Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of products and systems for use in respiratory care, acute care, surgery and the treatment of obstructive sleep apnea.

Our purpose is to improve care and outcomes through inspired and world-leading healthcare solutions. Our consistent long-term growth strategy is to increase our international presence, change clinical practice, expand our range of innovative products and deliver sustainable, profitable growth.

We manufacture our products at facilities in New Zealand and Mexico and sell them in more than 120 countries worldwide. We employ over 4,000 people around the world including more than 550 staff dedicated to research and development.

**KEY FINANCIALS**

All figures NZ$ unless otherwise stated

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenue (US$)</td>
<td>511.7</td>
<td>544.5</td>
<td>553.4</td>
<td>634.1</td>
<td>701.1</td>
</tr>
<tr>
<td>Operating Revenue (NZ$)</td>
<td>623.4</td>
<td>672.3</td>
<td>815.5</td>
<td>894.4</td>
<td>980.8</td>
</tr>
<tr>
<td>Gross profit</td>
<td>365.4</td>
<td>410.9</td>
<td>521.7</td>
<td>590.4</td>
<td>650.4</td>
</tr>
<tr>
<td>Gross margin</td>
<td>58.6%</td>
<td>61.1%</td>
<td>64.0%</td>
<td>66.0%</td>
<td>66.3%</td>
</tr>
<tr>
<td>R&amp;D Expenses</td>
<td>54.1</td>
<td>65.0</td>
<td>73.3</td>
<td>86.0</td>
<td>94.7</td>
</tr>
<tr>
<td>Net profit after tax</td>
<td>97.1</td>
<td>113.2</td>
<td>143.4</td>
<td>169.2</td>
<td>190.2</td>
</tr>
<tr>
<td>Earnings per share(^1) (cents)</td>
<td>17.7</td>
<td>20.4</td>
<td>25.6</td>
<td>29.9</td>
<td>33.4</td>
</tr>
<tr>
<td>Dividend per share(^2)</td>
<td>12.4</td>
<td>13.8</td>
<td>16.7</td>
<td>19.5</td>
<td>21.25</td>
</tr>
<tr>
<td>Total assets</td>
<td>630.3</td>
<td>669.8</td>
<td>766.8</td>
<td>878.2</td>
<td>1,025.1</td>
</tr>
<tr>
<td>Shareholders’ equity</td>
<td>406.1</td>
<td>471.2</td>
<td>541.7</td>
<td>661.6</td>
<td>761.4</td>
</tr>
<tr>
<td>Interest bearing liabilities</td>
<td>90.4</td>
<td>65.5</td>
<td>63.1</td>
<td>61.0</td>
<td>82.4</td>
</tr>
<tr>
<td>Gearing ratio(^3)</td>
<td>21.0%</td>
<td>10.3%</td>
<td>7.7%</td>
<td>6.5%</td>
<td>-7.3%</td>
</tr>
<tr>
<td>NZD-USD (average spot rate)</td>
<td>0.8208</td>
<td>0.8098</td>
<td>0.6786</td>
<td>0.7090</td>
<td>0.7148</td>
</tr>
</tbody>
</table>

1. Basic earnings per share (does not account for the dilutive effects of outstanding share options and performance share rights)
2. Dividends carry New Zealand imputation credits (see Annual Report)
3. Debt/Debt + Equity (calculated using net interest bearing liabilities to total assets excluding unrealised financial instruments gains or losses).

**COMPANY INFORMATION**

Fisher & Paykel Healthcare Corporation Limited
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Fax: +64 9 574 0158
Website: www.fphcare.com
Email: investor@fphcare.co.nz

**SHARE INFORMATION**

as at 31 March 2018

NZX Main Board Code: FPH
ASX Code: FPH
Share price: $13.20
Shares on issue: 57,230,264
Market capitalisation: NZ$7.5 billion
Financial year-end: March 31
PRODUCT GROUPS

Hospital
We offer medical devices for use in the hospital where patients are receiving invasive and non-invasive ventilation, nasal high flow therapy or undergoing surgery.

Humidity is crucial to respiratory health and well-being. Our products incorporate patented and proprietary technologies designed to emulate the balance of temperature and humidity that occurs naturally in the body. This approach restores natural balance and seeks to ensure optimal outcomes for patients and their caregivers.

<table>
<thead>
<tr>
<th>All figures NZ$M unless otherwise stated</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating revenue</td>
<td>336.9</td>
<td>357.2</td>
<td>436.3</td>
<td>500.4</td>
<td>572.1</td>
</tr>
<tr>
<td>Contribution to total</td>
<td>54%</td>
<td>53%</td>
<td>53%</td>
<td>56%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Homecare
Obstructive sleep apnea (OSA) occurs when one’s airway temporarily closes during sleep, forcing sufferers to wake either partially or completely to breathe again. This can occur up to several hundred times a night, and if left untreated, can lead to serious health problems.

Our continuous positive airway pressure (CPAP) devices and innovative masks are used to treat OSA. CPAP therapy keeps the airway open, and is recognised as a simple and effective treatment for OSA.

We also offer products that provide respiratory support in the home in the treatment of chronic respiratory conditions such as chronic obstructive pulmonary disease.

<table>
<thead>
<tr>
<th>All figures NZ$M unless otherwise stated</th>
<th>FY2014</th>
<th>FY2015</th>
<th>FY2016</th>
<th>FY2017</th>
<th>FY2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Homecare</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating revenue</td>
<td>270.0</td>
<td>302.0</td>
<td>365.8</td>
<td>381.5</td>
<td>398.1</td>
</tr>
<tr>
<td>Contribution to total</td>
<td>43%</td>
<td>45%</td>
<td>45%</td>
<td>43%</td>
<td>41%</td>
</tr>
</tbody>
</table>

The balance of sales not covered by these two business areas are made up of distributed and other product sales including infant warmers and the distribution of Medela products in New Zealand.
MARKETS

We employ multiple distribution channels to reach our customers in more than 120 countries:

Direct: We have direct sales teams in 37 countries which sell directly to hospitals, long-term care facilities and home healthcare dealers.

Distributors: In markets where we do not have our own representatives we sell to more than 200 distributors worldwide who in turn sell to hospitals, home healthcare dealers and other manufacturers of medical products. Our distributors are supported by representative offices in a number of other countries and area managers based in New Zealand.

Original equipment manufacturers: We sell our devices to manufacturers of medical products and their distributors, who in turn sell to hospitals and home healthcare dealers.

OPERATING REVENUE FY2018

<table>
<thead>
<tr>
<th>Region</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORTH AMERICA</td>
<td>47%</td>
</tr>
<tr>
<td>EUROPE</td>
<td>30%</td>
</tr>
<tr>
<td>ASIA-PACIFIC</td>
<td>18%</td>
</tr>
<tr>
<td>OTHER</td>
<td>5%</td>
</tr>
</tbody>
</table>

12 MONTHS TO 31 MARCH 2018

GOVERNANCE

BOARD

Tony Carter - Chairman, Non-Executive Independent Director
Lewis Gradon - Managing Director & Chief Executive Officer
Michael Daniell - Non-Executive Director
Pip Greenwood - Non-Executive Independent Director
Geraldine McBride - Non-Executive Independent Director
Arthur Morris - Non-Executive Independent Director
Donal O’Dwyer - Non-Executive Independent Director
Scott St John - Non-Executive Independent Director

DIVIDEND POLICY

Dividends carry New Zealand imputation credits to the maximum extent available. The company’s directors have established a target debt to debt plus equity ratio* of +5% to -5%. We expect that a dividend pay-out ratio of approximately 70% of net profit after tax will be appropriate to achieve and maintain target gearing. We also currently offer a dividend reinvestment plan that offers shareholders the opportunity to re-invest dividends in new shares in the company.

* Net interest bearing liabilities to total assets excluding unrealised financial instrument gains or losses.

RESEARCH & DEVELOPMENT

We believe that product development and clinical research is critical to our success, and currently invest approximately 10% of revenue into R&D. As at 31 March 2018 we employed 550+ engineers, scientists and physiologists principally engaged in clinical research and product and process development.
HISTORY

Fisher & Paykel (F&P) commenced business in 1934 as an importer of refrigerators and washing machines. In 1938 F&P started manufacturing white ware under license to several major international appliance companies and in the mid-1960s moved to manufacturing products using in-house technology.

The involvement in healthcare started in the late 1960s when F&P sought involvement in a business that could benefit from their growing manufacturing and electronic expertise. A prototype respiratory humidifier, developed in New Zealand for use with patients needing ventilation in hospital intensive care situations, was taken to production by F&P. Since then we have consistently developed innovations to improve patient care and developed worldwide distribution for these products.

On 14 November 2001, as part of a reorganisation, Fisher & Paykel Industries Limited was renamed Fisher & Paykel Healthcare Corporation Limited and a new company, Fisher & Paykel Appliances Holdings Limited, was established to own F&P’s appliances and finance business. In connection with the reorganisation, Fisher & Paykel Healthcare Corporation Limited listed on the Australian and New Zealand Stock Exchanges and NASDAQ. In February 2003 the NASDAQ listing was terminated.

INVESTOR RELATIONS CONTACT INFORMATION

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ANALYSTS

A number of broking analysts currently follow our company and provide written research reports on our performance and future prospects.

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