UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2025

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _______to _______

Commission File Number: 001-15317

ResMed Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)
98-0152841
(I.R.S. Employer Identification No.)
9001 Spectrum Center Blvd.
San Diego, CA 92123
United States of America
(Address of principal executive offices, including zip code)
(858) 836-5000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.004 per share	RMD	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	x	Accelerated Filer	o
Non-Accelerated Filer	o	Smaller Reporting Company	o
Emerging Growth Company	o		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

At April 21, 2025 there were 146,627,399 shares of Common Stock ($0.004 par value) outstanding. This number excludes 43,507,013 shares held by the registrant as treasury shares.

RESMED INC. AND SUBSIDIARIES

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Item 1. Financial Statements

RESMED INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets (Unaudited)
(In US$ and in thousands, except share and per share data)

	March 31, 2025	June 30, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 932,711	$ 238,361
Accounts receivable, net of allowances of $19,825 and $21,132 at March 31, 2025 and June 30, 2024, respectively	907,825	837,275
Inventories (note 3)	862,641	822,250
Prepaid expenses and other current assets (note 3)	505,243	459,833
Total current assets	3,208,420	2,357,719
Non-current assets:		
Property, plant and equipment, net (note 3)	535,339	548,025
Operating lease right-of-use assets	152,603	151,121
Goodwill (note 4)	2,848,921	2,842,055
Other intangible assets, net (note 3)	430,109	485,904
Deferred income taxes	216,796	203,569
Prepaid taxes and other non-current assets	174,634	284,001
Total non-current assets	4,358,402	4,514,675
Total assets	$ 7,566,822	$ 6,872,394
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 222,561	$ 237,728
Accrued expenses	386,325	377,678
Operating lease liabilities, current	28,749	25,278
Deferred revenue	160,445	152,554
Income taxes payable	132,530	107,517
Short-term debt, net (note 7)	9,906	9,900
Total current liabilities	940,516	910,655
Non-current liabilities:		
Deferred revenue	151,090	137,343
Deferred income taxes	78,983	79,339
Operating lease liabilities, non-current	137,991	141,444
Other long-term liabilities	48,983	42,257
Long-term debt, net (note 7)	663,126	697,313
Total non-current liabilities	1,080,173	1,097,696
Total liabilities	2,020,689	2,008,351
Commitments and contingencies (note 9)		
Stockholders' equity:		
Preferred stock, $0.01 par value, 2,000,000 shares authorized; none issued	—	—
Common stock, $0.004 par value, 350,000,000 shares authorized; 190,125,788 issued and 146,618,775 outstanding at March 31, 2025 and 189,565,112 issued and 146,901,045 outstanding at June 30, 2024	761	588
Additional paid-in capital	1,990,137	1,896,604
Retained earnings	5,779,375	4,991,647
Treasury stock, at cost, 43,507,013 shares at March 31, 2025 and 42,664,067 shares at June 30, 2024	(1,973,284)	(1,773,267)
Accumulated other comprehensive loss	(250,856)	(251,529)
Total stockholders' equity	5,546,133	4,864,043
Total liabilities and stockholders' equity	$ 7,566,822	$ 6,872,394

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations (Unaudited)
(In US$ and in thousands, except per share data)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Nine Months Ended March 31, 2025	Nine Months Ended March 31, 2024
Net revenue - Sleep and Breathing Health products	$ 1,130,575	$ 1,049,023	$ 3,323,905	$ 3,029,915
Net revenue - Residential Care Software	161,161	147,957	474,429	432,187
Net revenue	1,291,736	1,196,980	3,798,334	3,462,102
Cost of sales - Sleep and Breathing Health products	469,536	448,434	1,394,157	1,353,615
Cost of sales - Residential Care Software	48,347	47,953	146,527	143,735
Cost of sales (exclusive of amortization shown separately below)	517,883	496,387	1,540,684	1,497,350
Amortization of acquired intangible assets - Sleep and Breathing Health products	1,182	1,054	3,622	4,294
Amortization of acquired intangible assets - Residential Care Software	6,262	6,758	19,126	20,682
Amortization of acquired intangible assets	7,444	7,812	22,748	24,976
Total cost of sales	525,327	504,199	1,563,432	1,522,326
Gross profit	766,409	692,781	2,234,902	1,939,776
Selling, general, and administrative	245,302	229,919	725,894	674,948
Research and development	83,944	77,074	244,840	226,664
Amortization of acquired intangible assets	10,895	11,204	33,345	35,259
Restructuring expenses (note 11)	—	—	—	64,228
Total operating expenses	340,141	318,197	1,004,079	1,001,099
Income from operations	426,268	374,584	1,230,823	938,677
Other income (loss), net:				
Interest (expense) income, net	793	(11,026)	(1,643)	(39,787)
Gain (loss) attributable to equity method investments (note 5)	335	440	2,375	(2,716)
Gain (loss) on equity investments (note 5)	(5,647)	13,919	(7,765)	11,429
Other, net	(4,056)	(2,496)	(4,277)	(537)
Total other income (loss), net	(8,575)	837	(11,310)	(31,611)
Income before income taxes	417,693	375,421	1,219,513	907,066
Income taxes	52,652	74,929	198,495	178,351
Net income	$ 365,041	$ 300,492	$ 1,021,018	$ 728,715
Basic earnings per share (note 8)	$ 2.49	$ 2.04	$ 6.96	$ 4.96
Diluted earnings per share (note 8)	$ 2.48	$ 2.04	$ 6.93	$ 4.94
Dividend declared per share	$ 0.53	$ 0.48	$ 1.59	$ 1.44
Basic shares outstanding (000's)	146,719	146,959	146,797	147,056
Diluted shares outstanding (000's)	147,220	147,450	147,432	147,549

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive Income (Unaudited)
(In US$ and in thousands)

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	**2024**	**2025**	**2024**
Net income	$ 365,041	$ 300,492	$ 1,021,018	$ 728,715
Other comprehensive income, net of taxes:				
Unrealized gains (losses) on designated hedging instruments	(23,708)	77,503	(1,834)	40,519
Foreign currency translation gain (loss) adjustments	71,742	(134,457)	2,507	(33,297)
Comprehensive income	$ 413,075	$ 243,538	$ 1,021,691	$ 735,937

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Equity (Unaudited)
(In US$ and in thousands)

	Common Stock		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount		Shares	Amount			
Balance, June 30, 2024	**189,565**	**$ 588**	**$ 1,896,604**	**(42,664)**	**$ (1,773,267)**	**$ 4,991,647**	**$ (251,529)**	**$ 4,864,043**
Adjustment to common stock amount	—	170	(170)	—	—	—	—	—
Common stock issued on exercise of options	92	—	8,383	—	—	—	—	8,383
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	5	—	(389)	—	—	—	—	(389)
Treasury stock purchases	—	—	—	(222)	(50,005)	—	—	(50,005)
Stock-based compensation costs	—	—	20,156	—	—	—	—	20,156
Other comprehensive income (loss)	—	—	—	—	—	—	119,374	119,374
Net income	—	—	—	—	—	311,355	—	311,355
Dividends declared ($0.53 per common share)	—	—	—	—	—	(77,891)	—	(77,891)
Balance, September 30, 2024	**189,662**	**$ 758**	**$ 1,924,584**	**(42,886)**	**$ (1,823,272)**	**$ 5,225,111**	**$ (132,155)**	**$ 5,195,026**
Common stock issued on exercise of options	63	—	6,904	—	—	—	—	6,904
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	215	2	(16,736)	—	—	—	—	(16,734)
Common stock issued on employee stock purchase plan	109	—	19,973	—	—	—	—	19,973
Treasury stock purchases	—	—	—	(307)	(74,986)	—	—	(74,986)
Stock-based compensation costs	—	—	22,634	—	—	—	—	22,634
Other comprehensive income (loss)	—	—	—	—	—	—	(166,735)	(166,735)
Net income	—	—	—	—	—	344,622	—	344,622
Dividends declared ($0.53 per common share)	—	—	—	—	—	(77,695)	—	(77,695)
Balance, December 31, 2024	**190,049**	**$ 760**	**$ 1,957,359**	**(43,193)**	**$ (1,898,258)**	**$ 5,492,038**	**$ (298,890)**	**$ 5,253,009**
Common stock issued on exercise of options	74	1	9,022	—	—	—	—	9,023
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	3		(364)	—	—	—	—	(364)
Stock-based compensation costs	—	—	24,120	—	—	—	—	24,120
Treasury stock purchases				(314)	(75,026)	—	—	(75,026)
Other comprehensive income (loss)	—	—	—	—	—		48,034	48,034
Net income	—	—	—	—	—	365,041	—	365,041
Dividends declared ($0.53 per common share)	—	—	—	—	—	(77,704)	—	(77,704)
Balance, March 31, 2025	**190,126**	**$ 761**	**$ 1,990,137**	**(43,507)**	**$ (1,973,284)**	**$ 5,779,375**	**$ (250,856)**	**$ 5,546,133**

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Changes in Equity (Unaudited)
(In US$ and in thousands)

	Common Stock		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares	Amount		Shares	Amount			
Balance, June 30, 2023	**188,901**	**$ 588**	**$ 1,772,083**	**(41,836)**	**$ (1,623,256)**	**$ 4,253,016**	**$ (272,528)**	**$ 4,129,903**
Common stock issued on exercise of options	17	—	983	—	—	—	—	983
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	3	—	(225)	—	—	—	—	(225)
Stock-based compensation costs	—	—	18,510	—	—	—	—	18,510
Other comprehensive income (loss)	—	—	—	—	—	—	(47,620)	(47,620)
Net income	—	—	—	—	—	219,422	—	219,422
Dividends declared ($0.48 per common share)	—	—	—	—	—	(70,597)	—	(70,597)
Balance, September 30, 2023	**188,921**	**$ 588**	**$ 1,791,351**	**(41,836)**	**$ (1,623,256)**	**$ 4,401,841**	**$ (320,148)**	**$ 4,250,376**
Common stock issued on exercise of options	24	—	1,557	—	—	—	—	1,557
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	163	1	(7,798)	—	—	—	—	(7,797)
Common stock issued on employee stock purchase plan	151	1	17,966	—	—	—	—	17,967
Treasury stock purchases	—	(2)	2	(336)	(50,007)	—	—	(50,007)
Stock-based compensation costs	—	—	19,840	—	—	—	—	19,840
Other comprehensive income (loss)	—	—	—	—	—	—	111,796	111,796
Net income	—	—	—	—	—	208,800	—	208,800
Dividends declared ($0.48 per common share)	—	—	—	—	—	(70,678)	—	(70,678)
Balance, December 31, 2023	**189,259**	**$ 588**	**$ 1,822,918**	**(42,172)**	**$ (1,673,263)**	**$ 4,539,963**	**$ (208,352)**	**$ 4,481,854**
Common stock issued on exercise of options	54	—	4,679	—	—	—	—	4,679
Common stock issued on vesting of restricted stock units, net of shares withheld for tax	6	—	(314)	—	—	—	—	(314)
Common stock issued on employee stock purchase plan	—	—	213	—	—	—	—	213
Treasury stock purchases	—	—	—	(260)	(50,000)	—	—	(50,000)
Stock-based compensation costs	—	—	20,442	—	—	—	—	20,442
Other comprehensive income (loss)	—	—	—	—	—	—	(56,954)	(56,954)
Net income	—	—	—	—	—	300,492	—	300,492
Dividends declared ($0.48 per common share)	—	—	—	—	—	(70,492)	—	(70,492)
Balance, March 31, 2024	**189,319**	**$ 588**	**$ 1,847,938**	**(42,432)**	**$ (1,723,263)**	**$ 4,769,963**	**$ (265,306)**	**$ 4,629,920**

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In US$ and in thousands)

	Nine Months Ended March 31, 2025	Nine Months Ended March 31, 2024
Cash flows from operating activities:		
Net income	$ 1,021,018	$ 728,715
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	134,845	133,192
Amortization of right-of-use assets	26,678	28,262
Stock-based compensation costs	66,910	58,792
(Gain) loss attributable to equity method investments (note 5)	(2,375)	2,716
(Gain) loss on equity investments (note 5)	7,765	(11,429)
Non-cash restructuring expenses (note 11)	—	33,239
Changes in operating assets and liabilities:		
Accounts receivable	(71,469)	(76,755)
Inventories	(48,032)	163,294
Prepaid expenses, net deferred income taxes and other current assets	35,612	(98,976)
Accounts payable, accrued expenses, income taxes payable and other	41,870	96
Net cash provided by (used in) operating activities	1,212,822	961,146
Cash flows from investing activities:		
Purchases of property, plant and equipment	(59,280)	(74,579)
Patent registration and acquisition costs	(7,584)	(13,954)
Business acquisitions, net of cash acquired	(670)	(113,767)
Purchases of investments (note 5)	(4,403)	(9,692)
Proceeds from exits of investments (note 5)	4,378	250
Proceeds (payments) on maturity of foreign currency contracts	1,227	(11,533)
Net cash provided by (used in) investing activities	(66,332)	(223,275)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net	44,283	25,399
Taxes paid related to net share settlement of equity awards	(17,487)	(8,336)
Purchases of treasury stock	(200,017)	(100,007)
Payments of business combination contingent consideration	(855)	(1,293)
Proceeds from borrowings, net of borrowing costs	—	105,000
Repayment of borrowings	(35,000)	(535,000)
Dividends paid	(233,290)	(211,767)
Net cash provided by (used in) financing activities	(442,366)	(726,004)
Effect of exchange rate changes on cash	(9,774)	(1,848)
Net increase (decrease) in cash and cash equivalents	694,350	10,019
Cash and cash equivalents at beginning of period	238,361	227,891
Cash and cash equivalents at end of period	$ 932,711	$ 237,910
Supplemental disclosure of cash flow information:		
Income taxes paid, net of refunds	$ 197,835	$ 235,245
Interest paid	$ 21,503	$ 39,787
Fair value of assets acquired, excluding cash	$ —	$ 38,520
Liabilities assumed	—	(5,401)
Goodwill on acquisition	—	77,712
Deferred payments	—	(143)
Fair value of contingent consideration	1,525	4,372
Cash paid for acquisitions	$ 1,525	$ 115,060

See the accompanying notes to the unaudited condensed consolidated financial statements.

RESMED INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

(1) Summary of Significant Accounting Policies

Organization and Basis of Presentation

ResMed Inc. (referred to herein as "Resmed", “we”, “us”, “our” or the “Company”) is a Delaware corporation formed in March 1994 as a holding company for the Resmed Group. Through our subsidiaries, we design, manufacture and market equipment for the diagnosis and treatment of sleep-disordered breathing and other respiratory disorders, including obstructive sleep apnea. Our manufacturing operations are located in Australia, Singapore, Malaysia, France, China and the United States. Major distribution and sales sites are located in the United States, Germany, France, the United Kingdom, Switzerland, Australia, Japan, China, Finland, Norway and Sweden. We also operate a software as a service (“SaaS”) business in the United States and Germany that includes residential software platforms designed to support the professionals and caregivers who help people stay healthy in the home or care setting of their choice.

During the nine months ended March 31, 2025, we renamed our operating segments from Sleep and Respiratory Care to Sleep and Breathing Health and from Software as a Service to Residential Care Software in alignment with our 2030 strategy. There have been no changes in the preparation and disclosure of financial information by operating segment.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”) for interim financial information and with the instructions to Form 10-Q and the rules of the U.S. Securities and Exchange Commission (“SEC”). Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all necessary adjustments, which consisted only of normal recurring items, have been included in the accompanying financial statements to present fairly the results of the interim periods. The results of operations for the interim periods presented are not necessarily indicative of the results that may be expected for the fiscal year ending June 30, 2025.

The condensed consolidated financial statements for the three and nine months ended March 31, 2025 and March 31, 2024 are unaudited and should be read in conjunction with the consolidated financial statements and notes thereto included in our Annual Report on Form 10-K (our “Form 10-K”) for the year ended June 30, 2024.

Revenue Recognition

In accordance with Accounting Standard Codification (“ASC”) Topic 606, “Revenue from Contracts with Customers”, we account for a contract with a customer when there is a legally enforceable contract, the rights of the parties are identified, the contract has commercial substance, and collectability of the contract consideration is probable. We have determined that we have two operating segments, which are the sleep and respiratory disorders sector of the medical device industry (“Sleep and Breathing Health”) and the supply of business management SaaS to out-of-hospital care providers (“Residential Care Software”). Our Sleep and Breathing Health revenue relates primarily to the sale of our products that are therapy-based equipment. Some contracts include additional performance obligations such as the provision of extended warranties and provision of data for patient monitoring. Our Residential Care Software revenue relates to the provision of SaaS access with ongoing support and maintenance services as well as professional services such as training and consulting.

RESMED INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

Disaggregation of revenue

The following table summarizes our net revenue disaggregated by segment, product and region (in thousands):

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Nine Months Ended March 31, 2025	Nine Months Ended March 31, 2024
U.S., Canada and Latin America				
Devices	$ 422,660	$ 399,281	$ 1,221,643	$ 1,116,513
Masks and other	326,656	288,191	983,929	878,647
Total U.S., Canada and Latin America	$ 749,316	$ 687,472	$ 2,205,572	$ 1,995,160
Combined Europe, Asia and other markets				
Devices	$ 253,543	$ 238,919	$ 749,646	$ 692,411
Masks and other	127,716	122,632	368,687	342,344
Total Combined Europe, Asia and other markets	$ 381,259	$ 361,551	$ 1,118,333	$ 1,034,755
Global revenue				
Total Devices	$ 676,203	$ 638,200	$ 1,971,289	$ 1,808,924
Total Masks and other	454,372	410,823	1,352,616	1,220,991
Total Sleep and Breathing Health	**$ 1,130,575**	**$ 1,049,023**	**$ 3,323,905**	**$ 3,029,915**
Residential Care Software	**161,161**	**147,957**	**474,429**	**432,187**
Total	**$ 1,291,736**	**$ 1,196,980**	**$ 3,798,334**	**$ 3,462,102**

Performance obligations and contract balances

Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied; generally, this occurs with the transfer of risk and/or control of our products at a point in time. For products in our Sleep and Breathing Health business, we transfer control and recognize a sale when products are shipped to the customer in accordance with the contractual shipping terms. For our Residential Care Software business, revenue associated with cloud-hosted services are recognized as they are provided. We defer the recognition of a portion of the consideration received when performance obligations are not yet satisfied. Consideration received from customers in advance of revenue recognition is classified as deferred revenue. Performance obligations resulting in deferred revenue in our Sleep and Breathing Health business relate primarily to extended warranties on our devices and the provision of data for patient monitoring. Performance obligations resulting in deferred revenue in our Residential Care Software business relate primarily to the provision of software access with maintenance and support over an agreed term and material rights associated with future discounts upon renewal of some SaaS contracts. Generally, deferred revenue will be recognized over a period of one year to five years. Our contracts do not contain significant financing components.

The following table summarizes our contract balances (in thousands):

	March 31, 2025	June 30, 2024	Balance sheet caption
Contract assets			
Accounts receivable, net	$ 907,825	$ 837,275	Accounts receivable, net
Unbilled revenue, current	$ 51,632	$ 38,183	Prepaid expenses and other current assets
Unbilled revenue, non-current	$ 14,145	$ 18,450	Prepaid taxes and other non-current assets
Contract liabilities			
Deferred revenue, current	$ (160,445)	$ (152,554)	Deferred revenue (current liabilities)
Deferred revenue, non-current	$ (151,090)	$ (137,343)	Deferred revenue (non-current liabilities)

Transaction price determination

Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. In our Sleep and Breathing Health segment, the amount of consideration received and revenue recognized varies with changes in marketing incentives (e.g. rebates, discounts, free goods) and returns by our customers and their customers.

RESMED INC. AND SUBSIDIARIES
Notes to the Condensed Consolidated Financial Statements
(Unaudited)

When we give customers the right to return eligible products and receive credit, returns are estimated based on an analysis of our historical experience. Returns of products, excluding warranty-related returns, have historically been infrequent and insignificant. We adjust the estimate of revenue at the earlier of when the most likely amount of consideration can be estimated, the amount expected to be received changes, or when the consideration becomes fixed.

We offer our Sleep and Breathing Health customers cash or product rebates based on volume or sales targets measured over quarterly or annual periods. We estimate rebates based on each customer's expected achievement of its targets. In accounting for these rebate programs, we reduce revenue ratably as sales occur over the rebate period by the expected value of the rebates to be returned to the customer. Rebates measured over a quarterly period are updated based on actual sales results and, therefore, no estimation is required to determine the reduction to revenue. For rebates measured over annual periods, we update our estimates each quarter based on actual sales results and updated forecasts for the remaining rebate periods.

We participate in programs where we issue credits to our Sleep and Breathing Health distributors when they are required to sell our products below negotiated list prices if we have preexisting contracts with the distributors' customers. We reduce revenue for future credits at the time of sale to the distributor, which we estimate based on historical experience using the expected value method.

We also offer discounts to both our Sleep and Breathing Health as well as our Residential Care Software customers as part of normal business practice and these are deducted from revenue when the sale occurs.

When Sleep and Breathing Health or Residential Care Software contracts have multiple performance obligations, we generally use an observable price to determine the stand-alone selling price by reference to pricing and discounting practices for the specific product or service when sold separately to similar customers. Revenue is then allocated proportionately, based on the determined stand-alone selling price, to each performance obligation. An allocation is not required for many of our Sleep and Breathing Health contracts that have a single performance obligation, which is the shipment of our therapy-based equipment.

Accounting and practical expedient elections

We have elected to account for shipping and handling activities associated with our Sleep and Breathing Health segment as a fulfillment cost within cost of sales, and record shipping and handling costs collected from customers in net revenue. We have also elected for all taxes assessed by government authorities that are imposed on and concurrent with revenue-producing transactions, such as sales and value added taxes, to be excluded from revenue and presented on a net basis. We have adopted two practical expedients including the "right to invoice" practical expedient, which is relevant for some of our SaaS contracts as it allows us to recognize revenue in the amount of the invoice when it corresponds directly with the value of performance completed to date. The second practical expedient adopted permits relief from considering a significant financing component when the payment for the good or service is expected to be one year or less.

Lease Revenue

We lease Sleep and Breathing Health medical devices to customers primarily as a means to comply with local health insurer requirements in certain foreign geographies. Device rental contracts are classified as operating leases, and contract terms vary by customer and include options to terminate or extend the contract. When lease contracts also include the sale of masks and accessories, we allocate contract consideration to those items on a relative standalone price basis and recognize revenue when control transfers to the customer. Operating lease revenue was $24.2 million and $72.8 million for the three and nine months ended March 31, 2025 and $24.1 million and $69.8 million for the three and nine months ended March 31, 2024.

Recently Issued Accounting Standards Not Yet Adopted

ASU No. 2023-07 Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures

In November 2023, the Financial Accounting Standards Board (FASB) issued ASU No. 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which expands segment disclosures to include significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. While the ASU implements further segment disclosure requirements, it does not change how an entity identifies its operating or reportable segments and it will have no impact on our consolidated financial condition, results of operations or cash flows. This ASU is applicable to our Annual Report on Form 10-K for the fiscal year ended June 30, 2025, and subsequent interim periods. Early adoption is permitted and the amendments must be applied retrospectively to all prior periods presented.

ASU 2023-09 Income Taxes (Topic 740): Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which updates income tax disclosure requirements primarily by requiring specific categories and greater disaggregation within the rate reconciliation and disaggregation of income taxes paid. This ASU is applicable to our Annual Report on Form 10-K for the fiscal year ended June 30, 2026, with early application permitted. We are currently evaluating the impact of adopting this ASU on our consolidated financial statements and disclosures.

ASU 2024-03 Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU No. 2024-03, "Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which requires disclosure in the notes to the financial statements of specified information about certain costs and expenses, including amounts of purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each relevant expense caption, as well as a qualitative description of amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. ASU 2024-03 also requires disclosure of the total amount of selling expenses and, in annual periods, an entity's definition of selling expenses. This ASU is applicable to our Annual Report on Form 10-K for the fiscal year ended June 30, 2028, and subsequent interim periods. Early adoption is permitted and the amendments may be either applied prospectively to financial statements issued for reporting periods after the effective date of the amendment or retrospectively to all prior periods presented. We are currently evaluating the impact of adopting this ASU on our consolidated financial statements and disclosures.

(2) Segment Information

We have quantitatively and qualitatively determined that we operate in two operating segments, which are the Sleep and Breathing Health segment and the Residential Care Software segment.

We evaluate the performance of our segments based on net revenues and income from operations. The accounting policies of the segments are the same as those described in note 2 of our consolidated financial statements included in our Form 10-K for the fiscal year ended June 30, 2024. Segment net revenues and segment income from operations do not include inter-segment profits and revenue is allocated to a geographic area based on where the products are shipped to or where the services are performed.

Certain items are maintained at the corporate level and are not allocated to the segments. The non-allocated items include corporate headquarters costs, stock-based compensation, amortization expense from acquired intangibles, restructuring expenses, field safety notification expenses, acquisition related expenses, net interest expense (income), gains and losses attributable to equity method investments, gains and losses on equity investments, and other, net. We neither discretely allocate assets to our operating segments, nor does our Chief Operating Decision Maker evaluate the operating segments using discrete asset information.

Effective in the third quarter of fiscal year 2024, we updated the method of attribution of certain costs that are principally managed at the segment level as part of our evaluation of segment operating performance. As a result, certain costs relating to quality and regulatory assurance, commercial legal, operations, sales and marketing, customer service, information technology, and other administrative costs, which were previously included in Corporate costs within our reconciliation of segment operating profit to income before income taxes, are now reported in segment operating results. The financial information presented herein reflects the impact of the preceding reporting change for all periods presented.

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The table below presents a reconciliation of net revenues and net operating profit by reportable segments (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Net revenue by segment				
Sleep and Breathing Health	$ 1,130,575	$ 1,049,023	$ 3,323,905	$ 3,029,915
Residential Care Software	161,161	147,957	474,429	432,187
Total	$ 1,291,736	$ 1,196,980	$ 3,798,334	$ 3,462,102
Depreciation and amortization by segment				
Sleep and Breathing Health	$ 22,818	$ 21,832	$ 71,087	$ 64,307
Residential Care Software	2,251	2,358	6,859	7,843
Amortization of acquired intangible assets and corporate assets	18,606	19,284	56,899	61,042
Total	$ 43,675	$ 43,474	$ 134,845	$ 133,192
Net operating profit by segment				
Sleep and Breathing Health	$ 494,796	$ 456,182	$ 1,444,492	$ 1,240,061
Residential Care Software (1)	53,179	38,754	149,682	111,846
Total	$ 547,975	$ 494,936	$ 1,594,174	$ 1,351,907
Reconciling items				
Corporate costs	$ 103,368	$ 101,336	$ 307,258	$ 274,505
Amortization of acquired intangible assets	18,339	19,016	56,093	60,235
Restructuring expenses	—	—	—	64,228
Masks with magnets field safety notification expenses (2)	—	—	—	6,351
Astral field safety notification expenses (3)	—	—	—	7,911
Interest expense (income), net	(793)	11,026	1,643	39,787
(Gain) Loss attributable to equity method investments	(335)	(440)	(2,375)	2,716
Loss on equity investments	5,647	(13,919)	7,765	(11,429)
Other, net	4,056	2,496	4,277	537
Income before income taxes	$ 417,693	$ 375,421	$ 1,219,513	$ 907,066

(1) During the three and nine months ended March 31, 2024, we recorded $2.0 million of operating lease right-of-use asset impairments within our Residential Care Software segment. The impairments related to leases for office space and were recorded within net operating profit.

(2) The masks with magnets field safety notification expenses relate to estimated costs to provide alternative masks to patients in response to updated contraindications for use of masks that incorporate magnets.

(3) The Astral field safety notification expenses relate to estimated costs associated with the replacement of a certain component in some of our Astral ventilation devices that were manufactured between 2013 to 2019.

(3) Supplemental Balance Sheet Information

Components of selected captions in the condensed consolidated balance sheets consisted of the following (in thousands):

Inventories	March 31, 2025	June 30, 2024
Raw materials	$ 342,987	$ 355,570
Work in progress	3,278	2,713
Finished goods	516,376	463,967
Total inventories	$ 862,641	$ 822,250

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Prepaid expenses and other current assets	**March 31, 2025**	**June 30, 2024**
Prepaid taxes	$ 191,205	$ 107,623
Income taxes receivable	31,691	—
Prepaid inventories	66,186	172,198
Other prepaid expenses and current assets	216,161	180,012
Total prepaid expenses and other current assets	$ 505,243	$ 459,833

Property, Plant and Equipment	**March 31, 2025**	**June 30, 2024**
Property, plant and equipment, at cost	$ 1,233,233	$ 1,274,992
Accumulated depreciation and amortization	(697,894)	(726,967)
Property, plant and equipment, net	$ 535,339	$ 548,025

Other Intangible Assets	**March 31, 2025**	**June 30, 2024**
Developed/core product technology	$ 384,002	$ 384,679
Accumulated amortization	(302,637)	(280,970)
Developed/core product technology, net	81,365	103,709
Customer relationships	432,961	432,470
Accumulated amortization	(176,231)	(150,486)
Customer relationships, net	256,730	281,984
Other intangibles	251,726	252,210
Accumulated amortization	(159,712)	(151,999)
Other intangibles, net	92,014	100,211
Total other intangibles, net	$ 430,109	$ 485,904

Intangible assets consist of developed/core product technology, trade names, non-compete agreements, customer relationships, and patents, which we amortize over the estimated useful life of the assets, generally between two years to fifteen years. There are no expected residual values related to these intangible assets.

We did not record any intangible asset impairments during the three and nine months ended March 31, 2025. During the nine months ended March 31, 2024, we impaired $18.6 million of developed/core product technology intangible assets, $14.5 million of customer relationship intangible assets, and $0.1 million of other intangibles associated with restructuring activities. These non-cash charges were recorded within restructuring expenses in the condensed consolidated statements of operations. Refer to Note 11, Restructuring Expenses, for the facts and circumstances leading to the impairments.

(4) Goodwill

A reconciliation of changes in our goodwill by reportable segment is as follows (in thousands):

	Nine Months Ended March 31, 2025		
	Sleep and Breathing Health	**Residential Care Software**	**Total**
Balance at the beginning of the period	$ 757,529	$ 2,084,526	$ 2,842,055
Adjustment to fair values of preliminary purchase price allocations	(279)	—	(279)
Foreign currency translation adjustments	560	6,585	7,145
Balance at the end of the period	$ 757,810	$ 2,091,111	$ 2,848,921

(5) Investments

We have equity investments in privately and publicly held companies that are unconsolidated entities. The following discusses our investments in marketable equity securities, non-marketable equity securities, and investments accounted for under the equity method.

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Our marketable equity securities are publicly traded stocks measured at fair value and classified within Level 1 in the fair value hierarchy because we use quoted prices for identical assets in active markets. Marketable equity securities are recorded in prepaid expenses and other current assets on the condensed consolidated balance sheets.

Non-marketable equity securities consist of investments in privately held companies without readily determinable fair values and are recorded in prepaid taxes and other non-current assets on the condensed consolidated balance sheets. Non-marketable equity securities are reported at cost, minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or similar investment of the same issuer. We assess non-marketable equity securities at least quarterly for impairment and consider qualitative and quantitative factors including the investee's financial metrics, product and commercial outlook and cash usage. All gains and losses on marketable and non-marketable equity securities, realized and unrealized, are recognized in gain (loss) on equity investments as a component of other income (loss), net on the condensed consolidated statements of operations.

Equity investments whereby we have significant influence, but not control over the investee and are not the primary beneficiary of the investee’s activities, are accounted for under the equity method and are recorded in prepaid taxes and other non-current assets on the condensed consolidated balance sheets. Under this method, we record our share of gains or losses attributable to equity method investments as a component of other income (loss), net on the condensed consolidated statements of operations.

Equity investments by measurement category were as follows (in thousands):

Measurement category	**March 31, 2025**	**June 30, 2024**
Fair value	$ 12,131	$ 12,026
Measurement alternative	65,378	73,739
Equity method	68,896	65,462
Total	$ 146,405	$ 151,227

The following tables show a reconciliation of the changes in our equity investments (in thousands):

	Nine Months Ended March 31, 2025			
	Non-marketable securities	Marketable securities	Equity method investments	Total
Balance at the beginning of the period	$ 73,739	$ 12,026	$ 65,462	$ 151,227
Additions to investments	3,878	—	525	4,403
Proceeds from exits of investments	(4,378)	—	—	(4,378)
Realized gains (losses) on non-marketable equity securities	389	—	—	389
Impairment of investments	(8,259)	—	—	(8,259)
Unrealized gains (losses) on marketable equity securities	—	105	—	105
Gain attributable to equity method investments	—	—	2,375	2,375
Foreign currency translation adjustments	9	—	534	543
Carrying value at the end of the period	$ 65,378	$ 12,131	$ 68,896	$ 146,405

	Nine Months Ended March 31, 2024			
	Non-marketable securities	Marketable securities	Equity method investments	Total
Balance at the beginning of the period	$ 68,748	$ 12,423	$ 65,366	$ 146,537
Additions to investments	6,567	—	3,125	9,692
Observable price adjustments on non-marketable equity securities	2,315	—	—	2,315
Proceeds from exits of investments	(250)	—	—	(250)
Unrealized gains (losses) on marketable equity securities	—	9,114	—	9,114
Loss attributable to equity method investments	—	—	(2,716)	(2,716)
Foreign currency translation adjustments	—	—	(660)	(660)
Carrying value at the end of the period	$ 77,380	$ 21,537	$ 65,115	$ 164,032

Net unrealized losses recognized for equity investments in non-marketable and marketable securities held as of March 31, 2025 for the three and nine months ended March 31, 2025 were $5.6 million and $8.2 million, respectively. Net unrealized gains recognized for equity investments in non-marketable and marketable securities held as of March 31, 2024 for the three and nine months ended March 31, 2024 were $13.9 million and $11.4 million, respectively.

(6) Income Taxes

In accordance with ASC Topic 740, "Income Taxes" ("ASC 740"), each interim reporting period is considered integral to the annual period, and tax expense is measured using an estimated annual effective tax rate. An entity is required to record income tax expense each quarter based on its annual effective tax rate estimated for the full fiscal year and use that rate to provide for income taxes on a current year-to-date basis, adjusted for discrete taxable events that occur during the interim period.

Our income tax returns are based on calculations and assumptions subject to audit by various tax authorities. In addition, the calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws. We regularly assess the potential outcomes of examinations by tax authorities in determining the adequacy of our provision for income taxes. We are currently under audit by the Australian Taxation Office for the 2018 tax year. If any ongoing tax audits are resolved in a manner not consistent with management’s expectations, the result could be a material adjustment to our provision for income taxes in a future period.

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(7) Debt

Debt consisted of the following (in thousands):

	March 31, 2025	June 30, 2024
Short-term debt	$ 10,000	$ 10,000
Deferred borrowing costs	(94)	(100)
Short-term debt, net	$ 9,906	$ 9,900
Long-term debt	$ 665,000	$ 700,000
Deferred borrowing costs	(1,874)	(2,687)
Long-term debt, net	$ 663,126	$ 697,313
Total debt	$ 673,032	$ 707,213

Credit Facility

On June 29, 2022, we entered into a second amended and restated credit agreement (the "Revolving Credit Agreement"), as borrower, with lenders MUFG Union Bank, N.A., as administrative agent, joint lead arranger, sole book runner, swing line lender and letter of credit issuer, Westpac Banking Corporation, as syndication agent and joint lead arranger, HSBC Bank USA, National Association, as syndication agent and joint lead arranger, and Wells Fargo Bank, National Association, as documentation agent. The Revolving Credit Agreement, among other things, provided a senior unsecured revolving credit facility of $1,500.0 million, with an uncommitted option to increase the revolving credit facility by an additional amount equal to the greater of $1,000.0 million or 1.0 times the EBITDA (as defined in the Revolving Credit Agreement) for the trailing twelve-month measurement period. The Revolving Credit Agreement amends and restates that certain Amended and Restated Credit Agreement, dated as of April 17, 2018, among Resmed, MUFG Union Bank, N.A., Westpac Banking Corporation and the lenders party thereto.

Additionally, on June 29, 2022, ResMed Pty Limited entered into a Second Amendment to the Syndicated Facility Agreement and First Amendment to Unconditional Guaranty Agreement (the "Term Credit Agreement"), as borrower, with lenders MUFG Union Bank, N.A., as administrative agent, joint lead arranger and joint book runner, and Westpac Banking Corporation, as syndication agent, joint lead arranger and joint book runner, which amends that certain Syndicated Facility Agreement dated as of April 17, 2018. The Term Credit Agreement, among other things, provides ResMed Pty Limited a senior unsecured term credit facility of $200.0 million.

Our obligations under the Revolving Credit Agreement are guaranteed by certain of our direct and indirect U.S. subsidiaries, and ResMed Pty Limited's obligations under the Term Credit Agreement are guaranteed by us and certain of our direct and indirect U.S. subsidiaries. The Revolving Credit Agreement and Term Credit Agreement contain customary covenants, including, in each case, a financial covenant that requires that we maintain a maximum leverage ratio of funded debt to EBITDA (as defined in the Revolving Credit Agreement and Term Credit Agreement, as applicable). The entire principal amounts of the revolving credit facility and term credit facility, and, in each case, any accrued but unpaid interest may be declared immediately due and payable if an event of default occurs, as defined in the Revolving Credit Agreement and the Term Credit Agreement, as applicable. Events of default under the Revolving Credit Agreement and the Term Credit Agreement include, in each case, failure to make payments when due, the occurrence of a default in the performance of any covenants in the respective agreements or related documents, or certain changes of control of us, or the respective guarantors of the obligations borrowed under the Revolving Credit Agreement and Term Credit Agreement.

The Revolving Credit Agreement and Term Credit Agreement each terminate on June 29, 2027, when all unpaid principal and interest under the loans must be repaid. Amounts borrowed under the Term Credit Agreement will also amortize on a semi-annual basis, with a $5.0 million principal payment required on each such semi-annual amortization date. The outstanding principal amounts will bear interest at a rate equal to the Adjusted Term SOFR (as defined in the Revolving Credit Agreement) plus 0.75% to 1.50% (depending on the then-applicable leverage ratio) or the Base Rate (as defined in the Revolving Credit Agreement and the Term Credit Agreement, as applicable) plus 0.0% to 0.50% (depending on the then-applicable leverage ratio). At March 31, 2025, the interest rate that was being charged on the outstanding principal amounts was 5.1%. An applicable commitment fee of 0.075% to 0.150% (depending on the then-applicable leverage ratio) applies on the unused portion of the revolving credit facility. As of March 31, 2025, we had $1,500.0 million available for draw down under the revolving credit facility.

We are required to disclose the fair value of financial instruments for which it is practicable to estimate the value, even though these instruments are not recognized at fair value in the consolidated balance sheets. As the Revolving Credit and Term Credit Agreements' interest rate is calculated as Adjusted Term SOFR plus the spreads described above, its carrying amount is equivalent to its fair value as at March 31, 2025 and June 30, 2024, which was $175.0 million and $210.0 million, respectively.

Senior Notes

On July 10, 2019, we entered into a Note Purchase Agreement with the purchasers to that agreement, in connection with the issuance and sale of $250.0 million principal amount of our 3.24% senior notes due July 10, 2026, and $250.0 million principal amount of our 3.45% senior notes due July 10, 2029 (collectively referred to as the "Senior Notes"). Our obligations under the Note Purchase Agreement and the Senior Notes are unconditionally and irrevocably guaranteed by certain of our direct and indirect U.S. subsidiaries. The net proceeds from this transaction were used to pay down borrowings on our Revolving Credit Agreement.

Under the terms of the Note Purchase Agreement, we agreed to customary covenants including with respect to our corporate existence, transactions with affiliates, and mergers and other extraordinary transactions. We also agreed that, subject to limited exceptions, we will maintain a ratio of consolidated funded debt to consolidated EBITDA (as defined in the Note Purchase Agreement) of no more than 3.50 to 1.00 as of the last day of any fiscal quarter, and will not at any time permit the amount of all priority secured and unsecured debt of us and our subsidiaries to exceed 10% of our consolidated tangible assets, determined as of the end of our most recently ended fiscal quarter. This ratio is calculated at the end of each reporting period for which the Note Purchase Agreement requires us to deliver financial statements, using the results of the 12 consecutive month period ending with such reporting period.

We are required to disclose the fair value of financial instruments for which it is practicable to estimate the value, even though these instruments are not recognized at fair value in the consolidated balance sheets. As of March 31, 2025 and June 30, 2024, the Senior Notes had a carrying amount of $500.0 million, excluding deferred borrowing costs, and an estimated fair value of $481.5 million and $463.0 million, respectively. Quoted market prices in active markets for similar liabilities based inputs (Level 2) were used to estimate fair value.

At March 31, 2025, we were in compliance with our debt covenants and there was $675.0 million outstanding under the Revolving Credit Agreement, Term Credit Agreement and Senior Notes.

(8) Earnings Per Share

Basic earnings per share is computed by dividing the net income available to common stockholders by the weighted average number of shares of common stock outstanding. For purposes of calculating diluted earnings per share, the denominator includes both the weighted average number of shares of common stock outstanding and the number of dilutive common stock equivalents such as stock options and restricted stock units.

The weighted average number of outstanding stock options and restricted stock units not included in the computation of diluted earnings per share were 141,360 and 578,065 for the three months ended March 31, 2025 and 2024, respectively, and 163,746 and 618,664 for the nine months ended March 31, 2025 and 2024, respectively, as the effect would have been anti-dilutive.

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Basic and diluted earnings per share are calculated as follows (in thousands except per share data):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Numerator:				
Net income	$ 365,041	$ 300,492	$ 1,021,018	$ 728,715
Denominator:				
Basic weighted-average common shares outstanding	146,719	146,959	146,797	147,056
Effect of dilutive securities:				
Stock options and restricted stock units	501	491	635	493
Diluted weighted average shares	147,220	147,450	147,432	147,549
Basic earnings per share	$ 2.49	$ 2.04	$ 6.96	$ 4.96
Diluted earnings per share	$ 2.48	$ 2.04	$ 6.93	$ 4.94

(9) Legal Actions, Contingencies and Commitments

Litigation

In the normal course of business, we are subject to routine litigation incidental to our business. While the results of this litigation cannot be predicted with certainty, we believe that their final outcome will not, individually or in aggregate, have a material adverse effect on our consolidated financial statements taken as a whole.

On June 2, 2021, New York University ("NYU") filed a complaint for patent infringement in the United States District Court, District of Delaware against Resmed, case no. 1:21-cv-00813 (JPM). The complaint alleges that the AutoSet or AutoRamp features of Resmed's AirSense 10 AutoSet flow generators infringe one or more claims of various NYU patents, including U.S. Patent Nos. 6,988,994; 9,108,009; 9,168,344; 9,427,539; 9,533,115; 9,867,955; and 10,384,024. According to the complaint, the NYU patents are directed to systems and methods for diagnosis and treating sleeping disorders during different sleep states. The complaint seeks monetary damages and attorneys' fees. We answered the complaint on September 30, 2021 and filed a motion to dismiss the complaint on the basis that the patents are invalid because the subject matter of the patents is not patentable under the Supreme Court and Federal Circuit precedent. The motion to dismiss was granted in part and denied in part. In December 2022, the Patent Trial and Appeal Board ("PTAB") of the Patent and Trademark Office granted our request to review the validity of the claims in the patents asserted by NYU against us, determining that there is a reasonable likelihood that we will prevail. In December 2023, the PTAB issued written decisions invalidating each of the challenged claims in each of the NYU patents asserted against us. On December 28, 2023, the District Court entered an order continuing its stay of all proceedings against us pending any appeal by NYU of the invalidation of its patents by the PTAB. On January 31, 2024, NYU appealed the PTAB's rulings to the Court of Appeals for the Federal Circuit. The appeals are not expected to be resolved before June 2025.

On January 27, 2021, the International Trade Commission ("ITC") instituted In Re Certain UMTS and LTE Cellular Communications Modules and Products Containing the Same, Investigation No. 337-TA-1240, by complainants Philips RS North America, LLC and Koninklijke Philips N.V. (collectively "Philips") against Quectel Wireless Solutions Co., Ltd; Thales DIS AIS USA, LLC, Thales DIS AIS Deutschland GmbH; Telit Wireless Solutions, Inc., Telit Communications PLC, CalAmp. Corp., Xirgo Technologies, LLC, and Laird Connectivity, Inc. (collectively "respondents"). In the ITC investigation, Philips sought an order excluding communications modules, and products that contain them, from importation into the United States based on alleged infringement of 3G and 4G standard essential patents held by Philips. On October 6-14, 2021, the administrative law judge held a hearing on the merits. The administrative law judge issued an initial determination on April 1, 2022, finding no violation of any of the Philips' patents asserted in the ITC. Philips sought review by the full ITC, however, the ITC affirmed the administrative law judge's determination that there was no violation of asserted Philips' patents and thereafter terminated the ITC proceedings. Philips did not appeal the ITC's decision. On December 17, 2020, Philips filed companion cases for patent infringement against the same defendants in the United States District Court for the District of Delaware, case nos. 1:20-cv-01707, 01708, 01709, 01710, 01711, and 01713 (CFC) seeking damages, an injunction, and a declaration from the court on the amount of a fair reasonable and non-discriminatory license rate for the standard essential patents it asserted against the communications module defendants. The district court cases were stayed pending the resolution of the ITC proceedings but recommenced following the ITC termination. We were not a party to the ITC investigation, nor were we a party to the district court cases, but we sell products that incorporate communications modules at issue in the district court case. The first trial in the cases by Philips against the communications module defendants was originally set for August 12, 2024. On August 5, 2024, the court issued an order vacating the trial date. On August 19, 2024, Philips and the Thales parties filed a joint stipulation dismissing all claims and counterclaims against one another in the District of Delaware case.

On June 16, 2022, Cleveland Medical Devices Inc. ("Cleveland Medical") filed suit for patent infringement against Resmed in the United States District Court for the District of Delaware, case no. 1:22-cv-00794. Cleveland Medical asserts that numerous Resmed connected devices, when combined with certain Resmed data platforms and/or software, including AirView and ResScan, infringe one or more of seven Cleveland Medical patents, including U.S. Patent Nos. 10,076,269; 10,426,399; 10,925,535; 11,064,937; 10,028,698; 11,202,603; and 11,234,637. We moved to dismiss the action because Cleveland Medical sued the wrong Resmed entity, and to dismiss the indirect and willful infringement allegations by Cleveland Medical. On October 2, 2023, the court granted a portion of the motion, dismissing all Cleveland Medical claims for indirect and willful infringement, and denied the rest of the motion. On March 22, 2023, ResMed Corp. filed a petition with the PTAB seeking review of the validity of U.S. Patent No. 10,076,269. On May 6, 2024, the PTAB granted the petition and instituted an Inter Partes Review proceeding against the patent. On June 21, 2024, the District Court of Delaware granted Resmed's motion to stay the case until the PTAB issues its final written decision in the Inter Partes Review proceeding. The PTAB decision is expected by May 6, 2025.

On March 20, 2023, ResMed Corp. filed suit in the United States District Court for the Southern District of California, case no. 23-cv-00500-TWR-JLB, seeking a declaration that it does not infringe U.S. Patent No. 11,602,284 issued to Cleveland Medical. In November 2023, the case was transferred to the Northern District of Ohio for the convenience of the parties. Cleveland Medical answered the complaint and filed a counterclaim asserting that ResMed Corp. infringes three additional Cleveland Medical patents, including U.S. Patent Nos. 11,375,921; 11,690,512; and 11,786,680. On April 9, 2024, Cleveland Medical filed a second amended answer and counterclaims accusing ResMed Corp. of infringing U.S. Patent Nos. 11,857,333 and 11,872,029. ResMed Corp. filed a petition with the PTAB for post-grant review of the validity of U.S. Patent No. 11,602,284, which the PTAB denied on June 24, 2024. On October 17, 2024, the PTAB denied ResMed Corp.’s request for rehearing of its decision to deny the petition for post-grant review of U.S. Patent No. 11,602,284.

On October 11, 2024, ResMed Corp. filed a request for ex parte reexamination of U.S. Patent No. 11,375,921, and on November 15, 2024, the United States Patent and Trademark Office (the "Patent Office") ordered reexamination of the patent. On October 17, 2024, ResMed Corp. filed a request for ex parte reexamination of U.S. Patent No. 11,786,680, and on December 3, 2024, the Patent Office ordered reexamination of the patent. Between November 15, 2024, and January 10, 2025, ResMed Corp. filed petitions with the PTAB seeking Inter Partes Review of the validity of all six patents asserted by Cleveland Medical in the District Court of the Northern District of Ohio proceedings. On March 7, 2025, the District Court of the Northern District of Ohio granted ResMed Corp.'s motion to stay the case pending the conclusion of all Patent Office proceedings related to the asserted patents. It is expected that the PTAB will determine whether to examine the validity of the patents by the summer of 2025.

Based on currently available information, we are unable to make a reasonable estimate of loss or range of losses, if any, arising from matters that remain open.

Contingent Obligations Under Recourse Provisions

We use independent financing institutions to offer some of our customers financing for the purchase of some of our products. Under these arrangements, if the customer qualifies under the financing institutions’ credit criteria and finances the transaction, the customers repay the financing institution on a fixed payment plan. For some of these arrangements, the customer’s receivable balance is with limited recourse whereby we are responsible for repaying the financing company should the customer default. We record a contingent provision, which is estimated based on historical default rates. This is applied to receivables sold with recourse and is recorded in accrued expenses.

During the nine months ended March 31, 2025 and March 31, 2024, receivables sold with limited recourse were $155.9 million and $148.3 million, respectively. As of March 31, 2025, the maximum exposure on outstanding receivables sold with recourse and the associated contingent provision were $35.5 million and $0.7 million, respectively. As of June 30, 2024, the maximum exposure on outstanding receivables sold with recourse and contingent provision were $35.8 million and $0.8 million, respectively.

(10) Derivative Instruments and Hedging Activities

We may use derivative financial instruments, specifically foreign cross-currency swaps, purchased foreign currency call options, collars and forward contracts to mitigate exposure from certain foreign currency risk. No derivatives are used for trading or speculative purposes. We do not require or are not required to pledge collateral for the derivative instruments.

Fair Value and Net Investment Hedging

On November 17, 2022, we executed foreign cross-currency swaps as net investment hedges and fair value hedges in designated hedging relationships with either the foreign denominated net asset balances or the foreign denominated intercompany loan as the hedged items. All derivatives are recorded at fair value as either an asset or liability. Cash flows associated with derivative instruments are presented in the same category on the consolidated statements of cash flows as the hedged item.

The purpose of the cross-currency swaps for the fair value hedge is to mitigate foreign currency risk associated with changes in spot rates on foreign denominated intercompany debt between USD and EUR. For these hedges, we excluded certain components from the assessment of hedge effectiveness that are not related to spot rates. For fair value hedges that qualify and are designated for hedge accounting, the change in fair value of the derivative is recorded in the same line item as the hedged item, other, net, in the condensed consolidated statement of operations. The initial fair value of hedge components excluded from the assessment of effectiveness is recognized in the statement of operations under a systematic and rational method over the life of the hedging instrument and is presented in interest (expense) income, net. Any difference between the change in the fair value of the hedge components excluded from the assessment of effectiveness and the amounts recognized in earnings is recorded as a component of other comprehensive income.

The purpose of the cross-currency swaps for the net investment hedge is to mitigate foreign currency risk associated with changes in spot rates on the net asset balances of our foreign functional subsidiaries. For net investment hedges that qualify and are designated for hedge accounting, the change in fair value of the derivative is recorded in cumulative translation adjustment within other comprehensive loss and reclassified into earnings when the hedged net investment is either sold or substantially liquidated. The initial fair value of components excluded from the assessment of hedge effectiveness will be recognized in interest (expense) income, net.

The notional value of outstanding foreign cross-currency swaps was $1,034.8 million and $1,026.2 million at March 31, 2025 and June 30, 2024, respectively. These contracts mature at various dates prior to December 31, 2029.

Non-Designated Hedges

We transact business in various foreign currencies, including a number of major European currencies as well as the Australian and Singapore dollars. We have foreign currency exposure through both our Australian and Singapore manufacturing activities, and international sales operations. We have established a foreign currency hedging program using purchased foreign currency call options, collars and forward contracts to hedge foreign-currency-denominated financial assets, liabilities and manufacturing cash flows. The terms of such foreign currency hedging contracts generally do not exceed three years. The purpose of this hedging program is to economically manage the financial impact of foreign currency exposures denominated mainly in Euros, and Australian and Singapore dollars. Under this program, increases or decreases in our foreign currency denominated financial assets, liabilities, and firm commitments are partially offset by gains and losses on the hedging instruments. We do not designate these foreign currency contracts as hedges. All movements in the fair value of the foreign currency instruments are recorded within other, net in our condensed consolidated statements of income.

The notional value of the outstanding non-designated hedges was $1,463.4 million and $1,340.0 million at March 31, 2025 and June 30, 2024, respectively. These contracts mature at various dates prior to March 16, 2026.

Fair Values of Derivative Instruments

The following table presents our assets and liabilities related to derivative instruments on a gross basis within the condensed consolidated balance sheets (in thousands):

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(Unaudited)

	March 31, 2025	June 30, 2024	Balance Sheet Caption
Derivative Assets			
Designated as Hedging Instruments			
Foreign cross-currency swaps – Fair Value Hedge	$ —	$ —	Prepaid taxes and other non-current assets
Foreign cross-currency swaps – Net Investment Hedge	—	—	Prepaid taxes and other non-current assets
Not Designated as Hedging Instruments			
Foreign currency hedging instruments	9,902	2,343	Prepaid taxes and other non-current assets
Foreign currency hedging instruments	—	89	Prepaid taxes and other non-current assets
Total derivative assets	$ 9,902	$ 2,432	
Derivative Liabilities			
Designated as Hedging Instruments			
Foreign cross-currency swaps – Fair Value Hedge	$ 11,246	$ 10,472	Other long-term liabilities
Foreign cross-currency swaps – Net Investment Hedge	25,379	21,270	Other long-term liabilities
Not Designated as Hedging Instruments			
Foreign currency hedging instruments	11,164	4,654	Accrued expenses
Foreign currency hedging instruments	—	142	Other long-term liabilities
Total derivative liabilities	$ 47,789	$ 36,538	

Fair Value Hedge Gains (Losses)

We recognized the following gains (losses) on the foreign cross currency swaps designated as fair value hedges (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Gain (loss) recognized in other comprehensive income (loss)	$ (360)	$ 539	$ 1,727	$ 3,129
Gain (loss) recognized on cross-currency swap in interest (expense) income, net (amount excluded from effectiveness testing)	$ 1,117	$ 934	$ 3,319	$ 2,995
Gain (loss) recognized on cross-currency swap in other, net	$ (12,442)	$ 7,113	$ (2,500)	$ 3,381
Gain (loss) recognized on intercompany debt in other, net	$ 12,442	$ (7,113)	$ 2,500	$ (3,381)

Net Investment Hedge Gains (Losses)

We recognized the following gains (losses) on the foreign cross currency swaps designated as net investment hedges (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Gain (loss) recognized in cumulative translation adjustment within other comprehensive income (loss)	$ (30,442)	$ 17,909	$ (4,108)	$ 13,517
Gain (loss) recognized from the excluded components in interest (expense) income, net	$ 2,859	$ 2,417	$ 8,511	$ 7,722

Non-designated Derivative Gains (Losses)

We recognized the following gains (losses) in the condensed consolidated statement of operations on derivatives not designated as hedging instruments (in thousands):

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	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
Gain (loss) recognized on foreign currency hedging instruments in other, net	$ 5,207	$ (23,264)	$ 1,761	$ (7,684)
Gain (loss) recognized on other foreign-currency-denominated transactions in other, net	(9,329)	20,207	(7,907)	6,418
Total	$ (4,122)	$ (3,057)	$ (6,146)	$ (1,266)

We classified the fair values of all hedging instruments as Level 2 measurements within the fair value hierarchy.

We are exposed to credit-related losses in the event of non-performance by counter parties to financial instruments. We minimize counterparty credit risk by entering into derivative transactions with major financial institutions.

(11) Restructuring Expenses

We did not record any restructuring expenses during the three and nine months ended March 31, 2025.

During the nine months ended March 31, 2024, we recorded $64.2 million of restructuring related charges associated with an evaluation of our existing operations to increase operational efficiency, decrease costs and increase profitability. Although the costs associated with the restructuring plan have not been allocated to our business segments' results in Note 2 - Segment Information, the restructuring plan impacted both our Sleep and Breathing Health and Residential Care Software segments.

Restructuring charges for the nine months ended March 31, 2024 are comprised of $28.6 million of employee severance and other one-time termination benefits, $33.2 million of intangible asset impairments associated with the wind down of certain business activities, and $2.4 million of other miscellaneous asset impairments. These costs are separately presented as restructuring expenses within our condensed consolidated statement of operations.

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Special Note Regarding Forward-Looking Statements

This report contains or may contain certain forward-looking statements and information that are based on the beliefs of our management as well as estimates and assumptions made by, and information currently available to, our management. All statements other than statements regarding historical facts are forward-looking statements. 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, tax outlook, and the expected impact of macroeconomic conditions on our business. These forward-looking statements are made in accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements reflect the views of our management at the time the statements are made and are subject to a number of risks, uncertainties, estimates and assumptions, including, without limitation, and in addition to those identified in the text surrounding such statements, those identified in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024 and elsewhere in this report. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances reflected in this information. Unless otherwise expressly stated, we obtained this industry, business, market, and other data from reports, research surveys, studies, and similar data prepared by market research firms and other third parties, industry, medical and general publications, government data, and similar sources.

In addition, important factors to consider in evaluating such forward-looking statements include changes or developments in healthcare reform, social, macroeconomic, market, legal or regulatory circumstances, including the impact of public health crises; changes in our business or growth strategy or an inability to execute our strategy due to changes in our industry or the economy generally, the emergence of new or growing competitors, disruptions and delays in the supply chain, the actions or omissions of third parties, including suppliers, customers, competitors and governmental authorities, geopolitical and economic conditions in foreign jurisdictions impacting our business, and various other factors. If any one or more of these risks or uncertainties materialize, or underlying estimates or assumptions prove incorrect, actual results may vary significantly from those expressed in our forward-looking statements, and there can be no assurance that the forward-looking statements contained in this report will in fact occur.

Before deciding to purchase, hold or sell our common stock, you should carefully consider the risks described in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, in addition to the other cautionary statements and risks described elsewhere in this report and in our other filings with the Securities and Exchange Commission (“SEC”), including our subsequent reports on Forms 10-Q and 8-K. These risks and uncertainties are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business. If any of these known or unknown risks or uncertainties actually occurs with material adverse effects on us, our business, financial condition and results of operations could be seriously harmed. In that event, the market price for our common stock will likely decline and you may lose all or part of your investment.

RESMED INC. AND SUBSIDIARIES
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Overview

The following is an overview of our results of operations for the three and nine months ended March 31, 2025. Management’s discussion and analysis of financial condition and results of operations (“MD&A”) is intended to help the reader understand our results of operations and financial condition. It is provided as a supplement to, and should be read in conjunction with, the condensed consolidated financial statements and notes included in this report.

We are a global leader in the development, manufacturing, distribution and marketing of medical devices and cloud-based software applications that diagnose, treat and manage respiratory disorders, including sleep disordered breathing (“SDB”), chronic obstructive pulmonary disease, neuromuscular disease and other chronic diseases. SDB includes obstructive sleep apnea and other respiratory disorders that occur during sleep. Our products and solutions are designed to improve patient quality of life, reduce the impact of chronic disease and lower healthcare costs as global healthcare systems continue to drive a shift in care from hospitals to the home and lower cost settings. Our digital cloud-based health software applications, along with our devices, are designed to provide connected care to improve patient outcomes and efficiencies for our customers.

Since the development of continuous positive airway pressure therapy, we have expanded our business by developing or acquiring a number of products and solutions for a broader range of respiratory disorders including technologies to be applied in medical and consumer products, ventilation devices, diagnostic products, mask systems for use in the hospital and home, headgear and other accessories, dental devices, and cloud-based software informatics solutions to manage patient outcomes and customer and provider business processes. Our growth has been fueled by geographic expansion, our research and product development efforts, acquisitions and an increasing awareness of SDB and respiratory conditions like chronic obstructive pulmonary disease as significant health concerns.

During fiscal year 2024, we announced a new operating model to accelerate long-term growth. The new operating model introduces dedicated leadership in Product, Revenue, and Marketing to the global executive team. This change aims to increase the velocity of product development and sharpen our customer and brand focus. Ultimately, the goal is to accelerate profitable growth, while driving greater value and improved care throughout the outside hospital care continuum and the patient journey.

We are committed to ongoing investment in research and development and product enhancements. During the three months ended March 31, 2025, we invested $83.9 million on research and development activities, which represents 6.5% of net revenues, with a continued focus on the development and commercialization of new, innovative products and solutions that improve patient outcomes, create efficiencies for our customers and help physicians and providers better manage chronic disease and lower healthcare costs. For example, our newest device, AirSense 11, introduced new features such as a touch screen, algorithms for patients new to therapy, digital enhancements, and over-the-air update capabilities. Through our acquisitions of Brightree in 2016, HEALTHCAREfirst and MatrixCare in 2018, and MEDIFOX DAN in 2022, our operations include residential care software platforms designed to support the professionals and caregivers who help people stay healthy in the home or care setting of their choice. These platforms comprise our Residential Care Software business and, along with our cloud-based remote monitoring and therapy management system, and a robust product pipeline, these products should continue to provide us with a strong platform for future growth.

We have determined that we have two operating segments, which are the sleep and respiratory disorders sector of the medical device industry (“Sleep and Breathing Health”) and the supply of business management software as a service to out-of-hospital health providers (“Residential Care Software”). During the nine months ended March 31, 2025, we renamed our operating segments from Sleep and Respiratory Care to Sleep and Breathing Health and from Software as a Service to Residential Care Software in alignment with our 2030 strategy. There have been no changes in the preparation and disclosure of financial information by operating segment.

Net revenue for the three months ended March 31, 2025 was $1.3 billion, an increase of 8% compared to the three months ended March 31, 2024. Gross margin was 59.3% for the three months ended March 31, 2025 compared to 57.9% for the three months ended March 31, 2024. Diluted earnings per share was $2.48 for the three months ended March 31, 2025, compared to diluted earnings per share of $2.04 for the three months ended March 31, 2024.

At March 31, 2025, our cash and cash equivalents totaled $932.7 million, our total assets were $7.6 billion and our stockholders’ equity was $5.5 billion.

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In order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency fluctuations, we provide certain financial information on a "constant currency" basis, which is in addition to the actual financial information presented. In order to calculate our constant currency information, we translate the current period financial information using the foreign currency exchange rates that were in effect during the previous comparable period. However, constant currency measures should not be considered in isolation or as an alternative to U.S. dollar measures that reflect current period exchange rates, or to other financial measures calculated and presented in accordance with accounting principles generally accepted in the United States ("GAAP").

Recent Developments

As disclosed in the risk factors of our Annual Report on Form 10-K for the fiscal year ended June 30, 2024, our business is subject to risks related to, among other factors, third-party coverage and reimbursement, as well as disruptions at the FDA and other government agencies. There is uncertainty surrounding potential changes to the healthcare regulatory environment in the United States, and it is not possible to predict how these changes may be implemented, and the ultimate effects of such changes on our business. In addition, the U.S. federal government and other governments may reduce funding for health care or other programs or make changes that affect the number of persons eligible for certain programs, and the services provided to enrollees in such programs . The levels of U.S. federal government spending are difficult to predict and are subject to significant risk. Considerable uncertainty exists regarding how future budget and program decisions will unfold, including the spending priorities of the new presidential administration and Congress, and what challenges budget reductions, if any, will present for our business and our industry generally. For example, on January 20, 2025, President Trump established by executive order the U.S. Department Of Government Efficiency Service Temporary Organization ("DOGE") to reform federal government processes and reduce expenditures, and on February 5, 2025, the Centers for Medicare & Medicaid Services, or CMS, announced that it is collaborating with DOGE to determine where there may be opportunities for more effective and efficient use of resources. Additionally, the Trump administration took several Executive Actions, including the issuance of a number of Executive Orders, that imposed significant burdens on, or otherwise materially delayed, the FDA's ability to engage in routine oversight activities, such as implementing statutes through rulemaking, issuance of guidance, and review and approval of marketing applications. It is difficult to predict whether or how these orders will be rescinded and replaced under the current or future administrations and the consequential impact on our business.

Results of Operations

Three Months Ended March 31, 2025 Compared to the Three Months Ended March 31, 2024

Net Revenue

Net revenue for the three months ended March 31, 2025 increased to $1,291.7 million from $1,197.0 million for the three months ended March 31, 2024, an increase of $94.8 million or 8% (a 9% increase on a constant currency basis). The following table summarizes our net revenue disaggregated by segment, product and region (in thousands):

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	% Change	Constant Currency*
U.S., Canada and Latin America				
Devices	$ 422,660	$ 399,281	6 %	
Masks and other	326,656	288,191	13	
Total U.S., Canada and Latin America	$ 749,316	$ 687,472	9	
Combined Europe, Asia and other markets				
Devices	$ 253,543	$ 238,919	6 %	9 %
Masks and other	127,716	122,632	4	7
Total Combined Europe, Asia and other markets	$ 381,259	$ 361,551	5	8
Global revenue				
Total Devices	$ 676,203	$ 638,200	6 %	7 %
Total Masks and other	454,372	410,823	11	12
Total Sleep and Breathing Health	**$ 1,130,575**	**$ 1,049,023**	**8**	**9**
Residential Care Software	**161,161**	**147,957**	**9**	**10**
Total	**$ 1,291,736**	**$ 1,196,980**	**8**	**9**

* Constant currency numbers exclude the impact of movements in international currencies.

Sleep and Breathing Health

Net revenue from our Sleep and Breathing Health business for the three months ended March 31, 2025 was $1,130.6 million, an increase of 8% compared to net revenue for the three months ended March 31, 2024. Movements in international currencies against the U.S. dollar negatively impacted net revenue by approximately $12.9 million for the three months ended March 31, 2025. Excluding the impact of currency movements, total Sleep and Breathing Health net revenue for the three months ended March 31, 2025 increased by 9% compared to the three months ended March 31, 2024. The increase in net revenue associated with our devices and masks was primarily attributable to increased demand and unit sales.

Net revenue from our Sleep and Breathing Health business in the U.S., Canada and Latin America for the three months ended March 31, 2025 increased to $749.3 million from $687.5 million for the three months ended March 31, 2024, an increase of $61.8 million or 9%. The increase in net revenue associated with our devices and masks was primarily attributable to increased demand and unit sales.

Net revenue in combined Europe, Asia and other markets increased for the three months ended March 31, 2025 to $381.3 million from $361.6 million for the three months ended March 31, 2024, an increase of $19.7 million or 5% (an 8% increase on a constant currency basis). The constant currency increase in device and mask sales in combined Europe, Asia and other was primarily attributable to increased demand and unit sales.

Net revenue from devices for the three months ended March 31, 2025 increased to $676.2 million from $638.2 million for the three months ended March 31, 2024, an increase of $38.0 million or 6%, including an increase of 6% in the U.S., Canada and Latin America and an increase of 6% in combined Europe, Asia and other markets (a 9% increase on a constant currency basis). Excluding the impact of foreign currency movements, device sales for the three months ended March 31, 2025 increased by 7%.

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Net revenue from masks and other for the three months ended March 31, 2025 increased to $454.4 million from $410.8 million for the three months ended March 31, 2024, an increase of $43.5 million or 11%, including an increase of 13% in the U.S., Canada and Latin America and an increase of 4% in combined Europe, Asia and other markets (a 7% increase on a constant currency basis). Excluding the impact of foreign currency movements, masks and other sales for the three months ended March 31, 2025 increased by 12%.

Residential Care Software

Net revenue from our Residential Care Software business for the three months ended March 31, 2025 increased to $161.2 million from $148.0 million for the three months ended March 31, 2024, an increase of $13.2 million or 9% (a 10% increase on a constant currency basis). The increase was predominantly due to continued growth in the Home Medical Equipment ("HME") and MEDIFOX DAN verticals within our Residential Care Software business.

Nine Months Ended March 31, 2025 Compared to the Nine Months Ended March 31, 2024

Net Revenue

Net revenue for the nine months ended March 31, 2025 increased to $3,798.3 million from $3,462.1 million for the nine months ended March 31, 2024, an increase of $336.2 million or 10% (a 10% increase on a constant currency basis). The following table summarizes our net revenue disaggregated by segment, product and region (in thousands):

	Nine Months Ended March 31,			
	2025	2024	% Change	Constant Currency*
U.S., Canada and Latin America				
Devices	$ 1,221,643	$ 1,116,513	9 %	
Masks and other	983,929	878,647	12	
Total U.S., Canada and Latin America	$ 2,205,572	$ 1,995,160	11	
Combined Europe, Asia and other markets				
Devices	$ 749,646	$ 692,411	8 %	9 %
Masks and other	368,687	342,344	8	9
Total Combined Europe, Asia and other markets	$ 1,118,333	$ 1,034,755	8	9
Global revenue				
Total Devices	$ 1,971,289	$ 1,808,924	9 %	9 %
Total Masks and other	1,352,616	1,220,991	11	11
Total Sleep and Breathing Health	**$ 3,323,905**	**$ 3,029,915**	**10**	**10**
Residential Care Software	**474,429**	**432,187**	**10**	**10**
Total	**$ 3,798,334**	**$ 3,462,102**	**10**	**10**

* Constant currency numbers exclude the impact of movements in international currencies.

Sleep and Breathing Health

Net revenue from our Sleep and Breathing Health business for the nine months ended March 31, 2025 was $3,323.9 million, an increase of 10% compared to net revenue for the nine months ended March 31, 2024. Movements in international currencies against the U.S. dollar negatively impacted net revenue by approximately $11.1 million for the nine months ended March 31, 2025. Excluding the impact of currency movements, total Sleep and Breathing Health net revenue for the nine months ended March 31, 2025 increased by 10% compared to the nine months ended March 31, 2024. The increase in net revenue associated with our devices and masks was primarily attributable to increased demand and unit sales.

Net revenue from our Sleep and Breathing Health business in the U.S., Canada and Latin America for the nine months ended March 31, 2025 increased to $2,205.6 million from $1,995.2 million for the nine months ended March 31, 2024, an increase of $210.4 million or 11%. The increase in net revenue associated with our devices and masks was primarily attributable to increased demand and unit sales.

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Net revenue in combined Europe, Asia and other markets increased for the nine months ended March 31, 2025 to $1,118.3 million from $1,034.8 million for the nine months ended March 31, 2024, an increase of $83.6 million or 8% (a 9% increase on a constant currency basis). The constant currency increase in device and mask sales in combined Europe, Asia and other markets was primarily attributable to increased demand and unit sales.

Net revenue from devices for the nine months ended March 31, 2025 increased to $1,971.3 million from $1,808.9 million for the nine months ended March 31, 2024, an increase of $162.4 million or 9%, including an increase of 9% in the U.S., Canada and Latin America and an increase of 8% in combined Europe, Asia and other markets (a 9% increase on a constant currency basis). Excluding the impact of foreign currency movements, device sales for the nine months ended March 31, 2025 increased by 9%.

Net revenue from masks and other for the nine months ended March 31, 2025 increased to $1,352.6 million from $1,221.0 million for the nine months ended March 31, 2024, an increase of $131.6 million or 11%, including an increase of 12% in the U.S., Canada and Latin America and an increase of 8% in combined Europe, Asia and other markets (a 9% increase on a constant currency basis). Excluding the impact of foreign currency movements, masks and other sales increased by 11%, compared to the nine months ended March 31, 2024.

Residential Care Software

Net revenue from our Residential Care Software business for the nine months ended March 31, 2025 increased to $474.4 million from $432.2 million for the nine months ended March 31, 2024, an increase of $42.2 million or 10% (a 10% increase on a constant currency basis). The increase was predominantly due to continued growth in the HME and MEDIFOX DAN verticals within our Residential Care Software business.

Gross Profit and Gross Margin

Gross profit increased for the three months ended March 31, 2025 to $766.4 million from $692.8 million for the three months ended March 31, 2024, an increase of $73.6 million or 11%. Gross margin, which is gross profit as a percentage of net revenue, for the three months ended March 31, 2025 was 59.3% compared to 57.9% for the three months ended March 31, 2024.

The increase in gross margin for the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was due primarily to manufacturing and logistics efficiencies, component cost improvements and favorable product mix, partially offset by unfavorable foreign currency movements.

Gross profit increased for the nine months ended March 31, 2025 to $2,234.9 million from $1,939.8 million for the nine months ended March 31, 2024, an increase of $295.1 million or 15%. Gross margin for the nine months ended March 31, 2025 was 58.8% compared to 56.0% for the nine months ended March 31, 2024.

The increase in gross margin for the nine months ended March 31, 2025 compared to the nine months ended March 31, 2024 was due primarily to $14.3 million of non-recurring expenses associated with the field safety notifications for masks with magnets and Astral devices recognized during the nine months ended March 31, 2024 and manufacturing and logistics efficiencies, component cost improvements as well as a reduction in the amortization of acquired intangible assets during the nine months ended March 31, 2025. The masks with magnets field safety notification expenses relate to estimated costs to provide alternative masks to patients in response to updated contraindications for use of masks that incorporate magnets. The Astral field safety notification expenses relate to estimated costs associated with the replacement of a certain component in some of our Astral ventilation devices that were manufactured between 2013 to 2019.

Operating Expenses

The following table summarizes our operating expenses (in thousands):

	Three Months Ended March 31,				
	2025	2024	Change	% Change	Constant Currency
Selling, general, and administrative	$ 245,302	$ 229,919	$ 15,383	7 %	8 %
as a % of net revenue	19.0 %	19.2 %			
Research and development	$ 83,944	$ 77,074	$ 6,870	9 %	11 %
as a % of net revenue	6.5 %	6.4 %			
Amortization of acquired intangible assets	$ 10,895	$ 11,204	$ (309)	(3)%	(1)%

	Nine Months Ended March 31,				
	2025	2024	Change	% Change	Constant Currency
Selling, general, and administrative	$ 725,894	$ 674,948	$ 50,946	8 %	8 %
as a % of net revenue	19.1 %	19.5 %			
Research and development	$ 244,840	$ 226,664	$ 18,176	8 %	9 %
as a % of net revenue	6.4 %	6.5 %			
Amortization of acquired intangible assets	$ 33,345	$ 35,259	$ (1,914)	(5)%	(5)%

Selling, General, and Administrative Expenses

Selling, general, and administrative expenses increased for the three months ended March 31, 2025 to $245.3 million from $229.9 million for the three months ended March 31, 2024, an increase of $15.4 million or 7%. Selling, general, and administrative expenses were favorably impacted by the movement of international currencies against the U.S. dollar, which decreased our expenses by approximately $4.1 million, as reported in U.S. dollars. Excluding the impact of foreign currency movements, selling, general, and administrative expenses for the three months ended March 31, 2025 increased by 8% compared to the three months ended March 31, 2024. As a percentage of net revenue, selling, general, and administrative expenses were 19.0% for the three months ended March 31, 2025, compared to 19.2% for the three months ended March 31, 2024.

The constant currency increase in selling, general, and administrative expenses during the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily due to increases in employee-related costs and marketing expenses.

Selling, general, and administrative expenses increased for the nine months ended March 31, 2025 to $725.9 million from $674.9 million for the nine months ended March 31, 2024, an increase of $50.9 million or 8%. Selling, general, and administrative expenses were favorably impacted by the movement of international currencies against the U.S. dollar, which decreased our expenses by approximately $3.7 million, as reported in U.S. dollars. Excluding the impact of foreign currency movements, selling, general, and administrative expenses for the nine months ended March 31, 2025 increased by 8% compared to the nine months ended March 31, 2024. As a percentage of net revenue, selling, general, and administrative expenses were 19.1% for the nine months ended March 31, 2025, compared to 19.5% for the nine months ended March 31, 2024.

The constant currency increase in selling, general, and administrative expenses during the nine months ended March 31, 2025 compared to the nine months ended March 31, 2024 was primarily due to increases in employee-related costs.

Research and Development Expenses

Research and development expenses increased for the three months ended March 31, 2025 to $83.9 million from $77.1 million for the three months ended March 31, 2024, an increase of $6.9 million, or 9%. Research and development expenses were favorably impacted by the movement of international currencies against the U.S. dollar, which decreased our expenses by approximately $1.7 million, as reported in U.S. dollars. Excluding the impact of foreign currency movements, research and development expenses for the three months ended March 31, 2025 increased by 11% compared to the three months ended March 31, 2024. As a percentage of net revenue, research and development expenses were 6.5% for the three months ended March 31, 2025 compared to 6.4% for the three months ended March 31, 2024.

The constant currency increase in research and development expenses during the three months ended March 31, 2025 compared to the three months ended March 31, 2024 was primarily due to increases in employee-related costs.

Research and development expenses increased for the nine months ended March 31, 2025 to $244.8 million from $226.7 million for the nine months ended March 31, 2024, an increase of $18.2 million, or 8%. Research and development expenses were favorably impacted by the movement of international currencies against the U.S. dollar, which decreased our expenses by approximately $1.3 million for the nine months ended March 31, 2025, as reported in U.S. dollars. Excluding the impact of foreign currency movements, research and development expenses increased by 9% compared to the nine months ended March 31, 2024. As a percentage of net revenue, research and development expenses were 6.4% for the nine months ended March 31, 2025, compared to 6.5% for the nine months ended March 31, 2024.

The increase in research and development expenses in constant currency terms was primarily due to increases in employee-related costs.

Amortization of Acquired Intangible Assets

Amortization of acquired intangible assets for the three months ended March 31, 2025 totaled $10.9 million compared to $11.2 million for the three months ended March 31, 2024.

Amortization of acquired intangible assets for the nine months ended March 31, 2025 totaled $33.3 million compared to $35.3 million for the nine months ended March 31, 2024.

The decrease in amortization of acquired intangible assets for the three and nine months ended March 31, 2025 compared to the three and nine months ended March 31, 2024 is due to certain acquired intangible assets reaching the end of their useful lives and becoming fully amortized.

Restructuring Expenses

We did not record any restructuring expenses during the three and nine months ended March 31, 2025. During the nine months ended March 31, 2024, we recorded $64.2 million of restructuring related charges associated with an evaluation of our existing operations to increase operational efficiency, decrease costs and increase profitability. Restructuring charges for the nine months ended March 31, 2024 were comprised of $28.6 million of employee severance and other one-time termination benefits, $33.2 million of intangible asset impairments associated with the wind down of certain business activities, and $2.4 million of other miscellaneous asset impairments.

Total Other Income (Loss), Net

The following table summarizes our other income (loss) (in thousands):

	Three Months Ended March 31,		
	2025	2024	Change
Interest (expense) income, net	$ 793	$ (11,026)	$ 11,819
Gain (loss) attributable to equity method investments	335	440	(105)
Gain (loss) on equity investments	(5,647)	13,919	(19,566)
Other, net	(4,056)	(2,496)	(1,560)
Total other income (loss), net	$ (8,575)	$ 837	$ (9,412)

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Management's Discussion and Analysis of Financial Condition and Results of Operations

	Nine Months Ended March 31,		
	2025	2024	Change
Interest (expense) income, net	$ (1,643)	$ (39,787)	$ 38,144
Gain (loss) attributable to equity method investments	2,375	(2,716)	5,091
Gain (loss) on equity investments	(7,765)	11,429	(19,194)
Other, net	(4,277)	(537)	(3,740)
Total other income (loss), net	$ (11,310)	$ (31,611)	$ 20,301

Total other income (loss), net for the three months ended March 31, 2025 was a loss of $8.6 million compared to income of $0.8 million for the three months ended March 31, 2024. We recorded a loss associated with our equity investments of $5.6 million for the three months ended March 31, 2025 compared to a gain of $13.9 million for the three months ended March 31, 2024. Losses attributable to equity investments were partially offset by interest income, net of $0.8 million for the three months ended March 31, 2025 compared to interest expense, net of $11.0 million for the three months ended March 31, 2024 due to lower debt levels following repayments on our revolving credit facility.

Total other income (loss), net for the nine months ended March 31, 2025 was a loss of $11.3 million compared to a loss of $31.6 million for the nine months ended March 31, 2024. Interest expense, net, decreased to $1.6 million for the nine months ended March 31, 2025 compared to $39.8 million for the nine months ended March 31, 2024 due to lower debt levels following repayments on our revolving credit facility. In addition, we recorded a gain associated with our equity method investments of $2.4 million for the nine months ended March 31, 2025 compared to a loss of $2.7 million for the nine months ended March 31, 2024. Decreases in interest expense, net, and gains attributable to equity method investments were partially offset by a loss associated with our equity investments of $7.8 million for the nine months ended March 31, 2025 compared to a gain of 11.4 million for the nine months ended March 31, 2024.

Income Taxes

Our effective income tax rate for the three and nine months ended March 31, 2025 was 12.6% and 16.3%, respectively, as compared to 20.0% and 19.7% for the three and nine months ended March 31, 2024, respectively. Our effective rate of 12.6% for the three months ended March 31, 2025 differs from the statutory rate of 21.0% primarily due to interest and penalties refunded from the IRS due to amended returns, foreign operations, and research credits. The decrease in our effective tax rate for the three and nine months ended March 31, 2025 was primarily due to interest and penalties refunded from the IRS due to amended returns, overall windfall tax benefits related to the vesting or settlement of employee share-based awards and a shift in our global mix of earnings.

As of March 31, 2025, we had an income tax receivable of $31.7 million, which was recognized in prepaid expenses and other current assets. It is expected to be received by March 31, 2026.

Our Singapore operations operate under certain tax holidays and tax incentive programs that will expire in whole or in part at various dates through June 30, 2030. As a result of the U.S. Tax Cuts and Jobs Act of 2017, we treated all non-U.S. historical earnings as taxable during the year ended June 30, 2018. Therefore, future repatriation of cash held by our non-U.S. subsidiaries will generally not be subject to U.S. federal tax, if repatriated.

The Organization of Economic Co-operation and Development (OECD) and the G20 Inclusive Framework on Base Erosion and Profit Shifting (the Inclusive Framework) has put forth two proposals—Pillar One and Pillar Two—that (i) revise the existing profit allocation and nexus rules and (ii) ensure a minimal level of taxation, respectively. Effective in our fiscal year beginning July 1, 2024, various jurisdictions in which we operate began implementing the global minimum tax prescribed under Pillar Two. These changes in legislation are not expected to have a material impact on our income tax expense and cash flows for the fiscal year ending June 30, 2025. We are continuing to evaluate the potential impacts of the Inclusive Framework for the current fiscal year and future periods.

Net Income and Earnings per Share

As a result of the factors above, our net income for the three months ended March 31, 2025 was $365.0 million compared to $300.5 million for the three months ended March 31, 2024, an increase of $64.5 million, or 21%. Our net income for the nine months ended March 31, 2025 was $1,021.0 million compared to $728.7 million for the nine months ended March 31, 2024, an increase of $292.3 million, or 40%.

Our diluted earnings per share for the three months ended March 31, 2025 was $2.48 per diluted share compared to $2.04 for the three months ended March 31, 2024, an increase of $0.44, or 22%. Our diluted earnings per share for the nine months ended March 31, 2025 was $6.93 compared to $4.94 for the nine months ended March 31, 2024, an increase of $1.99, or 40%.

Summary of Non-GAAP Financial Measures

In addition to financial information prepared in accordance with GAAP, our management uses certain non-GAAP financial measures, such as non-GAAP revenue, non-GAAP cost of sales, non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, non-GAAP net income, and non-GAAP diluted earnings per share, in evaluating the performance of our business. We believe that these non-GAAP financial measures, when reviewed in conjunction with GAAP financial measures, can provide investors better insight when evaluating our performance from core operations and can provide more consistent financial reporting across periods. For these reasons, we use non-GAAP information internally in planning, forecasting, and evaluating the results of operations in the current period and in comparing it to past periods. These non-GAAP financial measures should be considered in addition to, and not superior to or as a substitute for, GAAP financial measures. We strongly encourage investors and shareholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure. Non-GAAP financial measures as presented herein may not be comparable to similarly titled measures used by other companies.

The measure "non-GAAP cost of sales" is equal to GAAP cost of sales less amortization of acquired intangible assets relating to cost of sales and field safety notification expenses. The masks with magnets field safety notification expenses relate to estimated costs to provide alternative masks to patients in response to updated contraindications for use of masks that incorporate magnets. The Astral field safety notification expenses relate to estimated costs associated with the replacement of a certain component in some of our Astral ventilation devices that were manufactured between 2013 to 2019. The measure "non-GAAP gross profit" is the difference between GAAP net revenue and non-GAAP cost of sales, and "non-GAAP gross margin" is the ratio of non-GAAP gross profit to GAAP net revenue.

These non-GAAP measures are reconciled to their most directly comparable GAAP financial measures below (in thousands, except percentages):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
GAAP Net revenue	$ 1,291,736	$ 1,196,980	$ 3,798,334	$ 3,462,102
GAAP Cost of sales	$ 525,327	$ 504,199	$ 1,563,432	$ 1,522,326
Less: Amortization of acquired intangibles	(7,444)	(7,812)	(22,748)	(24,976)
Less: Masks with magnets field safety notification expenses	—	—	—	(6,351)
Less: Astral field safety notification expenses	—	—	—	(7,911)
Non-GAAP cost of sales	$ 517,883	$ 496,387	$ 1,540,684	$ 1,483,088
GAAP gross profit	$ 766,409	$ 692,781	$ 2,234,902	$ 1,939,776
GAAP gross margin	59.3 %	57.9 %	58.8 %	56.0 %
Non-GAAP gross profit	$ 773,853	$ 700,593	$ 2,257,650	$ 1,979,014
Non-GAAP gross margin	59.9 %	58.5 %	59.4 %	57.2 %

The measure “non-GAAP income from operations” is equal to GAAP income from operations once adjusted for amortization of acquired intangibles, restructuring expenses, field safety notification expenses, and acquisition-related expenses. Non-GAAP income from operations is reconciled with GAAP income from operations below (in thousands):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
GAAP income from operations	$ 426,268	$ 374,584	$ 1,230,823	$ 938,677
Amortization of acquired intangibles - cost of sales	7,444	7,812	22,748	24,976
Amortization of acquired intangibles - operating expenses	10,895	11,204	33,345	35,259
Restructuring expenses	—	—	—	64,228
Masks with magnets field safety notification expenses	—	—	—	6,351
Astral field safety notification expenses	—	—	—	7,911
Acquisition-related expenses	—	—	—	483
Non-GAAP income from operations	$ 444,607	$ 393,600	$ 1,286,916	$ 1,077,885

The measure “non-GAAP net income” is equal to GAAP net income once adjusted for amortization of acquired intangibles, restructuring expenses, field safety notification expenses, acquisition related expenses, interest and penalties on tax refunds and associated tax effects. The measure “non-GAAP diluted earnings per share” is the ratio of non-GAAP net income to diluted shares outstanding. These non-GAAP measures are reconciled to their most directly comparable GAAP financial measures below (in thousands, except for per share amounts):

	Three Months Ended March 31,		Nine Months Ended March 31,	
	2025	2024	2025	2024
GAAP net income	$ 365,041	$ 300,492	$ 1,021,018	$ 728,715
Amortization of acquired intangibles - cost of sales	7,444	7,812	22,748	24,976
Amortization of acquired intangibles - operating expenses	10,895	11,204	33,345	35,259
Restructuring expenses	—	—	—	64,228
Masks with magnets field safety notification expenses	—	—	—	6,351
Astral field safety notification expenses	—	—	—	7,911
Acquisition related expenses	—	—	—	483
Income tax effect of interest and penalties on income tax refunds	(29,976)	—	(29,976)	—
Income tax effect on non-GAAP adjustments	(4,871)	(5,083)	(14,904)	(34,969)
Non-GAAP net income	$ 348,533	$ 314,425	$ 1,032,231	$ 832,954
Diluted shares outstanding	147,220	147,450	147,432	147,549
GAAP diluted earnings per share	$ 2.48	$ 2.04	$ 6.93	$ 4.94
Non-GAAP diluted earnings per share	$ 2.37	$ 2.13	$ 7.00	$ 5.65

Liquidity and Capital Resources

Our principal sources of liquidity are our existing cash and cash equivalents, cash generated from operations and access to our revolving credit facility. Our primary uses of cash have been for research and development activities, selling and marketing activities, capital expenditures, strategic acquisitions and investments, dividend payments, share repurchases and repayment of debt obligations. We expect that cash provided by operating activities may fluctuate in future periods as a result of several factors, including fluctuations in our operating results, which include impacts from supply chain disruptions, working capital requirements and capital deployment decisions.

Our future capital requirements will depend on many factors including our growth rate in net revenue, third-party reimbursement of our products for our customers, the timing and extent of spending to support research development efforts, the expansion of selling, general and administrative activities, the timing of introductions of new products, and the expenditures associated with possible future acquisitions, investments or other business combination transactions. As we assess inorganic growth strategies, we may need to supplement our internally generated cash flow with outside sources. If we are required to access the debt market, we believe that we will be able to secure reasonable borrowing rates. As part of our liquidity strategy, we will continue to monitor our current level of earnings and cash flow generation as well as our ability to access the market considering those earning levels.

As of March 31, 2025 and June 30, 2024, we had cash and cash equivalents of $932.7 million and $238.4 million, respectively. Our cash and cash equivalents held within the United States at March 31, 2025 and June 30, 2024 were $409.3 million and $51.2 million, respectively. Our remaining cash and cash equivalent balances at March 31, 2025 and June 30, 2024, were $523.4 million and $187.2 million, respectively. Our cash and cash equivalent balances are held at highly rated financial institutions.

As of March 31, 2025, we had $1,500.0 million available for draw down under the revolving credit facility and a combined total of $2,432.7 million in cash and available liquidity under the revolving credit facility.

As a result of the U.S. Tax Cuts and Jobs Act of 2017, we treated all non-U.S. historical earnings as taxable, which resulted in additional tax expense of $126.9 million which was payable over the proceeding eight years. Therefore, future repatriation of cash held by our non-U.S. subsidiaries will generally not be subject to U.S. federal tax if repatriated.

We believe that our current sources of liquidity will be sufficient to fund our operations, including expected capital expenditures, for the next 12 months and beyond.

Revolving Credit Agreement, Term Credit Agreement and Senior Notes

On June 29, 2022, we entered into a second amended and restated credit agreement (as amended from time to time, the "Revolving Credit Agreement"). The Revolving Credit Agreement, among other things, provided a senior unsecured revolving credit facility of $1,500.0 million, with an uncommitted option to increase the revolving credit facility by an additional amount equal to the greater of $1,000.0 million or 1.00 times the EBITDA for the trailing twelve-month measurement period. Additionally, on June 29, 2022, ResMed Pty Limited entered into a Second Amendment to the Syndicated Facility Agreement (the "Term Credit Agreement"). The Term Credit Agreement, among other things, provides ResMed Pty Limited a senior unsecured term credit facility of $200.0 million. The Revolving Credit Agreement and Term Credit Agreement each terminate on June 29, 2027, when all unpaid principal and interest under the loans must be repaid. As of March 31, 2025, we had $1,500.0 million available for draw down under the revolving credit facility.

On July 10, 2019, we entered into a Note Purchase Agreement with the purchasers to that agreement, in connection with the issuance and sale of $250.0 million principal amount of our 3.24% senior notes due July 10, 2026, and $250.0 million principal amount of our 3.45% senior notes due July 10, 2029 ("Senior Notes").

On March 31, 2025, there was a total of $675.0 million outstanding under the Revolving Credit Agreement, Term Credit Agreement and Senior Notes and we were in compliance with our debt covenants. We expect to satisfy all of our liquidity and long-term debt requirements through a combination of cash on hand, cash generated from operations and debt facilities.

Cash Flow Summary

The following table summarizes our cash flow activity (in thousands):

	Nine Months Ended March 31, 2025	Nine Months Ended March 31, 2024
Net cash provided by (used in) operating activities	$ 1,212,822	$ 961,146
Net cash provided by (used in) investing activities	(66,332)	(223,275)
Net cash provided by (used in) financing activities	(442,366)	(726,004)
Effect of exchange rate changes on cash	(9,774)	(1,848)
Net increase (decrease) in cash and cash equivalents	$ 694,350	$ 10,019

Operating Activities

Cash provided by operating activities was $1,212.8 million for the nine months ended March 31, 2025, compared to cash provided of $961.1 million for the nine months ended March 31, 2024. The $251.7 million increase in cash flow from operations was primarily due to increased net income, partially offset by higher working capital during the nine months ended March 31, 2025 compared to the nine months ended March 31, 2024. During the three and nine months ended March 31, 2025, our operating cash flows included $107.0 million of income tax refunds and associated interest and penalties.

Investing Activities

Cash used in investing activities was $66.3 million for the nine months ended March 31, 2025, compared to cash used of $223.3 million for the nine months ended March 31, 2024. The $156.9 million decrease in cash flow used in investing activities was primarily due to cash used to acquire Somnoware during the nine months ended March 31, 2024 in addition to net proceeds from maturity of foreign currency contracts during the nine months ended March 31, 2025 compared to net payments from maturity of foreign currency contracts during the nine months ended March 31, 2024.

Financing Activities

Cash used in financing activities was $442.4 million for the nine months ended March 31, 2025, compared to cash used of $726.0 million for the nine months ended March 31, 2024. We repurchased $200.0 million of treasury stock during the nine months ended March 31, 2025 compared to repurchases of $100.0 million during the nine months ended March 31, 2024. Cash outflows for treasury stock repurchases were offset by lower net repayments under our Revolving Credit Agreement of $35.0 million for the nine months ended March 31, 2025 compared to net repayments of $430.0 million for the nine months ended March 31, 2024.

Dividends

During the three months ended March 31, 2025, we paid cash dividends of $0.53 per common share totaling $77.7 million. On April 23, 2025, our board of directors declared a cash dividend of $0.53 per common share, to be paid on June 12, 2025, to shareholders of record as of the close of business on May 8, 2025. Future dividends are subject to approval by our board of directors.

Common Stock

On February 21, 2014, our board of directors approved our current share repurchase program, authorizing us to acquire up to an aggregate of 20.0 million shares of our common stock. Since approval of the share repurchase program in 2014 through March 31, 2025, we have repurchased a total of 8.8 million shares under this repurchase program for an aggregate of $762.7 million. During the nine months ended March 31, 2025, we repurchased 842,946 shares at a cost of $200.0 million. Shares that are repurchased are classified as treasury stock pending future use and reduce the number of shares of common stock outstanding used in calculating earnings (loss) per share. The share repurchase program may be accelerated, suspended, delayed or discontinued at any time at the discretion of our board of directors. At March 31, 2025, 11.2 million additional shares remain available for us to repurchase under the approved share repurchase program.

Critical Accounting Principles and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and judgments that affect our reported amounts of assets and liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. On an ongoing basis we evaluate our estimates, including those related to allowance for doubtful accounts, inventory reserves, warranty obligations, goodwill, potentially impaired assets, intangible assets, income taxes and contingencies.

We state these accounting policies in the notes to the financial statements and at relevant sections in this discussion and analysis. The estimates are based on the information that is currently available to us and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could vary from those estimates under different assumptions or conditions.

For a full discussion of our critical accounting policies, see our Annual Report on Form 10-K for the fiscal year ended June 30, 2024.

Recently Issued Accounting Pronouncements

See note 1 to the unaudited condensed consolidated financial statements for a description of recently issued accounting pronouncements, including the expected dates of adoption and estimated effects on our results of operations, financial position and cash flows.

Contractual Obligations and Commitments

Other than for purchase obligations, there have been no material changes outside the ordinary course of business in our outstanding contractual obligations from those disclosed within “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024. Details of our purchase obligations as of March 31, 2025 were as follows (in thousands):

		Payments Due by March 31,					
	Total	2026	2027	2028	2029	2030	Thereafter
Purchase obligations	$ 941,181	$ 888,563	$ 42,391	$ 4,422	$ 2,318	$ 2,103	$ 1,384

Off-Balance Sheet Arrangements

As of March 31, 2025, we are not involved in any significant off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K promulgated by the SEC.

RESMED INC. AND SUBSIDIARIES
Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency Market Risk

Our reporting currency is the U.S. dollar, although the financial statements of our non-U.S. subsidiaries are maintained in their respective local currencies. We transact business in various foreign currencies, including a number of major European currencies as well as the Australian and Singapore dollars. We have significant foreign currency exposure through our Australian and Singapore manufacturing activities and our international sales operations.

Net Investment and Fair Value Hedging

On November 17, 2022, we executed foreign cross-currency swaps as net investment hedges and fair value hedges in designated hedging relationships with either the foreign denominated net asset balances or the foreign denominated intercompany loan as the hedged items. All derivatives are recorded at fair value as either an asset or liability. Cash flows associated with derivative instruments are presented in the same category on the consolidated statements of cash flows as the hedged item.

The purpose of the cross-currency swaps for the fair value hedge is to mitigate foreign currency risk associated with changes in spot rates on foreign denominated intercompany debt between USD and EUR. For these hedges, we excluded certain components from the assessment of hedge effectiveness that are not related to spot rates. For fair value hedges that qualify and are designated for hedge accounting, the change in fair value of the derivative is recorded in the same line item as the hedged item, Other, net, in the condensed consolidated statement of operations. The initial fair value of hedge components excluded from the assessment of effectiveness is recognized in the statement of operations under a systematic and rational method over the life of the hedging instrument and is presented in interest (expense) income, net. Any difference between the change in the fair value of the hedge components excluded from the assessment of effectiveness and the amounts recognized in earnings is recorded as a component of other comprehensive income.

The purpose of the cross-currency swaps for the net investment hedge is to mitigate foreign currency risk associated with changes in spot rates on the net asset balances of our foreign functional subsidiaries. For net investment hedges that qualify and are designated for hedge accounting, the change in fair value of the derivative is recorded in cumulative translation adjustment within other comprehensive loss and reclassified into earnings when the hedged net investment is either sold or substantially liquidated. The initial fair value of components excluded from the assessment of hedge effectiveness will be recognized in interest (expense) income, net.

The notional value of outstanding foreign cross-currency swaps was $1,034.8 million and $1,026.2 million at March 31, 2025 and June 30, 2024, respectively. These contracts mature at various dates prior to December 31, 2029.

Non-Designated Hedges

We transact business in various foreign currencies, including a number of major European currencies as well as the Australian and Singapore dollars. We have foreign currency exposure through both our Australian and Singapore manufacturing activities, and international sales operations. We have established a foreign currency hedging program using purchased foreign currency call options, collars and forward contracts to hedge foreign-currency-denominated financial assets, liabilities and manufacturing cash flows. The terms of such foreign currency hedging contracts generally do not exceed three years. The purpose of this hedging program is to economically manage the financial impact of foreign currency exposures denominated mainly in Euros, and Australian and Singapore dollars. Under this program, increases or decreases in our foreign currency denominated financial assets, liabilities, and firm commitments are partially offset by gains and losses on the hedging instruments. We do not designate these foreign currency contracts as hedges. All movements in the fair value of the foreign currency instruments are recorded within other, net in our condensed consolidated statements of operations.

The notional value of the outstanding non-designated hedges was $1,463.4 million and $1,340.0 million at March 31, 2025 and June 30, 2024, respectively. These contracts mature at various dates prior to March 16, 2026.

RESMED INC. AND SUBSIDIARIES
Quantitative and Qualitative Disclosures About Market Risk

Fair Values of Derivative Instruments

The table below provides information (in U.S. dollars) on our foreign currency denominated operating assets and liabilities and after considering our foreign currency hedging activities as of March 31, 2025 (in thousands):

	U.S. Dollar (USD)	Euro (EUR)	Canadian Dollar (CAD)	Chinese Yuan (CNY)
AUD Functional:				
Net Assets/(Liabilities)	354,920	(203,752)	(46)	37,719
Foreign Currency Hedges	(335,000)	172,718	—	(27,546)
Net Total	19,920	(31,034)	(46)	10,173
USD Functional:				
Net Assets/(Liabilities)	—	306,354	35,155	—
Foreign Currency Hedges	—	(302,256)	(27,819)	—
Net Total	—	4,098	7,336	—
SGD Functional:				
Net Assets/(Liabilities)	607,754	169,330	—	2,526
Foreign Currency Hedges	(625,000)	(161,923)	—	—
Net Total	(17,246)	7,407	—	2,526

RESMED INC. AND SUBSIDIARIES
Quantitative and Qualitative Disclosures About Market Risk

The table below provides information about our material foreign currency derivative financial instruments and presents the information in U.S. dollar equivalents. The table summarizes information on instruments and transactions that are sensitive to foreign currency exchange rates, including foreign currency call options, collars, forward contracts and cross-currency swaps held at March 31, 2025. The table presents the notional amounts and weighted average exchange rates by contractual maturity dates for our foreign currency derivative financial instruments, including the forward contracts used to hedge our foreign currency denominated assets and liabilities. These notional amounts generally are used to calculate payments to be exchanged under the contracts (in thousands, except exchange rates).

		Fair Value Assets / (Liabilities)	
	Total	March 31, 2025	June 30, 2024
AUD/USD			
Contract amount	335,000	(2,421)	730
Ave. contractual exchange rate	AUD 1 = USD 0.6283		
AUD/EUR			
Contract amount	253,679	6,520	(1,610)
Ave. contractual exchange rate	AUD 1 = EUR 0.6147		
SGD/EUR			
Contract amount	194,307	(5,244)	825
Ave. contractual exchange rate	SGD 1 = EUR 0.7049		
SGD/USD			
Contract amount	625,000	(1,550)	(2,054)
Ave. contractual exchange rate	SGD 1 = USD 0.7474		
AUD/CNY			
Contract amount	27,546	(46)	(112)
Ave. contractual exchange rate	AUD 1 = CNY 4.5246		
USD/EUR			
Contract amount	1,034,790	(36,625)	(31,743)
Ave. contractual exchange rate	USD 1 = EUR 0.9610		
USD/CAD			
Contract amount	27,819	1,479	(143)
Ave. contractual exchange rate	CAD 1 = USD 0.7324		

Interest Rate Risk

We are exposed to risk associated with changes in interest rates affecting the return on our cash and cash equivalents and debt. At March 31, 2025, we held cash and cash equivalents of $932.7 million, principally comprised of bank term deposits and at-call accounts, and are invested at both short-term fixed interest rates and variable interest rates. At March 31, 2025, there was $175.0 million outstanding under the Revolving Credit Agreement and Term Credit Agreement, which are subject to variable interest rates. A hypothetical 10% change in interest rates during the three months ended March 31, 2025, would not have had a material impact on pretax income. We have no interest rate hedging agreements.

Inflation

Inflationary factors such as increases in the cost of our products, freight, overhead costs or wage rates may adversely affect our operating results. Sustained inflationary pressures in the future may have an adverse effect on our ability to maintain current levels of gross margin and operating expenses as a percentage of net revenue if we are unable to offset such higher costs through price increases.

Item 4 Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in our reports made pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and in reaching a reasonable level of assurance management necessarily was required to apply its judgment in evaluating the cost benefit relationship of possible controls and procedures.

As required by Rule 13a-15(b) of the Exchange Act, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of March 31, 2025.

There has been no change in our internal control over financial reporting during our most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

RESMED INC. AND SUBSIDIARIES

PART II. OTHER INFORMATION

Item 1 Legal Proceedings

We are involved in various legal proceedings, claims, investigations and litigation that arise in the ordinary course of our business. We investigate these matters as they arise, and accrue estimates for resolution of legal and other contingencies in accordance with Accounting Standard Codification Topic 450, “Contingencies”. See note 9 to the unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

Litigation is inherently uncertain. Accordingly, we cannot predict with certainty the outcome of these matters; however, we do not expect the outcome of these matters to have a material adverse effect on our consolidated financial statements when taken as a whole.

Item 1A Risk Factors

The discussion of our business and operations should be read together with the risk factors contained in our Annual Report on Form 10-K for the fiscal year ended June 30, 2024 (the "Annual Report"), which was filed with the SEC and describe various material risks and uncertainties to which we are or may become subject. The information presented below updates and should be read in conjunction with the risk factors disclosed in our Annual Report. As of March 31, 2025, there have been no further material changes to such risk factors, except as follows:

Global macroeconomic conditions, including inflation, supply chain disruptions, and fluctuations in foreign currency exchange rates, could continue to adversely affect our operations and profitability. Global economic conditions, geopolitical instability, and other macroeconomic factors, including inflation, supply chain disruptions, such as recent shipping disruptions in the Red Sea, interest rate and foreign currency rate fluctuations, and volatility in the capital markets could negatively impact our business, financial condition, and results of operations. The growth of our business and demand for our products are affected by changes in the health of the overall global economy. Deterioration in the global economic environment may cause decreased demand for our products which could result in lower product sales, lower prices for our products, or reduced reimbursement rates by third-party payors, while increasing the cost of operating our business.

Macroeconomic conditions may impact our global supply chain, primarily through constraints on raw materials and electronic components. These constraints on raw materials and electronic components may also impact companies outside of our direct industry, which could result in a competitive supply environment causing higher costs, requiring us to commit to minimum purchase obligations as well as make upfront payments to our suppliers. These disruptions may impact our ability to produce and supply products in quantities necessary to satisfy customer demand, which could negatively impact our results of operations. Highly competitive and constrained supply chain conditions may increase our cost of sales, which may adversely impact our profitability.

We sell our products in many countries, and we also source many components and materials for our products from and manufacture our products in various countries. The U.S. government recently announced tariffs on product imports from certain countries, including higher tariff levels on those imported from Canada, Mexico, and China. These actions have resulted, and are expected to further result, in retaliatory measures on U.S. goods by those countries and others. If maintained, these recently announced tariffs, and the potential escalation of trade disputes could pose a risk to our business that could affect our revenue and cost of sourcing materials. The extent and duration of the tariffs and the resulting impact on general economic conditions and on our business are uncertain and are expected to be impacted by various factors, such as negotiations between the U.S. and affected countries, the responses of other countries or regions, exemptions or exclusions that already exist or may be granted, availability and cost of alternative sources of our products and materials, and our ability to offset the effects of any tariffs that might be imposed. Specific legislative and regulatory proposals may be introduced to change international trade law, regulations or interpretations thereof (possibly with retroactive effect) of various jurisdictions or limit trade relief benefits that, if enacted, could materially increase the cost of our goods to export internationally, increase our effective tax rate, or have a material adverse impact on our financial condition and results of operation. We cannot predict whether our own or industry initiatives to maintain, extend or create tariff relief for our products and manufacturing will be successful. We also cannot predict the effect, if any, of the imposition of new or increased tariffs by one country and retaliatory responses by other countries who are trade partners. It is possible that these changes could adversely affect our business beyond the resilience of our current supply chain and investment in manufacturing flexibility. Further, actions we take to adapt to new tariffs or trade restrictions may increase our costs or risks or may cause us to modify our operations, which could be time-consuming and expensive; impact pricing of our products, which could impact our sales, profitability, and our reputation; or cause us to forgo new business opportunities.

Global economic conditions may impact foreign currency exchange rates relative to the U.S. dollar. Although the majority of our net sales and cash generation have been made in the U.S., as our business in countries outside of the U.S. continues to increase, our exposure to foreign currency exchange risk related to our foreign sales and operations will increase. Fluctuations in the rate of exchange between the U.S. dollar and foreign currencies, primarily the Australian Dollar, Singapore Dollar, Euro, Chinese Yuan, and Canadian Dollar, have had and could in the future have an adverse effect on our financial results, including our net sales, margins, gains and losses, as well as on the values of our assets and liabilities.

Item 2 Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Purchases of equity securities. The following table summarizes our purchases of common stock for the three months ended March 31, 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share (USD)	Total Number of Shares Purchased as Part of Publicly Announced Programs	Maximum Number of Shares that May Yet Be Purchased Under the Program
January 1 - 31, 2025	—	$ —	43,192,913	11,523,100
February 1 - 28, 2025	314,100	238.78	43,507,013	11,209,000
March 1 - 31, 2025	—	—	43,507,013	11,209,000
Total	314,100	$ 238.78	43,507,013	11,209,000

On February 21, 2014, our board of directors approved our current share repurchase program, authorizing us to acquire up to an aggregate of 20.0 million shares of our common stock. The program allows us to repurchase shares of our common stock from time to time for cash in the open market, or in negotiated or block transactions, as market and business conditions warrant and subject to applicable legal requirements. The share repurchase program may be accelerated, suspended, delayed or discontinued at any time at the discretion of our board of directors. All share repurchases after February 21, 2014 have been executed under this program. Since approval of the share repurchase program in 2014 through March 31, 2025, we have repurchased a total of 8.8 million shares under this repurchase program for an aggregate of $762.7 million.

Item 3 Defaults Upon Senior Securities

None

Item 4 Mine Safety Disclosures

None

Item 5 Other Information

Rule 10b5-1 Trading Plans of Directors and Executive Officers

Our directors and executive officers may purchase or sell shares of our common stock in the market from time to time, including pursuant to equity trading plans adopted in accordance with Rule 10b5-1 under the Exchange Act and in compliance with guidelines specified by our insider trading policy. In accordance with Rule 10b5-1 and our insider trading policy, directors, officers and certain employees who, at such time, are not in possession of material non-public information are permitted to enter into written plans that pre-establish amounts, prices and dates (or formula for determining the amounts, prices and dates) of future purchases or sales of our stock, including shares acquired pursuant to our equity incentive plans. Under a Rule 10b5-1 trading plan, a broker executes trades pursuant to parameters established by the director or executive officer when entering into the plan, without further direction from them. The use of these trading plans permits asset diversification as well as personal financial and tax planning. Our directors and executive officers also may buy or sell additional shares outside of a Rule 10b5-1 plan when they are not in possession of material nonpublic information, subject to compliance with SEC rules, the terms of our insider trading policy and certain minimum holding requirements.

RESMED INC. AND SUBSIDIARIES

The following table describes any contracts, instructions or written plans for the sale or purchase of the Company's securities and intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) of the Exchange Act that were adopted by our directors and executive officers during the quarterly period ended March 31, 2025:

Name and Title	Plan Action	Plan Adoption Date	Scheduled Expiration Date of Rule 10b5-1 Trading Plan[1]	Aggregate Number of Securities to Be Purchased or Sold (Up To)
Jan De Witte *Director*	Adoption	February 3, 2025	November 11, 2025	2,487
Brett Sandercock *Chief Financial Officer*	Adoption	February 19, 2025	April 30, 2026	25,527
Michael Rider *Chief Legal Officer*	Adoption	February 28, 2025	February 17, 2026	407

(1) A trading plan may also expire on such earlier date that all transactions under the trading plan are completed.

During the quarterly period ended March 31, 2025, none of our directors or executive officers terminated a Rule 10b5-1 trading arrangement or adopted or terminated a non-Rule 10b5-1 trading arrangement (each term as defined in Item 408 of Regulation S-K).

RESMED INC. AND SUBSIDIARIES

Item 6 Exhibits

Exhibits (numbered in accordance with Item 601 of Regulation S-K)

3.1	First Restated Certificate of Incorporation of ResMed Inc., as amended. (Incorporated by reference to Exhibit 3.1 to the Registrant's Report on Form 10-Q for the quarter ended September 30, 2013)
3.2	Eighth Amended and Restated Bylaws of ResMed Inc., as adopted on November 17, 2023 (as Approved and Adopted by Board Resolution November 17, 2023). (Incorporated by reference to Exhibit 3.1 to the Registrant's Report on Form 8-K filed on November 20, 2023)
10.1*	Updated Form of Executive Agreement.
31.1	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32**	Certifications of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial statements from ResMed Inc.'s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, filed on April 23, 2025, formatted in Inline XBRL: (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations, (iii) Condensed Consolidated Statements of Comprehensive Income, (iv) Condensed Consolidated Statements of Cash Flows, (v) the Notes to the Condensed Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

* Management contract or compensatory plan or arrangement.

** In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release No. 33-8238 and 34-47986, Final Rule: Management's Reports on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibit 32 hereto are deemed to accompany this Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

RESMED INC. AND SUBSIDIARIES

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

April 23, 2025

ResMed Inc.

/s/ **MICHAEL J. FARRELL**

Michael J. Farrell
Chief Executive Officer
(Principal Executive Officer)

/s/ BRETT A. SANDERCOCK

Brett A. Sandercock
Chief Financial Officer
(Principal Financial Officer)

EXECUTIVE AGREEMENT
Executive Officer

This Executive Agreement (this "Agreement") is made effective as of the ___ of ______, 20__ (the "Effective Date") between ResMed Inc., a Delaware corporation (the "Company") and __________ ("Executive").

WHEREAS, the Executive is currently employed as an executive officer of the Company; and

WHEREAS, the Company believes it to be in the best interests of its stockholders to attract, retain and motivate key officers and to ensure continuity of management, and that this will further those interests; and

WHEREAS, the Company recognizes that the possibility of a Change in Control of the Company may result in the departure of key executives to the detriment of the Company and its stockholders.

In consideration of Executive's continued employment as an executive officer of the Company and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Executive agree as follows:

1. Term of Agreement

A. This Agreement shall be for an initial term that continues in effect, through the third anniversary of the Effective Date. The term of this Agreement shall automatically be extended for one or more additional terms of three (3) years each. This Agreement may be terminated effective as of the last day of any of the initial or extended term, provided that written notice of such termination is provided to Executive prior to the date that is 60 days before the last day of such term.

B. Notwithstanding the foregoing, the term of this Agreement shall terminate upon the expiration of the "Restricted Period", subject to all rights and benefits hereunder having been paid and satisfied in full.

2. Certain Definitions

A. "Board" means the Board of Directors of the Company.

B. "Cause" shall mean:

i. Executive's conviction or plea of guilty or nolo contendere of a misdemeanor involving moral turpitude, dishonesty or a breach of trust as regards the Company or any subsidiary of the Company or Executive's conviction or plea of guilty or nolo contendere of a felony; or

ii. Executive’s commission of any act of theft, fraud, embezzlement or misappropriation against the Company or any subsidiary of the Company, regardless of whether a criminal conviction is obtained; or

iii. Executive’s willful and continued failure to devote substantially all of Executive’s business time to business affairs of the Company and its subsidiaries, (excluding failures due to illness, incapacity, vacations, incidental civic activities and incidental personal time) or Executive’s material breach of the terms of any employment-related agreement with the Company or a subsidiary, which failure or breach is not remedied within a reasonable time after written demand is delivered by the Company or the applicable subsidiary, which demand specifically identifies the manner in which the Company or the applicable subsidiary believes that Executive has failed to devote substantially all of Executive’s business time to the business affairs of the Company and its subsidiaries or has breached such agreement; or

iv. Executive’s willful failure to comply with any corporate policies, which failure results or is likely to result in substantial injury, financial or otherwise, to the Company or a subsidiary or its reputation, or a violation of any corporate policy relating to harassment, discrimination, or sexual misconduct (including, but not limited to, such actions based on sex, gender, gender expression, race, religion, national origin, or other protected class);

v. Executive’s unauthorized disclosure or use of confidential information of the Company or a subsidiary, which results or is likely to result in substantial injury, financial or otherwise, to the Company or a subsidiary or their reputation; or

vi. Executive’s willful violation of any rules or regulations of any governmental or regulatory body, which violation results or is likely to result in substantial injury, financial or otherwise, to the Company or a subsidiary or their reputation; or

vii. Executive’s abuse of drugs, alcohol or illegal substances (to the extent not inconsistent with the Americans with Disability Act or similar state law), which results or is likely to result in substantial injury, financial or otherwise, to the Company or a subsidiary or their reputation.

C. “Change in Control” of the Company shall have the meaning set forth in the ResMed Inc. 2009 Incentive Award Plan, as amended and restated, or in any successor equity plan.

D. "Code" shall mean the United States Internal Revenue Code of 1986, as amended from time to time, together with the regulations and official guidance promulgated thereunder.

E. "Date of Termination" shall mean the date of Executive's Separation from Service.

F. "Disability" shall mean a physical or mental incapacity as a result of which Executive becomes unable to continue the proper performance of Executive's duties hereunder for six consecutive calendar months or for shorter periods aggregating 180 business days in any 12-month period, but only to the extent that such definition does not violate the Americans with Disabilities Act.

G. "ERISA" shall mean the U.S. Employee Retirement Income Security Act of 1974, as amended from time to time.

H. "Equity Plans" shall mean the Company's stock option plans, restricted stock plans, incentive plans, equity participation plans, or other similar plans, and any stock option or restricted stock agreements or other award agreements used in connection therewith.

I. "Executive" shall mean the executive officer of the Company who is a party to this Agreement. In the event of Executive's death after becoming entitled to any payment, benefit or right under Section 3 or 4, but prior to the receipt of such payment or benefit or exercise of any right, then the term "Executive" shall include Executive's estate.

J. "Good Reason" shall mean any of the following material negative circumstances that occurs without the express written consent of Executive, if Executive has given the Company written notice ("Notice of Good Reason") within 90 days of the initial existence of such circumstances and the Company has failed to cure such circumstances within 30 days of such notice:

i. The assignment to Executive by the Company or an applicable subsidiary of duties, responsibilities, authority, or reporting relationship that are materially diminished when compared to Executive's duties, responsibilities, authority, or reporting relationship with the Company or the applicable subsidiary immediately prior to the Change in Control (including no longer reporting to the chief executive officer or board of the parent company), except in connection with the termination of Executive's employment for Cause, death or Disability or by Executive other than for Good Reason; or

ii. A material reduction by the Company or an applicable subsidiary in Executive's base salary as in effect at the time of the Change in Control; or

iii. Any material diminution by the Company or an applicable subsidiary in the aggregate benefits provided to Executive under the Company or an applicable subsidiary's benefit plans and arrangements in which Executive is participating at the time of the Change in Control, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan or arrangement; or

iv. Any failure by the Company or an applicable subsidiary to continue in effect, or any material reduction in target short-term incentive opportunity or any material increase in target performance objectives under, any short-term incentive or incentive plan or arrangement in which Executive is participating at the time of the Change in Control, which results in a material negative change in Executive's short-term incentive or incentive compensation, unless an equitable arrangement (embodied in an ongoing substitute or alternative plan) has been made with respect to such plan or arrangement with a comparable target short-term incentive opportunity and comparable target performance objectives; or

v. Any material diminution by the Company or an applicable subsidiary in the budget over which Executive retains authority at the time of the Change in Control;

vi. Any action by the Company or an applicable subsidiary that either:

1. requires that Executive be based anywhere that is at least fifty (50) miles away from both (i) Executive's office location as of the date of the Change in Control and (ii) Executive's then primary residence, except for required travel by Executive on the Company or an applicable subsidiary's business; or

2. changes the Company's remote work policies in a way that substantially restricts Executive's ability to perform Executive's duties and responsibilities remotely, except for required travel by Executive on the Company or an applicable subsidiary's business; or

vii. Any failure by the Company to obtain the assumption of this Agreement by any successor or assign of the Company; or

viii. Any other action or inaction by the Company or an applicable subsidiary that constitutes a material breach by the Company of the agreement under which Executive provides services to the Company or an applicable subsidiary at the time of the Change in Control.

For these purposes, a material reduction of Executive’s base salary or target short-term incentive opportunity will be deemed to have occurred if the salary or target short-term incentive opportunity has been reduced by 10% or more from the base salary or target short-term incentive opportunity, as applicable, in effect (i) at the time of the Change in Control, or (ii) in the case of Executive’s Separation from Service prior to a Change in Control, immediately prior to the date of such material reduction.

Executive’s voluntary termination of employment for Good Reason must occur not later than two years after the initial existence of the circumstances constituting “Good Reason.”

K. “Notice of Termination” shall mean a written notice delivered to the other party indicating the specific termination provision in this Agreement relied upon for termination of Executive’s employment and shall set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated. Any purported termination by either party other than pursuant to a Notice of Termination shall not be effective.

L. “Payment Date” shall mean the later of the Separation from Service or the date of the Change in Control.

M. “Restricted Period” shall mean the period of one (1) year following the Date of Termination of Executive, which termination is covered by Section 3 hereof.

N. “Separation from Service” of Executive shall mean Executive’s termination of employment with the Company and its subsidiaries, and if Executive is a U.S. Taxpayer, then solely to the extent necessary to comply with Section 409A of the Code, such termination must also qualify as a “separation from service,” as defined in Treasury Regulation Section 1.409A-1(h).

O. “Short-term Incentive Amount” shall mean the Executive’s target short-term-incentive opportunity at the time of a Change in Control, as applied to the Executive's Termination Base Salary.

P. “Termination Base Salary” shall mean the greatest annual rate of Executive’s base salary in effect during the three-year period ending on the Date of Termination.

Q. “U.S. Taxpayer” shall mean an Executive who is subject to U.S. federal taxation.

3. Change in Control Benefits.

A. In the event that:

i. Executive provides Notice of Good Reason at any time during the six-month period prior to the date of a Change in Control, or during the twelve (12) month period commencing on the date of a Change in Control, and

Executive has a Separation from Service by reason of Executive’s voluntary termination of employment for Good Reason, or

ii. Executive has a Separation from Service by reason of the Company’s termination of Executive’s employment other than for Cause during the six-month period prior to the date of the Change in Control (and such termination is at the request of the successor entity of such Change in Control, or is otherwise made in anticipation of the Change in Control), or during the twelve (12) month period commencing on the date of the Change in Control,

then Executive shall receive the benefits from the Company as provided under Section 3.B. A portion of the benefits provided under Section 3.B. is deemed consideration for Executive’s covenants under Section 12.

B. Subject to Section 5.B, 12.E. and the other terms of this Agreement, the benefits to be provided by the Company in the event of a Separation from Service covered by Section 3.A. shall be as follows:

i. The Company shall pay to Executive when otherwise due Executive’s then effective base salary through the Date of Termination.

ii. The Company shall pay to Executive an amount equal to ______ times Executive’s Termination Base Salary, payable in a lump sum within thirty (30) days following the Payment Date.

iii. The Company shall pay to Executive an amount equal to ______ times the higher of (i) the highest actual annual short-term incentive received by Executive during the three years prior to the fiscal year in which the Date of Termination occurs, or (ii) Executive’s Short-term Incentive Amount, payable in a lump sum within thirty (30) days following such Payment Date.

iv. In consideration of service through the Date of Termination, the Company shall pay to Executive Executive’s Short-term Incentive Amount, pro-rated through and including the Date of Termination (on the basis of a 365-day year), payable in a lump sum within thirty (30) days following the Payment Date.

v. Notwithstanding any provisions to the contrary in any of the Company’s Equity Plans, (i) all outstanding unvested stock options of Executive shall be and become fully vested and exercisable as to all shares of stock covered thereby, and (ii) all outstanding shares of restricted stock, all restricted shares, restricted stock units, performance shares and performance units of Executive shall be and become vested and nonforfeitable and all restrictions thereon shall lapse, in each case as of the

Payment Date. For purposes of the foregoing, the number of shares to become vested under any performance share, performance unit or other award subject to performance conditions shall be determined in accordance with the methodology described in the applicable award agreement (or in any appendix thereto) in the case of Executive's Separation from Service in the circumstances described in Section 3.A., or if no such methodology is specified, then the number of shares to become vested will assume achievement of the applicable performance conditions at the target level.

vi. Effective as of the Payment Date, Executive shall become and be fully vested in Executive’s accrued benefits under all qualified pension, nonqualified pension, profit sharing, 401(k), deferred compensation, superannuation plan, government or private pension plan, and supplemental plans maintained by the Company or a subsidiary for Executive’s benefit, except to that the extent the acceleration of vesting of such benefits would violate any applicable law or require the Company or a subsidiary to accelerate the vesting of the accrued benefits of all participants in such plan or plans, in which case the Company shall pay Executive a lump sum payment, within thirty (30) days following the Payment Date, in an amount equal to the present value of such unvested accrued benefits. In addition, if such a lump sum payment is payable, the Company shall make an additional gross-up payment to Executive in an amount such that the net amount of the lump sum payment and such additional gross-up payment retained by Executive, after the calculation and deduction of all U.S. federal, state and local and non-U.S. income tax and employment tax on such lump sum payment and additional gross-up payment, shall be equal to such lump sum payment. Such additional gross-up payment shall be made in a lump sum payment within thirty (30) days following the Payment Date.

vii. The Company shall provide Executive with additional benefits described in Section 4 hereof.

4. Additional Benefits.

A. Medical and Dental Health Benefits Premiums. In the event of a Separation from Service covered by Section 3.A., the Company shall pay to Executive an amount equal to twelve (12) multiplied by the Medical and Dental Premium (as defined below), payable in a lump sum within thirty (30) days following the Payment Date. For purposes of this Section 4.A., the “Medical and Dental Premium” shall equal: (i) the monthly premium for the COBRA Continuation Coverage (determined as of the Date of Termination), less (ii) the monthly contribution required to be paid by Executive for the coverage for Executive and Executive’s family under the Company’s or a subsidiary’s group medical and dental benefits plan (as in effect on the Date of Termination). For purposes of this Section 4.A., "COBRA Continuation Coverage" shall mean the continuation coverage required to be provided to Executive and Executive's family under the Company's or a subsidiary's group medical and dental benefits plans following Executive's Separation from Service in accordance with Title I, Subtitle B, Part 6 of ERISA and Section 4980B(f) of the Code (and if Executive is not a resident or citizen of the United States, and receives medical or dental benefits from the Company or a subsidiary, then the calculation will be based on the monthly premium paid by the Company or the applicable subsidiary for such medical or dental benefits for Executive and Executive's family as of the Date of Termination).

In addition, the Company shall make an additional lump sum gross-up payment to Executive in an amount such that the net amount of the lump sum payment and such additional lump sum gross-up payment retained by Executive, after the calculation and deduction of all U.S. federal, state and local and non-U.S. income tax and employment tax on such lump sum payment and additional lump sum gross-up payment, shall be equal to such lump sum payment. Such additional lump sum gross-up payment shall be made in a lump sum payment within thirty (30) days following the Payment Date.

B. Relocation Expenses. In the event of a Separation from Service covered by Section 3.A, the Company shall honor any separate agreement it has entered into with Executive to reimburse Executive upon termination of employment in an amount equal to the expenses incurred by Executive in connection with Executive's relocation at the request of the Company; provided that notwithstanding the terms of such agreement, all such payments shall be made in a lump sum payment within thirty (30) days following the Payment Date. If the Company has not entered into a separate agreement with Executive regarding reimbursement of expenses incurred in relocation, then no amounts shall be payable to Executive pursuant to this Section 4.B.

5. United States Law Provisions.

The following provisions of this Section 5 shall apply to Executive only to the extent that Executive is a U.S. Taxpayer:

A. Best Pay Provision.

i. Notwithstanding any other provisions of this Agreement, in the event that any payment or benefit received or to be received by Executive (including any payment or benefit received in connection with a change in ownership or control of the Company, including a Change in Control, or the termination of Executive's employment, including a Separation from Service, whether pursuant to the terms of this Agreement or any other plan, arrangement or agreement) (all such payments and benefits, including the payments and benefits under Sections 3 and 4 of this Agreement, being hereinafter referred to as the "Total Payments") would be subject (in whole or part), to the excise tax imposed under Section 4999 of the Code (the "Excise Tax"), then, after taking into account any reduction in the Total Payments provided by reason of Section 280G of the Code in such other plan, arrangement or agreement, the cash severance payments shall first be reduced, and the noncash severance payments shall thereafter be reduced, to the extent necessary so that no portion of the Total Payments is subject to the Excise Tax but only if (i) the net amount of such Total Payments, as so reduced (and after subtracting the net amount of U.S. federal, state and local and non-U.S. income taxes on such reduced Total Payments and after taking into account any applicable phase out of itemized deductions and personal exemptions attributable to such reduced Total Payments) is greater than or equal to (ii) the net amount of such Total Payments without such reduction (but after subtracting the net amount of U.S. federal, state and local and non-U.S. income taxes on such Total Payments and the amount of Excise Tax to which Executive would be subject in respect of such unreduced Total Payments and after taking into account any applicable phase out of itemized deductions and personal exemptions attributable to such unreduced Total Payments). The Total Payments shall be reduced by the Company in its reasonable discretion in the following order: (w) reduction of any cash severance payments otherwise payable to Executive that are exempt from Section 409A of the Code, (x) reduction of any other cash payments or benefits otherwise payable to Executive that are exempt from Section 409A of the Code, but excluding any payment attributable to the acceleration of vesting or payment with respect to any stock option or other equity award with respect to the Company's common stock that is exempt from Section 409A of the Code, (y) reduction of any other payments or benefits otherwise payable to Executive on a pro-rata basis or such other manner that complies with Section 409A of the Code, but excluding any payment attributable to the acceleration of vesting and payment with respect to any stock option or other equity award with respect to the Company's common stock that is exempt from Section 409A of the Code, and (z) reduction of any payments attributable to the acceleration of vesting or payment with respect to any stock option or other equity award with respect to the Company's common stock that are exempt from Section 409A of the Code, provided, that reduction of any payments attributable to accelerating vested stock options or other equity awards shall be first applied to stock options and equity awards that would otherwise vest last in time.

ii. For purposes of determining whether and the extent to which the Total Payments will be subject to the Excise Tax, (i) no portion of the Total Payments the receipt or enjoyment of which Executive shall have waived at such time and in such manner as not to constitute a "payment" within the meaning of Section 280G(b) of the Code shall be taken into account, (ii) no portion of the Total Payments shall be taken into account which, in the written opinion of Company's independent certified public accounts, or the independent auditors of nationally recognized standing selected by the Company, as determined by the Company (the "Accountants"), does not constitute a "parachute payment" within the meaning of Section 280G(b)(2) of the Code (including by reason of Section 280G(b)(4)(A) of the Code) and, in calculating the Excise Tax, no portion of such Total Payments shall be taken into account which, in the opinion of the Accountants, constitutes reasonable compensation for services actually rendered, within the meaning of Section 280G(b)(4)(B) of the Code, in excess of the "base amount" (as defined in Section 280G(b)(3) of the Code) allocable to such reasonable compensation, and (iii) the value of any non cash benefit or any deferred payment or benefit included in the Total Payments shall be determined by the Accountants in accordance with the principles of Sections 280G(d)(3) and (4) of the Code.

iii. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 5.A. shall be made in writing in good faith by the Accountants.

B. Compliance with and Exemption from Section 409A of the Code.

i. This Agreement is not intended to provide for any deferral of compensation subject to Code Section 409A and, accordingly, the benefits provided pursuant to this Agreement shall be paid not later than the later of: (i) the fifteenth day of the third month following Executive's first taxable year in which such benefit is no longer subject to a substantial risk of forfeiture, and (ii) the fifteenth day of the third month following the first taxable year of the Company in which such benefit is no longer subject to a substantial risk of forfeiture, as determined in accordance with Code Section 409A and Treasury Regulation Section 1.409A-1(b)(4). For purposes of this Section 5.B.i. "substantial risk of forfeiture" shall have the meaning set forth in Treasury Regulation Section 1.409A-1(d). Notwithstanding the provisions of this Section 5.B.i., the timing of the settlement of equity awards, that may constitute nonqualified deferred compensation for purposes of Code Section 409A, will be governed by the provisions of those agreements.

ii. This Agreement shall be interpreted in accordance with the applicable requirements of, and exemptions from, Section 409A of the Code. To the extent the payments and benefits under this Agreement are subject to Section 409A of the Code, this Agreement shall be interpreted, construed and administered in a manner that satisfies the requirements of Sections 409A(a)(2), (3) and (4) of the Code. If the Company and Executive determine that any compensation, benefits or other payments that are payable under this Agreement and intended to comply with Sections 409A(a)(2), (3) and (4) of the Code do not comply with Section 409A of the Code, to the extent permitted under Section 409A of the

Code, the Company and Executive agree to amend this Agreement, or take such other actions as the Company and the Executive deem reasonably necessary or appropriate, to cause such compensation, benefits and other payments to comply with the requirements of Section 409A of the Code, while providing compensation, benefits and other payments that are, in the aggregate, no less favorable then the compensation, benefits and other payments provided under this Agreement. In the case of any compensation, benefits or other payments that are payable under this Agreement and intended to comply with Sections 409A(a)(2), (3) and (4) of the Code, if any provision of the Agreement would cause such compensation, benefits or other payments to fail to so comply, such provision shall not be effective and shall be null and void with respect to such compensation, benefits or other payments, to the extent such provision would cause a failure to comply and such provision shall otherwise remain in full force and effect.

iii. If Executive is a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i), on the date of Executive's Separation from Service, to the extent required by Section 409A of the Code, any payments or benefits under this Agreement subject to Section 409A of the Code shall be delayed in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, and such payments or benefits shall be paid or distributed to Executive during the thirty (30) day period commencing on the earlier of (i) the expiration of the six-month period measured from the date of Executive's Separation from Service or (ii) the date of Executive's death. Upon the expiration of the applicable six-month period under Section 409A(a)(2)(B)(i) of the Code, all payments deferred pursuant to this Section 5.B.iii. shall be paid in a lump sum payment to Executive.

iv. In any case where Executive's Date of Termination and the Release Expiration Date (as defined in Section 12.E. below) fall in two separate taxable years, any payments required to be made to executive that are conditioned on a release of claims under Section 12.E. and constitute nonqualified deferred compensation for purposes of Code Section 409A shall be made in the later taxable year.

v. Any right Executive may have to reimbursement of legal fees and expenses pursuant to Section 10.E. shall be provided in a manner that complies with Treasury Regulation Section 1.409A-3(i)(1)(iv). If Executive is a "specified employee" on the date of Executive's Separation from Service, such right to reimbursement of legal fees and expenses shall be paid as provided in Section 5.B.iii. above.

6. Mitigation.

Executive shall not be required to mitigate the amount of any payment provided for in this Agreement by seeking other employment or otherwise nor shall the amount of any payment or benefit provided for in this Agreement be reduced by any compensation earned or benefit received by Executive as the result of employment by another employer or self-employment, by retirement benefits, by offset against any amount claimed to be owed by Executive to the Company or otherwise.

7. Successor Agreement.

The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume this Agreement and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no succession had taken place. All references herein to Company shall include the successor entity.

8. Indemnity.

In any situation where under applicable law the Company has the power to indemnify, advance expenses to and defend Executive in respect of any judgments, fines, settlements, loss, cost or expense (including attorneys' fees) of any nature related to or arising out of Executive's activities as an agent, employee, officer or director of the Company or in any other capacity on behalf of or at the request of the Company, then the Company shall promptly on written request, indemnify Executive, advance expenses (including attorney's fees) to Executive and defend Executive to the fullest extent permitted by applicable law, including but not limited to making such findings and determinations and taking any and all such actions as the Company may, under applicable law, be permitted to have the discretion to take so as to effectuate such indemnification, advancement or defense. Such agreement by the Company shall not be deemed to impair any other obligation of the Company respecting Executive's indemnification or defense otherwise arising out of this or any other agreement or promise of the Company under any statute.

9. Notice.

For the purpose of this Agreement, notices and all other communications provided for in this Agreement shall be in writing and delivered by United States certified or registered mail (return receipt requested, postage prepaid) or by courier guaranteeing overnight delivery or by hand delivery (with signed receipt required), addressed to the respective addresses set forth below, and such notice or communication shall be deemed to have been duly given two days after deposit in the mail, one day after deposit with such overnight carrier or upon delivery with hand delivery.

The addresses set forth below may be changed by a writing in accordance herewith.

The Company: Executive:

ResMed Inc. [●]
9001 Spectrum Center Blvd. [●]
San Diego, CA 92123 [●]
Attn: Chief Executive Officer
with a copy to General Counsel

10. Dispute Resolution.

A. All claims or disputes arising out of this Agreement (including any claims for benefits) must first be addressed through the Company's benefit claims procedure (the "Claims Procedure"), that will be provided to Executive under separate cover and is incorporated herein.

B. If Executive desires to challenge a final determination made under the Claims Procedure, then the sole and exclusive method for resolving the claim or dispute is binding arbitration conducted according to the terms described below. For the avoidance of doubt, Executive must pursue any Agreement-related claim or dispute that remains unresolved by the Claims Procedure through the Agreement's arbitration process and may not initiate an action in any court of law.

C. If any dispute remains after the Claims Procedure has been exhausted, the complaining party may by written notice (the "Notice") demand arbitration of the dispute as set out below, and each party hereto expressly agrees to submit to, and be bound by, such arbitration.

i. Each party will, within ten (10) business days of the Notice, nominate an arbitrator. Each nominated arbitrator must be someone experienced in dispute resolution and of good character without moral turpitude and not within the employ or direct or indirect influence of the nominating party. The two nominated arbitrators will, within ten (10) business days of nomination, agree upon a third arbitrator. If two (2) appointed arbitrators cannot agree on a third arbitrator within such period, the parties may seek such an appointment through any permitted court proceeding or by the American Arbitration Association ("AAA"). The three arbitrators will set the rules and timing of the arbitration, but will generally follow the rules of the AAA and this Agreement where same are applicable and shall provide for written fact findings.

ii. The arbitration hearing will in no event take place more than ninety (90) days after the appointment of the third arbitrator.

iii. The arbitration will take place in San Diego County, California, unless otherwise unanimously agreed to by the parties.

iv. The results of the arbitration and the decision of the arbitrators will be final and binding on the parties and each party agrees and acknowledges that these results shall be enforceable in a court of law.

v. Reimbursement of Legal Fees.

1. Subject to subsection ii. below, the prevailing party (*i.e*., the Company or Executive, or in the event of Executive's death or Disability, Executive's representative) shall be entitled to reimbursement for all legal fees and expenses (including but not limited to fees and expenses in connection with any arbitration) incurred by such party in disputing any issue arising under this Agreement relating to Executive's Separation from Service or in seeking to obtain or enforce any benefit or right provided by this Agreement.

2. The prevailing party shall be reimbursed for legal fees and expenses pursuant to subsection i. above only to the extent the arbitrator or court determines the following: (x) such party disputed such issue, or sought to obtain or enforce such benefit or right, in good faith, (y) such party had a reasonable basis for such claim, and (z) such party is the prevailing party. In addition, in the event Executive is the prevailing party, the Company shall reimburse such legal fees and expenses only if such legal fees and expenses are incurred during the five (5) year period beginning on the date of Executive's Separation from Service. The legal fees and expenses, if any, paid to Executive for any taxable year of Executive shall not affect the legal fees and expenses paid to Executive for any other taxable year of Executive. The legal fees and expenses, if any, shall be paid to Executive on or before the last day of Executive's taxable year following the taxable year in which the fees or expenses are incurred. Executive's right to reimbursement of legal fees and expenses shall not be subject to liquidation or exchange for any other benefit.

11. Governing Law.

This Agreement will be governed by and construed in accordance with the internal substantive laws, and not the choice of law rules, of the State of Delaware.

12. Non-Competition, Non-Solicitation, Confidentiality and Non-Disparagement Covenants.

A. Non-Competition. Executive acknowledges that he has been provided and will continue to be provided trade secret information of the Company in connection with Executive's duties as an employee and officer of the Company or an affiliate. Executive agrees that in order to prevent the misuse of trade secret information, (x) during the term of this Agreement, and (y) provided that Executive is not located in and does not relocate to the State of California during the term of this Agreement or the Restricted Period and in consideration of a portion of the payments being provided to Executive under Sections 3.B.ii., and iii. and a portion of the accelerated vesting provided under Section 3.B.iv., throughout the Restricted Period, in each case, Executive shall not, anywhere in the world, directly or indirectly (i) perform, without the prior express written consent of the Company, the same or similar responsibilities or duties Executive provided to the Company or a subsidiary, whether as an employee, consultant, partner, principal, agent, representative, stockholder (except as a holder of less than 2% of the combined voting power of the outstanding stock of a publicly held company) or in any other individual, corporate or representative capacity, or render any services or provide any advice that is similar to the services or advice Executive rendered or provided to the Company or a subsidiary during Executive's employment with the Company or a subsidiary, to any business, activity, person or entity, if Executive knows or reasonably should know that such business, activity, service, person or entity, directly or indirectly, competes in any material manner with the Business; or (ii) meaningfully assist, help or otherwise support in any manner that is similar to the assistance or support Executive provided to the Company or a subsidiary during Executive's employment with the Company or a subsidiary, without the prior express written consent of the Company, any person, business, corporation, partnership or other entity or activity, whether as an employee, consultant, partner, principal, agent, representative, stockholder (other than in the capacity as a stockholder of less than 2% of the combined voting power of the outstanding shares of stock of a publicly held company) or in any other individual, corporate or representative capacity, to create, commence or otherwise initiate, or to develop, enhance or otherwise further, any business or activity that is the same as, or similar to, the business activity Executive was engaged in during Executive's employment with the Company or a subsidiary, if Executive knows or reasonably should know that such business or activity, directly or indirectly competes in any material manner with the Business. For purposes of this Section 12, the term "Business" shall refer to the business of the Company (including its affiliates) as conducted on the Date of Termination. As of the date of this Agreement, the business of the Company, generally, involves the development, manufacture and distribution of medical equipment for treating, diagnosing, and managing sleep-disordered breathing and other respiratory disorders. Executive acknowledges that the restrictions set forth in this Section 12.A. do not have the effect of preventing Executive from practicing Executive's profession, trade or business, and they do not impose a financial hardship upon Executive. Executive agrees that, in addition to any other remedies available to the Company under applicable law, in the event of a breach of this Section 12.A.: (1) Executive shall immediately return (or otherwise pay) to the Company twenty percent (20%) of the payments made under Sections 3.B.ii. and iii.; and (2) twenty percent (20%) of all unexercised options, all shares of restricted stock and all other equity awards vested pursuant to Section 3.B.iv. shall be surrendered by Executive and cancelled (or as to shares sold, the then current value of such shares shall be paid by Executive to the Company; and (3) with respect to twenty percent (20%) of any options vested pursuant to Section 3.B.iv. that were exercised, Executive shall pay to the Company an amount equal to the difference between the exercise price and the closing price of such shares on the date of exercise multiplied by the number of shares subject to the options exercised. Executive acknowledges that twenty percent (20%) of the payment required under Sections 3.B.ii. and iii. and twenty percent (20%) of the accelerated vesting provided for under Section 3.B.iv. are provided to Executive solely in exchange for Executive's agreement under this Section 12.A.

B. Non-Solicitation. As an additional inducement for the Company to enter into this Agreement, Executive agrees that during the term of this Agreement and throughout the Restricted Period, Executive shall not, directly or indirectly solicit any person in the employment of the Company or an affiliate with whom Executive worked, or about whom Executive obtained confidential information, during the last twelve (12) months of employment with the Company or a subsidiary to (i) terminate such employment, or (ii) accept employment, or enter into any consulting arrangement, with anyone other than the Company or an affiliate.

C. Confidentiality. Throughout the term of this Agreement, the Restricted Period and thereafter, Executive shall not, directly or indirectly, use for Executive's personal benefit or for the benefit of any person, firm, corporation, association or other entity other than the Company or an affiliate, or disclose or make available to any person, firm, corporation, association or other entity for any reason or purpose whatsoever, any Confidential Information (as defined below). Executive agrees that, upon termination of Executive's employment with the Company including its affiliates, all Confidential Information in Executive's possession that is in writing or other tangible form (together with all copies or duplicates thereof, including computer files) shall be returned to the Company and shall not be retained by Executive or furnished to any third party, in any form except as provided herein; *provided*, *however*, that Executive shall not be obligated to treat as confidential, or return to the Company copies of any Confidential Information that (i) was publicly known at the time of disclosure to Executive, (ii) becomes publicly known or available thereafter other than by any means in violation of this Agreement or any other duty owed to Company or an affiliate by any person or entity, or (iii) is lawfully disclosed to Executive by a third party. As used in this Agreement, the term "Confidential Information" means information disclosed to Executive or known by Executive as a consequence of or through Executive's relationship with the Company and its affiliates, about the customers, employees, business methods, operations, public relations, contracts, organization, procedures, finances, customer lists, rates and prospects of the Company and its affiliates. Pursuant to the U.S. Defend Trade Secrets Act of 2016, a U.S. Executive may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (i) is made (A) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (B) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. A U.S. Executive who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the U.S. Executive and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

D. Non-Disparagement. Executive shall refrain during the term of this Agreement and throughout the Restricted Period, from publishing any oral or written statements about Company, any of its affiliates or any of Company's or such affiliates' directors, officers, employees, consultants, agents or representatives that (i) are slanderous, libelous or defamatory, (ii) disclose private information about or confidential information of Company, any of its affiliates or any of Company's or any such affiliates' business affairs, directors, officers, employees, consultants, agents or representatives, or (iii) place Company, any of its affiliates, or any of Company's or any such affiliates' directors, officers, employees, consultants, agents or representatives in a false light before the public. A violation or threatened violation of this prohibition may be enjoined by the courts. The rights afforded Company and its affiliates under this provision are in addition to any and all rights and remedies otherwise afforded by law. Nothing in this agreement prevents Executive from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Executive has reason to believe is unlawful.

E. General Release. As an additional inducement for the Company to enter into this Agreement, and as a condition to payment and provision of benefits under this Agreement to Executive or Executive's estate, Executive agrees that Executive (or Executive's trust or estate, as applicable) shall execute and deliver to the Company within twenty-one (21) days (or such other period as required by law) following Executive's Separation from Service, and not revoke within any revocation period required by law (the "Release Expiration Date"), a general release of claims in favor of the Company and its employees, directors, agents and affiliates in a form acceptable to the Company in its sole and absolute discretion.

F. Remedies. Executive agrees and acknowledges that Executive's right to receive any of the benefits set forth in Sections 3 and 4 (to the extent Executive is otherwise entitled to such payments) is conditioned upon Executive's compliance with the covenants in this Section 12, and all benefits granted to Executive under this Agreement shall terminate immediately upon Executive's breach of any covenant in this Section 12 and Executive shall be responsible for refunding to the

Company the benefits previously received under this Agreement. Notwithstanding the foregoing, in the event of a violation or breach of Section 12.A. the parties hereby agree that such a violation or breach shall be remedied as provided in Section 12.A.

G. Reasonable Restrictions. Executive acknowledges that these restrictions shall not prevent or unduly restrict Executive from practicing Executive's profession, or cause Executive economic hardship. Executive represents that Executive (i) is familiar with the foregoing covenants not to compete and not to solicit, and (ii) is fully aware of the obligations hereunder, including, without limitation, the reasonableness of the length of time, scope and geographic coverage of these covenants.

13. Other Severance Payments or Benefits.

In the event Executive's employment is terminated and such termination qualifies for benefits under Section 3 of this Agreement, the payments and benefits provided for in Sections 3 and 4 of this Agreement will be provided in lieu of any other severance payment or benefit under any other plan or program of the Company or any subsidiary or agreement between Executive and the Company or any subsidiary.

14. Cooperation.

During Executive's employment with the Company or a subsidiary and thereafter, Executive agrees to cooperate with the Company and its subsidiaries and their respective agents, accountants and attorneys concerning any matter with which Executive was involved during Executive's employment. Such cooperation shall include, but not be limited to, providing information to, meeting with and reviewing documents provided by the Company and its subsidiaries and their respective agents, accountants and attorneys during normal business hours or other mutually agreeable hours upon reasonable notice and to be available for depositions and hearings, if necessary and upon reasonable notice. If Executive's cooperation is required after the termination of Executive's employment, the Company shall reimburse Executive for any reasonable out of pocket expenses incurred in performing the obligations hereunder.

15. Entire Agreement; No Oral Modifications.

This Agreement sets forth the entire agreement of the parties hereto in respect of the subject matter contained herein and supersedes all prior agreements, promises, covenants, arrangements, communications, representations or warranties, whether oral or written, by any officer, employee or representative of any party hereto in respect of the subject matter contained herein. No provision of this Agreement may be modified, waived or discharged unless such waiver, modification or discharge is agreed to in writing and signed by Executive and such officer as may be designated by the Board. No waiver by either party hereto at any time of any breach by the other party hereto of or compliance with any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time.

16. Severability; Enforceability.

If at any time any provision of this Agreement shall be determined to be invalid or unenforceable by a court of competent jurisdiction, including by reason of being vague or unreasonable as to geographic area, duration or scope of activity, this Agreement shall be considered divisible and shall become and be immediately amended only as to such invalid or unenforceable provision as shall be determined to be reasonable and enforceable by a court of competent jurisdiction. The parties hereby agree that this Agreement as so amended shall be valid and binding as though any invalid or unenforceable provision had not been included herein.

IN WITNESS WHEREOF, the Company and the Executive have executed this Agreement to be effective the date first above written.

EXECUTIVE

____

RESMED INC.,
a Delaware corporation
By ____________________________

And ____________________________

EXHIBIT 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael J. Farrell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ResMed Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 23, 2025

/s/ MICHAEL J. FARRELL
Michael J. Farrell
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Brett A. Sandercock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of ResMed Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

April 23, 2025

/s/ BRETT A. SANDERCOCK
Brett A. Sandercock
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.1

The following certifications are being furnished solely to accompany the Quarterly Report pursuant to 18 U.S.C. Section 1350 and in accordance with SEC Release No. 33-8238. These certifications shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall they be incorporated by reference in any filing made by ResMed Inc. under the Securities Act of 1933, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Michael J. Farrell, Chief Executive Officer of ResMed Inc., a Delaware corporation (the "Company"), hereby certify that to my knowledge:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2025 (the "Quarterly Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 23, 2025

/s/ MICHAEL J. FARRELL
Michael J. Farrell
Chief Executive Officer
(Principal Executive Officer)

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Brett A. Sandercock, Chief Financial Officer of the Company, hereby certify that to my knowledge:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the period ended March 31, 2025 (the "Quarterly Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 23, 2025

/s/ BRETT A. SANDERCOCK
Brett A. Sandercock
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to ResMed Inc. and will be retained by ResMed Inc. and furnished to the Securities and Exchange Commission or its staff upon request.