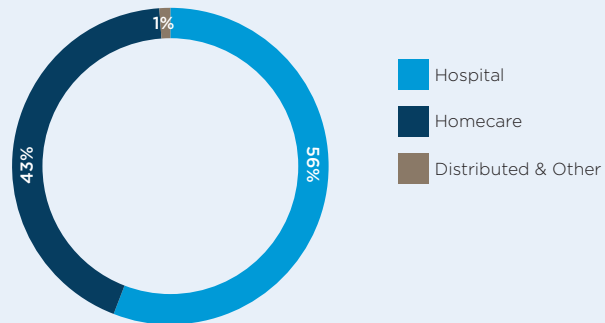LEWIS GRADON, MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
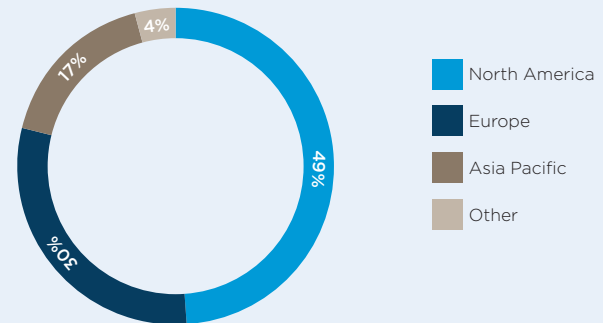
Full Year Results

OPERATING REVENUE NZ$ MILLIONS

Year	Value
13	556.3
14	623.4
15	672.3
16	815.5
17	894.4

PROFIT AFTER TAX NZ$ MILLIONS

Year	Value
13	77.1
14	97.1
15	113.2
16	143.4
17	169.2

REVENUE BY PRODUCT GROUP – 12 MONTHS TO 31 MARCH 2017

- Hospital — 56%
- Homecare — 43%
- Distributed & Other — 1%

REVENUE BY REGION – 12 MONTHS TO 31 MARCH 2017

- North America — 49%
- Europe — 30%
- Asia Pacific — 17%
- Other — 4%

Hospital

Our products are used throughout the hospital, predominantly in invasive and non-invasive ventilation, nasal high flow therapy and surgery.

Our devices include humidifiers, single-use and reusable chambers, breathing circuits, interfaces and accessories. These products are designed to humidify the gases that a patient receives during mechanical ventilation, non-invasive ventilation, nasal high flow therapy or laparoscopic and open surgery.

Key products include the Airvo™ flow generator and humidifier, Optiflow nasal cannula range, F&P 950 heated humidification system, Evaqua™ breathing circuits and HumiGard™ surgical humidification system.

Sales of Hospital products accounted for 56% of operating revenue in FY17.

OPERATING REVENUE
↑15%

CONSTANT CURRENCY REVENUE GROWTH
↑19%

FY17 HIGHLIGHTS

AUSTRALASIA
Launched F&P 950 system

AUSTRALASIA, EUROPE, CANADA
Launched F&P Nivairo mask

GLOBAL
Publication of more than 200 studies on nasal high flow therapy

Homecare

Our Homecare product group focuses on devices that are used for the treatment of OSA and patients requiring home respiratory support.

Our products in this group include CPAP therapy devices and masks, flow generators, interfaces and data management technologies. Key products in this group are the myAirvo™ flow generator and humidifier and Simplus™, Eson™ and Brevida OSA masks.

Sales of Homecare products accounted for 43% of operating revenue in FY17.

OPERATING REVENUE
↑4%

CONSTANT CURRENCY REVENUE GROWTH
↑8%

FY17 HIGHLIGHTS

GLOBAL
Launched Brevida nasal pillows mask

UNITED STATES
Launched Eson 2 nasal mask

GLOBAL
Received an International Forum product design award for the Brevida mask

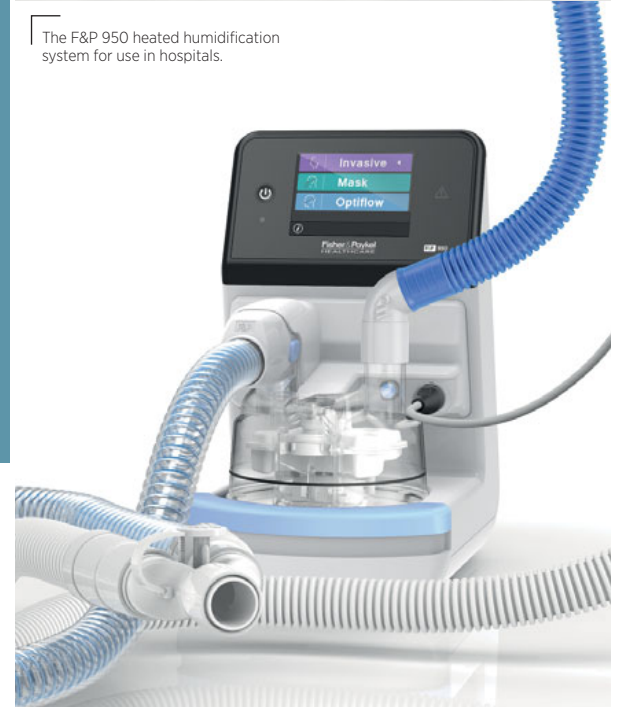**JAPAN**
Launched myAirvo™ home respiratory system in Japan

Our award-winning Brevida nasal pillows mask for OSA.

The F&P 950 heated humidification system for use in hospitals.