

News Release

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

FISHER & PAYKEL HEALTHCARE MARKET UPDATE

Auckland, New Zealand, 20 February 2004 - Fisher & Paykel Healthcare Corporation Limited (NZX:FPH, ASX:FPH) announced today:

Full Year Revenue Guidance Update and Potential Share Subdivision

Fisher & Paykel Healthcare Corporation Limited today updated its revenue guidance for the year ending 31 March 2004 to allow for exchange rate movements.

At the time of its half year result announcement in November, the company indicated that it expected its full year revenue to be in the range of US\$120 million to US\$125 million with operating margin percentage in the mid 30's.

The company's underlying trading continues to be as expected in November but it now expects full year revenue to be in the range of US\$127 million to US\$130 million. The increase from November's guidance is largely due to subsequent exchange rate movements. Expressed in New Zealand dollars the expected revenue range is now NZ\$207 million to NZ\$211 million.

The company expects its operating margin percentage to remain in the mid 30's for the full year.

In addition, the company advises that its board of directors is considering a proposal to subdivide the company's existing ordinary shares. The company will make a further announcement once a decision is made.

Fisher & Paykel Healthcare's U.S. Distributor Awarded Premier Purchasing Agreement

Fisher & Paykel Healthcare Corporation Limited announced today that Cardinal Health, the company's United States distributor of its respiratory humidifiers, has signed a shared primary purchasing agreement with Premier, one of the United States' largest hospital group purchasing organisations.

Under the terms of the agreement Cardinal Health has been named a shared primary supplier to Premier members of a wide range of respiratory care products including heated humidifier systems. The agreement is effective until 31 January 2007.

"In partnership with Cardinal Health, we have been the preferred provider of heated humidifier systems to Premier members since 1997. Under this new agreement we expect to see continuing growth in sales to Premier members driven by conversion to our sophisticated MR850 humidifier system," commented Paul Shearer, Fisher & Paykel Healthcare's Senior Vice President Sales & Marketing.

About Premier

Premier is a strategic alliance owned by more than 200 hospital and healthcare systems in the United States. These systems operate or are affiliated with nearly 1,500 hospitals and hundreds of other care sites. Premier members buy more than US\$17 billion annually of supplies and equipment. The Premier website may be visited at www.premierinc.com.

About Cardinal Health

Cardinal Health, Inc. (NYSE: CAH) is a leading provider of products and services supporting the health care industry. Cardinal Health develops, manufactures, packages, and markets products for patient care; develops drug-delivery technologies; distributes pharmaceuticals, medical-surgical

and laboratory supplies; and offers consulting and other services that improve quality and efficiency in health care. Headquartered in Dublin, Ohio, Cardinal Health employs more than 50,000 people on five continents and produces annual revenues of more than US\$50 billion. Cardinal Health is ranked No.19 on the current Fortune 500 list and named one of the best U.S. companies by Forbes magazine for 2004.

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

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