



Business Highlights

+ GREW

the body of clinical evidence supporting the use of Optiflow nasal high flow, including a key publication demonstrating significant benefits for Chronic Obstructive Pulmonary Disease (COPD) patients in the home using our myAirvo™ device.

+ PROGRESSED

an exciting product pipeline, with several new product launches anticipated.

+ COMPLETED

construction of our second manufacturing facility in Tijuana, Mexico with operations to commence during FY20.

+ INTRODUCED

F&P Vitera™ full face mask, F&P Optiflow™ 3S nasal cannula, and new neonatal breathing circuits for the F&P 950™ Heated Humidification System.

+ IMPACTED

the lives of approximately 14 million patients around the world.

+ INCLUDED

in the FTSE4Good and Dow Jones Sustainability Indices for 2018.



Key Full Year Financial Results

FY2019 (12 months to 31 March 2019)

	% of Revenue	NZ\$M	ΔPCP^	ΔCC*
Operating revenue	100%	1,070.4	+9%	+8%
Hospital operating revenue	60%	642.3	+12%	+11%
Homecare operating revenue	39%	421.4	+6%	+4%
Gross margin / Gross profit	67%	715.8	+56bps	+58bps
SG&A	31%	327.8	+13%	+11%
R&D	9%	100.4	+6%	+6%
Total operating expenses	40%	428.2	+11%	+9%
Operating profit	27%	292.6	+8%	+7%
Profit after tax	20%	209.2	+10%	+9%

Recurring items, consumables and accessories approximately 86% of operating revenue (FY18: 87%)

Hospital Product Group

FY2019

60% OF OPERATING
REVENUE

H2 FY2019
HOSPITAL OPERATING REVENUE

NZ\$

↑11%

CONSTANT
CURRENCY

↑12%

NEW APPLICATIONS*
CONSUMABLES REVENUE

NZ\$

↑19%

CONSTANT
CURRENCY

↑20%

- New applications consumables* made up 64% of H2 FY2019 Hospital consumables revenue, 60% in H1 FY2019
- Strong customer demand for our Optiflow and AIRVO systems, driven by clinical trial results
- F&P 950 to be released in Europe mid-2019, followed by Canada and US

Homecare Product Group

FY2019

39% OF OPERATING
REVENUE

H2 FY2019

HEMOCARE OPERATING REVENUE

NZ\$

↑ 2%

CONSTANT
CURRENCY

↑ 1%

MASKS REVENUE

NZ\$

↓ 2%

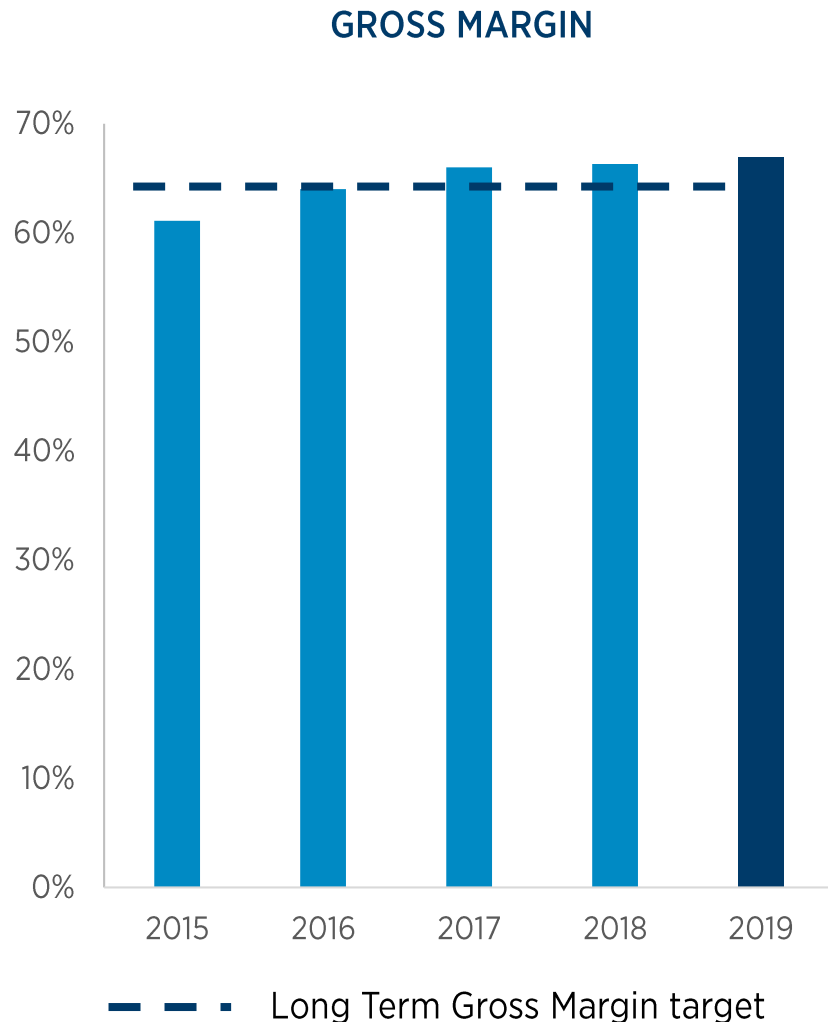
CONSTANT
CURRENCY

↓ 2%

- Strong contribution from successfully completed roll out of our new SleepStyle OSA CPAP system
- Home Respiratory Support business continued to grow strongly
- Hiatus in OSA mask launches impacted masks revenue
- New F&P Vitera OSA mask launched in May 2019

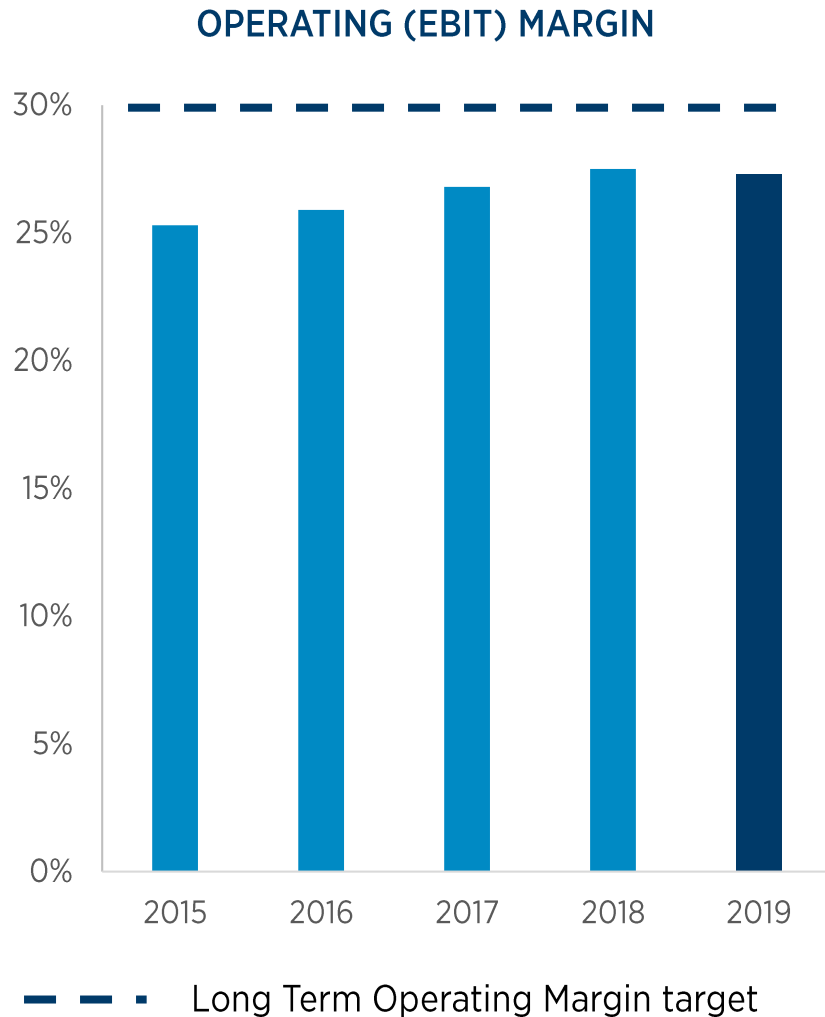


Gross Margin Improvements



- Gross margin for the full year:
 - increased by 56 bps to 66.9%
 - increased by 58 bps in constant currency
- Primarily driven by favourable product mix
- Offset by OSA price declines

Operating Margin



Research & Development expenses

- NZ\$100.4M
- +6% (+6% CC) compared to FY18
- Lower than revenue growth following several years of above revenue growth
- Long term plan to grow in line with constant currency revenue growth

Selling, General & Administrative expenses

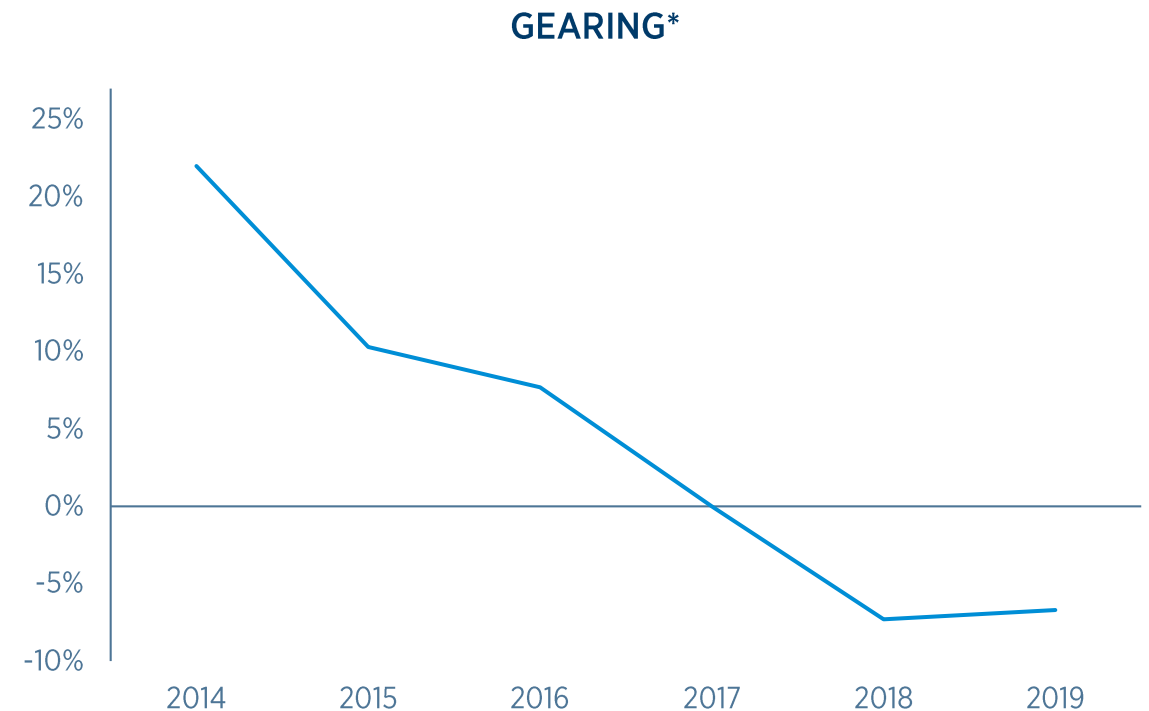
- NZ\$327.8M
- +13% (+11% CC) compared to FY18
- Continuing expansion of sales teams and promotional activities
- Patent litigation expenses: \$23.4M (FY18 \$15.6M)

Cash Flow and Balance Sheet

Full Year (for the 12 months ended 31 March)	2018 NZ\$M	2019 NZ\$M
Operating cash flow	247.8	253.3
Capital expenditure (including purchases of intangible assets)	98.7	133.3
Free cash flow	149.3	120.0
Full Year (as at 31 March)	2018 NZ\$M	2019 NZ\$M
Net cash (including short-term investments)	49.9	54.4
Total assets	1,025.1	1,206.7
Total equity	761.4	913.2
Pre-tax return on average total assets	28.1%	26.1%
Pre-tax return on average equity	37.6%	34.8%
Gearing (debt/debt + equity)*	-7.3%	-6.7%

Gearing and Dividend

- Target gearing ratio* of +5% to -5% debt to debt plus equity
 - Gearing ratio as at 31 March 2019 was -6.7%
- Increased final dividend by 8%:
 - 13.5 cps + 5.25 cps imputation credit for NZ residents (gross dividend of NZ 18.75 cps)
 - Fully imputed
 - 2.382 cps non-resident supplementary dividend
 - Dividend reinvestment plan has been suspended
- Total dividend for the year increased by 9%



Foreign Exchange Effects

- 50% of operating revenue in USD (FY18: 51%) and 19% in € (FY18: 20%).

	Year to 31 March					
Hedging position for our main exposures	FY20	FY21	FY22	FY23	FY24	FY25-27
USD % cover of expected exposure	85%	60%	15%	-	-	-
USD average rate of cover	0.668	0.656	0.663	-	-	-
EUR % cover of expected exposure	85%	60%	45%	35%	20%	5%
EUR average rate of cover	0.575	0.545	0.525	0.509	0.502	0.473

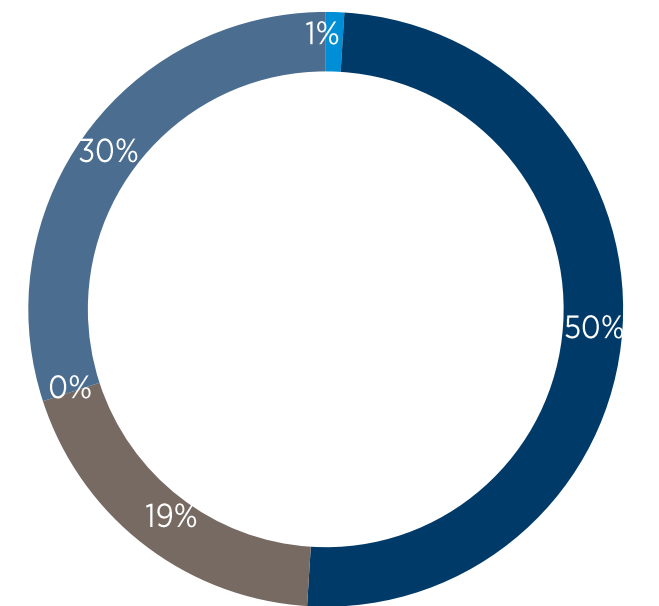
Hedging cover percentages have been rounded to the nearest 5%

	12 months ended 31 March		
	2017 NZ\$M	2018 NZ\$M	2019 NZ\$M
Reconciliation of Constant Currency to Actual Income Statements			
Profit before tax (constant currency)	228.3	255.6	277.6
Spot exchange rate effect	(9.3)	(3.2)	14.3
Foreign exchange hedging result	22.1	14.7	(1.9)
Balance sheet revaluation	(2.7)	0.7	1.2
Profit before tax (as reported)	238.4	267.8	291.2

Profit & Loss by Currency

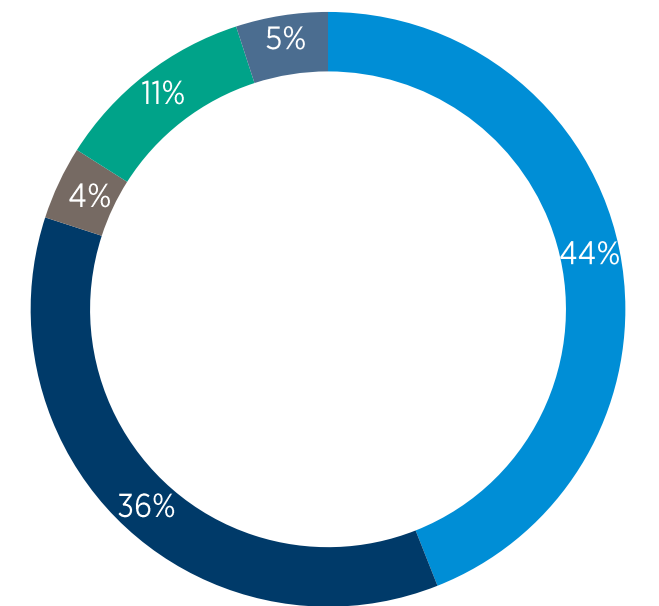
FY2019 (for the 12 months ended 31 March 2019)

REVENUE BY CURRENCY



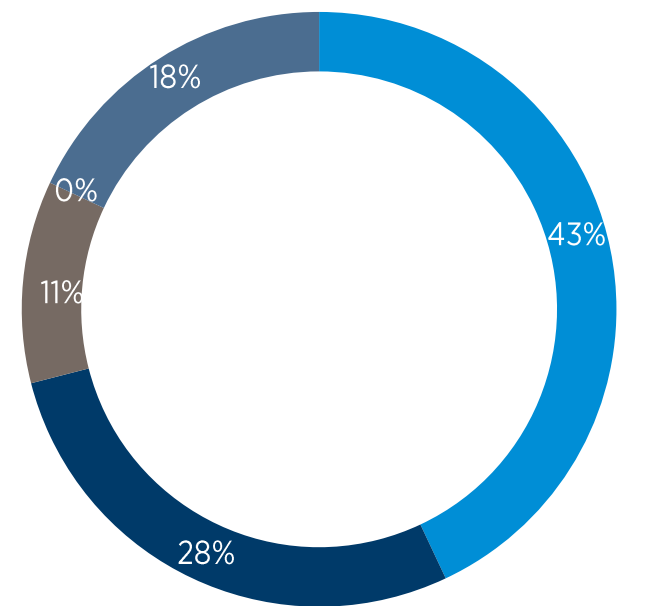
■ NZD ■ USD ■ EUR ■ MXN ■ Other

COST OF SALES BY CURRENCY



■ NZD ■ USD ■ EUR ■ MXN ■ Other

OPERATING EXPENSES BY CURRENCY



■ NZD ■ USD ■ EUR ■ MXN ■ Other

Outlook FY2020

Expect at current exchange rates (of NZD:USD 0.65, NZD:EUR 0.58):

- Operating revenue – approximately NZ\$1.15 billion
- Net profit after tax – approximately NZ\$240 million to NZ\$250 million

Capital expenditure expected to be approximately NZ\$150 million

- New facility in New Zealand
- Increased manufacturing capacity and new product tooling

Assumptions

- Approximately 75% of R&D will be eligible for R&D Tax Credit at 15%

「Key Financials」

Key Full Year Financial Results

FY2019 (12 months to 31 March 2019)

	NZ\$M	ΔPCP^	ΔCC*
Operating revenue	1,070.4	+9%	+8%
Hospital operating revenue	642.3	+12%	+11%
Homecare operating revenue	421.4	+6%	+4%
Hospital new applications consumables revenue		+22%	+20%
OSA masks revenue		+2%	+0%
Gross margin (basis points increase)		+56bps	+58bps
Net profit after tax	209.2	+10%	+9%

Key Second Half Financial Results

H2 FY2019 (6 months to 31 March 2019)

	NZ\$M	ΔPCP^	ΔCC*
Operating revenue	559.1	+7%	+7%
Hospital operating revenue	345.4	+11%	+12%
Homecare operating revenue	210.4	+2%	+1%
Hospital new applications consumables revenue		+19%	+20%
OSA masks revenue		-2%	-2%
Gross margin (basis points increase)		+37bps	+91bps
Net profit after tax	111.8	+3%	+6%

Overview



Fisher & Paykel Healthcare at a Glance

Global leader in respiratory humidification devices

- Medical device manufacturer with leading positions in respiratory care and obstructive sleep apnea
- 50 years' experience in changing clinical practice to solutions that provide better clinical outcomes and improve effectiveness of care
- Estimated US\$6+ billion and growing market opportunity driven by demographics
- Significant organic long-term growth opportunities in respiratory care, OSA, COPD and surgery
- Large proportion (86%) of revenue from recurring items, consumables and accessories
- High level of innovation and investment in R&D with strong product pipeline
- High barriers to entry

Global presence



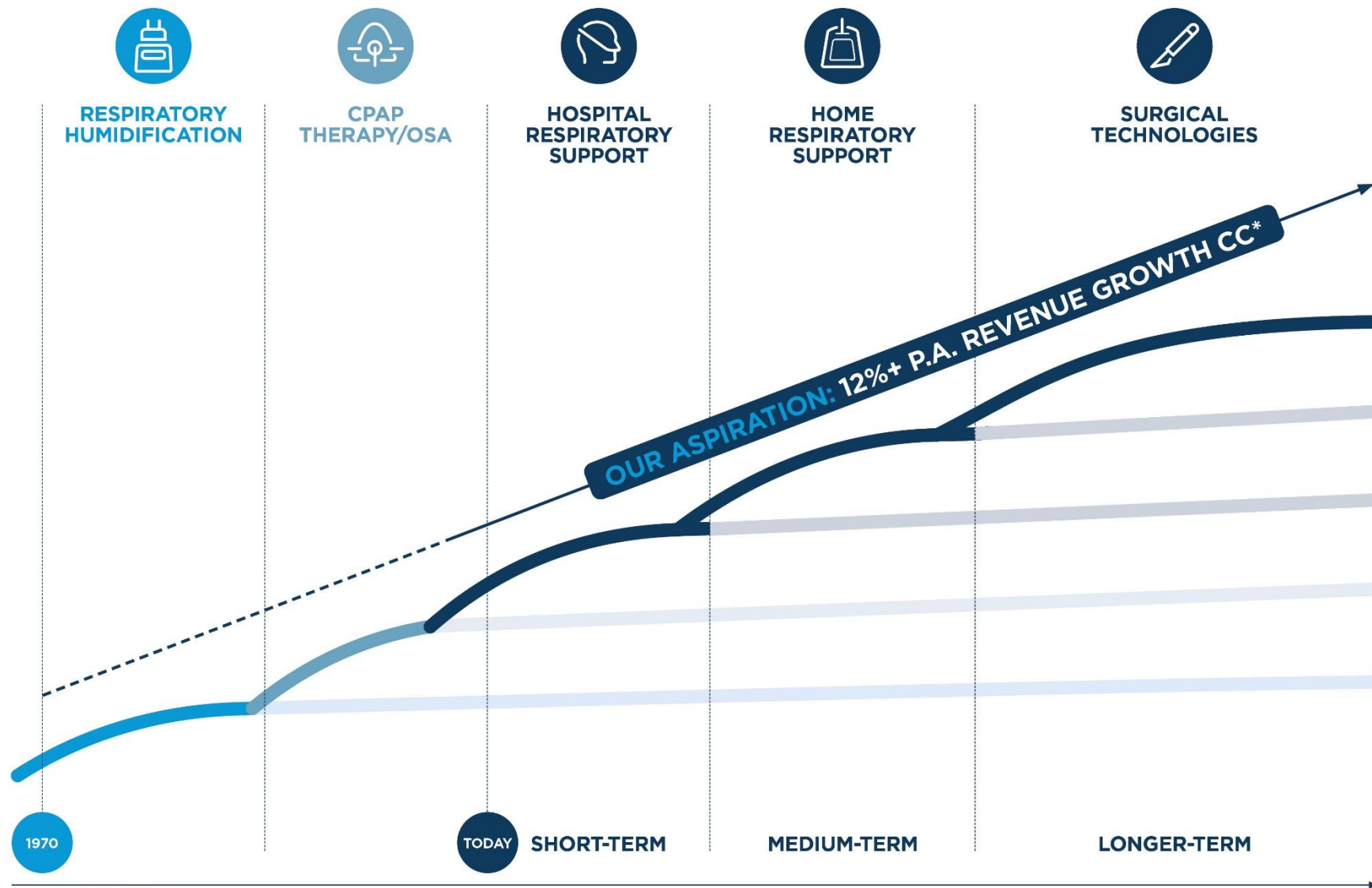
Strong financial performance

- Continued target, and history of, doubling our revenue (in constant currency terms) every 5 to 6 years
- Targeting gross margin of 65% and operating margin of 30%
- Growth company with targeted dividend pay-out ratio of approximately 70% of net profit after tax

~US\$6+ Billion and Growing Market Opportunity



Our Aspiration

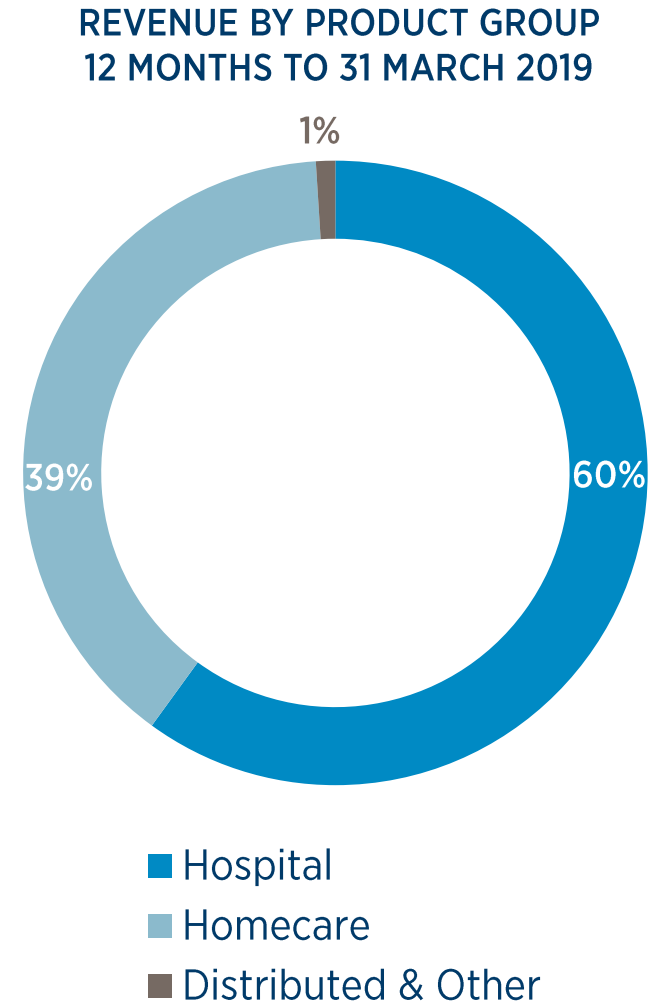


OUR ASPIRATION:
Sustainably
DOUBLING
our constant
currency revenue
every 5-6 years.

Markets & Products

- Hospital
 - Heated humidification
 - Respiratory care
 - Neonatal care
 - Surgery
- Homecare
 - Masks
 - Flow generators
 - Data management tools
 - Respiratory care in the home

Recurring items, consumables and accessories approximately 86% of operating revenue (FY18: 87%)

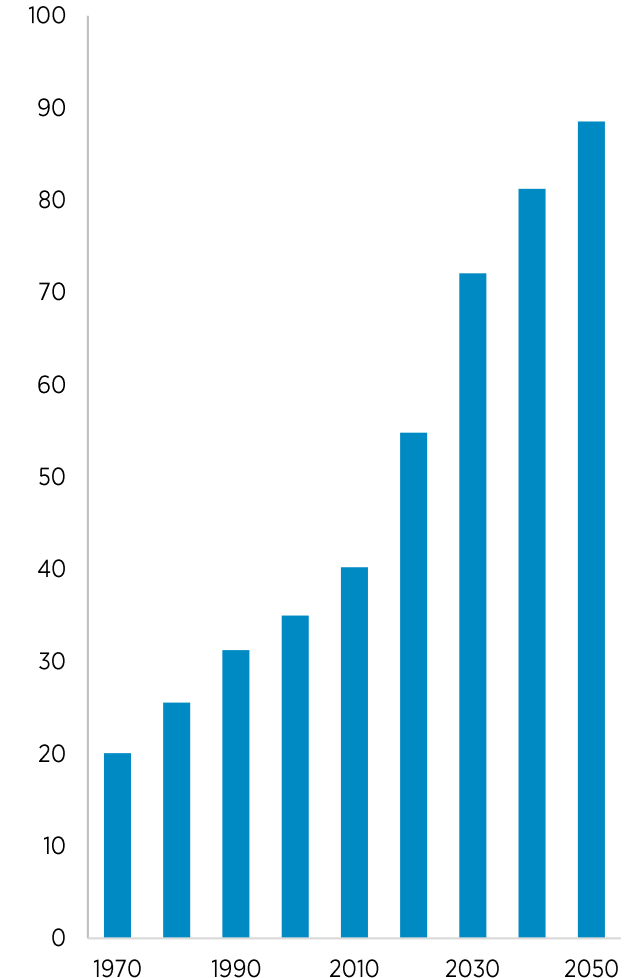


Impact of Changing Demographics

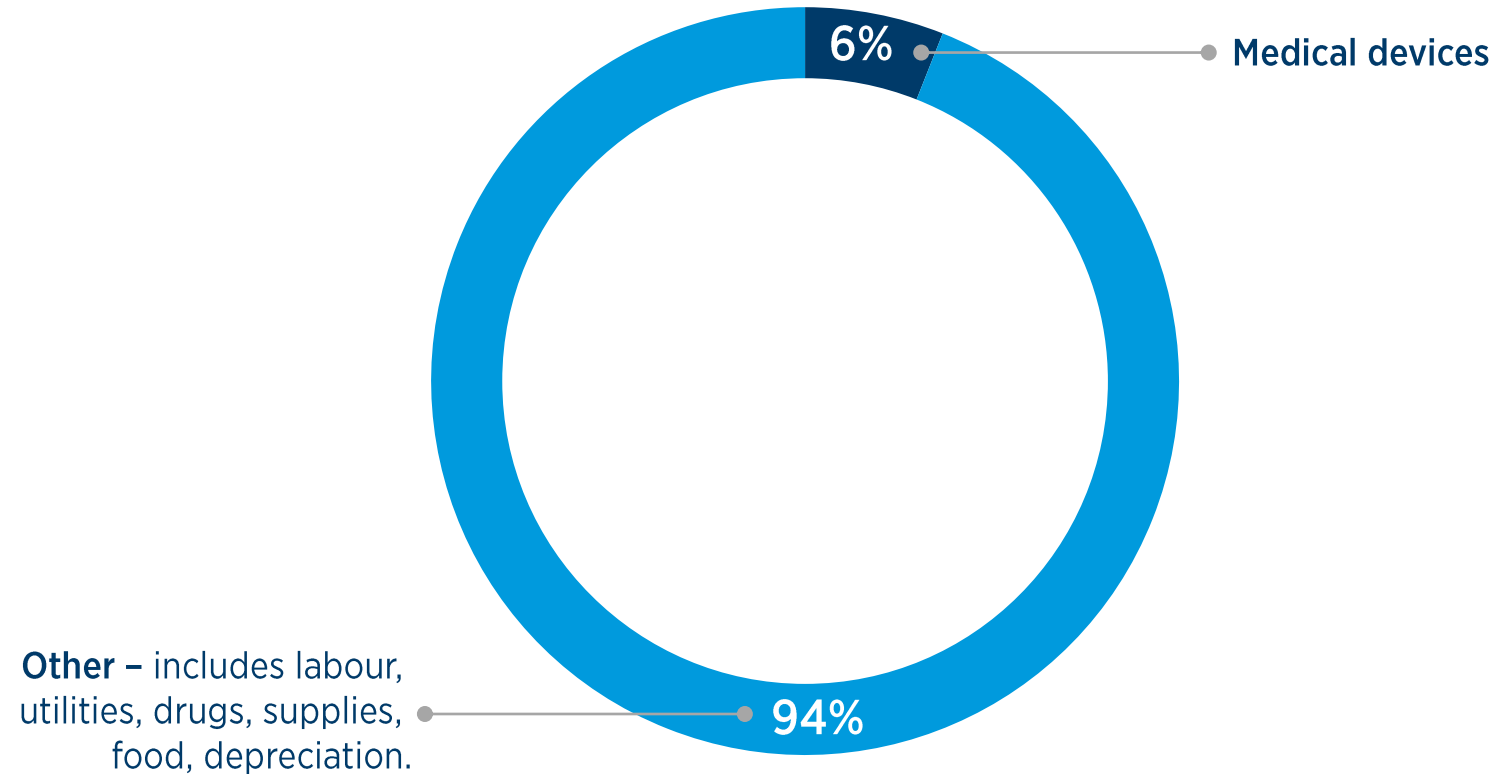
- Population age and weight both increasing
 - US population 65 years+ to grow ~80% over next 20 years¹
 - US males 60 - 74 years, average weight increased 0.4 kg/year since 1960²
- 60% of US healthcare cost is after age 65 years³
- Developing markets increasing healthcare spending
 - China healthcare expenditure projected to grow at 12% per year between 2014-2018⁴



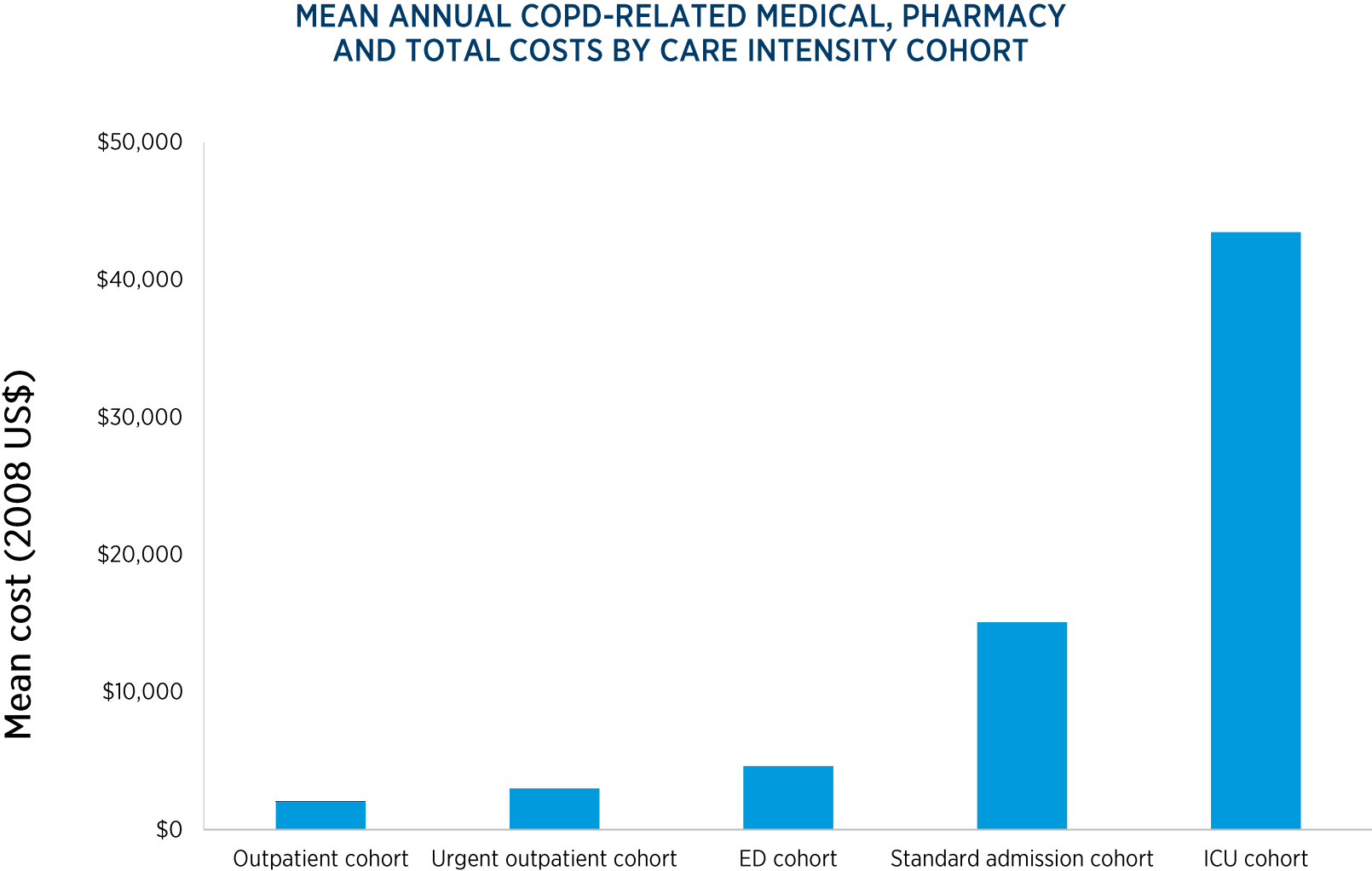
US POPULATION OVER AGE 65
(MILLIONS)



Hospital Cost Breakdown



Lower Care Intensity = Lower Cost



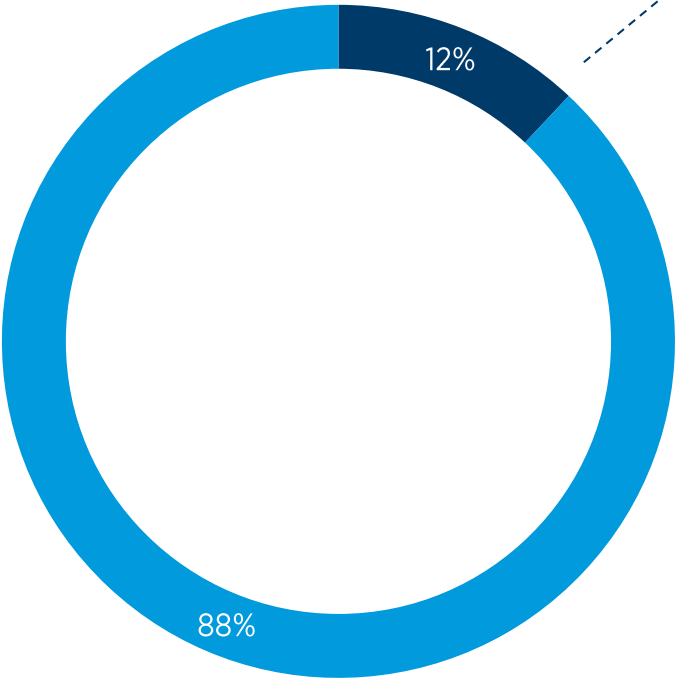


Hospital



Hospital Product Group

FY19 HOSPITAL REVENUE COMPOSITION



■ Hardware ■ Consumables

HARDWARE



F&P 950 System



F&P 850 System



F&P AIRVO2



F&P HumiGard

CONSUMABLES



Invasive ventilation



Non-invasive ventilation



Optiflow nasal high flow

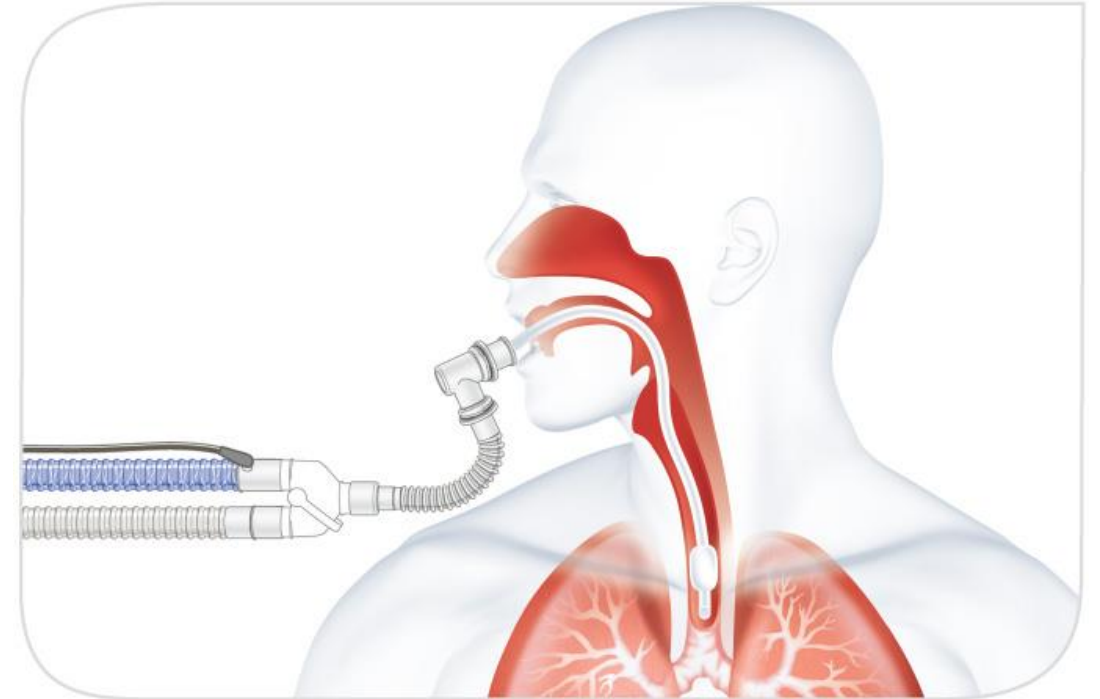


Surgical



Respiratory Humidification

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



Optiflow - Displacing Conventional Oxygen Therapy



3million

ESTIMATED PATIENTS WERE TREATED WITH OUR OPTIFLOW NASAL HIGH FLOW THERAPY OVER THE PAST YEAR

Clinical Outcomes of Optiflow Nasal High Flow Therapy

Optiflow NHF therapy is associated with:

ADULTS:

- REDUCED intubation⁵
- REDUCED re-intubation^{6, 7, 8}
- REDUCED bilevel ventilation⁷
- REDUCED nursing workload⁷
- INCREASED ventilator free days⁵
- IMPROVED comfort & patient tolerance⁶
- IMPROVED compliance⁶
- REDUCED COPD exacerbations⁹

PAEDIATRICS:

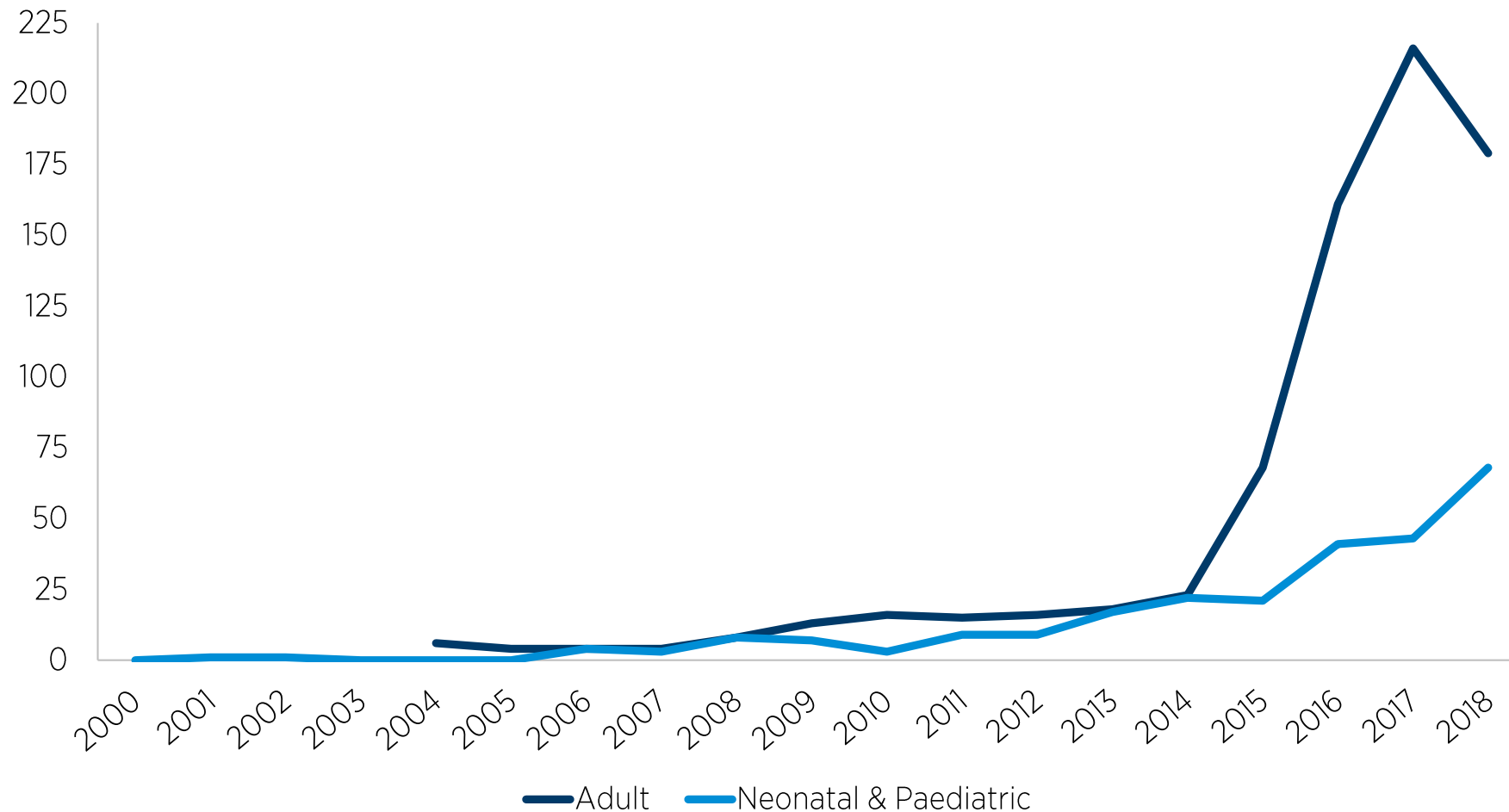
- REDUCED intubation¹⁰
- REDUCED length of stay¹¹
- REDUCED respiratory distress¹²

NEONATES:

- NON-INFERIORITY with nasal CPAP¹³
- REDUCED nasal trauma^{14, 15}
- REDUCED respiratory distress¹⁶





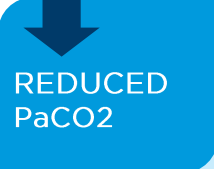


Optiflow NHF - A Growing Body of Clinical Evidence

NASAL HIGH FLOW CLINICAL PAPERS PUBLISHED ANNUALLY

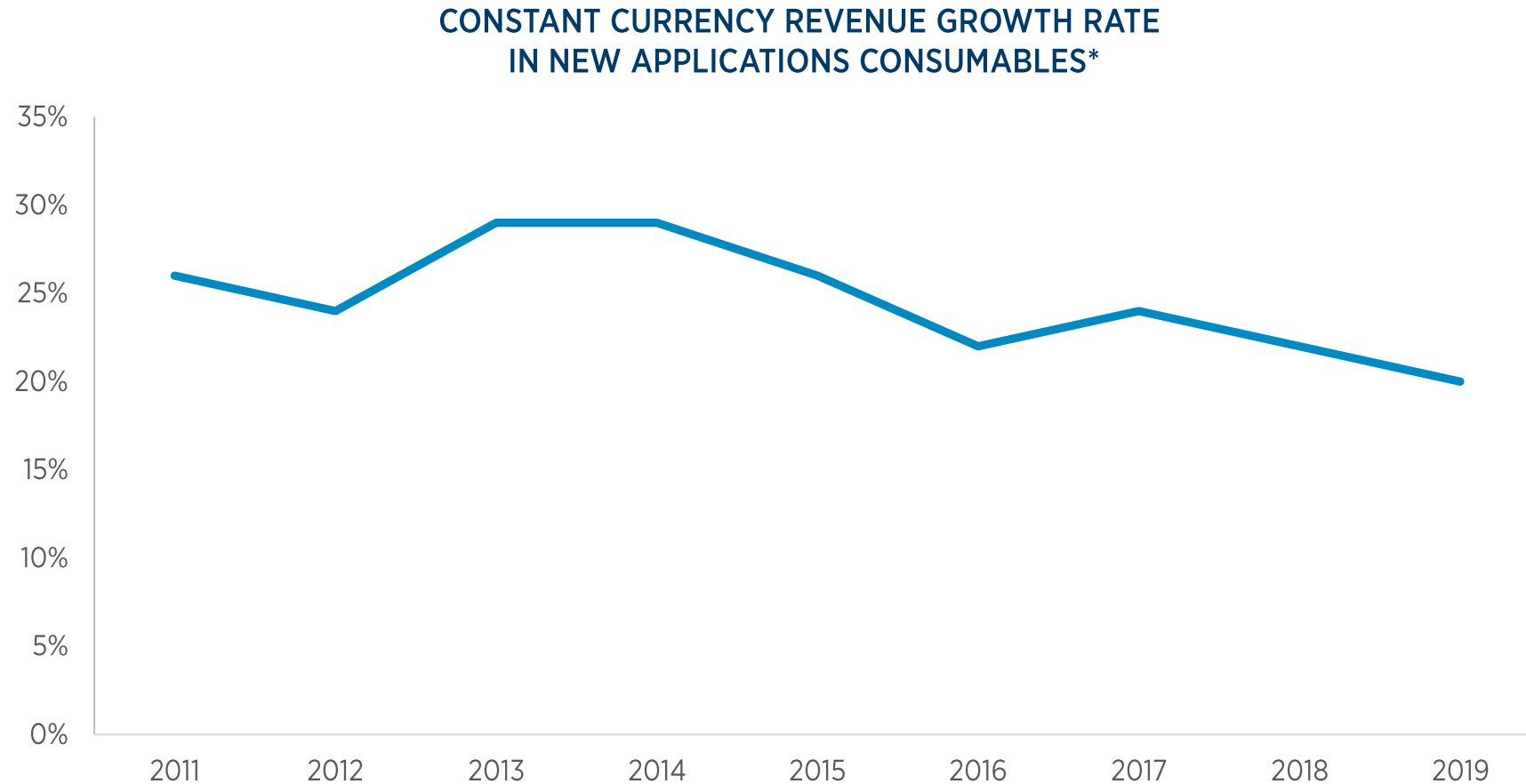


- The publication of 247 clinical papers on NHF continues to signify a high level of clinical interest in the therapy.

Optiflow outside medical ICU: recent clinical studies

		<div>  </div> REDUCED escalation / readmission	<div>  </div> REDUCED hospital length of stay	<div>  </div> REDUCED respiratory rate	<div>  </div> IMPROVES oxygenation	<div>  </div> REDUCED PaCO ₂	<div>  </div> IMPROVES comfort	<div>  </div> REDUCED dyspnea
ZOCHIOS ²⁰ 2019	Surgical ICU	●	●					
MACE ²¹ 2019	Emergency Department	●		●	●			
OZTURAN ²² 2019	Emergency Department						●	
TOMRUK ²³ 2019	Emergency Department		●				●	
FRANKLIN ²⁴ 2018	ED/Ward	●						
STORGAARD ⁹ 2018	Home	●				●		●
SPOLETINI ²⁵ 2018	Intermediate Care			● [*]			●	● [*]

Consistently Strong Growth in Hospital New Applications



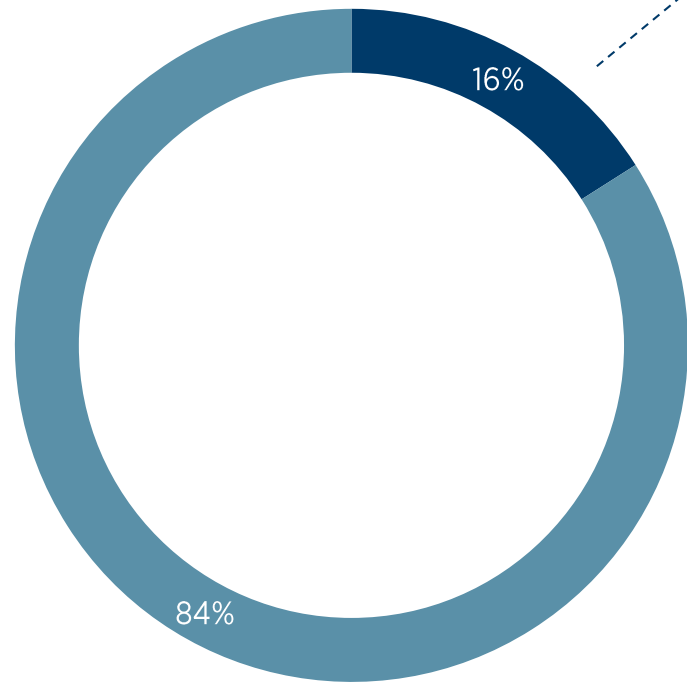
- New applications consumables now make up 62% of Hospital consumables revenue, up from 54% in FY2017 and 59% in FY2018

「Homecare」



Homecare Product Group

FY19 HOMECARE REVENUE COMPOSITION



■ Hardware ■ Consumables

HARDWARE



F&P SleepStyle



F&P myAIRVO 2



F&P 810System

CONSUMABLES



CPAP Therapy/OSA



Home Respiratory Support



F&P Vitera



F&P Eson2



F&P Brevida



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\$3+ billion worldwide market.
- Estimate >50 million people affected in developed countries
- Most common treatment is CPAP (Continuous Positive Airway Pressure)
 - Key issue with CPAP is compliance
 - Humidification provides significant acceptance and compliance improvements



Mask Matters Most

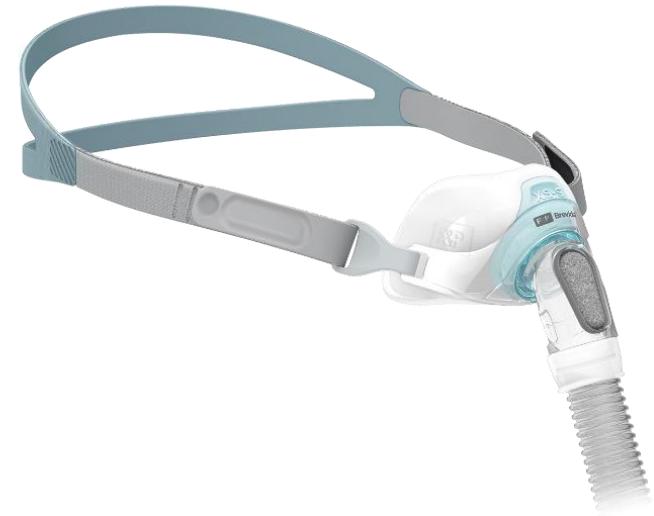
- Masks are key to compliance
- Unique, patented designs
- Vitera launched in May in NZ, Australia, Europe and Canada. Will be released in the US and other markets upon receipt of regulatory clearances.



F&P ESON 2™



F&P VITERA™



F&P BREVIDA™

Home Respiratory Support

- Chronic obstructive pulmonary disease (COPD) is a lung disease which is commonly associated with smoking
- Emphysema and chronic bronchitis are both forms of COPD
- Chronic respiratory disease, primarily COPD, is the third leading cause of death in the US¹⁷
- 6% of US adults have been diagnosed with COPD¹⁸ (~15 million people)
- 4-10% COPD prevalence worldwide¹⁹ (~400 million people)

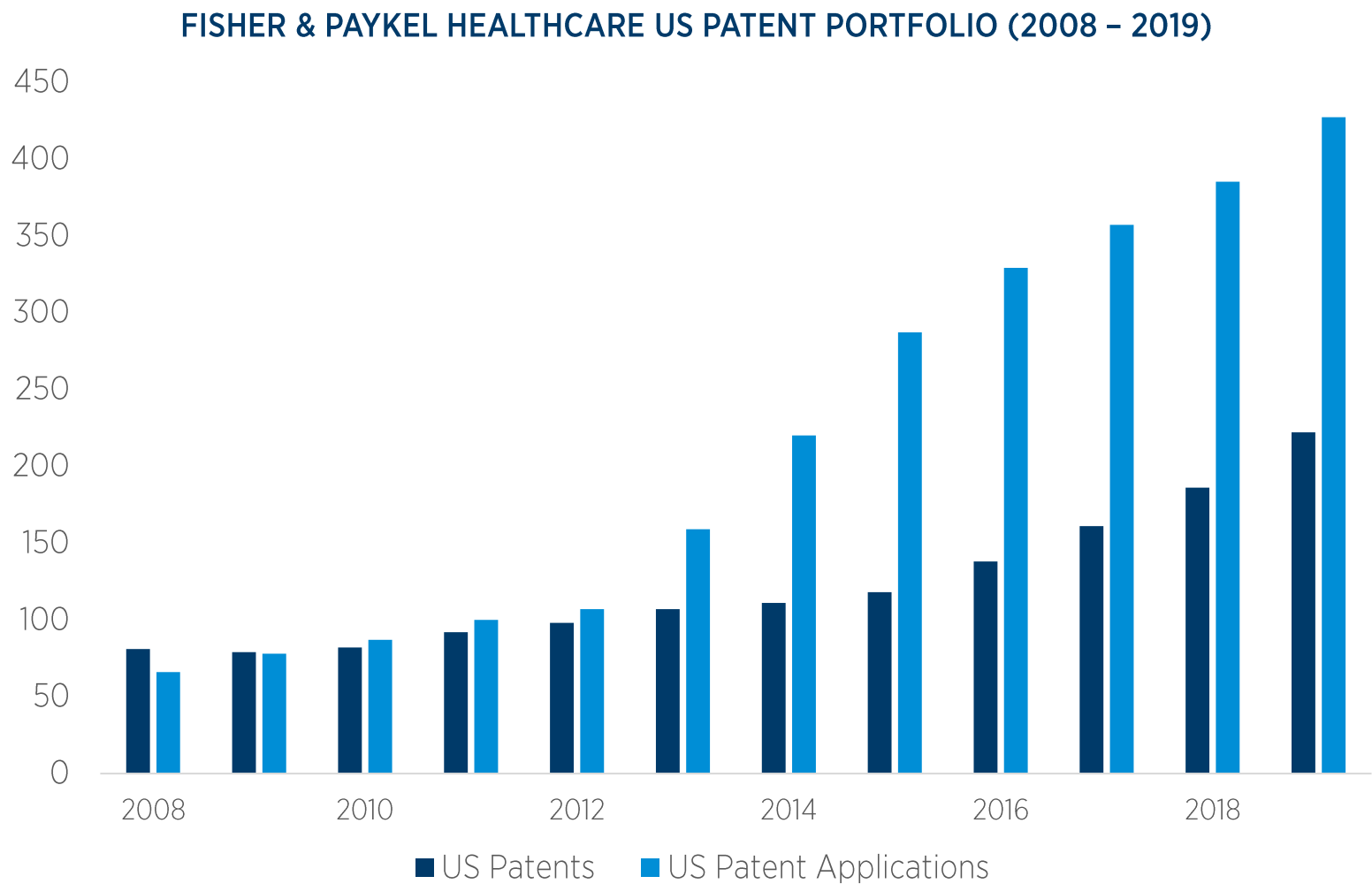


High Level of Innovation and Investment in R&D

- R&D represents 9% of operating revenue:^{*} NZ\$100.4M
- Product pipeline includes:
 - Humidifier controllers
 - Masks
 - Respiratory consumables
 - Flow generators
 - Compliance monitoring solutions
- 222 US patents, 427 US pending, 988 Rest of world patents, 1,080 Rest of world pending[†]



Growing Patent Portfolio



Average remaining life of FPH patent portfolio (all countries): 12 years*

Manufacturing & Operations

- Vertically integrated
- Will grow manufacturing capacity to accommodate future volume growth
 - Modest growth in NZ
 - Most growth outside NZ

Auckland, New Zealand

- Three buildings: 82,000 m² / 885,000 ft² total
- 100 acres / 40 hectares land
- Fourth building due to be completed early 2020
- Co-location of R&D and manufacturing in NZ a competitive advantage

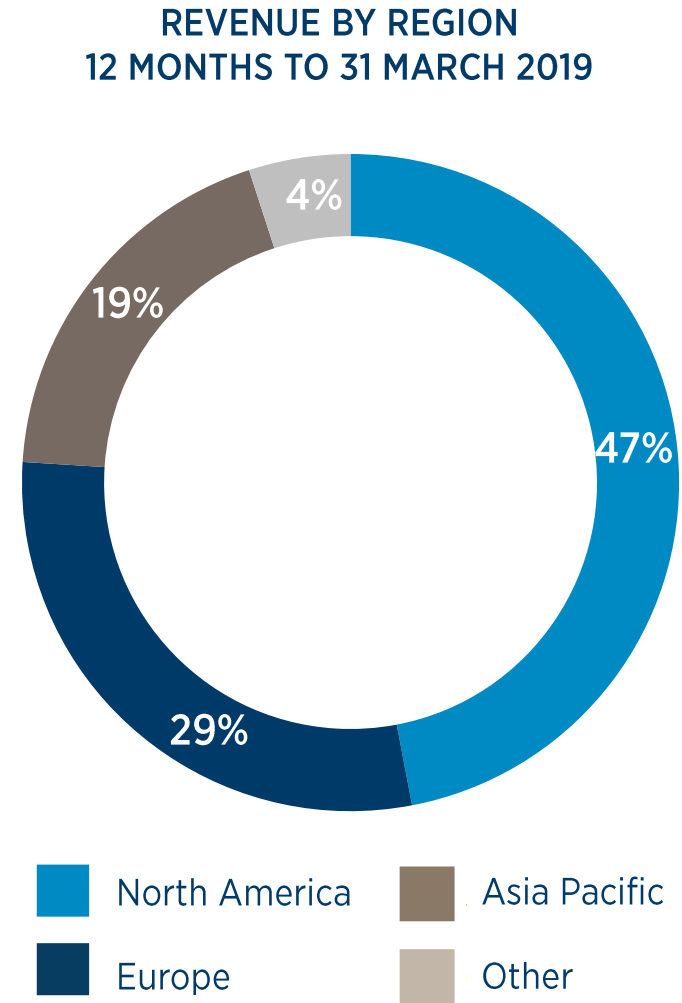
Tijuana, Mexico

- Two buildings: 41,000 m² / 450,000 ft² total



Strong Global Presence

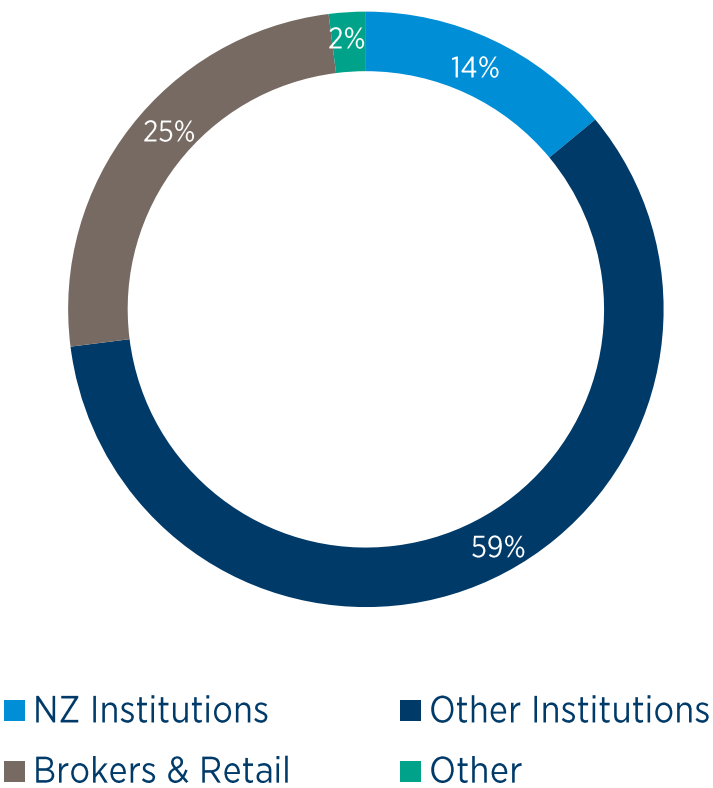
- Direct/offices
 - Hospitals, home care dealers
 - Sales/support offices in North America, Europe, Asia, South America, Middle East and Australasia, 17 distribution centres
 - More than 1,000 employees in 31 countries
 - Ongoing international expansion
- Distributors
 - 100+ distributors worldwide
- Original Equipment Manufacturers
 - Supply most leading ventilator manufacturers
- Sell in more than 120 countries in total



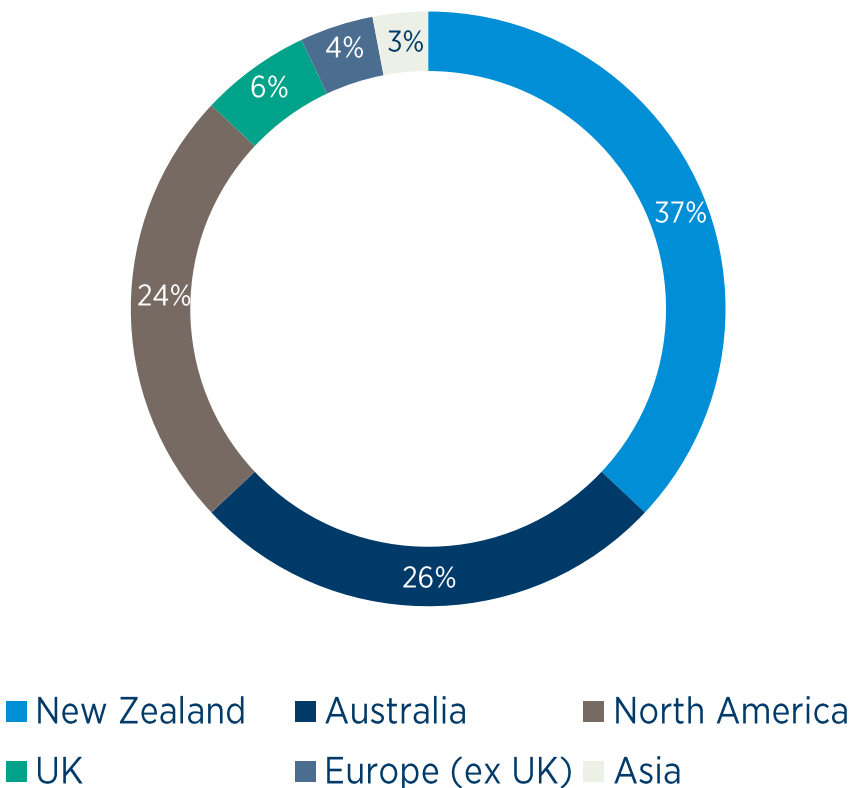
Ownership Structure and Listings

- Listed on NZX and ASX (NZX.FPH, ASX.FPH)

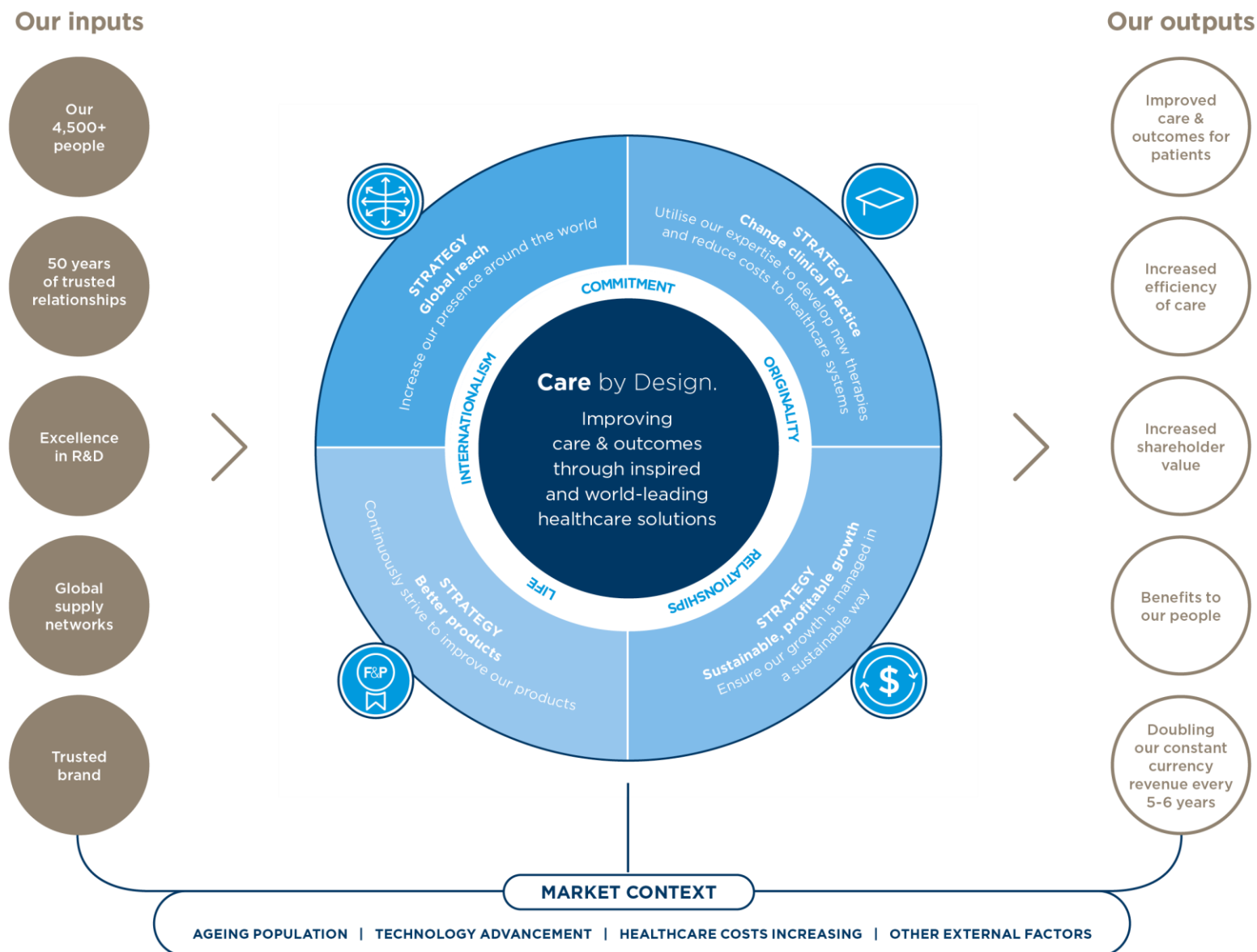
SHAREHOLDING STRUCTURE AS AT
31 MARCH 2019



GEOGRAPHICAL OWNERSHIP AS AT
31 MARCH 2019



Consistent Growth Strategy



Important Notice and References

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