Consistent Growth Strategy

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

- Trading revenue: NZ$349M, +21%
- Operating profit: NZ$90M, -14%
- Operating margin: 25.7%
- R&D investment at 5.8% of revenue
Sales by Product Group

- OSA: 46%
- Respiratory Humidification: 43%
- Distributed/Other: 3%
- Neonatal: 8%

Trading revenue 12 months to 31 March 2007
Sales by Region

North America 49%
Europe 31%
Asia Pacific/Other 20%

Trading revenue 12 months to 31 March 2007
Expanding International Presence
Obstructive Sleep Apnea
Obstructive Sleep Apnea

- OSA treatment market growing rapidly
- 27% revenue growth to NZ$162M
- 34% combined mask and flow generator revenue growth
Flow Generators & Masks

- Introduced FlexiFit™ Full Face Mask
- Introduced Opus™ Nasal Pillows Mask
- ThermoSmart™ proportion growing
Respiratory Humidification

- 15% revenue growth to NZ$150M
- Humidifier controller placement driving breathing circuit market share
- Good early acceptance of new respiratory interfaces, NIV, O\textsubscript{2} therapy, humidity therapy
Neonatal

- 25% revenue growth to NZ$27M
- Very strong growth for Bubble CPAP, Neopuff resuscitator
- Good early demand for new $O_2$ therapy system, resuscitation masks
Research & Development

• New product pipeline
  – Masks
  – Flow Generators
  – Humidity therapy system
  – Consumables
Planning for growth
First Half Outlook

- **Operating revenue**
  - NZ$170M – NZ$175M approx.

- **Operating profit**
  - NZ$32M approx.