Consistent Growth Strategy

- Innovative devices which improve care and outcomes
- Increase value per patient
- New patient groups
- International expansion
Financial Highlights

- Trading revenue
  - US$200M +23%
  - NZ$289M +20%
- Operating profit
  - US$72M +18%
  - NZ$104M +16%
- Operating margin 35.9%
- R&D investment to 6% of revenue
Sales by Product Group

- Respiratory Humidification: 45%
- OSA: 44%
- Warming & Neonatal: 8%
- Distributed: 3%

Trading revenue 12 months to 31 March 2006
Sales by Region

Trading revenue 12 months to 31 March 2006

North America: 47%
Asia Pacific: 19%
Europe: 29%
Other: 5%
Expanding International Presence
Obstructive Sleep Apnea
Obstructive Sleep Apnea

- Revenue grew 34% to US$88M
- Masks and flow generators grew 53%
- OSA treatment market continues to expand rapidly 15-20% p.a.
Flow Generators & Masks

• Received US CMS reimbursement for ThermoSmart Tube
• Introduced HC406 petite mask
• Launched Vigor8 program
Respiratory Humidification
Respiratory Humidification

- Revenue growth 14% to US$90M
- Continuing rapid growth of breathing circuits, Evaqua demand
- Increasing value per patient
- Broadlane GPO contract
Expanding Opportunities

- Invasive Ventilation
- Non-invasive Ventilation
- O₂ Therapy
- Humidity Therapy
- Laparoscopic Insufflation
- COPD Device
  Coming …
Neonatal

- Revenue growth 24% to US$16M
- Warmers, neonatal breathing systems grew strongly
- Introduced range of resuscitation masks, oxygen therapy nasal cannula
- Increasing proportion of recurring revenue
Research & Development

• Extensive new product pipeline
  – Masks
  – Flow Generators
  – COPD Systems
  – Consumables
First Half Outlook

• Underlying trading revenue growth approx 20%
  – US$ approx 14% growth
  – NZ$ approx 26% growth

• Operating profit NZ$44M – NZ$45M