Resmed

Q4 FY26 Earnings Call

August 6, 2026

Presentation of financial information & forward-looking statements

Historical financial and operating data in this presentation reflect the consolidated results of ResMed Inc. ("Resmed"), 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 Gross Profit, non-GAAP Gross Margin, 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 outlook. The words "believe," "expect," "intend," "anticipate," "will continue," "will," "estimate," "plan," "future" and other similar expressions, and negative statements of such expressions, generally identify forward-looking statements, including, in particular, statements regarding expectations of future revenue or earnings, expenses, new product development, new product launches, new markets for our products, the integration of acquisitions, our supply chain, domestic and international regulatory developments, litigation, outlook, and the expected impact of macroeconomic conditions on our business.

We have not included a reconciliation for forward-looking non-GAAP financial measures where we are unable to provide a meaningful or accurate calculation or estimation of reconciling items, and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the occurrence and the financial impact of various items that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, we are unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

Resmed's expectations, beliefs, and forecasts are expressed in good faith and are believed to have a reasonable basis, but actual results could differ materially from those stated or implied by these forward-looking statements due to risks, uncertainties, and other factors. Resmed assumes no obligation to update the forward-looking information in this presentation, whether as a result of new information, future events, or otherwise. For further discussion of the various factors that could impact actual events or results, please review the "Risk Factors" identified in Resmed's quarterly and annual reports filed with the SEC. All forward-looking statements included in this presentation should be considered in the context of these risks. Investors and prospective investors are cautioned not to unduly rely on our forward-looking statements.

Strong results in Q4 closed out another great fiscal year

	Q4 FY26	FY26
Total Revenue	$1.5B 9% HL YoY growth 8% CC YoY growth	$5.7B 10% HL YoY growth 8% CC YoY growth
Non-GAAP EPS	$2.95 16% YoY growth	$11.17 17% YoY growth
Free Cash Flow	$404M $287M Returned to Shareholders[1]	$1.6B $1B Returned to Shareholders[1]

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Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: See reconciliation to GAAP in Appendix.
Note: CC = constant currency. HL = headline. YoY = year-over-year.
[1] Includes share buybacks and dividends paid.

Resmed key areas of focus

Resmed

1

Operational and Innovation Excellence

2

Active Portfolio Management

3

Invest in Business and Return Capital to Shareholders

$

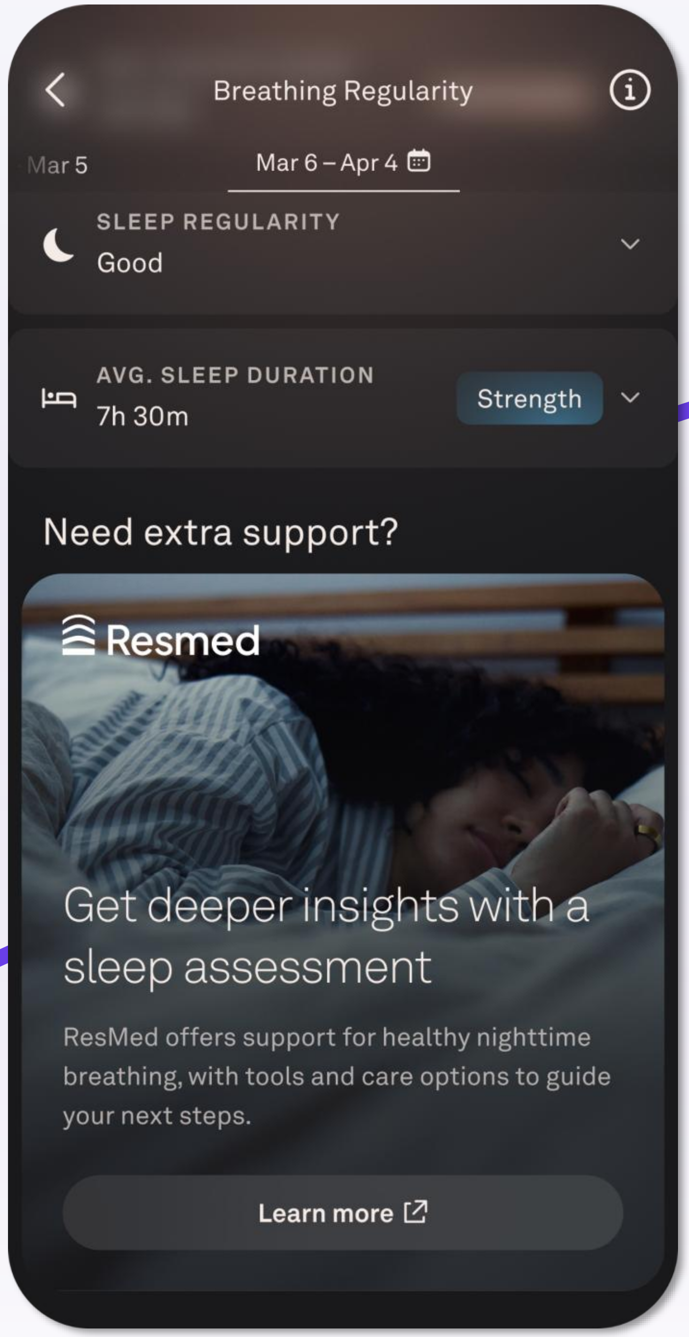
Key areas of focus that will continue contributing to Resmed's growth and transformation

Improvement of sleep pathway through key partnerships

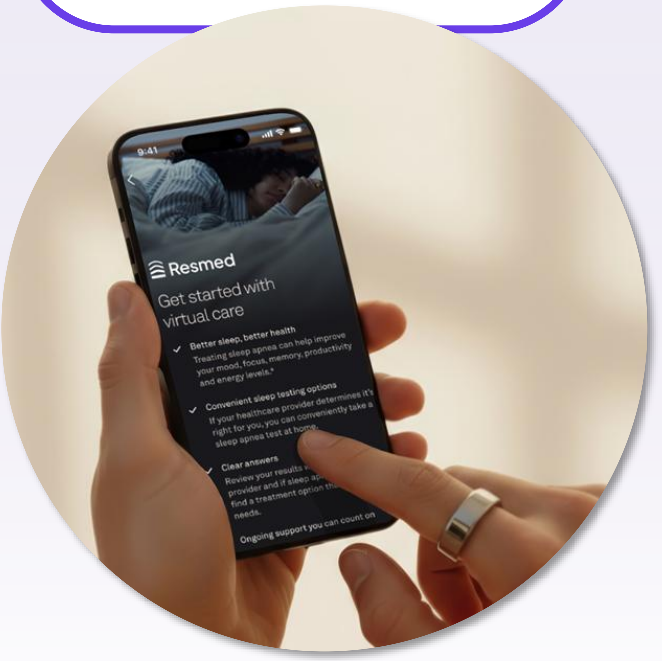
Resmed + ŌURA partnered to expand access to sleep health education and care:

1 Oura member experiences a higher number of nighttime breathing disturbances

2 Member is referred to Resmed's resources, including a sleep assessment



3 Member has the option to connect with independent provider, virtually or in person



4 **Potential Resmed patient**

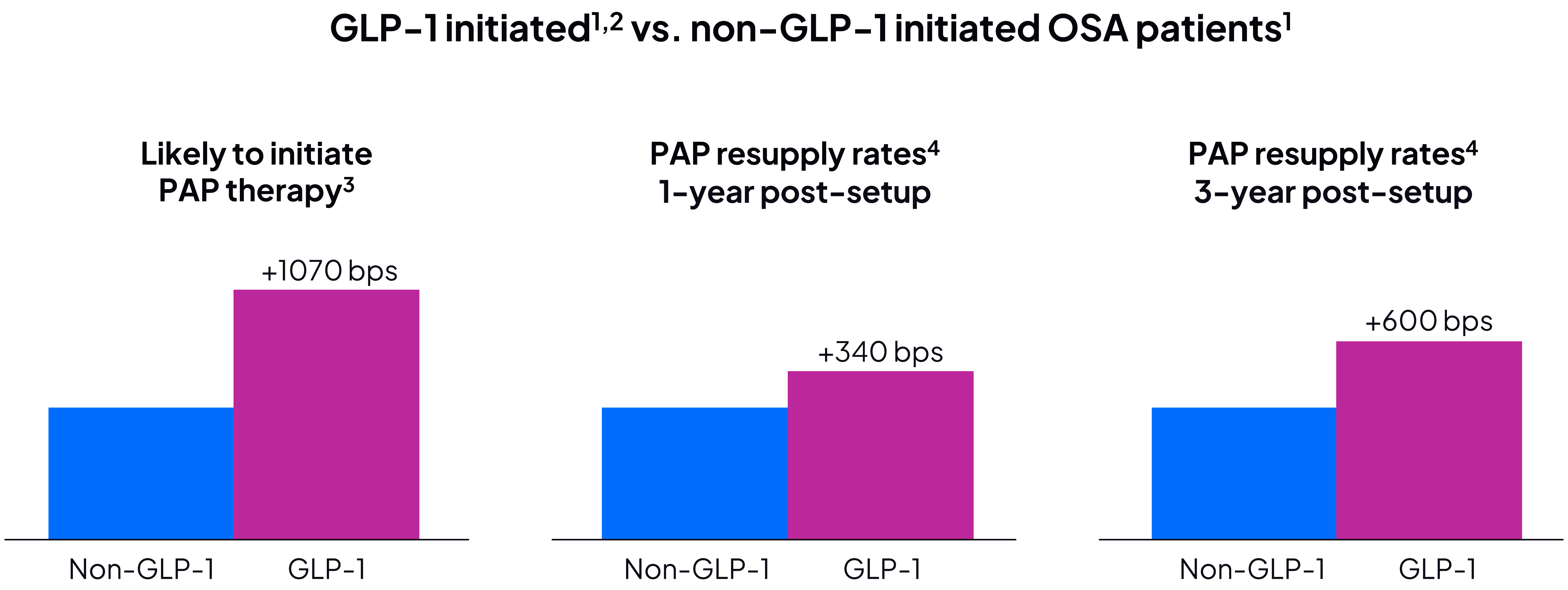
Resmed + ŌURA Early KPIs:

~13K Resmed.com visits

75% of assessment takers undiagnosed

Real-world data analysis now shows >2.5M patients on GLP-1s both initiate CPAP more and stay on therapy

Patients with an OSA diagnosis ***and*** prescribed a GLP-1 drug are **more likely** to initiate PAP therapy and have **higher PAP resupply rates**



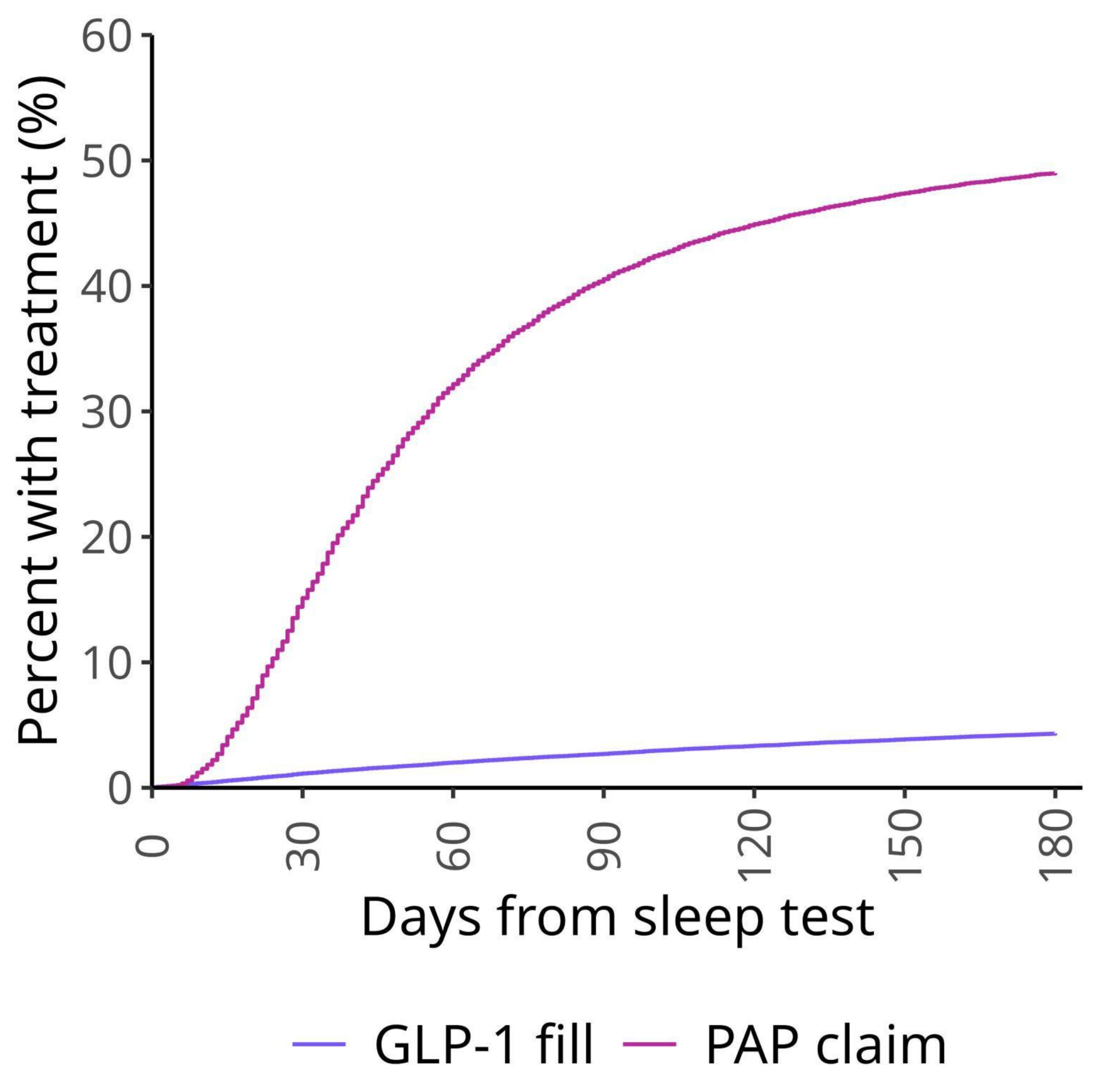
Large real-world data analysis: <u>n = 2,593,000 patients</u> with GLP-1 initiation, sleep apnea diagnosis, and Rx for PAP therapy[5]

Source: IQVIA LRX data and Diagnostic claims, July 2021 – March 2026.
[1] Total patients with an OSA diagnosis claim from July 2021 – March 2026; those who were diagnosed with OSA prior to July 2021 are not included in this analysis.
[2] GLP-1 initiation is defined by presence of GLP-1 claim at any point from July 2021 – March 2026 (n=2,593k patients); initiation does not demonstrate GLP-1 treatment adherence, so patients may not be actively taking GLP-1s today.
[3] Values show absolute percentage difference in presence of any PAP-related claim from July 2021 – March 2026 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.
[4] Values show absolute percentage difference in presence of any PAP-related claim at each timepoint post PAP setup from July 2021 – March 2026 comparing OSA patients who used GLP-1s versus OSA patients with no GLP-1 use.
[5] Majority of patients in the analysis population were prescribed newer GLP-1 drugs: semaglutide or tirzepatide.

PAP Leads GLP-1s in OSA treatment initiation

- ✓ Among newly diagnosed OSA patients, PAP was initiated **earlier** than GLP-1s
- ✓ At 90 days after a positive OSA diagnosis, **>40% of patients had started on PAP** vs. **<3% on a GLP-1**
- ✓ The proportion of patients with PAP **increased faster** after diagnosis than GLP-1 initiations

Time from sleep test to receipt of therapy after label expansion, by therapy[1]



PAP

Increased ***rapidly immediately*** after diagnosis

GLP

Gradual increase after OSA diagnosis

Source: Sterling KL, et al. PAP therapy and GLP-1 use before and after medication label expansion to treat OSA. Presented at SLEEP conference, June 2026.
[1] Includes data from CY2025, N=~179K.

We are seeing demographic shifts in our OSA patient population toward more women and younger patients

Female patients represent a larger share of new patient starts (+4 pts vs. 2019)

Since 2015, patients under 44 have become a larger share of new starts

These trends inform Resmed's promotional efforts, our product designs, and our educational content

Source: IQVIA data.

Clinicians are highly engaged with Resmed education programs focused on sleep

✓ >95,000 CME courses completed

Up ~15K

✓ By >55,000 clinicians

Up ~10K

✓ With ~77% Saying they intend to change their clinical practices with regards to OSA

Note: Data as of June 30, 2026.
Note: Data compares Q4 FY26 values vs. Q3 FY26 values.

Resmed is an innovation machine

Devices

AirSense™ 11 and AirCurve™ 11 ST/ST-A

- AirSense™ 11 most recently launched in China and Taiwan

AirSense™ 11

- AirCurve™ 11 ST/ST-A launched in the U.S.

AirCurve 11™ ST
Designed to support noninvasive ventilation

AirCurve 11™ ST-A
Expanded modes for patients whose ventilatory needs may change over time

Masks

AirTouch™ N30i

- Fabric-wrapped nasal mask designed to deliver exceptional comfort, more natural sleep experience

AirTouch™ N30i

AirTouch™ F30i

- Fabric-based full-face mask with two variants – Clear and Comfort

AirTouch™ F30i

AirFit™ F40

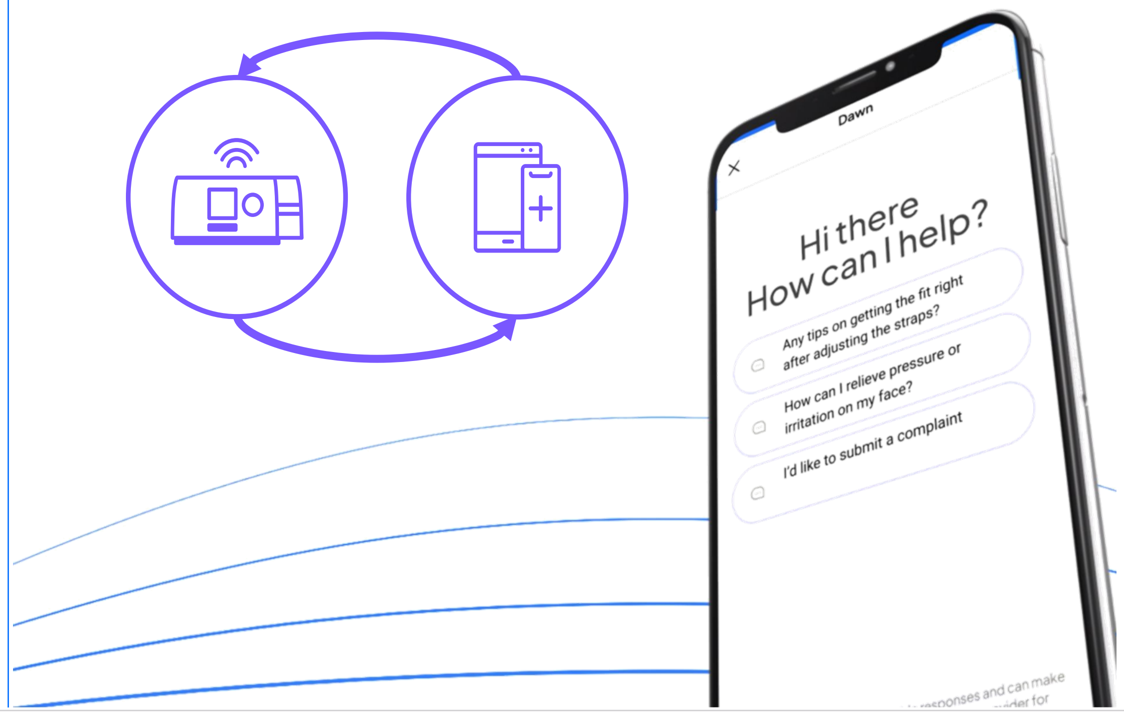
- Minimalist design gaining share in full-face masks
- Higher compliance vs. prior generation

AirFit™ F40

Digital

Dawn™

- Our digital sleep coach in **myAir™**, had **>1.5M** inquiries since beta release
- Allows patients to see their symptoms and interpret them in seconds
- **Dawn™** is our best-in-class, active 24/7, in-house AI concierge leveraging **28B** nights of sleep data across **35M** cloud connected devices[1]



[1] Data as of June 30, 2026. Additional data points in Appendix.

Active portfolio management: sharpening focus on growth areas

ACQUISITION

Noctrix Health

Closed June 1, 2026

FDA De Novo classified medical device for refractory moderate-to-severe Restless Legs Syndrome (RLS)

PURCHASE PRICE	FY27 REVENUE	FY27 EPS IMPACT
$340M	~$30M	~($0.20)
All-cash		*Non-GAAP diluted*

STRATEGIC RATIONALE

- ✓ RLS is the **#3 most-prevalent sleep disorder**, affecting **~17M adults in the U.S.**[1]
- ✓ Nidra is prescribed by **sleep physicians** and distributed by the same **HME/DME channels** as Resmed
- ✓ **Scarce, fast-growing asset**

DIVESTITURE

MatrixCare Business[2]

Announced July 7, 2026 | Expected close ~September 1, 2026

SALE PRICE	FY26 REVENUE	USE OF PROCEEDS
$490M	$220M	$450M
All-cash	***$58M non-GAAP op. profit***[3]	*Accelerated share repurchase*

STRATEGIC RATIONALE

- ✓ Sharpens focus on **growth areas:** sleep health, breathing health, and connected, home-based healthcare
- ✓ Accelerates growth & profitability of remaining RCS **(Brightree + MEDIFOX DAN)**
- ✓ In **fiscal year 2027**, RCS to deliver **high single-digit revenue growth**, with **operating leverage**

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Note: Data as of June 30, 2026.
[1] Source: J Glob Health 2024;14:04113; Lancet Respiratory Medicine Aug 2025.
[2] Includes MatrixCare, HEALTHCAREfirst, Citus, and select home health and hospice solutions.
[3] Resmed provides no GAAP outlook for operating profit.

Accelerating shareholder returns; confident in our 5-year outlook

Shareholder Returns

- ✓ ***Accelerating*** our share repurchase activity in FY27
- ✓ ***Increased*** our quarterly dividend **10%** to **$0.66 per share**

5-Year Global Outlook

High single digits

% Revenue Growth

Earnings growth higher than revenue growth

Underpinned by 2030 Strategy:

+ Increasing overall market growth via accelerating demand generation
+ Optimizing the patient pathway to diagnosis and therapy
+ Delivering on our pipeline of next-generation products
+ Continuing to drive operating excellence

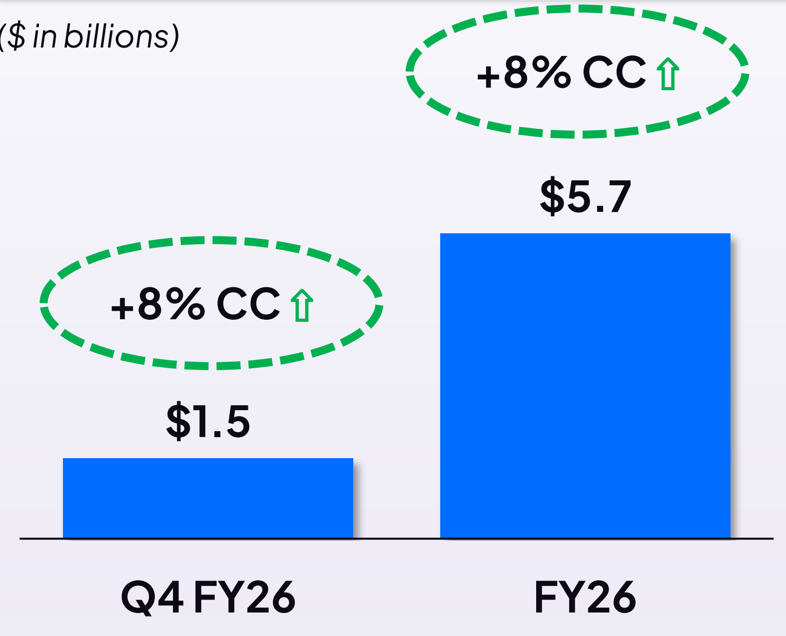
Q4

Financial Results and FY 2027 Guidance

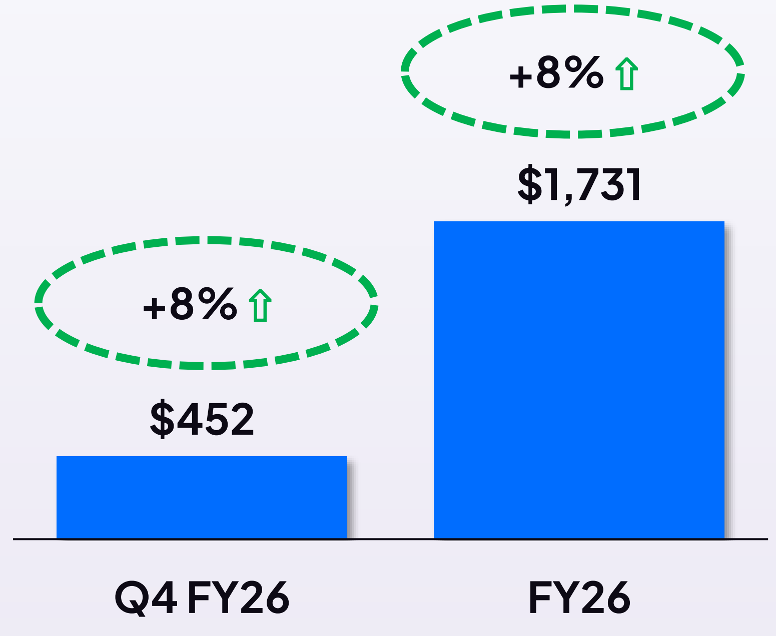
Q4 FY26 Global revenue results

Total Revenue

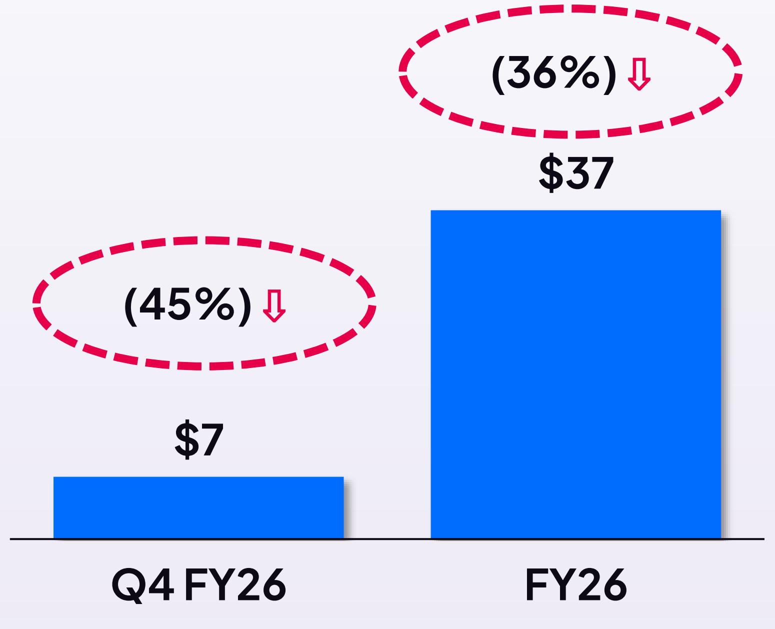
($ in billions)



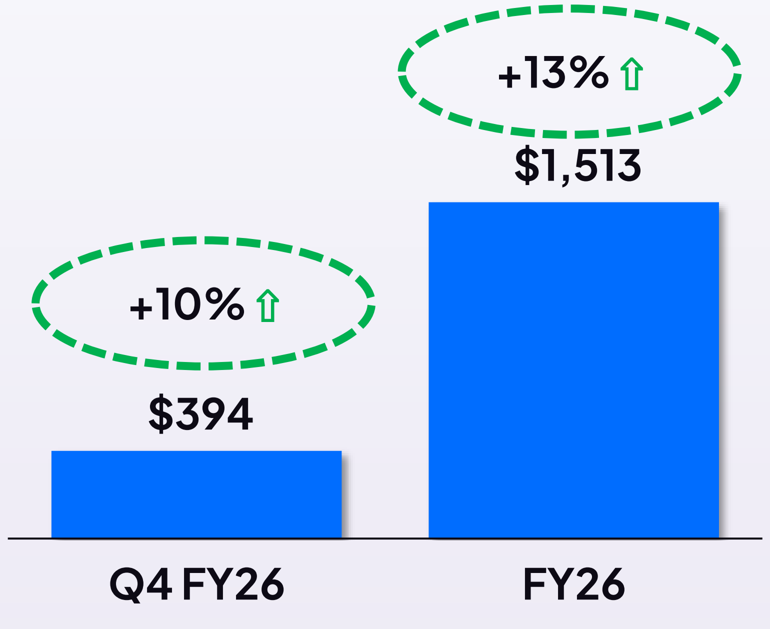
Americas Sleep Devices Revenue



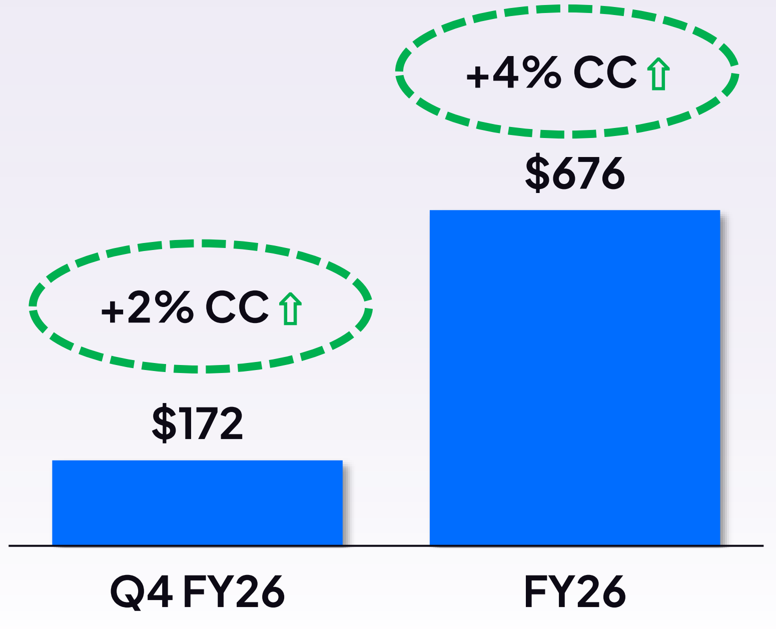
Americas Life Support Devices Revenue



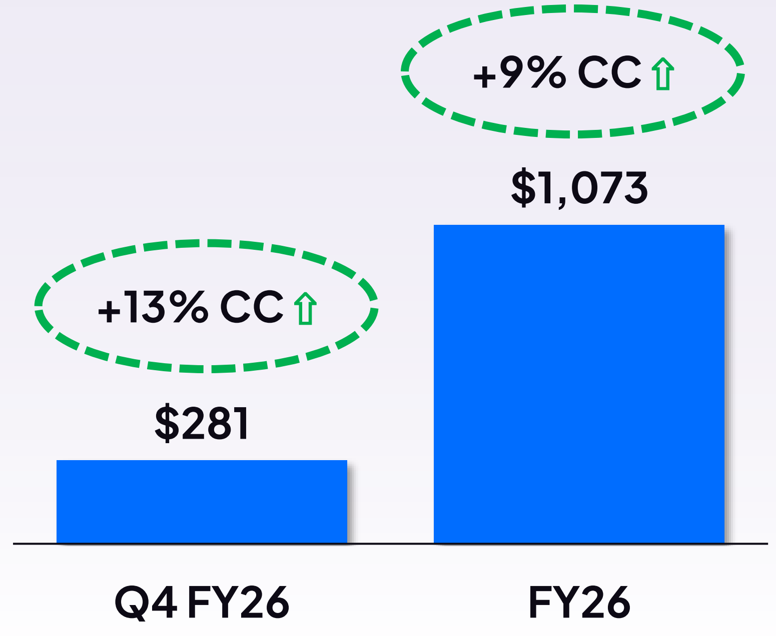
Americas Masks & Other Revenue



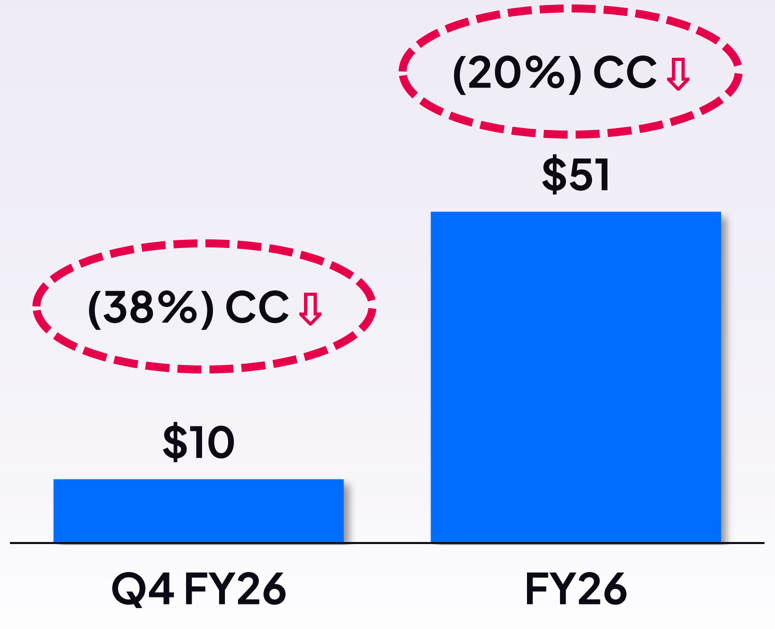
Residential Care Software



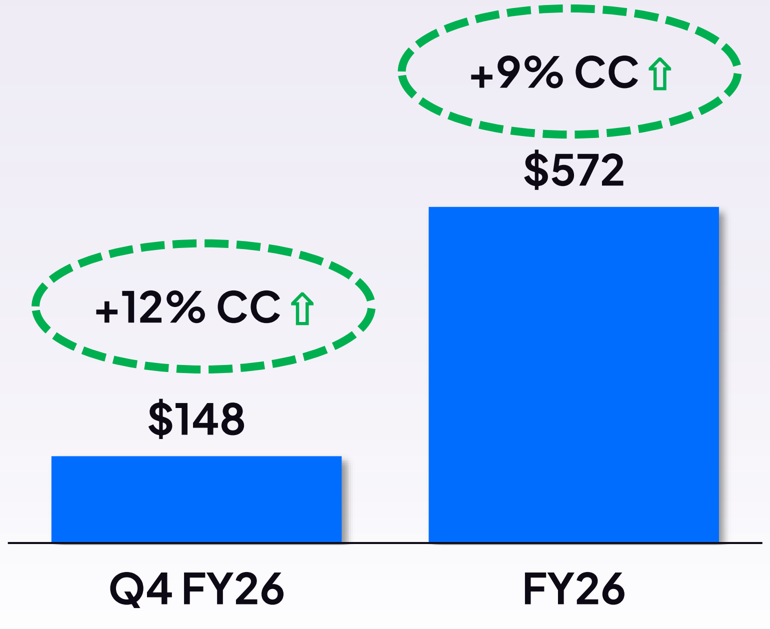
RoW Sleep Devices Revenue



RoW Life Support Devices Revenue



RoW Masks & Other Revenue



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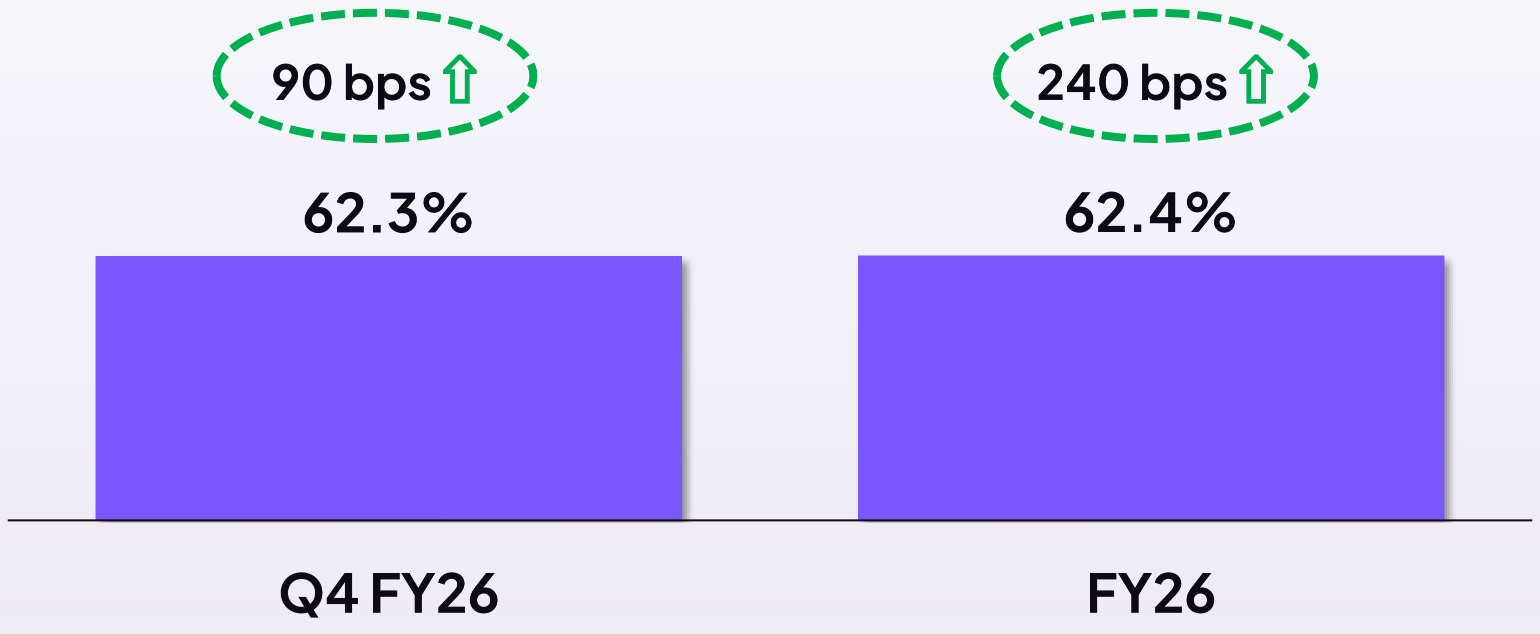
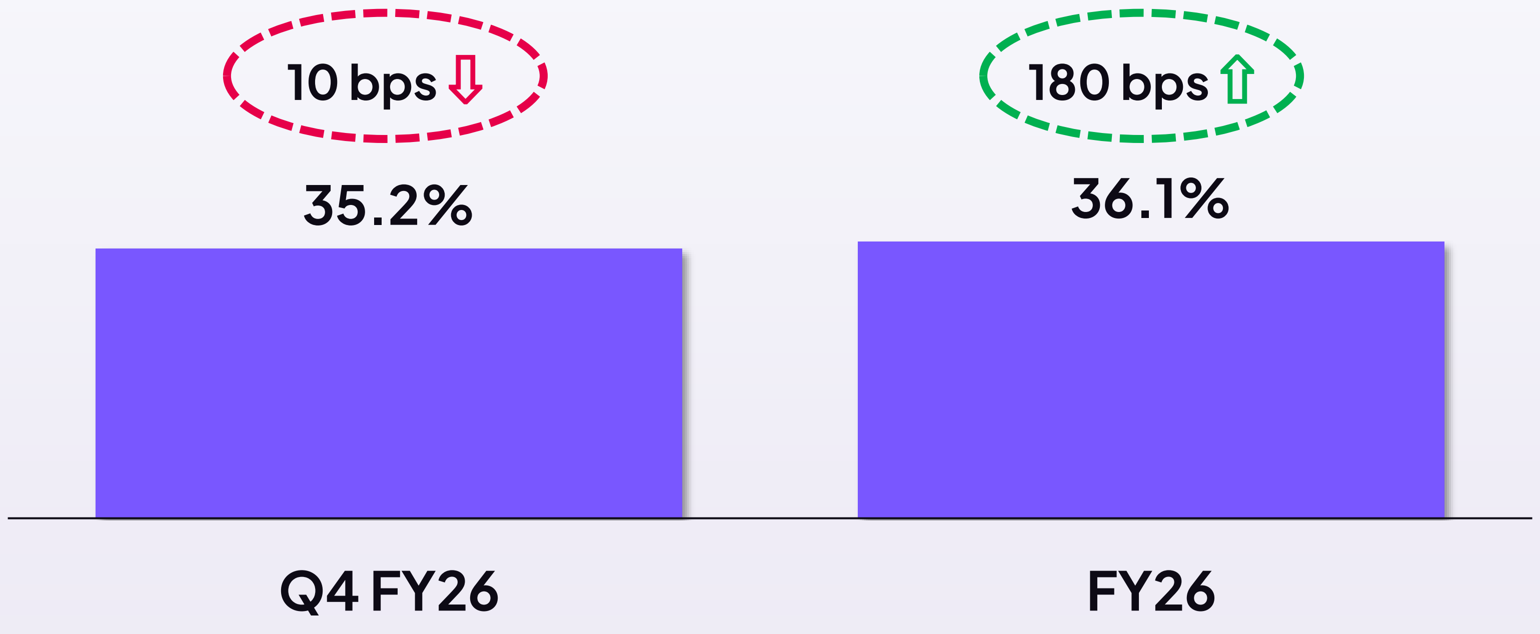
Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: See reconciliation to GAAP in Appendix. All $ in millions, unless noted otherwise.
Note: All growth rates for the quarter are on a YoY HL basis and in CC where noted.
Note: CC = constant currency. HL = headline. RoW = Rest of World. YoY = year-over-year.

Q4 FY26 Rest of P&L

Non-GAAP Gross Margin[1]

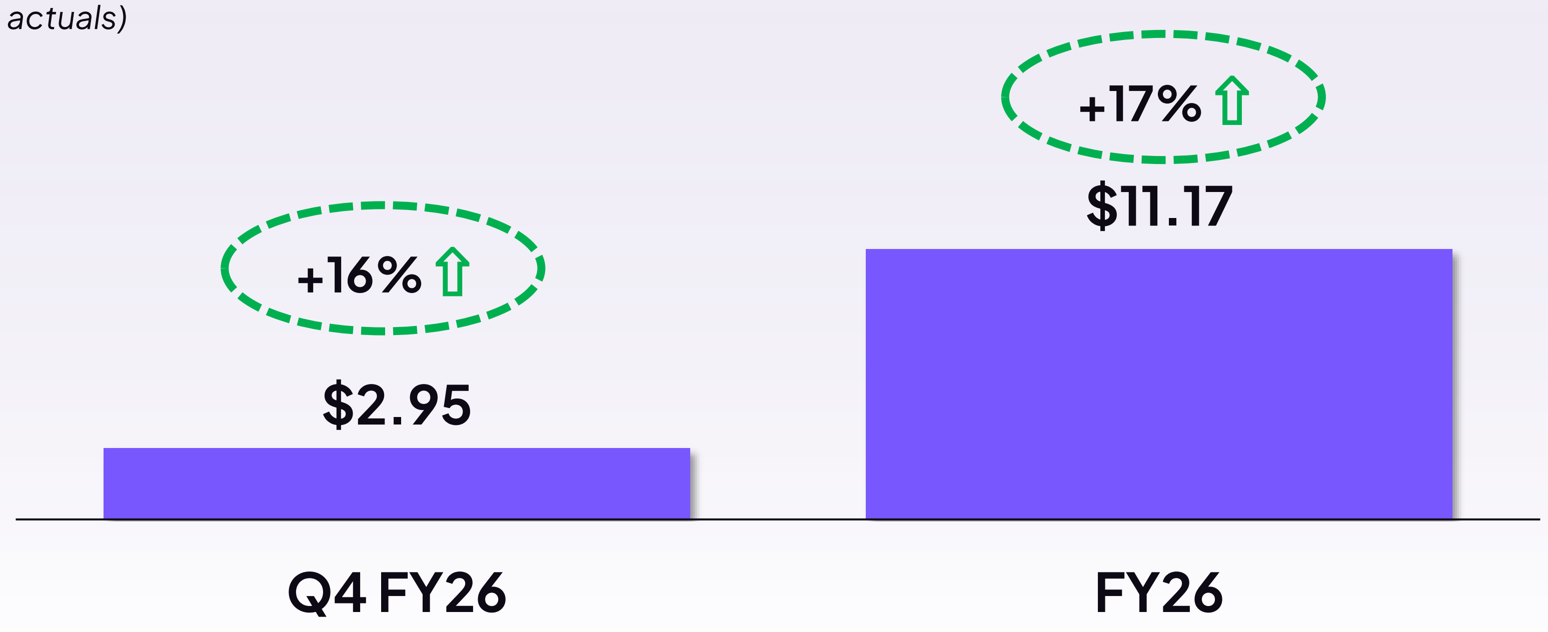


Non-GAAP Operating Margin



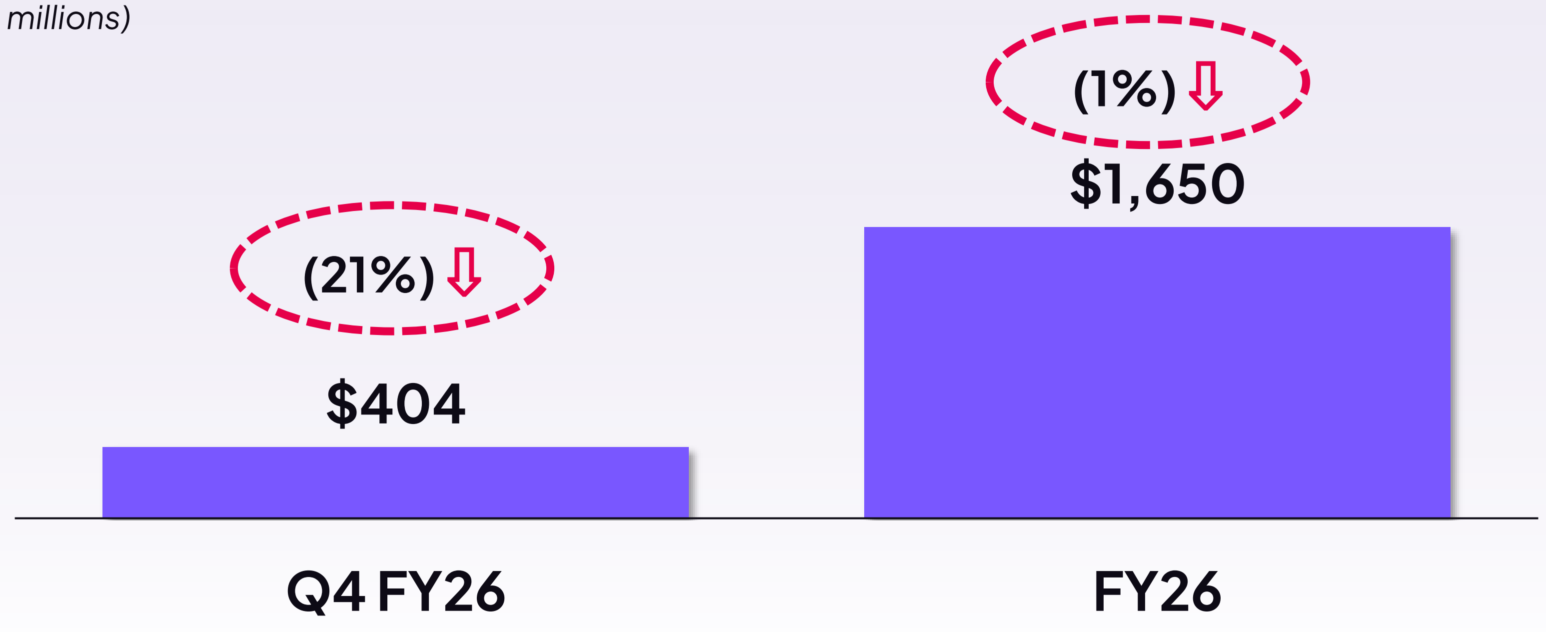
Non-GAAP Earnings Per Share

($ in actuals)



Free Cash Flow[2]

($ in millions)



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Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: See reconciliation to GAAP in Appendix. HL = headline. YoY = year-over-year.

[1] $42M provision for expected costs associated with a field safety notice on Astral devices excluded.
[2] $42M provision for expected costs associated with a field safety notice on Astral devices included.

Executed against our strategic priorities in 2026

Operational and Innovation Excellence

DISCIPLINED MARGIN EXECUTION

Gross Margin Expansion

Continued productivity/pipeline execution and manufacturing/supply chain efficiencies

FLAGSHIP PRODUCT

AirSense 11 Global Rollout

Continued progress across international markets

INNOVATION FIRST

Resmed's First Fabric Masks

New category of comfort-first mask design

Active Portfolio Management

INTEGRATION

VirtuOx Integrated

Home-based diagnostics now embedded in platform

M&A: ACQUISITION

Noctrix Acquired

Sleep health TAM expansion into RLS therapy

M&A: DIVESTITURE

Announced MatrixCare Divestiture

Sharpening focus on core growth areas

Invest in Business and Return Capital to Shareholders

SHAREHOLDER RETURN

$1B returned to shareholders[1]

Increase of 72% vs prior fiscal year

DIVIDEND PAYOUT GROWTH

12% Increase YoY

$350M dividends paid

INVESTING IN OUR BUSINESS

$378M invested in R&D

Invested 7% in R&D to fuel future innovation and growth

Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: See reconciliation to GAAP in Appendix.
Note: YoY = year-over-year.
[1] Includes share buybacks and dividends paid.

FY27 Revenue guidance: core constant currency and headline

5% – 7%

YoY Core CC Revenue Growth

Includes ~130 bps (or) ~$75M headwind from Astral

For FY27 & FY26:

- Only 2 months of MatrixCare revenue **included**
- Noctrix revenue **excluded**

$5.75B – $5.85B

HL Total Revenue

For FY27:

- Only 2 months of MatrixCare revenue **included**
- Noctrix revenue **included**
- Assumes FX headwind of **~50 bps**

Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
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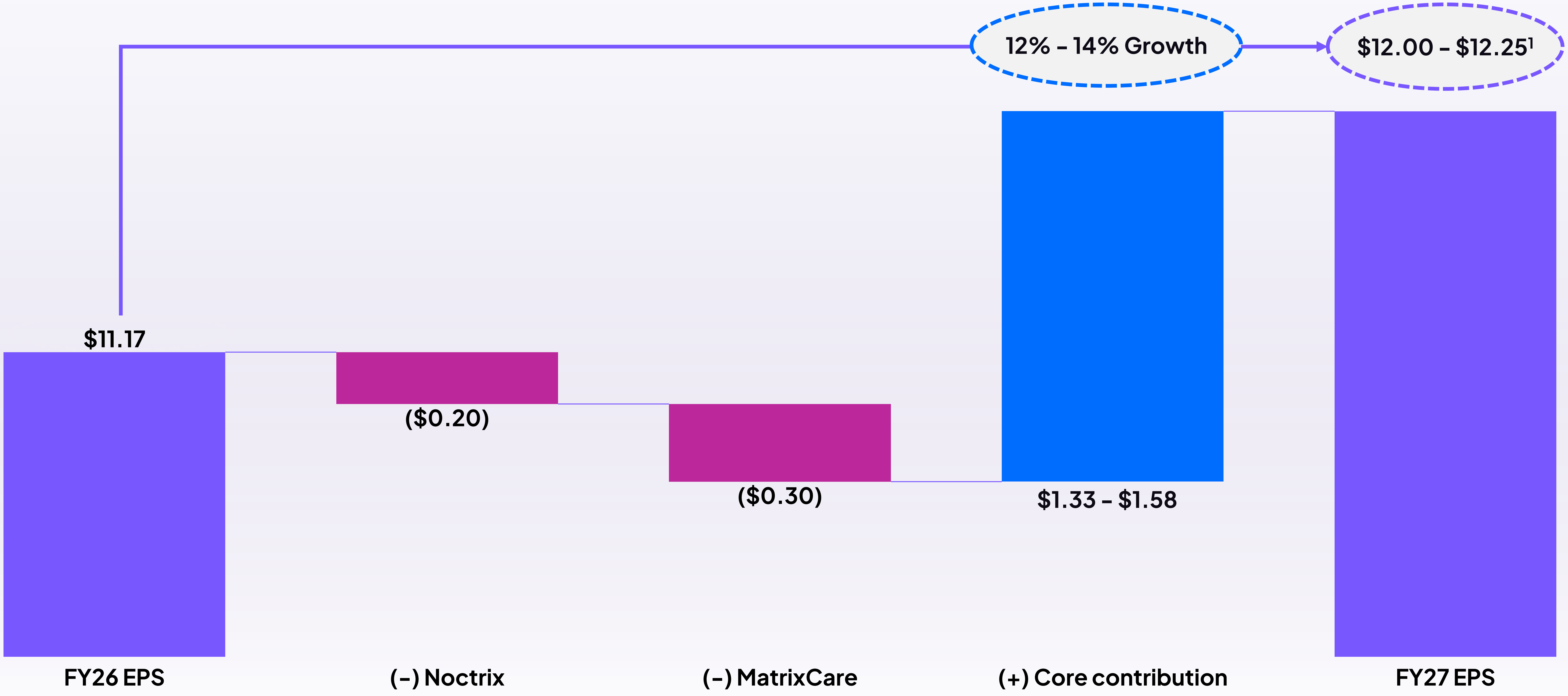
FY27 Fully diluted non-GAAP EPS guidance



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Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: All forward looking non-GAAP fully diluted EPS figures are approximates.
[1] Includes a total of ~$1.5 billion in share repurchases, including a $450 million ASR.

FY27 P&L guidance considerations

Margin Expansion

- ✓ Expect low double-digit basis point **non-GAAP gross margin expansion**
  - Impacts from inflation across **electronic** components and **freight**, more than offset by continued **productivity**, efficiencies, and **strategic pricing**
- ✓ Guidance also assumes a **slight increase in non-GAAP operating margin**
  - Ongoing focus on **re-investing** in R&D and Marketing areas with **high ROI, high impact**

MaxtrixCare Business[1] Update

$220M
FY26 Revenue

$58M
FY26 Non-GAAP Operating Profit

Entered into Transition Service Agreements (TSAs)

- ✓ Ensure continuity across systems, processes, tools, and day-to-day operations
- ✓ Expected to largely offset stranded costs in year one post-close
- ✓ Remaining stranded costs to be mitigated and removed over time

Resmed

Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: Resmed provides non-GAAP outlook for operating profit.
[1] Includes MatrixCare, HEALTHCAREfirst, Citus, and select home health and hospice solutions.

Disciplined capital allocation strategy supports both business growth *and* return of capital to shareholders

Strategic Growth Priorities

↕

Capital Returns to Shareholders

CapEx Priorities	FY27 capital expenditures of $160-180 million, supporting automation expansion and manufacturing footprint to address growing global demand
Pursue M&A	Tuck-in size acquisitions: up to ~$500 million purchase price
Support Dividends	FY27 quarterly dividend increased 10% to $0.66 per share, with a progressive dividend policy
Share Repurchases	FY27 share repurchases ~$1.5 billion, including $450M ASR

Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.

Q1 FY27 Preliminary trends

Core Constant Currency Revenue Down
QoQ

Q1 revenue typically down a few percentage points sequentially from Q4

Gross Margin Slightly Contracting
YoY

Gross margin to expand low double-digit basis points in FY27

Operating Expenses Roughly Flat
QoQ

Note: Data as of June 30, 2026. Resmed's fiscal year end is June 30th.
Note: QoQ = quarter-over-quarter. YoY = year-over-year.

Chief Financial Officer key priorities

Growth

- Expanding the sleep opportunity
- Optimizing the patient experience
- Investing in the highest-ROI R&D and marketing initiatives

Transformation

- Disciplined capital allocation
- Leveraging AI and technology
- Finance transformation

Shareholder Returns

- Enhanced transparency
- Commitment to dividend and opportunistic buybacks
- Evaluating capital structure

Resmed remains a highly compelling investment opportunity

Resmed

- Large, underpenetrated, and growing target market
- Well-positioned to drive growth and serve more patients
- Differentiated financial profile delivering sustained shareholder value

Contact Investor Relations

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Email: InvestorRelations@Resmed.com
Website: Investor.Resmed.com

Resmed

APPENDIX

Large, underpenetrated total addressable market = long runway for growth

2.7B+ People

MARKET FOR DEVICES	MARKET FOR MASKS
Growing in the **mid-single digits globally**	Growing in the **high-single digits globally**

Underpenetrated OSA Market[1]

<20% U.S.

<10% Rest of World

OSA patients diagnosed or treated

U.S. OSA Prevalence to Increase[2]

~77M adults by 2050

~35% From 2020

GLP-1s impact limited (4%)

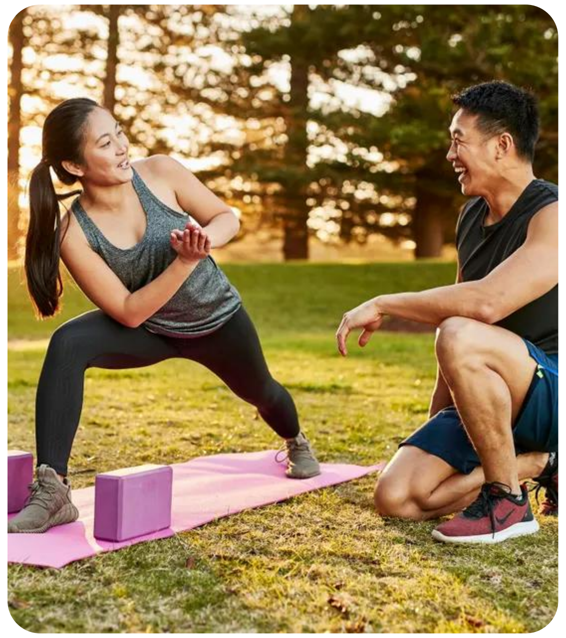
DRIVERS

Aging | Higher average BMIs | 65% relative increase in prevalence in women

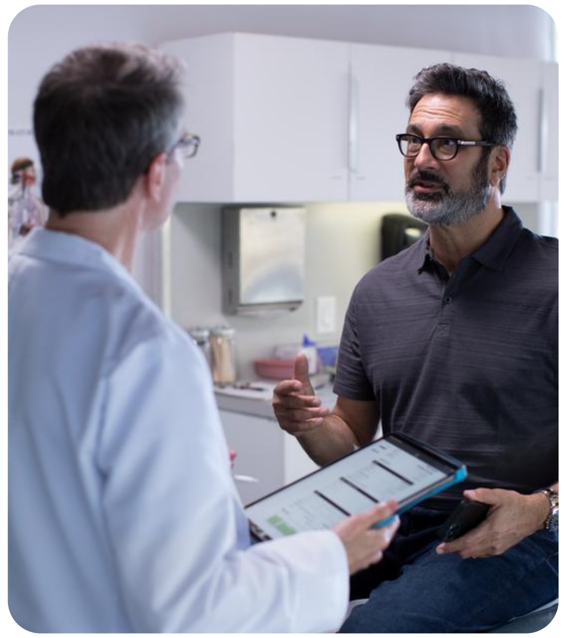
Sources (Lives in TAM):
Sleep apnea – 936M, Benjafield et al Lancet Respir Med 2019
Insomnia – Sleep Medicine Reviews, Benjafield et al., August 2025
COPD – 480M, Boers et al JAMA Network Open 2023
Sleep Stats from Resmed 2026 sleep survey https://sleepsurvey.resmed.com/

1. Resmed 2025 10-K
2. Resmed and Lancet Respiratory Medicine August 2025

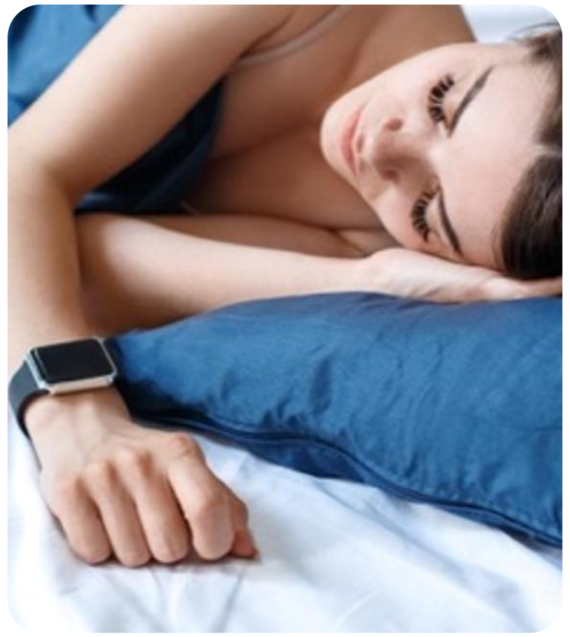
Key megatrends are driving patients and providers to Resmed's ecosystem



Consumers are more **focused on their health** than ever before

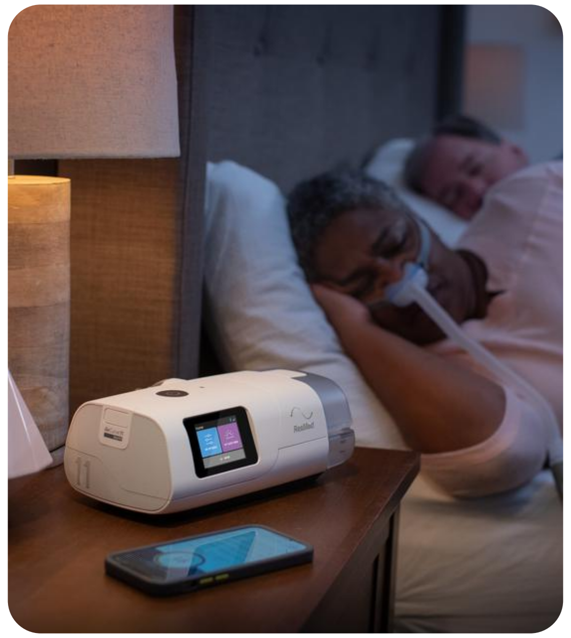


Widespread adoption of GLP-1 medications **increases awareness of sleep apnea**

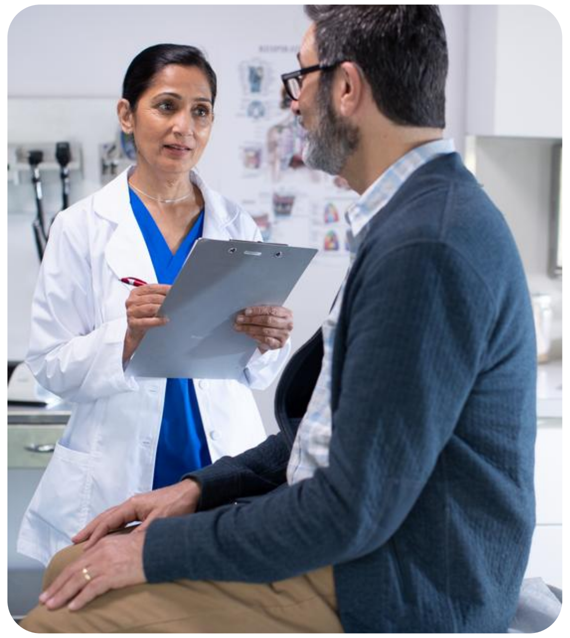


Wearables spotlight **sleep apnea and sleep quality in general**

Consumers demand an **elevated experience** for healthcare products



AI and digital health are changing how healthcare is delivered



Massive pressure on healthcare systems; **payers / providers are laser-focused on preventative care**[1]

[1] Study published in SLEEP in 2026 involving 370k+ patients (including those with co-existing chronic diseases COPD, type 2 diabetes, depression, heart failure, and atrial fibrillation) and the medXcloud academic-industry collaborative, found (a) a consistent, dose-dependent reduction in hospitalizations and ER visits across all 5 comorbidity groups; (b) benefits emerging at just 2 to <4 hours of average nightly PAP use; (c) each additional hour of PAP use linked to a 4.1-6.2% reduction in healthcare utilization over 12-24 months ($p < 0.0001$).

Unmatched scale in connected respiratory & digital health

More than **28 billion nights** of respiratory medical data (**up ~2B**)

37+ million — Up ~1M
patients in AirView™

35+ million — Up ~1M
100% cloud connectable devices worldwide

4.8+ million — Up ~0.2M
diagnostic tests processed in the cloud

182+ million — Up ~4M
accounts in Residential Care Software network

470+ API — ~Flat
calls per second from integrators

12.5+ million — Up ~0.6M
patients have signed up for myAir™

Note: Data as of June 30, 2026.
Note: Data compares Q4 FY26 values vs. Q3 FY26 values.
Note: All metrics are cumulative since their respective launch, with the exception of the API calls per second from integrators.

2030 Strategy

OUR VISION
We envision a world where every person can achieve their full potential through better sleep and breathing, with care delivered in their own home

OUR MISSION
We create life-changing health technologies that people love

OUR FOCUS AREAS
Sleep Health
Breathing Health
Health Tech at Home

OUR STRATEGY
We will create products people love *as well as* seamless, personalized pathways for access to life-changing care

OUR KEY CAPABILITIES
Empower our teams
Prioritize AI
Build trust

OUR FINANCIAL GOAL
We will achieve industry leading growth and profitability

OUR GLOBAL IMPACT
Our goal is to empower 500M people worldwide to achieve their full potential in 2030

Resmed

OUR VALUES
- Resolute integrity
- Resourceful innovation
- Responsible quality
- Respectful diversity
- Resounding impact

OUR BEHAVIORS
- Drive collaboration
- Develop people
- Optimize for Resmed
- Lead others with purpose
- Own the results

Reconciliation of non-GAAP financial measures

The measures “non-GAAP gross profit” and “non-GAAP gross margin” exclude amortization expense from acquired intangibles and field safety notification expenses and are reconciled below:

(Unaudited; $ in thousands, except for per share amounts)

	Three Months Ended		Twelve Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
Revenue	$ 1,463,647	$ 1,347,993	$ 5,653,443	$ 5,146,327
GAAP cost of sales	$ 602,431	$ 527,923	$ 2,201,704	$ 2,091,357
Less: Amortization of acquired intangibles [(A)]	(8,301)	(9,367)	(31,779)	(32,116)
Less: Masks with magnets field safety notification expenses [(A)]	—	1,512	—	1,512
Less: Astral field safety notification expenses [(A)]	(41,885)	—	(41,885)	—
Non-GAAP cost of sales	$ 552,245	$ 520,068	$ 2,128,040	$ 2,060,753
GAAP gross profit	$ 861,216	$ 820,070	$ 3,451,739	$ 3,054,970
GAAP gross margin	58.8 %	60.8 %	61.1 %	59.4 %
Non-GAAP gross profit	$ 911,402	$ 827,925	$ 3,525,403	$ 3,085,574
Non-GAAP gross margin	62.3 %	61.4 %	62.4 %	60.0 %

Note regarding non-GAAP reconciliations

(A) Resmed adjusts for the impact of the amortization of acquired intangibles, field safety notification expenses, restructuring expenses, gains on previously held equity investments, acquisition and portfolio review related expenses and associated effects, in addition to benefits from business cessation, and the effect of interest and penalties on refunds from their evaluation of ongoing operations, and believes that investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

Resmed believes that non-GAAP diluted earnings per share is an additional measure of performance that investors can use to compare operating results between reporting periods. Resmed uses non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. Resmed believes this information provides investors better insight when evaluating Resmed’s performance from core operations and provides consistent financial reporting. The use of non-GAAP measures is intended to supplement, and not to replace, the presentation of net income and other GAAP measures. Like all non-GAAP measures, non-GAAP earnings are subject to inherent limitations because they do not include all the expenses that must be included under GAAP.

Reconciliation of non-GAAP financial measures (cont'd)

The measures "non-GAAP selling, general, and administrative expenses" and "non-GAAP selling, general, and administrative expenses as a percentage of revenues" exclude acquisition and portfolio review related expenses and are reconciled below:

(Unaudited; $ in thousands, except for per share amounts)

	Three Months Ended		Nine Months Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Revenue	$ 1,463,647	$ 1,347,993	$ 5,653,443	$ 5,146,327
GAAP selling, general, and administrative	296,283	267,156	1,119,528	993,050
Less: Acquisition and portfolio review related expenses (A)	(5,628)	(2,031)	(11,486)	(2,031)
Non-GAAP selling, general, and administrative	290,655	265,125	1,108,042	991,019
As a percentage of revenue:				
GAAP selling, general, and administrative expenses	20.2 %	19.8 %	19.8 %	19.3 %
Non-GAAP selling, general, and administrative expenses	19.9 %	19.7 %	19.6 %	19.3 %

Note regarding non-GAAP reconciliations

(A) Resmed adjusts for the impact of the amortization of acquired intangibles, field safety notification expenses, restructuring expenses, gains on previously held equity investments, acquisition and portfolio review related expenses and associated effects, in addition to benefits from business cessation, and the effect of interest and penalties on refunds from their evaluation of ongoing operations, and believes that investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

Resmed believes that non-GAAP diluted earnings per share is an additional measure of performance that investors can use to compare operating results between reporting periods. Resmed uses non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. Resmed believes this information provides investors better insight when evaluating Resmed's performance from core operations and provides consistent financial reporting. The use of non-GAAP measures is intended to supplement, and not to replace, the presentation of net income and other GAAP measures. Like all non-GAAP measures, non-GAAP earnings are subject to inherent limitations because they do not include all the expenses that must be included under GAAP.

Reconciliation of non-GAAP financial measures (cont'd)

The measure "non-GAAP income from operations" is reconciled with GAAP income from operations below:

(Unaudited; $ in thousands, except for per share amounts)

	Three Months Ended		Twelve Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
GAAP income from operations	$ 448,708	$ 454,543	$ 1,886,715	$ 1,685,363
Amortization of acquired intangibles—cost of sales (A)	8,301	9,367	31,779	32,116
Amortization of acquired intangibles—operating expenses (A)	10,499	11,928	45,466	45,273
Restructuring (A)	—	—	21,745	—
Masks with magnets field safety notification expenses (A)	—	(1,512)	—	(1,512)
Astral field safety notification expenses (A)	41,885	—	41,885	—
Acquisition and portfolio review related expenses (A)	5,628	2,031	11,486	2,031
Non-GAAP income from operations	$ 515,021	$ 476,357	$ 2,039,076	$ 1,763,271

Note regarding non-GAAP reconciliations

(A) Resmed adjusts for the impact of the amortization of acquired intangibles, field safety notification expenses, restructuring expenses, gains on previously held equity investments, acquisition and portfolio review related expenses and associated effects, in addition to benefits from business cessation, and the effect of interest and penalties on refunds from their evaluation of ongoing operations, and believes that investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

Resmed believes that non-GAAP diluted earnings per share is an additional measure of performance that investors can use to compare operating results between reporting periods. Resmed uses non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. Resmed believes this information provides investors better insight when evaluating Resmed's performance from core operations and provides consistent financial reporting. The use of non-GAAP measures is intended to supplement, and not to replace, the presentation of net income and other GAAP measures. Like all non-GAAP measures, non-GAAP earnings are subject to inherent limitations because they do not include all the expenses that must be included under GAAP.

Reconciliation of non-GAAP financial measures (cont'd)

The measures "non-GAAP net income" and "non-GAAP diluted earnings per share" are reconciled with GAAP net income and GAAP diluted earnings per share in the table below:

(Unaudited; $ in thousands, except for per share amounts)

	Three Months Ended		Twelve Months Ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
GAAP net income	$ 383,432	$ 379,705	$ 1,523,293	$ 1,400,723
Amortization of acquired intangibles—cost of sales (A)	8,301	9,367	31,779	32,116
Amortization of acquired intangibles—operating expenses (A)	10,499	11,928	45,466	45,273
Restructuring expenses (A)	—	—	21,745	—
Gain on previously held equity investment(A)	(4,353)	—	(4,353)	—
Masks with magnets field safety notification expenses (A)	—	(1,512)	—	(1,512)
Astral field safety notification expenses (A)	41,885	—	41,885	—
Acquisition and portfolio review related expenses (A)	5,628	2,031	11,486	2,031
Tax benefit from business cessation(A)	—	(21,430)	—	(21,430)
Income tax effect of interest and penalties on income tax refunds (A)	—	—	—	(29,976)
Income tax effect on non-GAAP adjustments (A)	(17,059)	(5,544)	(39,453)	(20,448)
Non-GAAP net income (A)	$ 428,333	$ 374,545	$ 1,631,848	$ 1,406,777
GAAP diluted shares outstanding	144,976	147,037	146,054	147,340
GAAP diluted earnings per share	$ 2.64	$ 2.58	$ 10.43	$ 9.51
Non-GAAP diluted earnings per share (A)	$ 2.95	$ 2.55	$ 11.17	$ 9.55

Note regarding non-GAAP reconciliations

(A) Resmed adjusts for the impact of the amortization of acquired intangibles, field safety notification expenses, restructuring expenses, gains on previously held equity investments, acquisition and portfolio review related expenses and associated effects, in addition to benefits from business cessation, and the effect of interest and penalties on refunds from their evaluation of ongoing operations, and believes that investors benefit from adjusting these items to facilitate a more meaningful evaluation of current operating performance.

Resmed believes that non-GAAP diluted earnings per share is an additional measure of performance that investors can use to compare operating results between reporting periods. Resmed uses non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. Resmed believes this information provides investors better insight when evaluating Resmed's performance from core operations and provides consistent financial reporting. The use of non-GAAP measures is intended to supplement, and not to replace, the presentation of net income and other GAAP measures. Like all non-GAAP measures, non-GAAP earnings are subject to inherent limitations because they do not include all the expenses that must be included under GAAP.