

Appendix 4E

Preliminary final report

Introduced 30/6/2002

Name of entity

ResMed Inc.

ABN or equivalent company reference

N/A

Half yearly (tick)

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Preliminary final (tick)

✓

Half year/financial year ended ('current period')

30 June 2004

Results for announcement to the market

(Rule 4.3A Item No. 2)

US\$000's

Revenues from ordinary activities (Rule 4.3A Item No. 2.1)	up	24%	to	339,338
Profit (loss) from ordinary activities after tax attributable to members (Rule 4.3A Item No. 2.2)	up	25%	to	57,284
Net profit (loss) for the period attributable to members (Rule 4.3A Item No. 2.3)	up	25%	to	57,284
Dividends (distributions)	Amount per security		Franked amount per security	
Final dividend	N/A		N/A	
Interim dividend	N/A		N/A	
Total (Rule 4.3A Item No.2.4)	N/A		N/A	
⁺ Record date for determining entitlements to the dividend (Rule 4.3A Item No. 2.5)			N/A	

Brief explanation of any of the figures reported above
(Rule 4.3A Item No. 2.6)

Refer Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in our Form 10-K for year ended June 30, 2004 and to our profit announcement dated August 6, 2004.

Consolidated Statement of Financial Performance

For the year ended 30 June 2004

(Rule 4.3A Item No. 3)

	June 30, 2004	June 30, 2003
	US\$000's	US\$000's
Net revenues	\$339,338	\$273,570
Cost of sales	122,602	100,483
Gross profit	216,736	173,087
Operating expenses:		
Selling, general and administrative	104,706	85,313
Research and development	26,169	20,534
Donations to Research Foundations	500	-
Total operating expenses	131,375	105,847
Income from operations	85,361	67,240
Other income (expenses):		
Gain on extinguishment of debt	-	529
Interest income (expense), net	(1,683)	(2,549)
Other, net (note 12)	990	1,907
Total other income (expenses), net	(693)	(113)
Income before income taxes	84,668	67,127
Income taxes (note 13)	27,384	21,398
Net income	\$57,284	\$45,729
Basic earnings per share	US\$1.70	US\$1.38
Diluted earnings per share	US\$1.63	US\$1.33
Basic earnings per CDI	US\$0.170	US\$0.138
Diluted earnings per CDI	US\$0.163	US\$0.133
Basic shares outstanding	33,694	33,054
Diluted shares outstanding	35,125	34,439

Notes to the consolidated statement of financial performance are contained in Form 10-K for year ended June 30, 2004.

Consolidated Statement of Financial Position

As at 30 June 2004

(Rule 4.3A Item No. 4)

	June 30, 2004	June 30, 2003
	US\$000's	US\$000's
Assets		
Current assets:		
Cash and cash equivalents	128,907	\$114,491
Marketable securities available for sale (note 4)	12,021	6,533
Accounts receivable, net of allowance for doubtful accounts of \$3,197 and \$2,474 at June 30, 2004 and 2003, respectively	67,242	56,694
Inventories, net (note 5)	55,797	49,386
Deferred income taxes (note 13)	7,041	8,301
Prepaid expenses and other current assets	6,821	6,500
Total current assets	277,829	241,905
Property, plant and equipment, net of accumulated depreciation of \$60,330 and \$45,379 at June 30, 2004 and 2003 respectively (note 7)	147,268	104,687
Patents, net of accumulated amortization of \$4,961 and \$3,437 at June 30, 2004 and 2003, respectively	4,814	3,745
Goodwill (note 8)	106,075	102,160
Other assets	8,173	7,098
Total non-current assets	266,330	217,690
Total assets	\$544,159	\$459,595
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$18,574	\$19,368
Accrued expenses (note 9)	22,591	19,140
Deferred Revenue	8,759	6,355
Income taxes payable	8,470	3,408
Current portion of deferred profit on sale-leaseback	2,197	2,312
Total current liabilities	60,591	50,583
Non-current liabilities:		
Deferred revenue	8,819	7,210
Convertible subordinated notes (note 10)	113,250	113,250
Deferred profit on sale-leaseback	-	2,119
Total non-current liabilities	122,069	122,579
Total liabilities	182,660	173,162
Commitments and contingencies (notes 16 and 18)	-	-
Stockholders' equity: (note 11)		
Preferred stock, \$.01 par value, 2,000,000 shares authorized; none issued	-	-
Series A Junior Participating preferred stock, \$0.01 par value, 250,000 shares authorized; none issued	-	-
Common stock, \$.004 par value, 100,000,000 shares authorized; Issued and outstanding 33,858,272 at June 30, 2004 and 33,370,885 at June 30, 2003 (excluding 886,369 and 415,365 shares held as Treasury Stock respectively)	135	134
Additional paid-in capital	132,875	107,432
Retained earnings	217,656	160,372
Treasury stock	(30,440)	(11,415)
Accumulated other comprehensive income	41,273	29,910
Total stockholders' equity	361,499	286,433
Total liabilities and stockholders' equity	\$544,159	\$459,595

Notes to the consolidated statement of financial position are contained in Form 10-K for year ended June 30, 2004.

Consolidated Statement of Cash Flows

For the year ended 30 June 2004

(Rule 4.3A Item No. 5)

	June 30, 2004	June 30, 2003
	US\$000's	US\$000's
Cash flows from operating activities:		
Net income	\$57,284	\$45,729
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	17,867	12,583
Provision for service warranties	213	332
Deferred income taxes	1,259	2,002
Foreign currency options revaluation	982	(2,117)
Deferred borrowing costs	804	834
Tax benefit from stock options exercised	5,105	4,250
Gain on extinguishment of debt	-	(529)
Release of profit on sale of building	(2,440)	(2,012)
Changes in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable, net	(13,129)	(6,102)
Inventories, net	(6,722)	(2,988)
Prepaid expenses and other current assets	15	(2,333)
Accounts payable, accrued expenses and other liabilities	15,303	9,635
Net cash provided by operating activities	76,541	59,284
Cash flows from investing activities:		
Purchases of property, plant and equipment	(57,246)	(25,635)
Purchases of marketable securities - available for sale	(78,890)	(13,544)
Proceeds from sale of marketable securities - available for sale	73,376	26,845
Patent registration costs	(2,358)	(1,560)
Business acquisitions, net of cash acquired	(184)	(300)
Purchases of non-trading investments	(1,535)	(1,625)
Proceeds from sale of non-trading investments	-	3,936
Net cash provided by (used in) investing activities	(66,837)	(11,883)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net	20,341	9,031
Repayment of borrowings	-	-
Proceeds from borrowings, net of borrowing costs	-	-
Redemption of borrowings, convertible note	-	(9,217)
Purchases of treasury stock	(19,027)	(3,542)
Installment payment for property purchase	-	(12,609)
Net cash provided by (used in) financing activities	1,314	(16,337)
Effect of exchange rate changes on cash	3,398	10,567
Net increase in cash and cash equivalents	14,416	41,631
Cash and cash equivalents at beginning of the year	114,491	72,860
Cash and cash equivalents at end of the year	\$128,907	\$114,491
Supplemental disclosure of cash flow information:		
Income taxes paid	\$15,141	\$21,308
Interest paid	4,530	4,530
Fair value of assets acquired in acquisitions	95	-
Liabilities assumed	-	-
Goodwill on acquisition	89	300
Fair value of shares issued for acquisitions	-	-
Cash paid for acquisition, including acquisition costs	\$184	\$300

Notes to the consolidated statement of cash flows are contained in Form 10-K for year ended June 30, 2004.

Dividend details

(Rule 4.3A Item Nos. 6 & 7)

Not applicable as the company has for the time being a no-dividend policy.

Consolidated retained earnings reconciliation

(Rule 4.3A Item No. 8)

Retained Profits	US\$000's
Opening balance 1 July 2003	160,372
Net profit for the year	57,284
Closing balance 30 June 2004	<u>217,656</u>

Net tangible assets per security

(Rule 4.3A Item No. 9)

	30/06/04	30/06/03
Net tangible assets per share	US\$7.40	US\$5.41
Net tangible assets per CDI	A\$1.06	A\$0.80

Details of entities over which control was gained during the year

(Rule 4.3A Item No.10)

Nil

Details of entities over which control was lost during the year

(Rule 4.3A Item No. 10)

Nil

Details of associates and joint ventures

(Rule 4.3A Item No. 11)

Nil

Any other significant information

(Rule 4.3A Item No.12)

Nil

Foreign entities
(Rule 4.3A Item No. 13)

US GAAP

Commentary on results
(Rule 4.3A Item No. 14)

Refer Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, in our Form 10K for the year ended June 30, 2004.

Statement in relation to accounts which have been audited
(Rule 4.3A Item No. 15)

The information included within this report and the attached Form 10-K have been subject to an independent audit by the external auditors.

Date 31 August 2004
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Signature /s/ **ADRIAN M. SMITH**
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Name Adrian M. Smith
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Title Senior Vice President Finance & Chief Financial Officer
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