Fisher & Paykel Healthcare
Goldman Sachs Global Healthcare Conference

June 2013

Investment Highlights

• A leader in respiratory and OSA treatment devices
• Consistent growth strategy
• Estimated US$3.0+ billion and growing market opportunity
• High level of innovation
• Global presence
• Strong financial performance
  NZSX:FPH, ASX:FPH
Markets and Products

- Respiratory & Acute Care (RAC)
  - Heated Humidification
  - Respiratory Care
  - Neonatal Care
  - Surgery

- Obstructive Sleep Apnea (OSA)
  - Masks
  - Flow Generators
  - Humidifiers

Consumable and accessory products represent approx. 76% of core product revenue

Revenue by Product Group
12 months to 31 March 2013

Hospital Cost Breakdown

- Labour 70%
- Drugs, Devices, Supplies & Food 21%
- Utilities, Depreciation 9%

Source: Massachusetts Hospital Association, "An Update to Hospital Costs in Context Report" July 2010
Lower Care Intensity = Lower Cost


Respiratory Humidification

- Normal airway humidification is bypassed or compromised during ventilation or O₂ therapy
- Mucociliary transport system operates less effectively
- Need to deliver gas at physiologically normal levels
  - 37 °C body core temperature
  - 44mg/L 100% saturated
**Respiratory & Acute Care**

- MR850 Respiratory Humidifier System
  - Invasive ventilation, oxygen therapy and non-invasive ventilation
- MR810 Respiratory Humidifier System
  - Entry level system
  - Ventilation and oxygen therapy
  - Optional heated breathing circuit
- AIRVO™ Flow Generator/Humidifier
  - Optiflow O₂ therapy
  - Humidity therapy
- Surgical opportunity (HumiGard™)
  - Laparoscopic insufflation
  - Open surgery
Single-use Respiratory Care Systems

- Single-use chambers
  - Patented auto filling MR290
- Single-use breathing circuits
  - Patented spiral heater wire
  - Proprietary Evaqua™ expiratory tube
  - Minimal condensation
  - Delivery of optimal humidity
- Breathing circuit components
  - Filters, catheter mount, weaning kit
- Interfaces
  - NIV masks, tracheostomy, Optiflow™, O₂ therapy
- Approx 30 system set-ups used per controller per year
- Consumable growth driving revenue growth

Obstructive Sleep Apnea

- Temporary closure of airway during sleep
- Can greatly impair quality of sleep, leading to fatigue; also associated with hypertension, stroke and heart attack
- Estimated US$2.5 billion + worldwide market, growing ~ 6-8%
- Potentially 50-60 million affected worldwide
- Most common treatment is CPAP (Continuous Positive Airway Pressure)
  - Key issue with CPAP is compliance
  - Humidification provides significant acceptance and compliance improvements
Revolutionary New Masks

• Comfortable
• Easy to fit
• Efficient

• Nasal Pillows
  – F&P Pilairo™

• Nasal
  – F&P Eson™

• Full Face
  – F&P Simplus™

F&P

Stylish, Smart + Simplified
Efficiently integrates with InfoUSB™ and InfoSmart™ Web
Responsive pressure relief - SensAwake™
ThermoSmart™ Humidifier Breathing Tube Technology
Auto-adjusting CPAP
Efficient Compliance Reporting

Research & Development

- 8.2% of operating revenue, NZ$45.7M

- Product pipeline includes:
  - Humidifier controllers
  - Masks
  - Respiratory consumables
  - Flow generators
  - Compliance monitoring solutions

- 107 US patents, 159 US pending, 442 ROW, 260 ROW pending

1 at 31 March 2013
Manufacturing & Operations

- Vertically integrated
  - COGs improvements; Mexico, Lean, supply chain
- Ample capacity to grow

**Auckland, New Zealand**
- Two buildings: 51,000m² / 550,000ft² total
- 31,000m² building 3 completed
- November 2012
- 100 acres/40ha land

**Tijuana, Mexico**
- 18,000m²/200,000ft²
- Consumables capacity ramping up

Global Presence

- Direct/offices
  - Hospitals, home care dealers
  - Sales/support offices in North America, Europe, Asia, South America, Middle East and Australasia, 15 distribution centres
  - >550 staff in 30 countries
  - Ongoing international expansion

- Distributors
  - 100+ distributors worldwide

- Original Equipment Manufacturers
  - Supply most leading ventilator manufacturers
  - More than 120 countries in total

Revenue by Region
12 months to 31 March 2013
Consistent Growth Strategy

- Experts in humidification, respiratory care, and obstructive sleep apnea
- Provide innovative devices which can improve patient care and outcomes
  - Continuous product improvement
  - More devices for each patient
  - Serve more patient groups – Invasive ventilation, NIV, oxygen therapy, COPD, surgery, OSA
- Increase international presence

FY2013 Second Half Highlights

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>CC(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net profit after tax</td>
<td>+22%</td>
<td>+54%</td>
</tr>
<tr>
<td>Operating revenue</td>
<td>+9%</td>
<td>+14%</td>
</tr>
<tr>
<td>Gross margin (bps increase)</td>
<td>+240</td>
<td>+330</td>
</tr>
<tr>
<td>RAC new applications revenue</td>
<td></td>
<td>+38%</td>
</tr>
<tr>
<td>OSA mask revenue</td>
<td></td>
<td>+16%</td>
</tr>
</tbody>
</table>

1. CC = constant currency
New Products

- Pilairo™ nasal pillows mask
- Eson™ nasal mask
- Simplus™ full face mask
- ICON™+ flow generator range
- Optiflow™ Junior oxygen therapy
- Evaqua™2 breathing circuits
- AIRVO™2 & myAIRVO™2 flow generator humidifiers

FY13 Operating Results NZ$

FY13 (12 months to 31 March 2013)

| Item                                | %Revenue | NZ$M  | △PCP | △CC
|-------------------------------------|----------|-------|------|-----
| Operating revenue                   | 100%     | 556.3 | +8%  | +11%
| Cost of sales                       | 44.7%    | 248.4 | +3%  | +5%
| Gross profit                        | 55.3%    | 307.8 | +12% | +18%
| Other income (R&D grant)            |          | 2.4   |      |     
| SG&A                                | 27.3%    | 151.8 | +6%  | +9%
| R&D                                 | 8.2%     | 45.7  | +9%  | +9%
| Total operating expenses            | 35.5%    | 197.5 | +7%  | +9%
| Operating profit                    | 20.3%    | 112.7 | +21% | +52%
| Profit after tax                    | 13.9%    | 77.1  | +20% | +55%

1. CC = constant currency
Dividend

- Final Dividend
  - Gross 9.7 NZ cps = 7.0 cps + 2.7 cps imputation credit, NZ residents
  - Fully imputed
  - 1.235 cps non-resident supplementary dividend
  - DRP, 3% discount NZ/AU residents
- Gross dividend yield, 17.2 cps, ~5.5%

Respiratory & Acute Care Update

- Operating revenue growth  
  - NZ$ +13%
  - Constant currency +18%
- New applications consumables revenue growth (NIV, Optiflow™, AIRVO™, Surgical)  
  - NZ$ +32%
  - Constant currency +38%
  - New applications, 38% of RAC consumables revenue
- New products roll-out  
  - Evaqua™ 2 breathing circuits
  - Optiflow Junior™ interface
  - Evatherm™ breathing circuit
  - AIRVO™ & myAIRVO 2 flow generator/humidifiers

H2 FY2013
Obstructive Sleep Apnea Update

- Operating revenue growth
  - NZ$ +6%
  - Constant currency +10%
- Mask revenue growth
  - Constant currency +16%
- New products roll-out
  - F&P Pilairo™
  - F&P Eson™
  - F&P Simplus™
  - F&P ICON™+

Balance Sheet & Cash Flow FY13

<table>
<thead>
<tr>
<th>NZ$M</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating cash flow</td>
<td>86.4</td>
</tr>
<tr>
<td>Capital expenditure (Building 3 capex NZ$33.6M)</td>
<td>62.0</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>26.4</td>
</tr>
<tr>
<td>Net debt</td>
<td>126.8</td>
</tr>
<tr>
<td>Total shareholders equity</td>
<td>372.2</td>
</tr>
<tr>
<td>Total assets</td>
<td>618.6</td>
</tr>
</tbody>
</table>

- 30% pre-tax return on equity, 18% on total assets
- NZ$385M of hedging in place at 31 March 2013 for FY14
  - US$ 60% @ 0.76, € 77% @ 0.47
- Previously closed out forex contracts
  - NZ$18M to operating profit in FY13, NZ$21M FY14
Outlook FY14

• Expect new products and applications to drive continuation of strong revenue growth

• Expect at 0.80 – 0.85 NZD:USD exchange rate:
  – Operating revenue  NZ$610M - NZ$630M
  – Net profit after tax  NZ$85M - NZ$90M