

## News Release

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

### FISHER & PAYKEL HEALTHCARE NOTIFICATION OF SHARE SUBDIVISION AND EXTENSION OF SHARE BUY BACK PROGRAMME

#### Share Subdivision

Auckland, New Zealand, 16 September 2004 - Fisher & Paykel Healthcare Corporation Limited (NZX:FPH, ASX:FPH) advises that the Board has resolved to subdivide the Company's existing ordinary shares. Each one existing ordinary share in the Company will be subdivided into five ordinary shares. The Board considers that the subdivision will provide additional liquidity in the market for the Company's shares.

The record date for determining the subdivision will be Friday, 1 October 2004. The share subdivision will take effect following the close of business on that day. Shares will be available for trading on a subdivided basis when the markets open on Monday, 4 October 2004.

All shares will carry equal voting rights and entitlements to future dividends.

All shareholders holding shares at 7.00 pm (New Zealand time) today will be sent a letter by the Company advising them of the subdivision.

As a result of the ordinary share subdivision the Company advises that it will reorganise options issued under the Company's Option Plans.

Between 2 November 2001 and 16 September 2004 the Company issued a total of 3,503,900 options under the Plans, of which 3,388,802 options remain outstanding. In accordance with the Plan Rules and both the ASX and NZX Listing Rules, the outstanding options issued will be adjusted as follows:

Date of grant	Number of options outstanding	Exercise price at date of issue	Number of options outstanding after adjustment	Exercise price after adjustment
2 November 2001	1,212,502	NZ\$10.65	6,062,510	NZ\$2.13
8 November 2001	246,500	NZ\$10.65	1,232,500	NZ\$2.13
5 March 2003	930,300	NZ\$11.00	4,651,500	NZ\$2.20
26 August 2004	999,500	To be calculated from base price of NZ\$13.16 increased by the cost of equity capital less dividends	4,997,500	To be calculated from base price of NZ\$2.632 increased by the cost of equity capital less dividends

These adjustments will take effect simultaneously with the ordinary share subdivision.

#### Share Buy Back

In accordance with Listing Rule 7.6.2 and ASX requirements, Fisher & Paykel Healthcare advises that it intends to extend its existing share buy back programme which expires on 30 September 2004 for a further six months to 31 March 2005 on the following terms (being the same terms of the existing buy back programme except for the extension of time).

1. The shares may be acquired at any time.
2. The shares to be acquired are ordinary shares.
3. The maximum aggregate amount to be applied by the Company in the buy back is \$27,500,000.
4. Shares will be purchased at market price.
5. The maximum number of shares the Company proposes to purchase is 2,400,000 (or 12,000,000 following subdivision) ordinary shares. The actual numbers will depend on the market price payable, having regard to the maximum aggregate amount which the Company has committed to this buy back.
6. To date, the Company has acquired 824,927 at a total cost of NZ\$10,233,682.16 with the remaining number of shares which the Company may acquire under the share buy back programme being 1,575,073 (or 7,875,365 following subdivision).

The Company has appointed UBS New Zealand to provide financial advice and assistance in relation to the buy back and the acquisitions pursuant to the buy back.

#### **About Fisher & Paykel Healthcare**

Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of heated humidification products and systems for use in respiratory care and the treatment of obstructive sleep apnea. It also offers an innovative range of patient warming devices and neonatal care products. The company's products are sold in over 90 countries worldwide.

Further information can be obtained by contacting Michael Daniell MD/CEO on +64 9 574 0161 or Tony Barclay CFO on +64 9 574 0119 at Fisher & Paykel Healthcare Corporation Limited or by visiting the company's website at [www.fphcare.com](http://www.fphcare.com)

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