First Quarter FY03

• Net earnings NZ$30.4 million
• Gross profit 68.6% up 1.6 percentage points from March quarter
• Operating margin 36.5%
• Core product revenues up 10% in US$ against Q1 last year
Sales by Product

Q1 FY 03

- OSA/CPAP: 40%
- Respiratory Humidification: 50%
- Neonatal/Patient Warming: 5%
- Distributed: 5%
Sales by Region

North America 50%
Europe 26%
Asia 10%
Australia 9%
New Zealand 2%
Other 3%
Q1 FY 03
Obstructive Sleep Apnea
Obstructive Sleep Apnea

- Revenue +18%
- HC221 Volume up 45%
- Patented ambient tracking
- Flow generator revenues exceed CPAP humidifiers for first time
- Improved Medicare reimbursement

HC221 Integrated Flow Generator-Humidifier
Obstructive Sleep Apnea

Aclaim 2 Mask

Oracle Mask
Obstructive Sleep Apnea

Revenue in US$

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
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<tbody>
<tr>
<td>FY 1999</td>
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<td>FY 2000</td>
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<td>FY 2001</td>
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<td>FY 2002</td>
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</tbody>
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Respiratory Humidification
Respiratory Humidification

- Revenue +4%
- 20% volume growth in consumables
- Revenue growth in US +9% on prior year

MR850 humidifier
Respiratory Humidification

Neonatal breathing circuits
Respiratory Humidification

Revenue in US$ (FY 1999 to FY 2002)
Neonatal and Patient Warming

- Revenue +23%
- Continued gains in US
- Large tender secured in Latin America – Q2 delivery
Neonatal and Patient Warming

Revenue in US$

FY 1999 | FY 2000 | FY 2001 | FY 2002
Outlook

• Continued growth opportunities
• New and complementary products
• New applications e.g. COPD
• Increasing international presence