ResMed Inc.
37th Annual J.P. Morgan Healthcare Conference

Mick Farrell – CEO

January 7, 2019

Historical financial and operating data in this presentation reflect the consolidated results of ResMed Inc., its subsidiaries, and its legal entities, for the periods indicated.

This presentation includes financial information prepared in accordance with accounting principles generally accepted in the United States, or GAAP, as well as other financial measures referred to as non-GAAP. The non-GAAP financial measures in this presentation, which include non-GAAP Income from Operations, non-GAAP Net Income, and non-GAAP Diluted Earnings per Share, should be considered in addition to, but not as substitutes for, the information prepared in accordance with GAAP. For reconciliations of the non-GAAP financial measures to the most comparable GAAP measures, please refer to the earnings release associated with the relevant reporting period, which can be found on the investor relations section of our corporate website (investor.resmed.com).

In addition to historical information, this presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on ResMed's current expectations of future revenue or earnings, new product development, new product launches, new markets for its products, integration of acquisitions, leveraging of strategic investments, litigation, and tax outlook. Forward-looking statements can generally be identified by terminology such as "may", "will", "should", "expects", "intends", "plans", "anticipates", "believes", "estimates", "predicts", "potential", or "continue", or variations of these terms, or the negative of these terms or other comparable terminology.

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Strategy

MACRO

Healthcare continues to rise in importance as a major topic on social and political agendas around the world.

Increasing Chronic Disease Burden	Aging Population	Healthcare Costs Growing	Physician Shortages

The shift to value-based healthcare and consumerization-of-care is here to stay.

MICRO

Healthcare System Pain Points

Delivering the correct care when needed	Delivering care in lower cost settings	Patient Engagement	Documentation	Data Availability	Communication	Analytics

Integration of *Data & Technology* is key to driving increased awareness & treatment

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ResMed's 2025 strategy

ResMed 2025

250 million lives improved
in out-of-hospital healthcare
in 2025!

Purpose • Empower people to live healthier and
higher quality lives **in the comfort of their home**

Growth Focus • Global health epidemics in sleep apnea,
COPD, other major chronic conditions,
and **caring for patients with SaaS
solutions in the out-of-hospital setting**

Growth Advantage • Transform patient care through innovative
solutions and tech-driven integrated care to drive
superior outcomes, experiences and efficiency

Growth Foundations • High-performing, diverse and entrepreneurial people
• Industry-leading innovation and business excellence
• Advanced analytics leadership in our markets
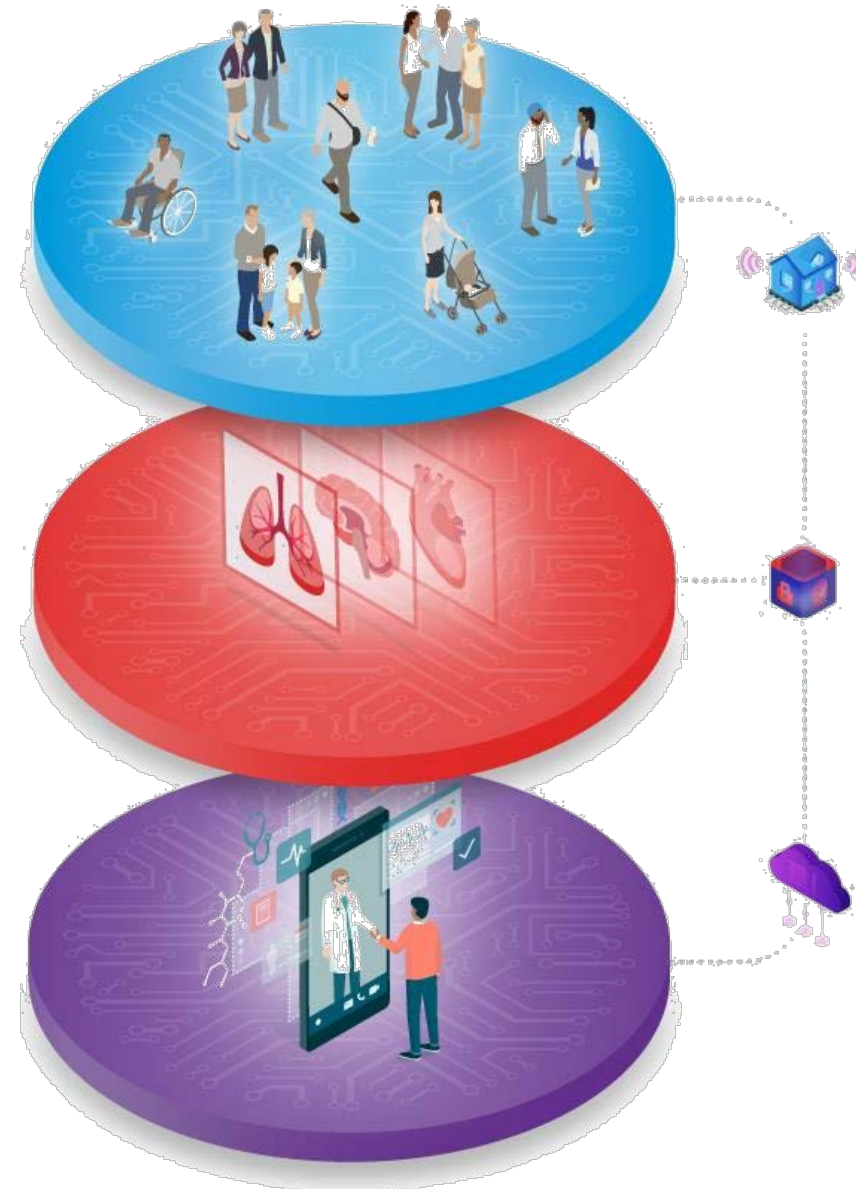
Our Business - Sleep

Sleep strategy

Our Purpose: Deliver a world-class patient experience through innovative solutions that lower overall cost for treating sleep apnea patients and improve clinical outcomes.

Optimize efficiencies for providers

- Home medical equipment/home care provider-facing solutions that drive workflow efficiencies
- Long-term adherence solutions that improve patient management and meet the needs of referring physicians

Deliver best-in-class patient experience

- Patient-facing solutions, from identification to treatment, that streamline the experience and improve long-term adherence

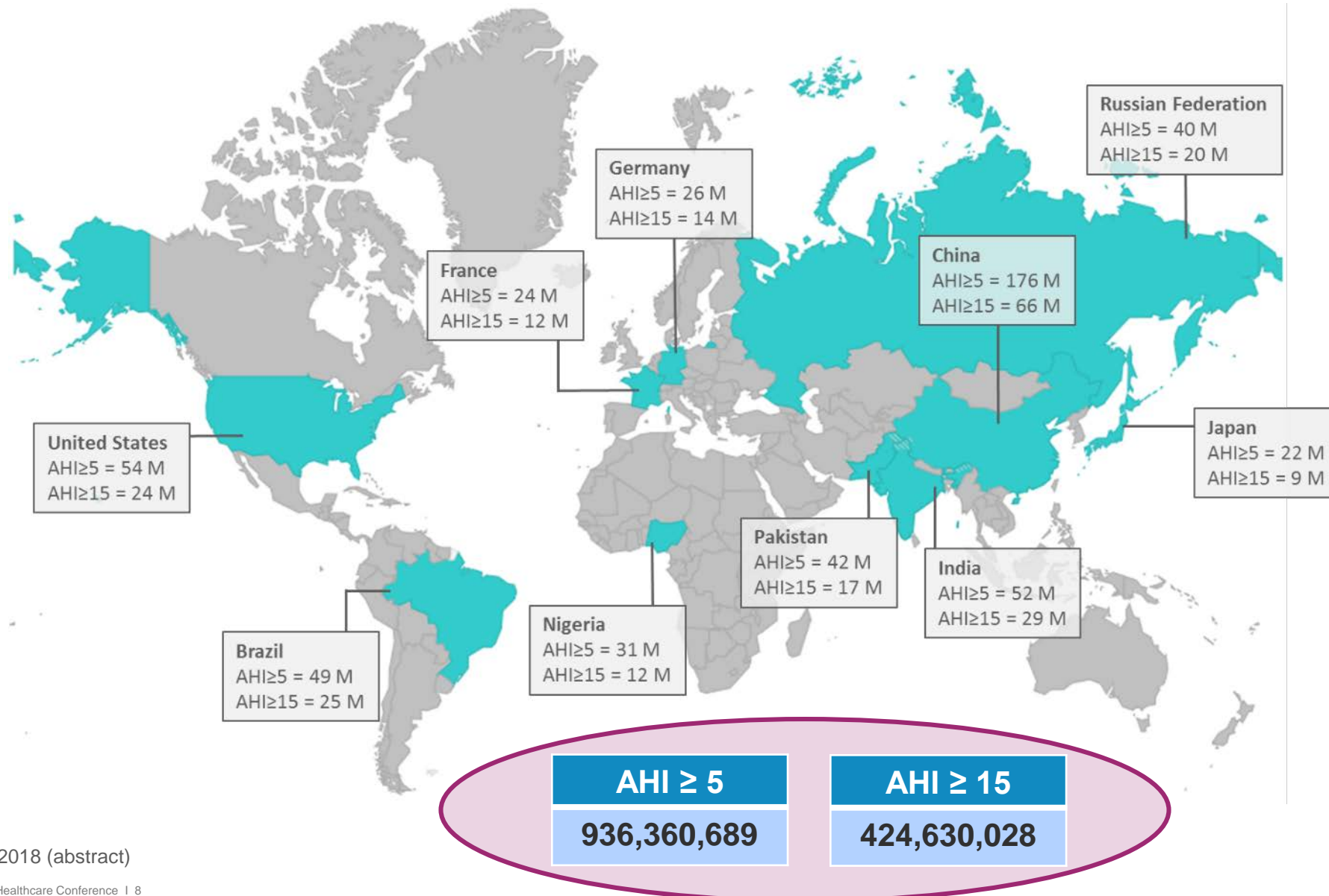## Embrace and enable integrated care models

- Payor-facing solutions that enable population management, backed by our data insights, outcomes research, and market access

Operating Excellence – Portfolio Mindset – Deep Customer Understanding – Talent

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Russian Federation
AHI≥5 = 40 M
AHI≥15 = 20 M

Germany
AHI≥5 = 26 M
AHI≥15 = 14 M

France
AHI≥5 = 24 M
AHI≥15 = 12 M

China
AHI≥5 = 176 M
AHI≥15 = 66 M

United States
AHI≥5 = 54 M
AHI≥15 = 24 M

Japan
AHI≥5 = 22 M
AHI≥15 = 9 M

Pakistan
AHI≥5 = 42 M
AHI≥15 = 17 M

India
AHI≥5 = 52 M
AHI≥15 = 29 M

Nigeria
AHI≥5 = 31 M
AHI≥15 = 12 M

Brazil
AHI≥5 = 49 M
AHI≥15 = 25 M

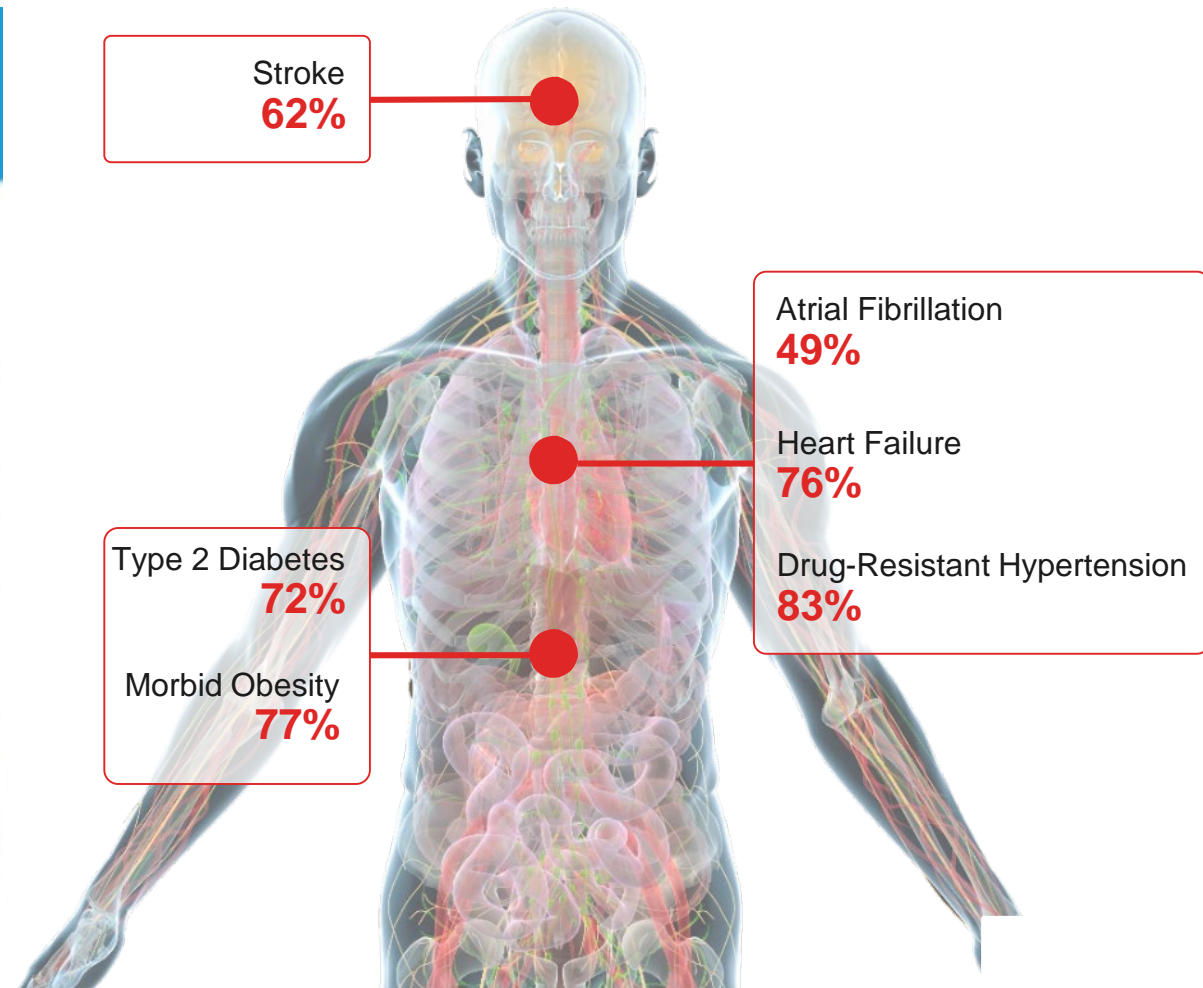| AHI ≥ 5	AHI ≥ 15
936,360,689	424,630,028

Benjafield, et al. AJRCCM 2018 (abstract)

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….and is highly prevalent in other chronic conditions

For every 100 U.S. adults...

4 KNOW THEY HAVE SLEEP APNEA[1,2]

22 DON'T KNOW THEY HAVE IT[1,2]

Stroke
62%

Atrial Fibrillation
49%

Heart Failure
76%

Drug-Resistant Hypertension
83%

Type 2 Diabetes
72%

Morbid Obesity
77%

1 Peppard PE et al. *Am J Epidemiol* 2013
2 Young T et al. *Sleep* 1997

References: Gami AS et al. *Circulation* 2004, O'Keefe and Patterson, Obes Surgery 2004, Logan et al. J. Hypertension 2001,
O'Keeffe T and Patterson EJ. Obes Surg 2004, Einhorn D et al. Endocr Pract 2007, Bassetti C and Aldrich M.
Sleep 1999

Global leadership in sleep apnea management

Quiet

AirSense™10

AirSense™10 AutoSet for Her

AirCurve™10

Compact

AirMini™

Comfortable

AirFit™ P10
Nasal Pillows System

AirFit™ N20
Nasal mask

AirFit™ N30i
Nasal cradle mask

AirFit™ F20
Full face mask

AirTouch™ F20
Full face mask

AirFit™ F30
Full face mask

Connected

brightree®

AirView™

myAir™

ResMed

AirView™ has over **8 million patients**

6 million+ patients monitored at **home** with **connected health**

650,000+ diagnostic tests processed **in the cloud**

ResMed has **66 million+** patients in its out-of-hospital connected health network

80 API calls per **second** from integrators

1.5 million+ patients have signed up for **myAir™**

* Data as of 9/30/2018

We are turning big data into actionable information

Pioneering *innovation* and providing *clinical evidence* that support
<u>better patient outcomes</u> and <u>improved business efficiencies</u> for customers

AirView™

↑**21**% patient adherence with **automated compliance coaching**[1]

Labor Costs[2] ↓**59**%

New Patient Setups[3] ↑**55**%

myAir™

World's largest study for adherence

> 128,000 patients

↑**24**% patient adherence with **patient engagement**[4]

1. Hwang, et al., AJRCCM 2017
2. Munafo, et al. Sleep Breath 2016
3. Data based on monthly patient setups and compliance rates of DME customers from February 2014 – March 2015. Historical results for this provider over the stated time
4. Crocker, et al., Abstract CHEST 2016

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sleepscore labs.

verily

- **Consumer tech joint venture** with Dr. Oz and Pegasus Capital

- World's first non-contact sleep tracking mobile app

- Shows people how they sleep, and how they can improve their sleep

- **Sleep research joint venture** with Verily[1]

- To study the health and financial impacts of untreated sleep apnea

- Based on research: Develop software solutions to help identify, diagnose, treat and manage those with OSA

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Our Business– Respiratory Care

Respiratory care strategy

Our Purpose: Changing the lives of COPD patients by bringing new solutions for unmet patient needs.

Win in the core

- Reach more COPD patients through connected non-invasive ventilation technology
- Take share in the life-support ventilation category
- Prepare for Mobi full product launch

Innovate and expand into adjacent categories

- Treat patients earlier in COPD disease progression with Mobi in a connected ecosystem
- Innovate and scale the portable oxygen business model
- Enable new models of care that keep COPD patients out of hospital

Transform COPD healthcare delivery

- Develop intelligent therapy solutions and technologies that improve the patient experience
- Create value propositions in longitudinal care, predict exacerbations and prevent hospitalization

Operating Excellence – Portfolio Mindset – Deep Customer Understanding – Talent

- COPD is the third leading cause of death worldwide[1]

- More than 380 million people worldwide are estimated to have COPD

  - Largely undiagnosed COPD sufferers in high-growth markets such as China, India, Brazil and E. Europe may be well over 100 million of the total

- Cost to healthcare systems from COPD is enormous:

  - Europe: ~€48 billion per year
  - US: ~$50 billion per year

- More than 3 million people worldwide die each year due to COPD
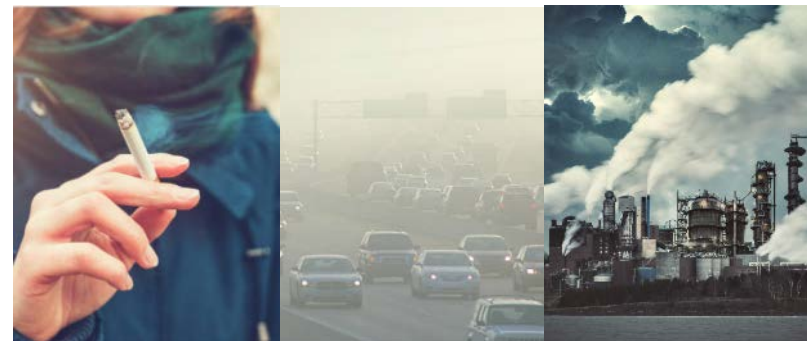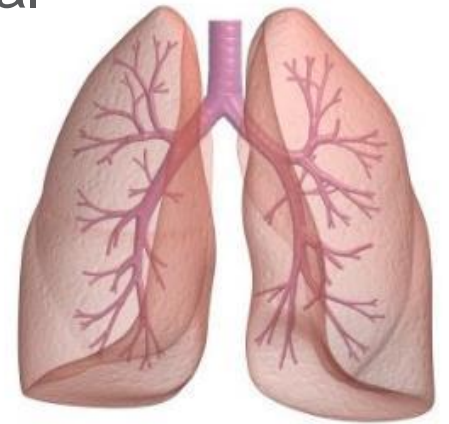
Full spectrum of solutions for respiratory care

High-Flow Therapy

AcuCare™ high flow

Portable Oxygen Concentrator

Mobi™

Bilevel Ventilation

AirCurve 10

Non-invasive Ventilation (NIV)

Lumis™

Stellar™

Life Support Ventilation

Astral™

Astral™ with RCM

Patient Acuity

ResMed

Acquired Propeller Health for $225M

- Digital therapeutics company providing connected health solutions for people with COPD and asthma

- Uses sensors with inhalers to track medication usage and provide personal feedback and insights

- Establishes ResMed as a leading provider of COPD and asthma patient management solutions

- Enables integration of care through the progression of the disease
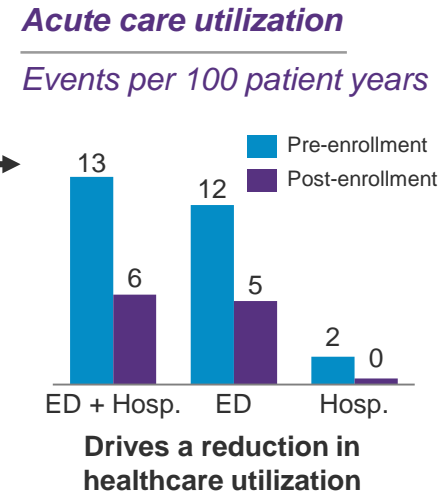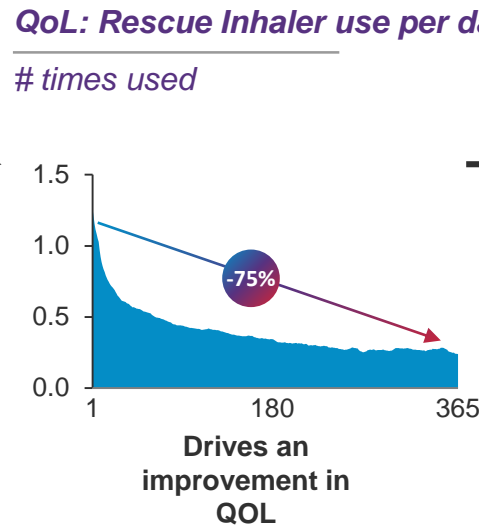

PHARMA COMPANIES

Examples:

Boehringer Ingelheim

gsk

Pharma companies signed represent 90% of long-acting respiratory inhalation drugs

Patients + $$

Increased drug adherence and sales

Improved clinical trial speed and enhanced time to market

Propeller

Health and economic outcomes

Clinical insights and efficiencies

Patients + $$

Patient Acquisition

Payers — UnitedHealthcare
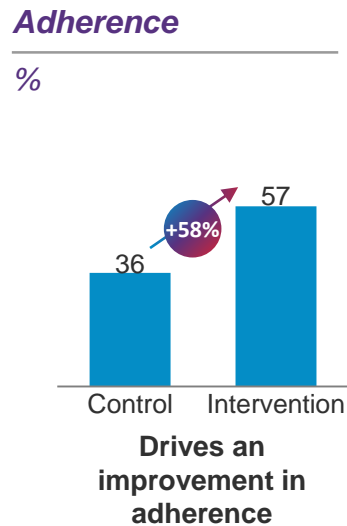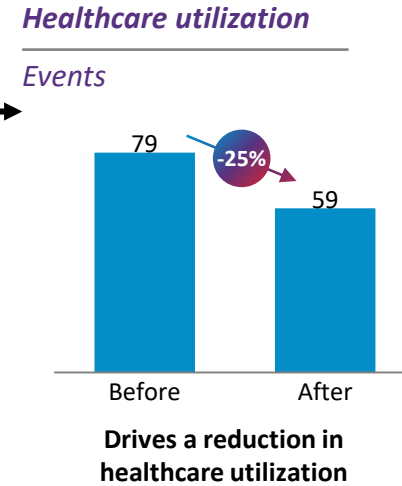
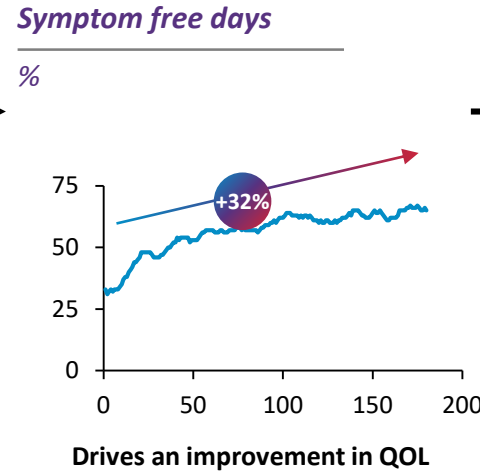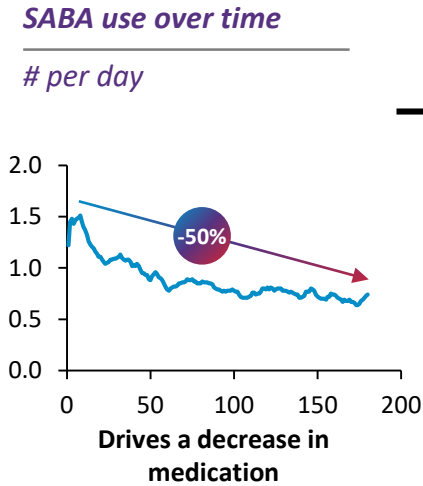PBMs — EXPRESS SCRIPTS

Health systems — Dignity Health

Pharmacies
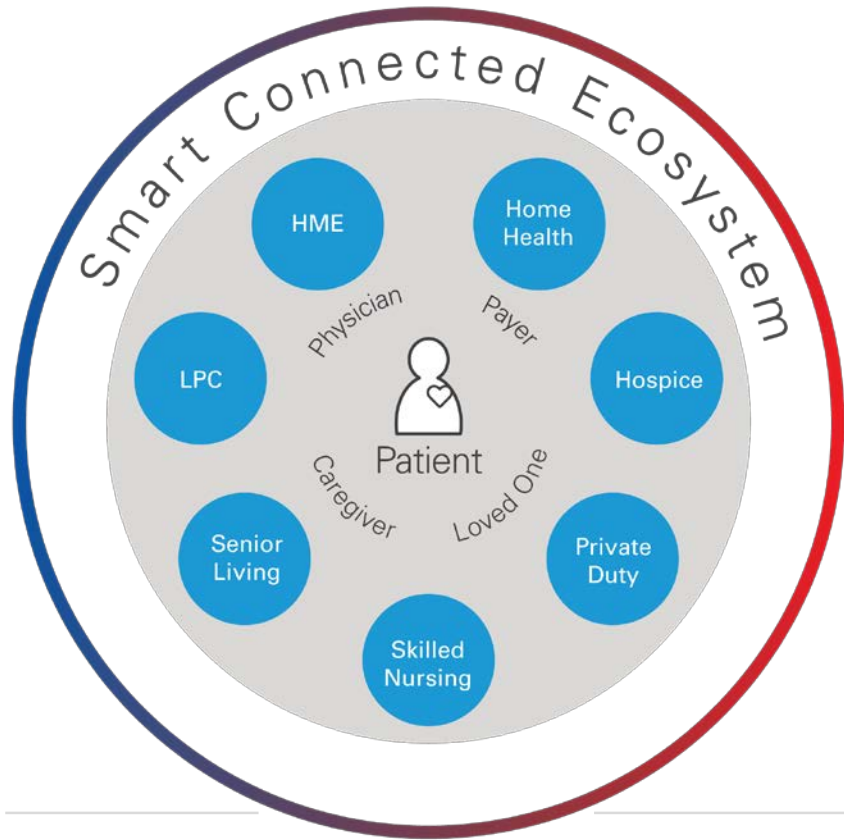
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Propeller has demonstrated compelling clinical outcomes

Impact of the Propeller solution tracking inhaler usage and location

Uncontrolled COPD

SABA use over time

 # per day

-50%

Drives a decrease in medication

Symptom free days

%

+32%

Drives an improvement in QOL

Healthcare utilization

Events

79
-25%
59

Before   After

Drives a reduction in healthcare utilization

Uncontrolled ASTHMA

Adherence

%

+58%
57
36

Control   Intervention

Drives an improvement in adherence

QoL: Rescue Inhaler use per day

 # times used

-75%

1   180   365

Drives an improvement in QOL

Acute care utilization

Events per 100 patient years

Pre-enrollment
Post-enrollment

13
6
12
5
2
0

ED + Hosp.   ED   Hosp.

Drives a reduction in healthcare utilization

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Our Business – Software as a Service (SaaS)

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**Better patient experience.
Improved clinical outcomes.
Lower overall cost of care.**

- Single view of the patient

- Comprehensive interoperability

- Care transition, coordination and collaboration

- Seamless access to information for patients and those who care for them

- Manage populations across provider / care settings

- Data insights to enable better care / better results

Connected systems deliver the best outcomes for value-based care

ResMed
Data Exchange

brightree ®

Following the workflow for
setting up one patient.

1

AirView™

Managing one patient or
many to compliance.

2
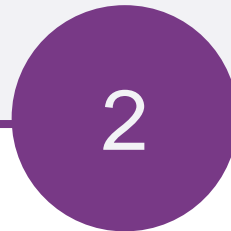
myAir™

Engaging patients
in their therapy.

3

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History of successful SaaS acquisitions and integrations

Company	Location	Date	Key Product	Status
UMBiAN	Halifax, NS Canada	Aug 2012	U-Sleep	Fully integrated as AirView Action Groups. Halifax has become key PD development center and provider of Saas Services
JAYSEC TECHNOLOGIES	Knoxville, TN	Feb 2015	GoJaysec	Rebranded as GoScripts referral document management service. Now interoperable with Brightree
CareTouch	Denver, CO	Jul 2015	CareTouch 360	Rebranded as ResMed ReSupply, reaching over 100k patients across 80 customers
brightree	Lawrenceville, GA	Feb 2016	Brightree Core	Operating as a wholly owned subsidiary with strong growth across its various modules
conduittechnology	Girard, PA	Jun 2017	MyForms	Integrated into Brightree, enhancing custom forms builder and workflow solutions for HME providers
AllCall Connect	Joliet, IL	Jul 2017	Brightree ConnectPRO	Now part of Brightree Services, providing live call center services to Brightree customers
HEALTHCARE +first	Springfield, MO	Jul 2018	*first*HOMECARE Software (EHR)	Operating as a wholly owned subsidiary providing software solutions and services for home health and hospice customers
Apacheta Mobile Business Solutions	Media, PA	Dec 2018	Apacheta ACE (a mobile enterprise application platform)	Operating as a wholly owned subsidiary with its own brand, directly supporting both HME and non-healthcare customers

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Introducing MatrixCare – acquired for $750M

- Leading healthcare IT player with diverse modules for multiple out-of-hospital care settings

- Expands ResMed's out-of-hospital software portfolio into long-term care settings

- Well-aligned with ResMed's strategy
  - Create greater customer efficiencies and improved patient outcomes through industry-leading, end-to-end connected health technology solutions

- Expected to be immediately accretive to growth, margin, and EPS

Broad portfolio of out-of-hospital verticals

ResMed has the foundation to build an ecosystem that
improves transitions of care for patients and drives efficiencies for providers.

Smart Connected Ecosystem

HME	Home Health	Hospice	Private Duty	Skilled Nursing	Senior Living	LPC
brightree	brightree	brightree	MatrixCare	MatrixCare	MatrixCare	MatrixCare
AllCall Connect	HEALTHCARE +first	HEALTHCARE +first	brightree			
conduittechnology						
Apacheta Mobile Business Solutions						

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Digital Health Technology

ResMed

Enabling **all** ResMed businesses to achieve their business objectives by leveraging Digital Health Technology and Advanced Analytics

Sleep	Respiratory Care	SaaS

Digital Health Technology

Technology **+** Advanced Analytics

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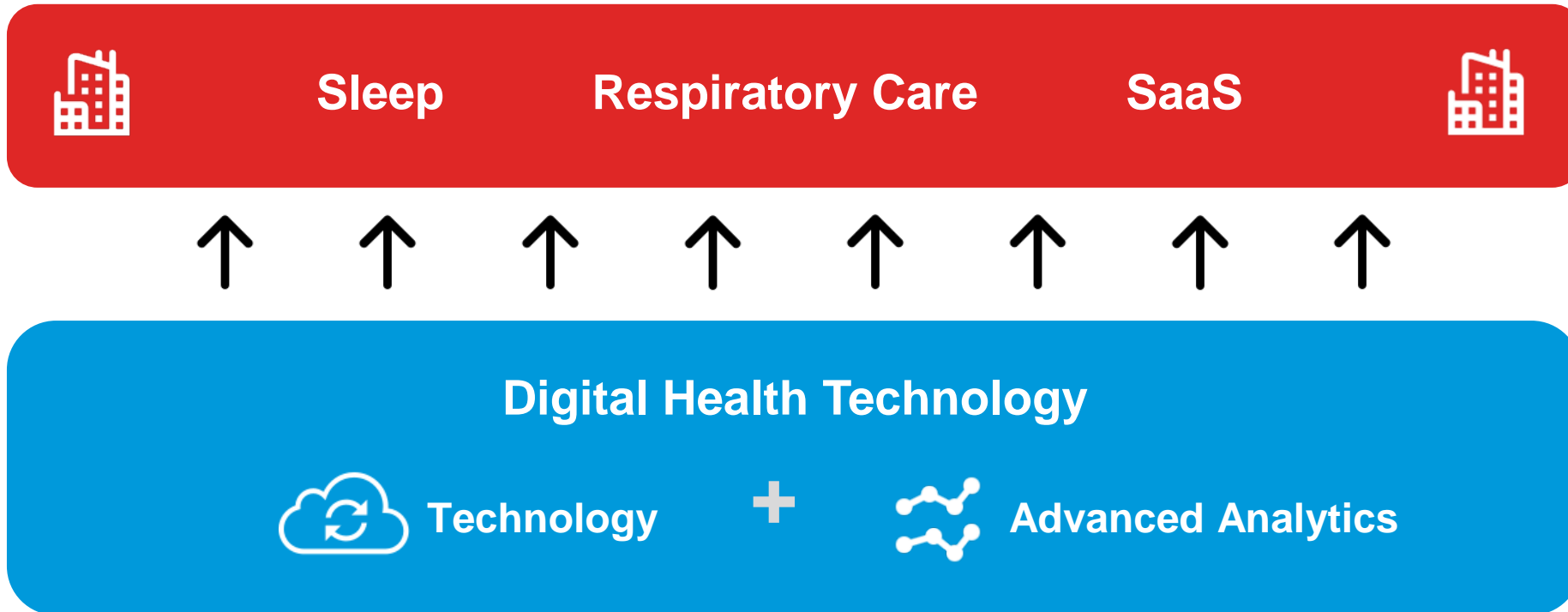
Digital health technology strategy

AirView™

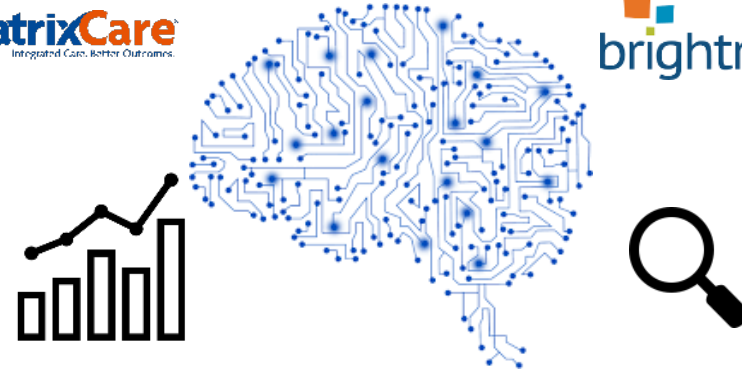## Connected Health Ecosystem

- Innovate for core Sleep and RC business
  - Device connectivity to the cloud
  - Patient monitoring and management
  - Patient engagement

Out-of-Hospital SaaS Ecosystem

- ePrescribe and Resupply
- Integrations with our SaaS platforms
- Accelerating the ResMed value proposition for our customers and patients
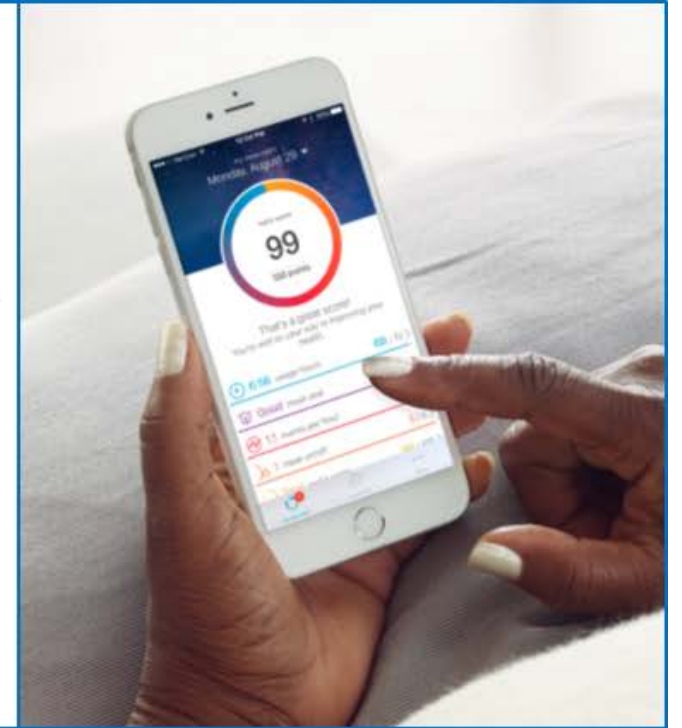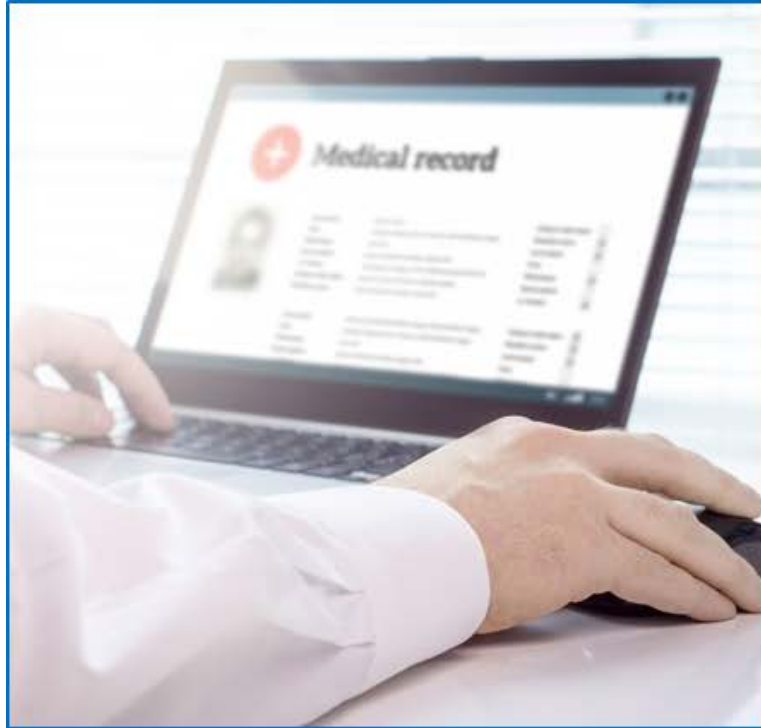
MatrixCare · **brightree**

Data Analytics – The AI/ML Journey

- Drive better clinical outcomes for patients and business outcomes for providers

- Leverage big data to derive meaningful actionable insights, more than 3 billion nights of sleep data

- Talented team of data scientists using artificial intelligence and machine learning to improve long-term patient adherence

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Physician	Provider/HME			Patient
Physician access to meaningful clinical data	Evolution from paper to electronic record systems	Multiple systems increase potential for errors	Increased documentation requirements	Real-time patient engagement

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We transform 3+ billion nights of medical data into useful outcomes

End-to-end connected health solutions in sleep, respiratory care, and out-of-hospital healthcare

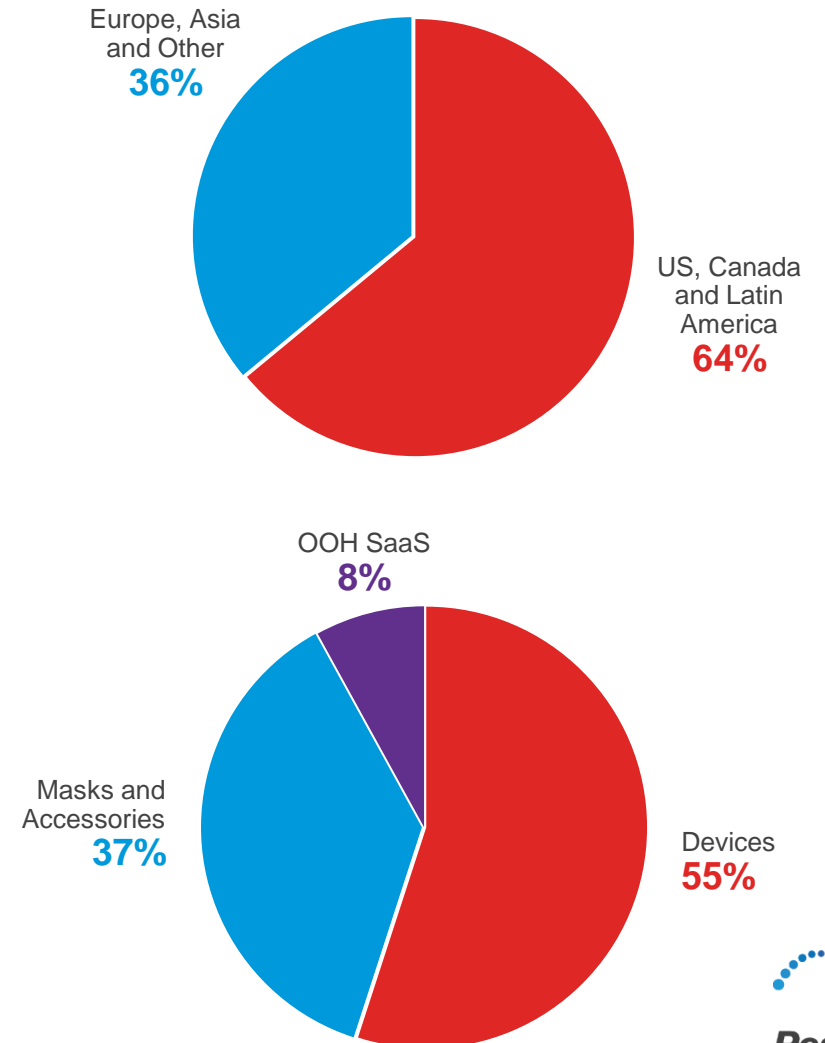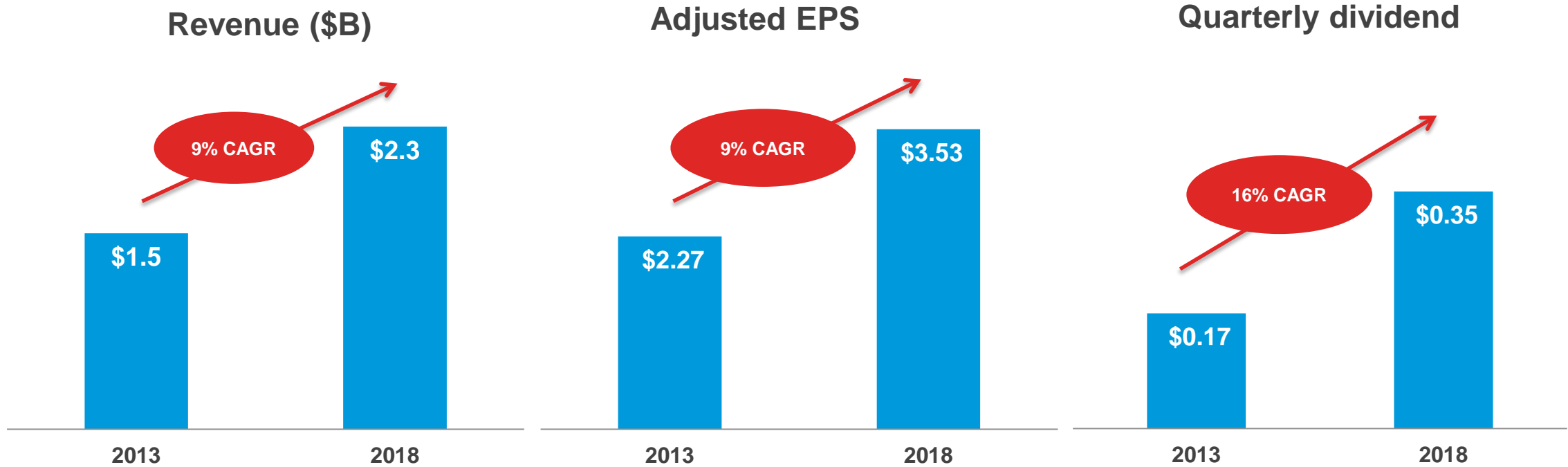| DIASNOSIS | THERAPY | MONITORING & MGMT. | PATIENT ENGAGEMENT | BILLING & INTEGRATIONS |

Financial Results

Q1 FY19 financial results

	Q1 2019
Revenue	$588.3M *+12% (+13% CC)*
Gross margin	58.3%
Non-GAAP operating profit*	$157.0M *+26%*
Non-GAAP net income*	$116.3M *+23%*
Non-GAAP EPS*	$0.81 *+23%*
Cash flow from operations	$48.1M
Free cash flow	$35.1M

* ResMed adjusts for the impact of the amortization of acquired intangibles, impact of U.S. tax reform, and restructuring expenses, from their evaluation of ongoing operations and believes investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

*Diversified revenue
by geography & by business*

Europe, Asia and Other
36%

US, Canada and Latin America
64%

OOH SaaS
8%

Masks and Accessories
37%

Devices
55%

ResMed

Track record of disciplined financial growth

Revenue ($B)

9% CAGR

$1.5 — 2013

$2.3 — 2018

Adjusted EPS

9% CAGR

$2.27 — 2013

$3.53 — 2018

Quarterly dividend

16% CAGR

$0.17 — 2013

$0.35 — 2018

Fiscal Years ended June 30

ResMed

| Eliminating unnecessary waste	Minimizing pollution	Product stewardship	Responsible compliance	Increased awareness and continual improvement
We work to eliminate unnecessary waste in all our systems & processes, such as **minimizing our use of natural resources**.	We are minimizing pollution, in particular our **non-biodegradable waste to landfill**.	We design and develop products with **reduced impact on the environment** through their lifecycle.	We fulfill all **relevant and applicable compliance obligations** in the countries and communities that we operate in.	We **drive internal awareness of environmental impacts and monitor our performance** through collaboration with others to make continual improvements

Recognized by others for leading in this space:

- #18 on Forbes & Just Capital's "2019 Just 100", #1 in Healthcare Equipment and Services

- #170 on WSJ's 2018 Management Top 250 of the U.S.'s most well-run companies for customers, employees, and investors

*Well-positioned to extend success in Sleep to COPD
and the broader Out-of-Hospital ecosystem – agnostic of disease*
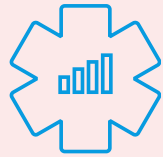
Market Dynamics

- Underpenetrated markets in sleep and COPD

- Healthcare costs continue to increase

- Focus on improving patient outcomes

- Value-based technology solutions

Growth & Innovation

- Global leader in connected health for sleep and respiratory care

- Long-term growth opportunities

- 5,500+ patents and designs

- ~7% of revenue invested in R&D

Financial Results

- Historical revenue and profit growth

- Recurring revenue

- Operating excellence program

- Strong track record of disciplined capital deployment

Thank you

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