

Stock Exchange Announcement

STOCK EXCHANGE LISTINGS: NEW ZEALAND (FPH), AUSTRALIA (FPH)

FISHER & PAYKEL HEALTHCARE RAISES EARNINGS GUIDANCE AT 2013 ANNUAL SHAREHOLDERS' MEETING

Auckland, New Zealand, 27 August 2013 - Fisher & Paykel Healthcare Corporation Limited (NZSX:FPH, ASX:FPH) announced today at its annual shareholders' meeting that it has raised its earnings guidance for the financial year ending 31 March 2014.

Assuming an exchange rate of approximately 80 cents and taking into account increased underlying growth and margin improvement, the company expects net profit after tax to be in the range of NZ\$90 million to NZ\$95 million. The full year net profit guidance provided by the company in May, based on an exchange range of 80 cents to 85 cents for the NZ dollar to the US dollar, was NZ\$85 million to NZ\$90 million.

"Growth so far this year has continued to be robust and we expect first half revenue to grow approximately 15% in constant currency" commented Michael Daniell, Fisher & Paykel Healthcare's CEO.

"Demand for our RAC care products has continued to be particularly strong, with the proportion of our revenue from products used in new applications continuing to increase. We expect RAC constant currency revenue growth of about 18% for the first half."

"For our OSA product group, mask revenue growth continues to be very encouraging and we are expecting first half constant currency revenue growth to also be well above market at about 14%."

"There is a global trend to carefully manage growth in healthcare expenditure, which fits very well with our strategy of offering innovative medical devices that can help to reduce the overall healthcare costs per patient, by improving effectiveness and efficiency of care. That in turn is supportive of margins, as we increasingly demonstrate the benefits our products can offer" concluded Mr Daniell.

At current exchange rates, the company expects operating revenue for the first half to be approximately NZ\$310 million and net profit after tax to be approximately NZ\$43 million dollars. That would represent about 30% net profit growth, driven by a combination of robust revenue growth, improving gross margins and favourable hedging. Assuming an exchange rate of approximately 80 cents, the company now expects full year operating revenue to be in the range of NZ\$625 million to NZ\$645 million.

The company has provided the attached Chairman's speech, CEO's speech and slide presentation for the 2013 annual shareholders' meeting as well as an update on the company's foreign exchange hedging position as at today's date.

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Foreign Exchange Hedging Position

The hedging position for our main exposures, the US dollar and Euro, as at today's date is:

	2014 Financial Year		Year to 31 March			
	Year to date (Apr 13 to Jul 13)	Balance of year (Aug 13 to Mar 14)	2014	2015	2016	2017
USD % cover of expected exposure	100%	89%	92%	44%	8%	0%
USD average rate of cover	0.77	0.77	0.77	0.79	0.77	-
USD Close-out value to Income Statement (NZD000's) ¹	\$10,896	\$10,395	\$21,291	\$0	\$0	\$0
EUR % cover of expected exposure	100%	88%	90%	60%	27%	4%
EUR average rate of cover	0.51	0.47	0.48	0.46	0.43	0.36

For the average rate of cover calculation the call option exchange rate has been used for all collar option contracts.

¹ Foreign currency hedging gains to be released to the Income Statement from the Cash Flow Reserve - Realised from previously monetised USD forward exchange contracts.