

Care by Design

Fisher & Paykel Healthcare Investor Day
Sydney, October 2017

Morning Agenda

10:00am	Welcome	Marcus Driller	General Manager Corporate	
10:00am	Sustainable Profitable Growth	Lewis Gradon	Managing Director & CEO	
10:15am	Patient-focused R&D	Andrew Somervell	VP - Products & Technology	
10:35am	Sales Approach: Enabling Clinical Change	Paul Shearer	Senior VP - Sales & Marketing	 
10:55am	Airvo & Optiflow: World-Leading Technology	Chris Crone	Airvo R&D Manager	 
11:15am	Transforming Respiratory Therapy in Infant Care	Andy Niccol	General Manager - Infant Care	 
11:35am	Nasal High Flow The Brisbane (Paediatric) Experience	Dr Andreas Schibler	Lady Cilento Children's Hospital	
12:00pm - 1:00pm	Lunch Break			

Time will be made available at the end of each presentation specifically for questions and answers.



SUSTAINABLE PROFITABLE GROWTH



CHANGE CLINICAL PRACTICE



BETTER PRODUCTS



GLOBAL REACH

Fisher & Paykel
HEALTHCARE

Afternoon Agenda

1:00pm	Building the body of clinical evidence for myAirvo and Optiflow in the home	Chris Crone	AIRVO R&D Manager	
1:10pm	Nasal high flow humidified air via hospital in the home	Dr Darren Mansfield	Monash Health	
1:30pm	Driving Patient Success with OSA Therapy	Fiona Cresswell	General Manager Marketing	
2:00pm	Management Team Q&A	Lewis Gradon Paul Shearer Tony Barclay Debra Lumsden Andrew Somervell Winston Fong	Managing Director & CEO Senior VP – Sales & Marketing Chief Financial Officer VP – Human Resources VP – Products & Technology VP – Surgical Technologies	
2:25pm	Closing Comments	Lewis Gradon	Managing Director & CEO	
2:30pm – 3:00pm	Product hands-on and further opportunity to speak with FPH team			

Time will be made available at the end of each presentation specifically for questions and answers.



SUSTAINABLE PROFITABLE GROWTH



CHANGE CLINICAL PRACTICE



BETTER PRODUCTS



GLOBAL REACH

Fisher & Paykel
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Sustainable Profitable Growth

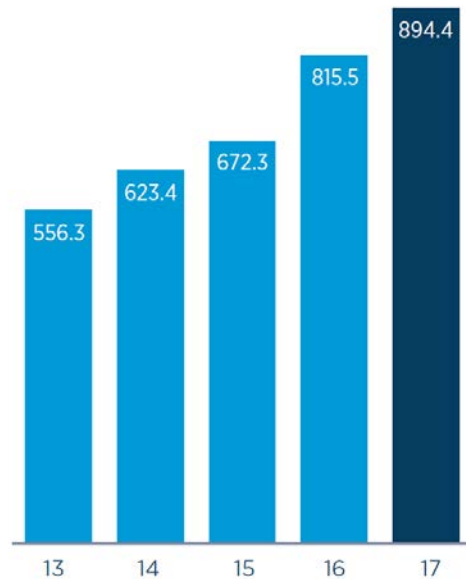
Lewis Gradon
Managing Director & CEO



Question most often asked by investors

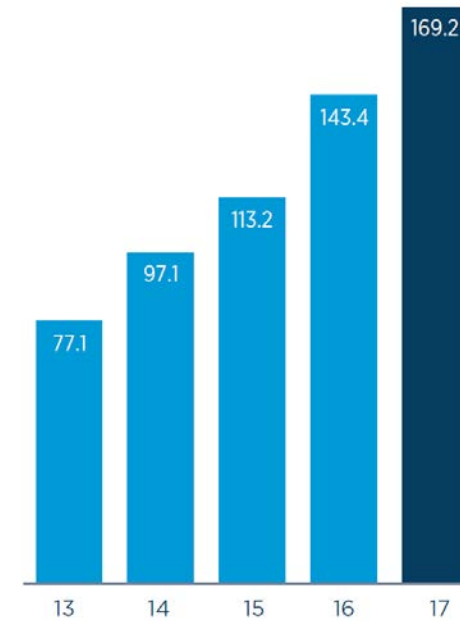
How long can you continue to grow at these kind of rates?

OPERATING REVENUE NZ\$MILLIONS



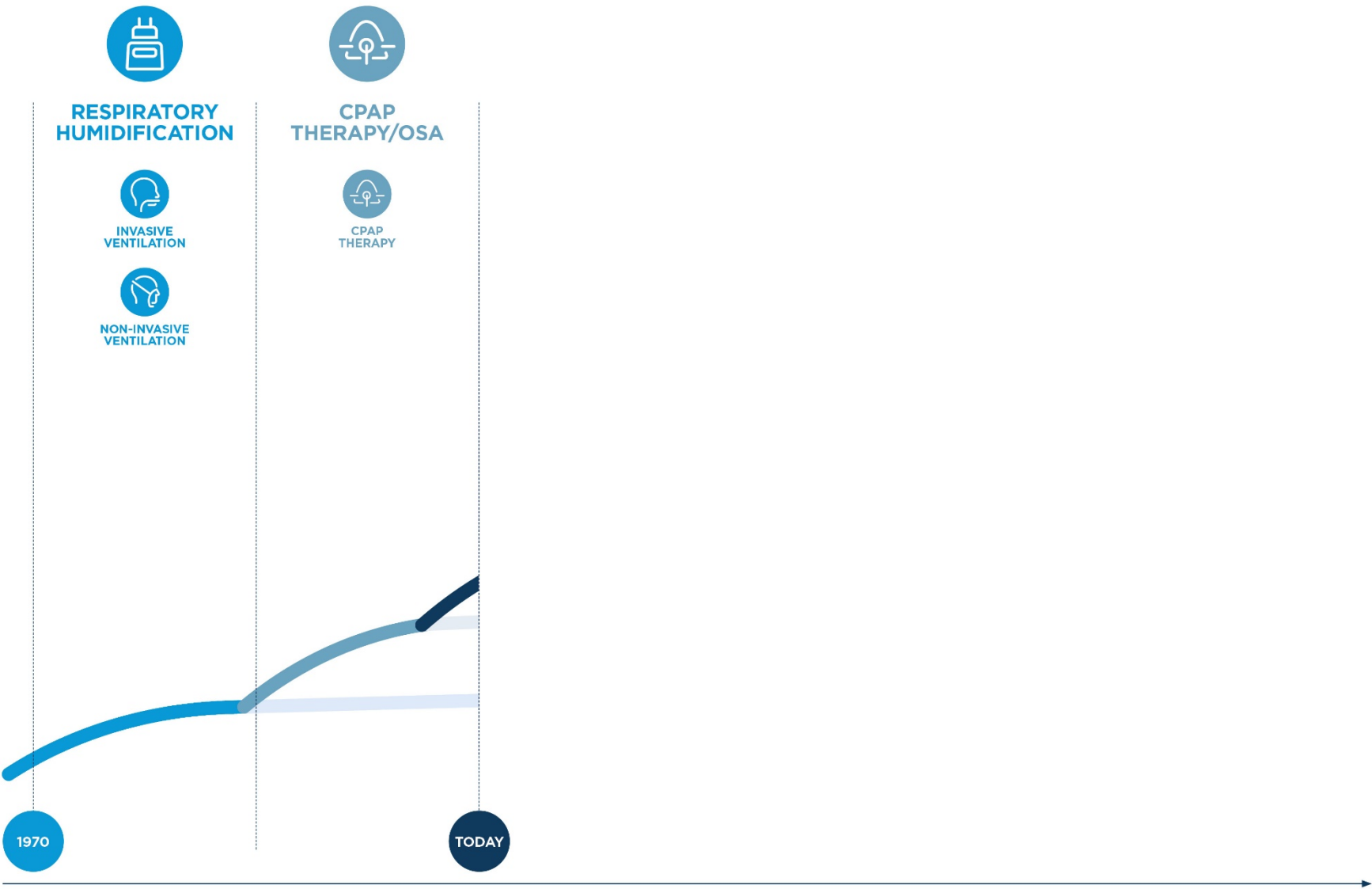
5 YEAR CAGR = 12%

NET PROFIT AFTER TAX NZ\$MILLIONS

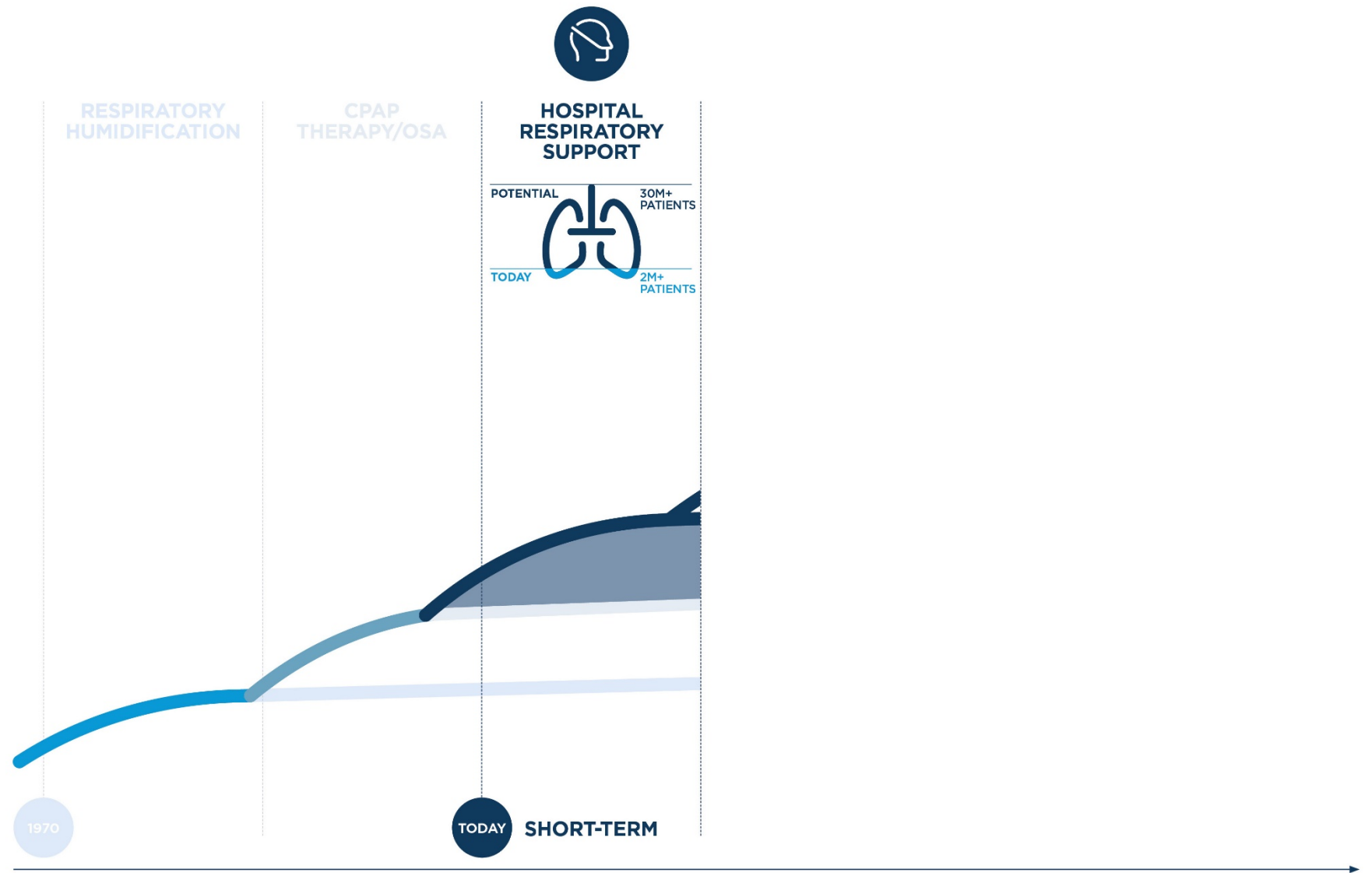


5 YEAR CAGR = 21%

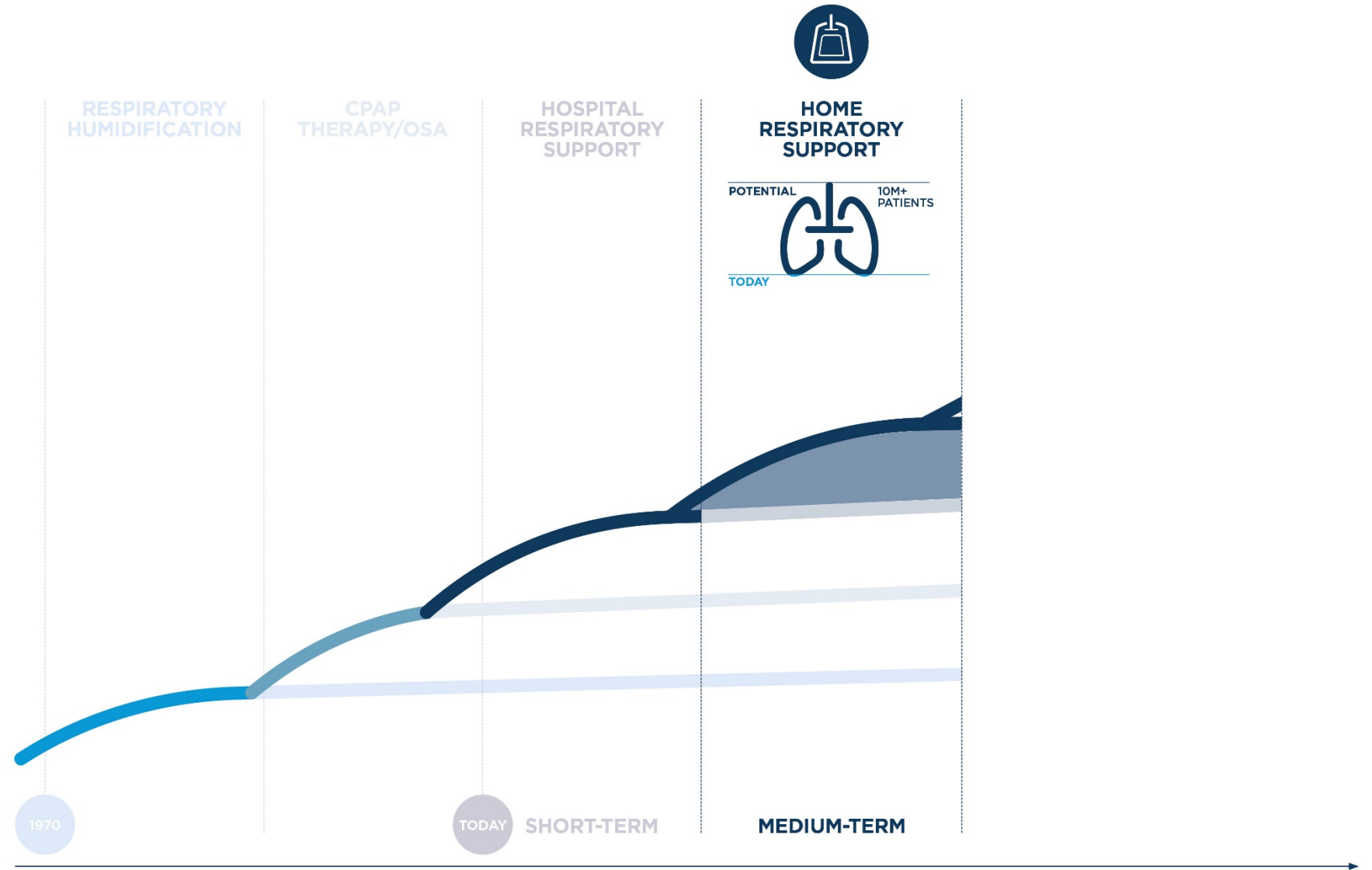
We've established
an enviable
track record
for delivering
**SUSTAINABLE
REVENUE
GROWTH.**



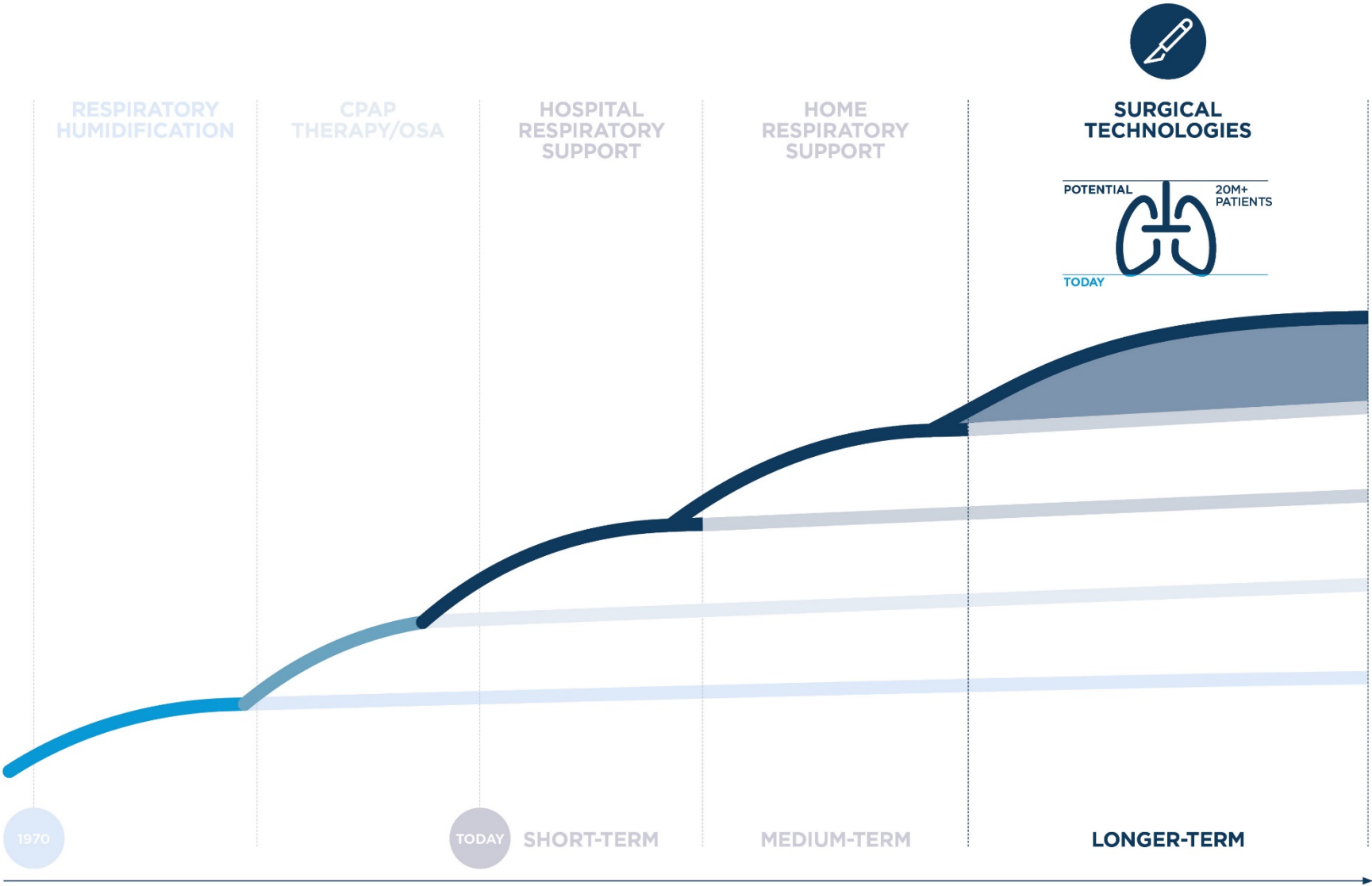
Where will
sustainable
growth come
from in the
SHORT-TERM?



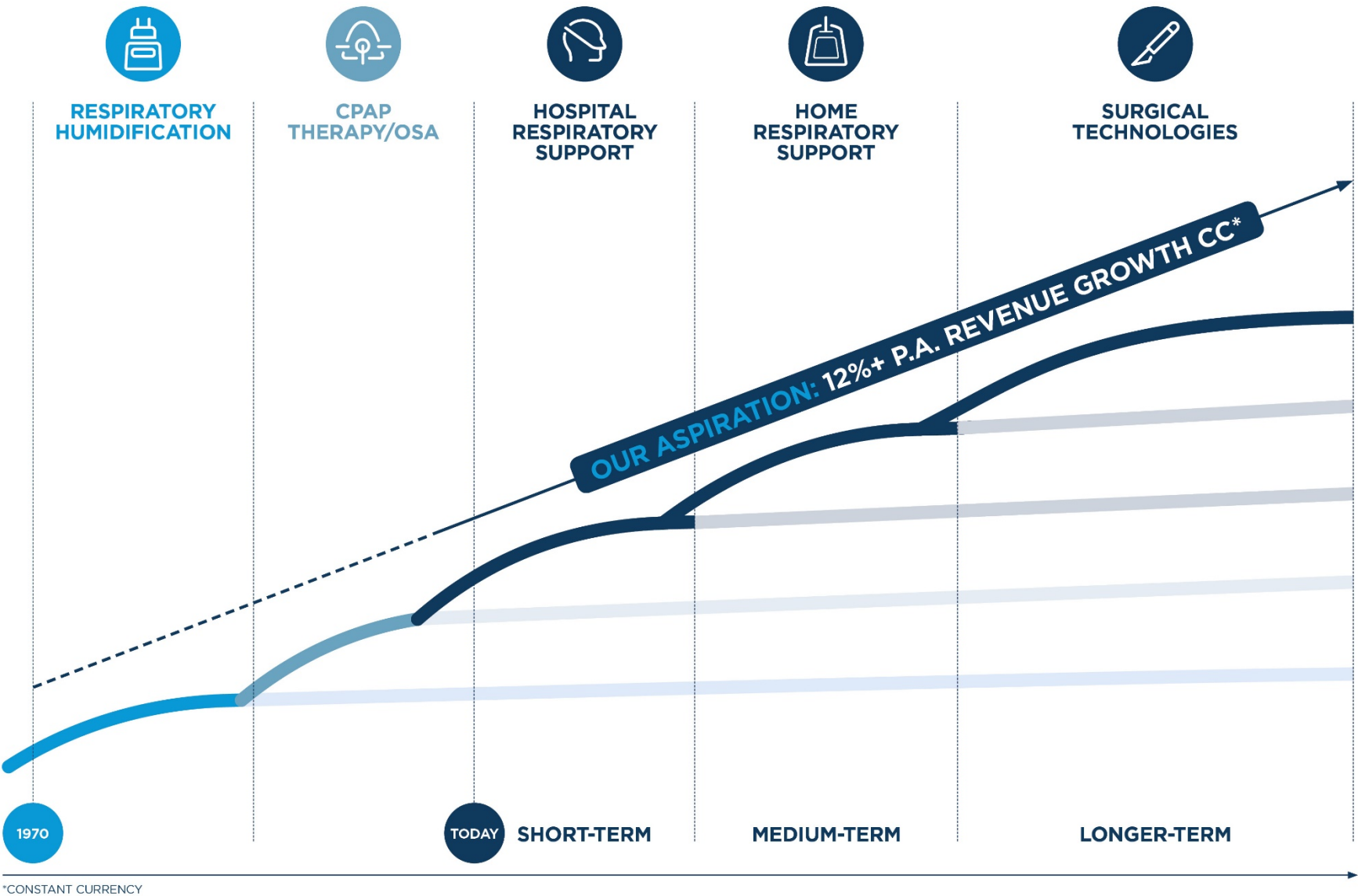
Where will
sustainable
growth come
from in the
MEDIUM-TERM?



Where will sustainable growth come from in the LONGER-TERM?



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



Characteristics of our business

Market opportunities

- Diverse, growing clinical data
- Underpinned by favourable demographics, aging populations and developing country healthcare spend

Valued customer benefits

- Improved patient outcomes
- Lower cost of care

Independence of economic cycles

- Revenue derived from treating a patient

Barriers to entry

- Regulated
- Patented IP
- Care Continuum: Throughout hospital to home
- Sales force investment
- Knowledge base

Relatively predictable cash generation

- Hardware placement drives per patient consumables
- Successful treatment resists change
- Change of clinical practice inertia



GROWTH PROFITABLY, SUSTAINABLY

Questions?



Patient-focused R&D

Andrew Somervell – Vice President
Products and Technology



Improving Clinical Practice: R&D approach

- Unique products with valued differentiation that:
 - Improve care and outcomes
 - Lower overall cost of treating patients
- Proven innovation history
- Original thought required
- Enabled through understanding unmet patient and caregivers' needs

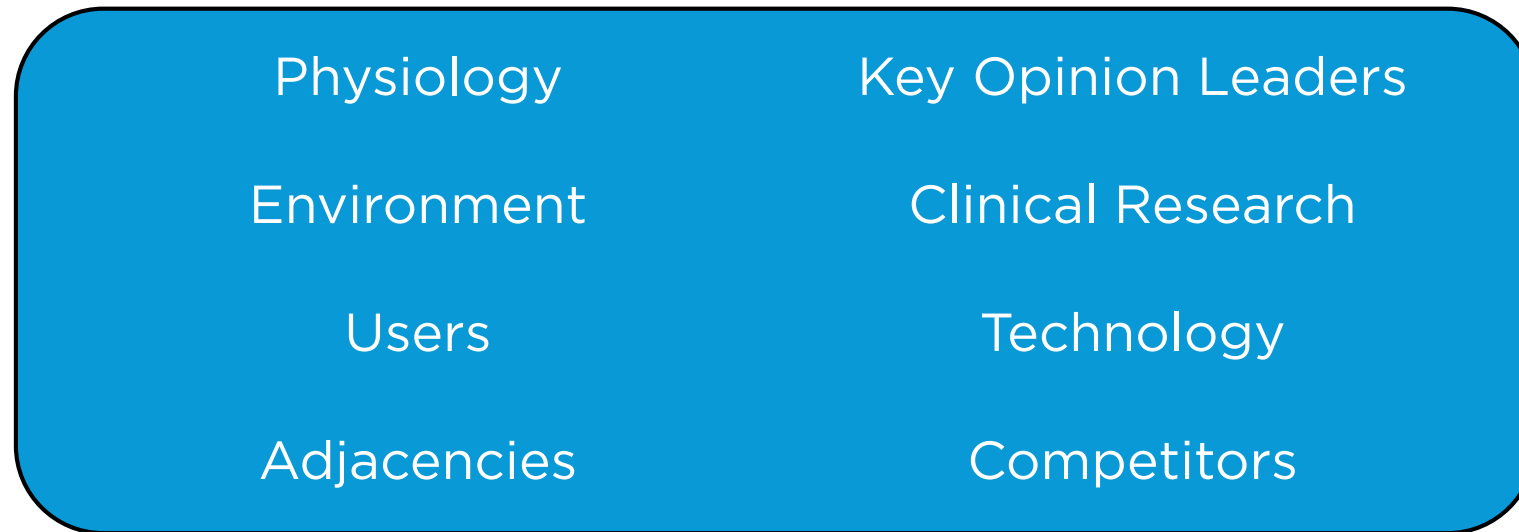


Patient Oriented R&D

- Philosophy of doing what's best for the patient
 - Needs of all stakeholders align with patient needs
 - Encourages long term thinking
 - Ingrained in FPH culture
- Patient focused multi-disciplinary product teams
 - Specialist skills, broad knowledge



Patient Focused Teams: In-depth Knowledge



NEW IDEAS, ORIGINAL THOUGHT

Enabling our Product Teams

- Easy access to the user environment:
 - Strong relationships with local and offshore hospitals and homecare dealers
 - Patient knowledge, testing solutions
- Learning by creating
 - Prototype, test, learn
 - World-class prototyping and testing facilities
- Access to world-leading technology experts
- R&D access to manufacturing
- Proven ability to attract and grow top talent



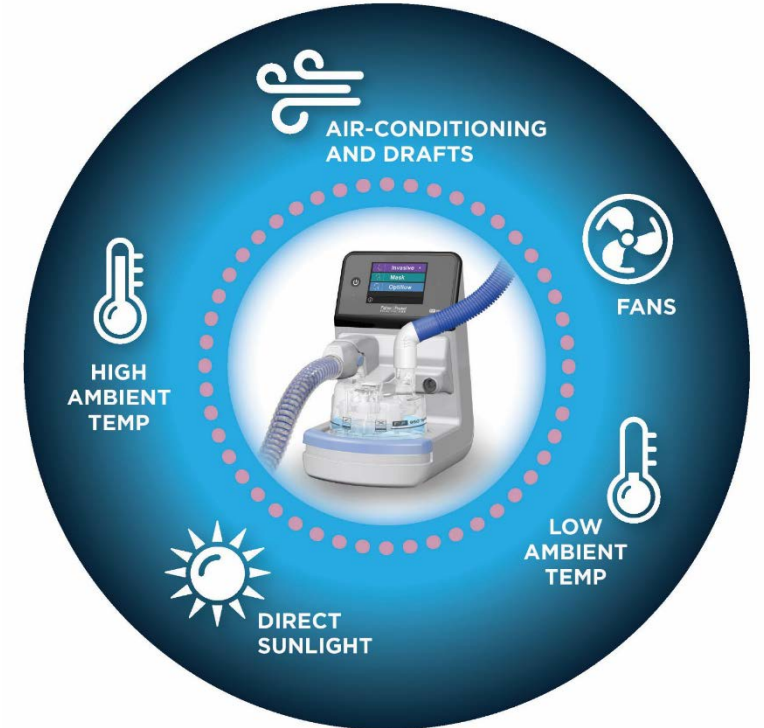
F&P 950: Redefining Expectations

- F&P 850 current market leader



AirSpiral Inspiratory Limb

- Opportunity:
 - Optimal humidity, minimal condensation in difficult ambient conditions
- Benefits:
 - Reduce ventilation breaks
 - Reduce infection risk
 - Reduce clinician's time dealing with condensate
- Idea:
 - Insulate delivered medical gas with pockets of air
- Result:
 - AirSpiral Tube
- Technical challenge
 - How to manufacture
- Conceived for 950, adapted for Airvo and SleepStyle



A photograph of three people in a laboratory or workshop. A woman on the right, wearing a black t-shirt and purple pants, is leaning over a workbench and adjusting a device. A man in a blue shirt and safety glasses stands next to her, also looking at the device. A woman in a grey sweater and safety glasses stands to the left, observing. The workbench has a green mat and various tools and equipment. The background shows a blurred laboratory environment with shelves and equipment.

Questions?

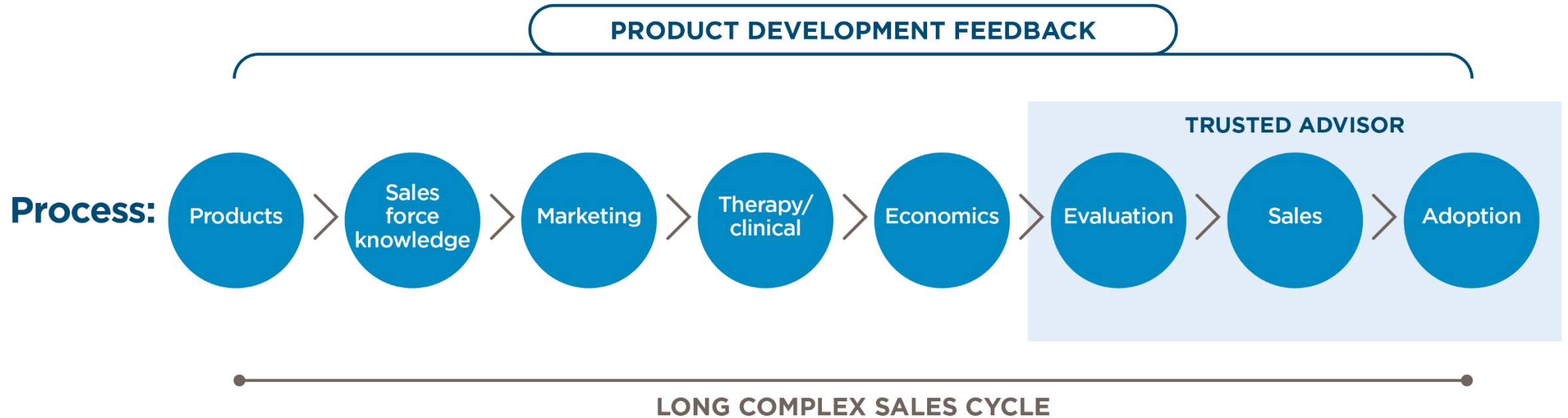


Sales approach: enabling clinical change

Paul Shearer
Senior VP – Sales & Marketing



Clinical change process

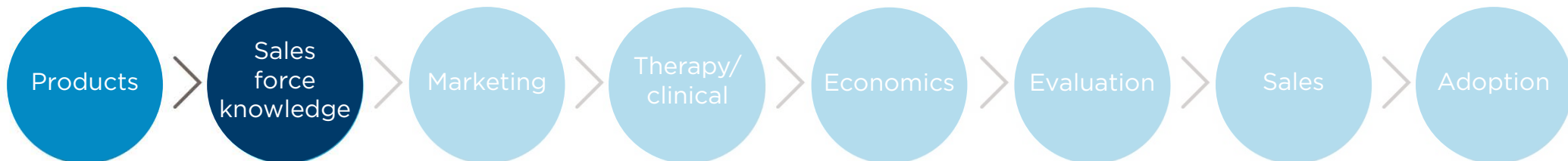


Developing sales team effectiveness

- Product training
- Therapy understanding
- Expert domain knowledge
- Develop customer relationships
- Trusted advisor

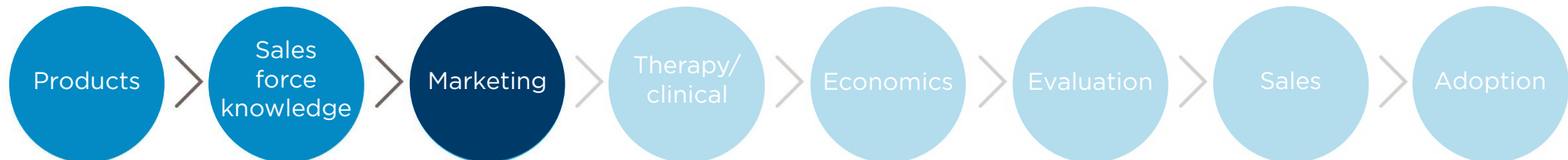


Takes several years for a FPH sales rep to become fully effective



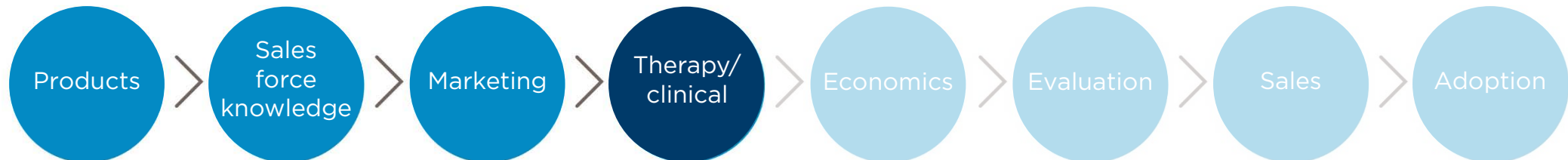
Role of marketing

- Condition market for sales organisation
- Patient group experts
- Develop messaging and approach
- Clinically-focused marketing
- Promote FPH brand
- Product approval and country registrations



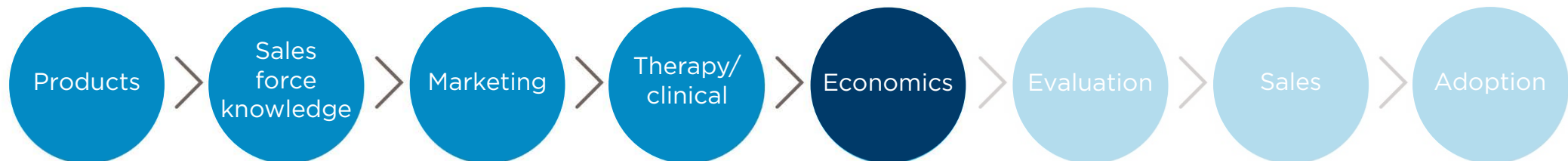
Clinical and therapy validation

- Develop Key Opinion Leaders (KOL relationships)
- Pilot studies
- Physiological studies (Mechanisms)
- Outcome studies (RCT)
- Peer to peer education



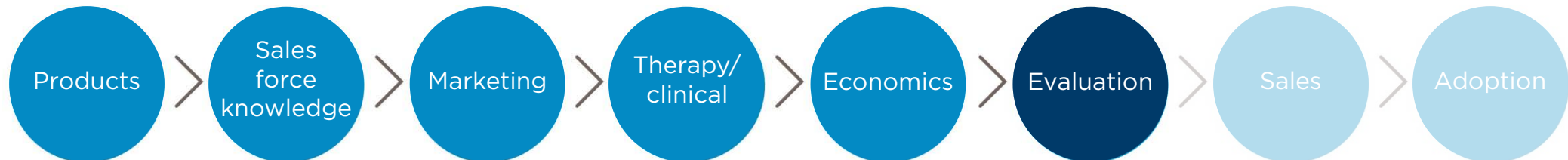
Value-based economics

- Cost calculators
- Translation of clinical evidence to financial benefits
- User case studies
- External financial validation
- Reimbursement / payment pathways



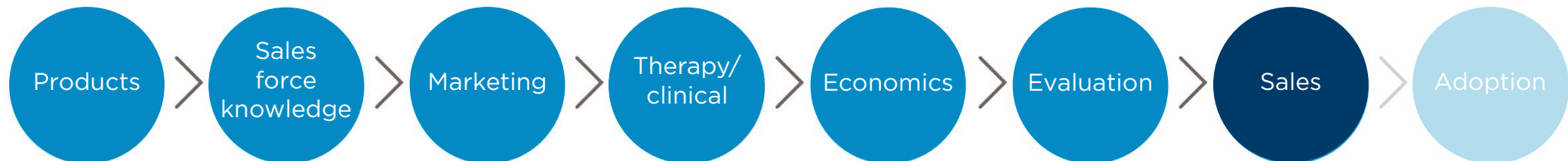
Evaluation

- Customer preparedness
- Evaluation criteria
- Educating clinicians over multiple shifts
- Validating critical success factors
- Trust and confidence



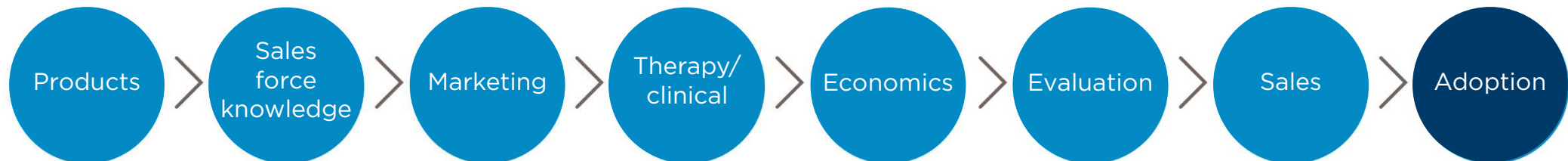
Sales achievement

- Contract (GPO / IDN) formularies
- Win / meet tender specifications
- Capital acquisition (annual cycles)
- Lease / commitment programmes
- Installation / in-service support
- Customer success



Driving adoption

- Facilitate change management
- Customer commitment
- Standard of care
- Physician-generated protocol
- Product performance
- Ongoing review



Customer satisfaction

- Proven product performance ✓
- Improved care and outcomes based on unique FPH product ✓
- Strong relationships and trust ✓
- Product standardisation and continuum of care ✓
- Customer commitment ✓

Enabling clinical change - summary

- Clinical change is a disruptive, lengthy and complex process
- Clinicians:
working with trusted products delivering improved outcomes to at risk patients
are reluctant to change



A close-up photograph of a young child with light skin and blue eyes. The child is wearing a clear, flexible nasal cannula that is secured to their face with white adhesive tape. The cannula has two small prongs inserted into the nostrils. The child is looking directly at the camera with a neutral expression. The background is a soft, out-of-focus light color.

Questions?

Airvo & Optiflow: World-Leading Technology

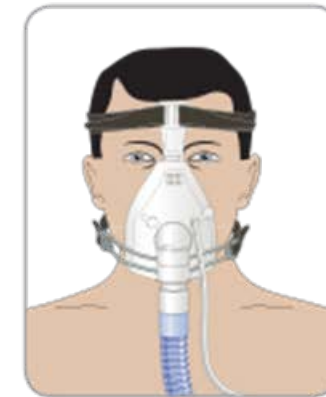
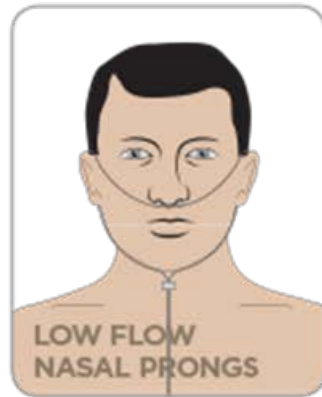
Chris Crone
Research & Development Manager –
Airvo/Optiflow



What is Optiflow nasal high flow therapy?

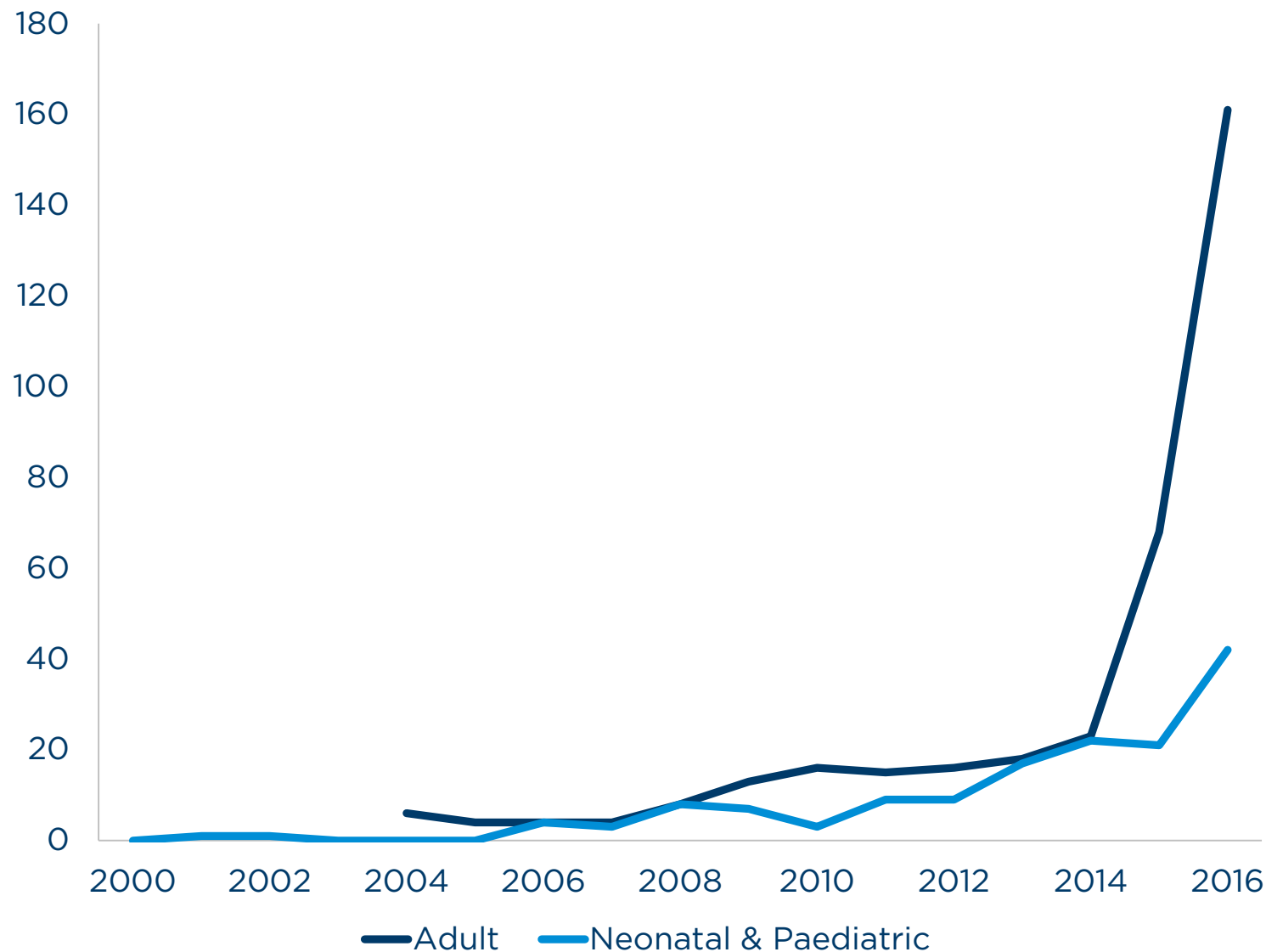
CONVENTIONAL
OXYGEN THERAPY

NON-INVASIVE
VENTILATION



Interest accelerating in Nasal High Flow therapy

Nasal High Flow Clinical Papers Published Annually



2014-2015: Breakthrough publications



The NEW ENGLAND
JOURNAL of MEDICINE

ORIGINAL ARTICLE

High-Flow Oxygen through Nasal Cannula
in Acute Hypoxemic Respiratory Failure



AMERICAN JOURNAL OF
Respiratory and
Critical Care Medicine®

ORIGINAL ARTICLE

Nasal High-Flow versus Venturi Mask Oxygen Therapy
after Extubation
Effects on Oxygenation, Comfort, and Clinical Outcome

JAMA

The Journal of the
American Medical Association

Original Investigation | CARING FOR THE CRITICALLY ILL PATIENT

High-Flow Nasal Oxygen vs Noninvasive Positive Airway
Pressure in Hypoxemic Patients After Cardiothoracic Surgery
A Randomized Clinical Trial



2016: More evidence post-extubation

Original Investigation | CARING FOR THE CRITICALLY ILL PATIENT

Effect of Postextubation High-Flow Nasal Cannula vs Conventional Oxygen Therapy on Reintubation in Low-Risk Patients A Randomized Clinical Trial

Gonzalo Hernández, MD, PhD; Concepción Vaquero, MD; Paloma González, MD; Carles Subira, MD; Fernando Frutos-Vivar, MD; Gemma Rialp, MD; Cesar Laborda, MD; Laura Colinas, MD; Rafael Cuenca, MD; Rafael Fernández, MD, PhD



Summary

- 7 centres in Spain
- 527 patients at low risk of reintubation
- Optiflow significantly reduced reintubation rates vs O2

JAMA | Original Investigation | CARING FOR THE CRITICALLY ILL PATIENT

Effect of Postextubation High-Flow Nasal Cannula vs Noninvasive Ventilation on Reintubation and Postextubation Respiratory Failure in High-Risk Patients A Randomized Clinical Trial

Gonzalo Hernández, MD, PhD; Concepción Vaquero, MD; Laura Colinas, MD; Rafael Cuenca, MD; Paloma González, MD; Alfonso Canabal, MD, PhD; Susana Sanchez, MD; Maria Luisa Rodriguez, MD; Ana Villasclaras, MD; Rafael Fernández, MD, PhD



Summary

- 3 centres in Spain
- 604 patients at high risk of reintubation
- Optiflow was non-inferior to NIV

Reintubation is linked with poor outcomes

Emerging evidence in other areas

- Hypercapnic patients
 - Large randomised controlled trials (RCTs) in planning stages (French government support)
- Emergency department
 - Bell, et al. 2015. Emergency Medicine Australasia
 - Makdee, et al. 2017. Annals of Emergency Medicine
- Wards
 - Pirret, et al. 2017. Intensive Critical Care Nursing



Emerging evidence in other areas

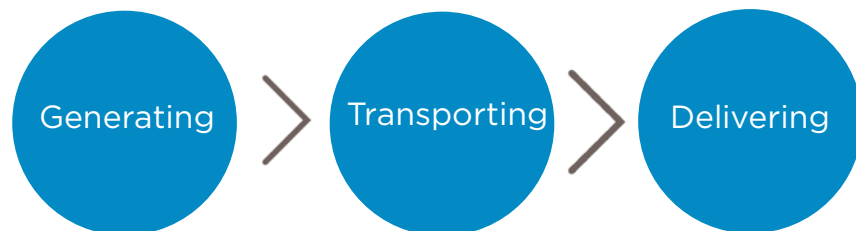
- Evolution in research
 - Different patient groups and settings
 - Larger trials
- Towards:
 - All spontaneously breathing patients requiring respiratory support



FPH technology advantage

For Optiflow Nasal High Flow:

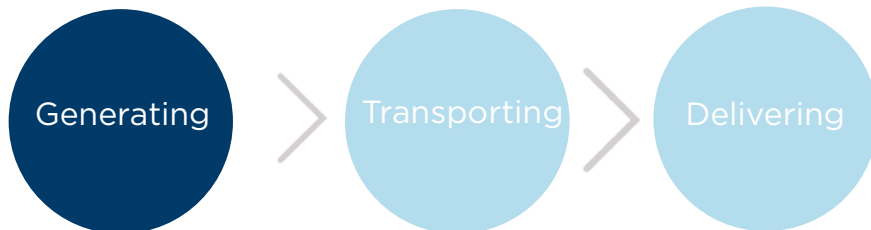
- **Generating** with Airvo
- **Transporting** with AirSpiral
- **Delivering** with Optiflow



Generating with Airvo

Superiority in:

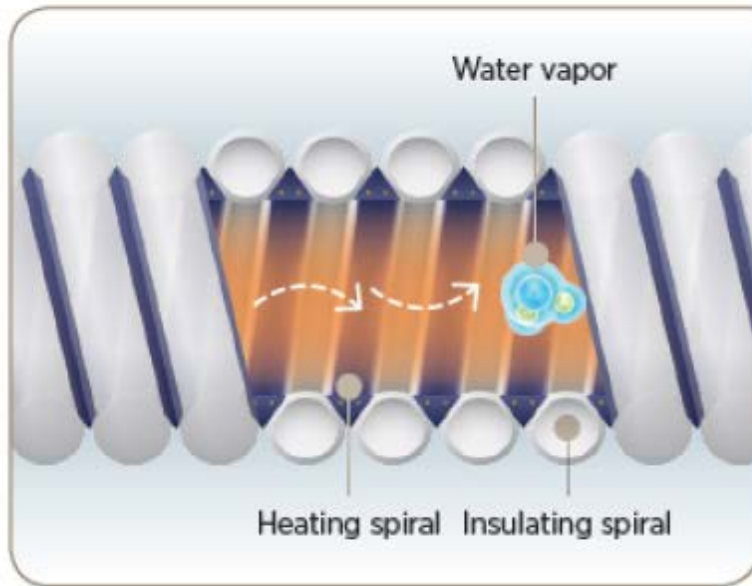
- Performance - humidification, flow, sensing
- Versatility - wide range of temperatures, flows and oxygen
- Mobility - throughout the hospital



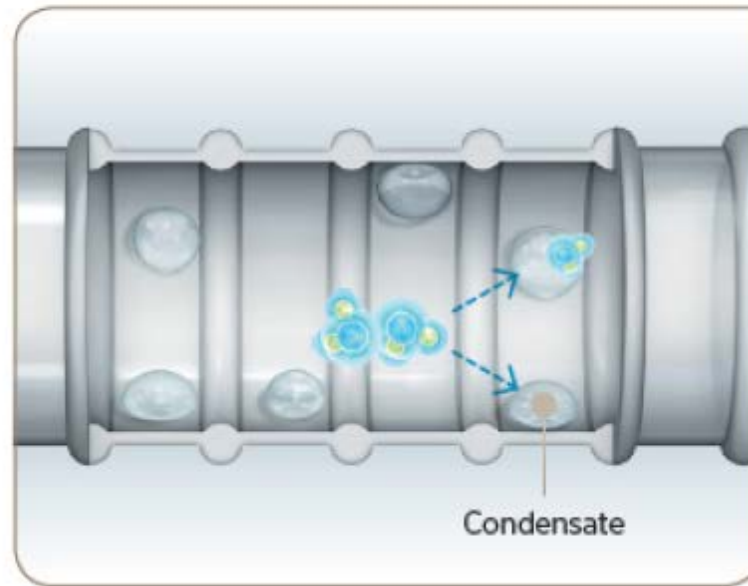
Transporting with AirSpiral

- Superior protection against condensate
- Patents filed on technology and processes

AirSpiral tubes



Conventional breathing tubes



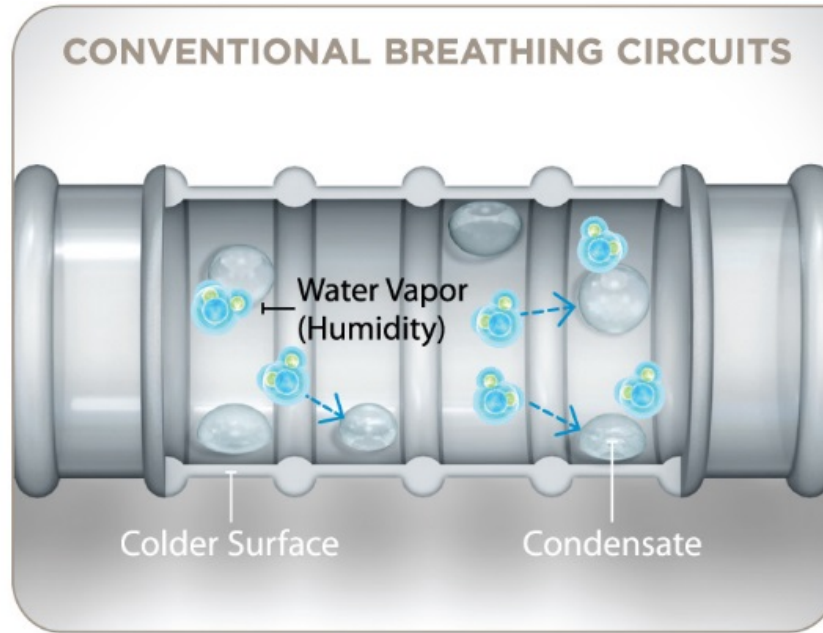
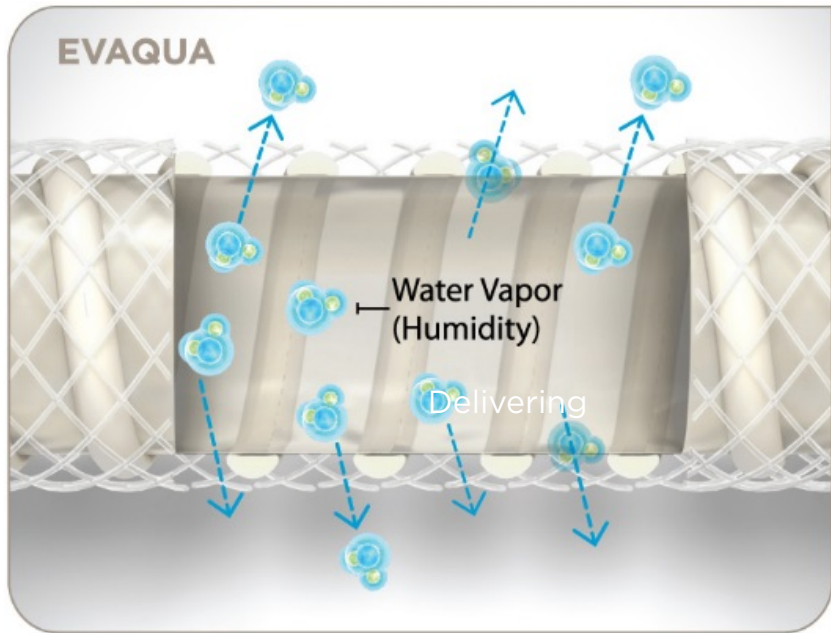
Generating

Transporting

Delivering

Delivering with Optiflow

- The only interface with Evaqua technology
- Reduces formation of mobile condensate
- Comfort for patients and confidence for clinicians



Exciting potential

- Huge clinical interest in Optiflow
- We are well-positioned with Airvo, AirSpiral and Optiflow technologies



Questions?



Transforming Respiratory Therapy in Infant Care

Andy Niccol
General Manager - Infant Care



Infant care continuum



Resuscitation



Invasive
ventilation



nCPAP

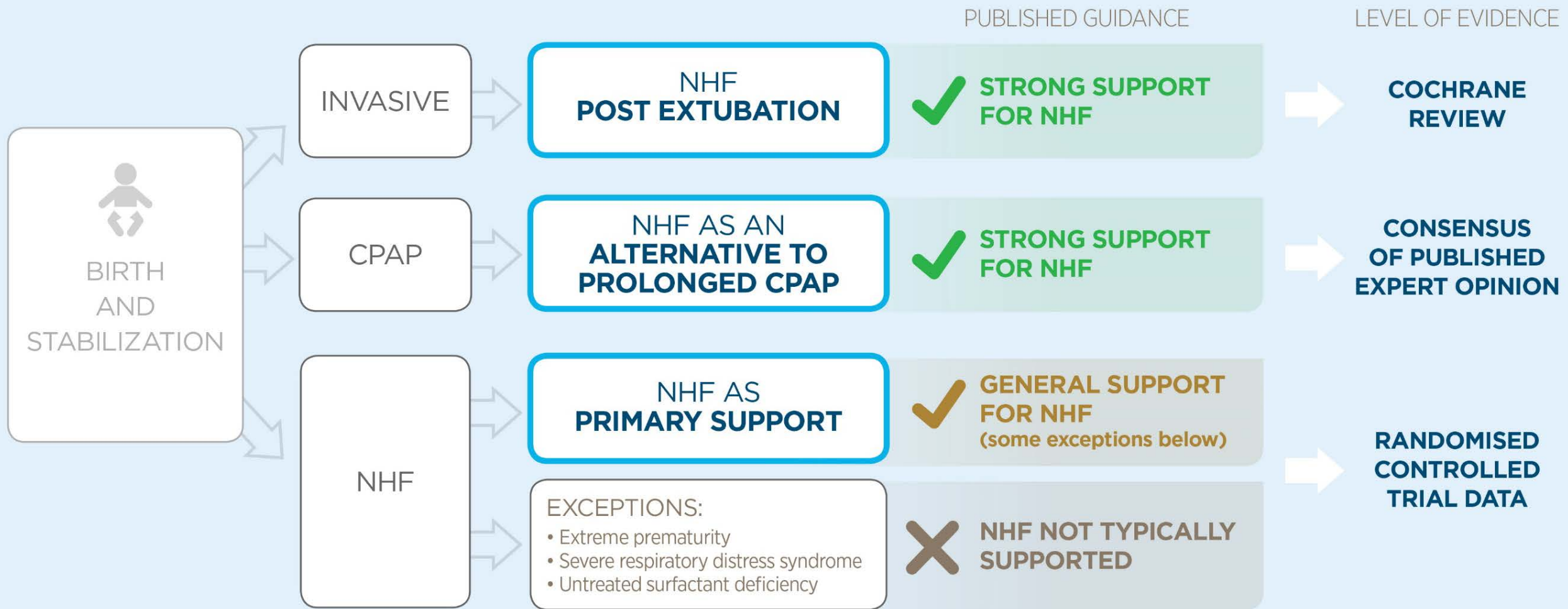


Nasal
high flow



Oxygen
therapy

Current evidence supporting the clinical applications of NHF



1. Manley et al. *N Engl J Med*. 2013. 2. Colins et al. *J Pediatrics*. 2013. 3. Yoder et al. *Pediatrics*. 2013.
4. Roberts et al. *N Engl J Med*. 2016. 5. Lavizzari et al. *JAMA Pediatrics*. 2016. 6. Wilkinson et al. *Cochrane Database Syst Rev*. 2016.
7. Manley et al. *Clinic Perinatol*. 2016. 8. Roberts et al. *Maternal Health Neonatol Perinatol*. 2017.

The next generation of care

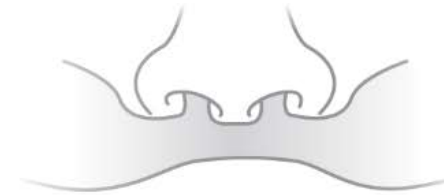


Specifically designed for the delicate anatomy and flow requirements of your smallest patients.

F&P Optiflow™ Junior 2

Fisher & Paykel
HEALTHCARE

Enhanced prong retention



Improves prong stability in the nostrils



Allows for natural facial movement
when patient's cheeks are compressed



Easier readjustment and
maintenance for caregivers

F&P Optiflow™ Junior 2

Enhanced prong retention



Wider range of sizes



XS



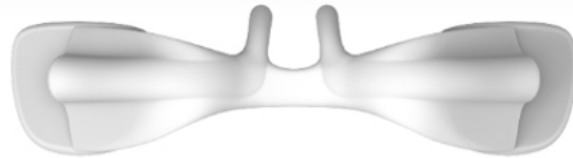
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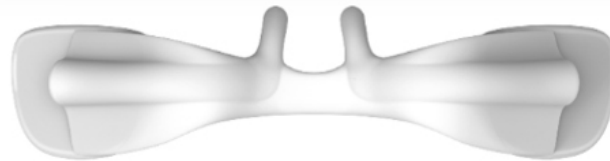
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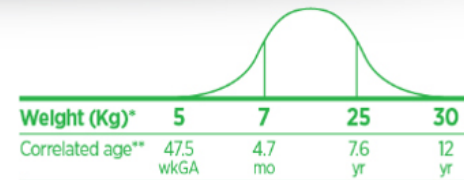
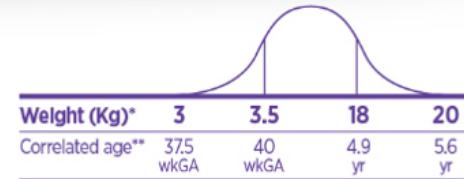
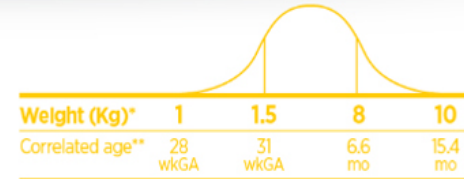
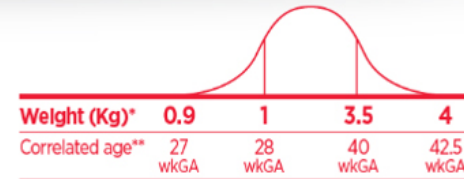
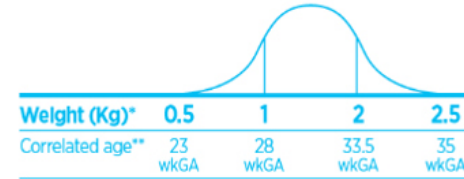


XL



APPROXIMATE AGE AND WEIGHT

Age and weight information should only be used as a guide. Ensure clinical judgement is used when sizing.

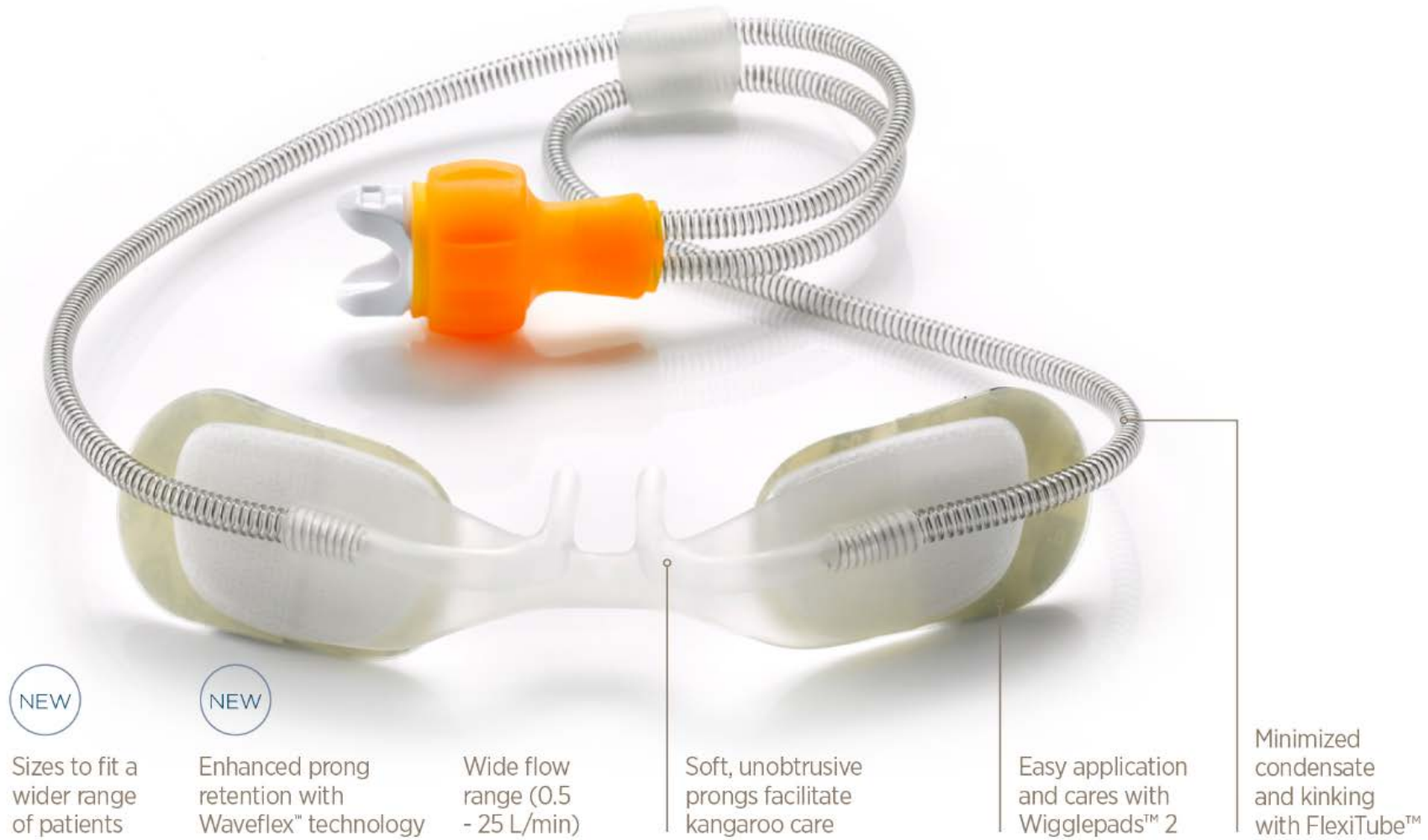


wkGA = weeks of gestation; mo = months; yr = years

* Weight data is based on F&P product validation studies.

** Age data is a correlation to weight data based on a combination of Fenton, WHO and CDC growth charts.

Retains existing product benefits



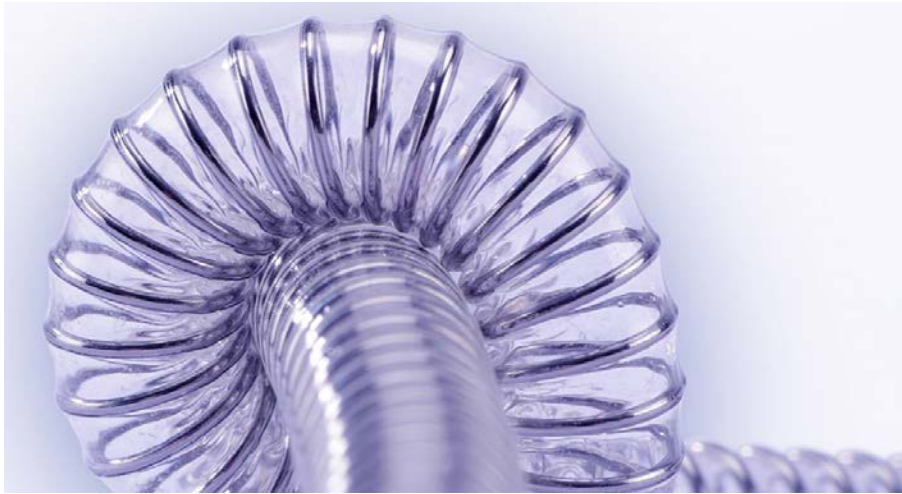
F&P Optiflow™ Junior 2

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HEALTHCARE

Wigglepads



Tube Technology



Questions?

