

Internationalisation

- Sales across 80+ countries (<3% in Australia)
- 3 regions: Americas, Europe & Asia Pacific
- Also, separate in “3 Tiers”
 - Tier 1 – “developed” countries
 - Tier 2 – “developing” countries
 - Tier 3 – “emerging” countries
- Manage growth differently in these tiers
 - For example, direct where possible in Tier 1
 - Purchased distributors in Japan, France, Belgium and Netherlands



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Core Strategies

- Retain the customer focus
- Get the right people in the right positions
- Internal effectiveness and efficiency
- Two key drivers of growth
 - (Technologic) Innovation
 - Internationalisation



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Outlook

- Strategies will have impact but need more time for visibility
- Comfortable with mean of F'05 Analysts' expectations
 - PAT (A\$50 – 51 million)
- Q1 trading at expectations



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Cochlear

Questions...

Question 1:

When is the share price likely to recover?



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Question 2:

What is the status of the Department of Justice enquiry in the USA?



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Question 3:

How can an increase in Director remuneration be justified when the company is performing so poorly?

Indicative Non-Executive Director Fees

Fee Structure	Current A\$'000	Proposed A\$'000
Base - existing director	60	75
- new directors	-	95
Chairman to remain at 3 x existing director base fee and no committee fees		
Chair, Technology C'tee	15	15
Chair, Audit C'tee	22	15
Committee Fees - Audit	15	15
- Other	7.5	8

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Question 4:

Why aren't Directors fees adjusted according to company performance?



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Question 5:

What is the company's current intent regarding capital management?



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Question 6:

Does the company have any plans for a share split?



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Question 7:

Why does Cochlear not have a dividend reinvestment plan?



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Question 8:

How often do you rotate your audit partner and when was the last rotation?

How do you ensure audit independence?

Question 9:

Why were your R&D expenses up from \$37m to nearly \$45m?



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Question 10:

“Why for heaven’s sake don’t you print your notice of AGM in black instead of that fancy silver / grey so I can read the bloody thing!

“We are not all gimlet-eyed 20/20 vision yuppie typographic consultants.”



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The slide features a solid gold background with decorative curved lines and a textured band on the left and right sides. The text is centered and reads:

Cochlear Limited
2004 Annual General Meeting

Business of the Meeting

Resolution No. 1

To Receive and Consider Financial Report

To receive and consider the Company's financial report and the reports of the directors and auditors of the Company in respect of the year ended 30 June 2004.

Resolution No. 1

To Receive and Consider Financial Report

Proxy Summary:

• Total number of proxy votes available to be cast	23,342,559	100%
• Votes in favour of the resolution	22,415,331	96%
• Votes against the resolution	225,335	1%
• Votes to be cast at the discretion of the proxy	145,001	1%
• Votes directed to abstain from voting	556,892	2%



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Resolution No. 2

Remuneration Report

To consider and, if thought fit, to pass the following non-binding resolution:

2.1 “That the Remuneration Report be adopted”

Resolution No. 2

Remuneration Report

Proxy Summary:

• Total number of proxy votes available to be cast	23,342,559	100%
• Votes in favour of the resolution	22,550,682	96%
• Votes against the resolution	480,765	2%
• Votes to be cast at the discretion of the proxy	145,001	1%
• Votes directed to abstain from voting	166,111	1%



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Resolution No. 3

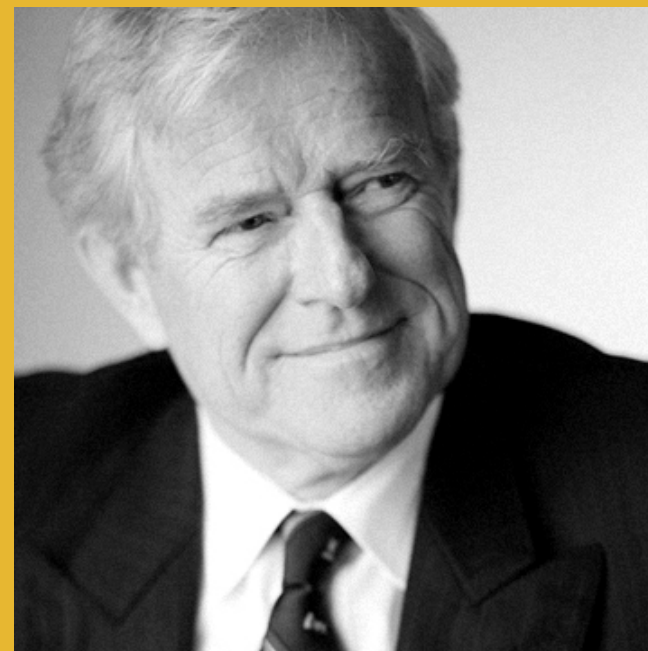
Election of Directors

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Resolution No. 3.1

Election of Directors – Mr Justus Veeneklaas

“THAT Mr Justus Veeneklaas, being a Director who is retiring by rotation in accordance with the Company’s constitution and, being eligible, offers himself for re-election as a Director of the Company.”



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Resolution No. 3.1

Election of Directors – Mr Justus Veeneklaas

Proxy Summary:

• Total number of proxy votes available to be cast	23,342,559	100%
• Votes in favour of the resolution	22,589,567	97%
• Votes against the resolution	483,179	2%
• Votes to be cast at the discretion of the proxy	145,001	1%
• Votes directed to abstain from voting	124,812	-



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Resolution No. 4

To increase the maximum aggregate remuneration of Non-Executive Directors

“THAT, with effect from the financial year commencing 1 July 2004, the aggregate maximum sum available for remuneration of non-executive directors is increased by A\$400,000 per year to A\$1,000, 000 per year.”

Resolution No. 4

To increase the maximum aggregate remuneration of Non-Executive Directors

Proxy Summary:

• Total number of proxy votes available to be cast	23,096,279	100%
• Votes in favour of the resolution	21,181,615	92%
• Votes against the resolution	1,401,899	6%
• Votes to be cast at the discretion of the proxy	136,801	1%
• Votes directed to abstain from voting	375,964	2%



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Resolution No. 5

Approval of Securities Issued to the President/CEO under the Cochlear Executive Long Term Incentive Plan

“THAT approval be given to:

- a) The grant to Dr Christopher Graham Roberts, the President/CEO of the Company, of options calculated in accordance with the formula, and on the terms, summarised in the Explanatory Notes to the Notice of Meeting (appearing at the end of the explanatory notes for item 6) for that period of the financial year ending June 30 2004 for which Dr Roberts held his current position;
- b) The acquisition by the Plan Trustee on behalf of Dr Roberts of performance shares calculated in accordance with the formula, and on the terms, summarised in the Explanatory Notes to the Notice of Meeting for that period of the financial year ending June 30 2004 for which Dr Roberts held his current position;

Continued...

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Resolution No. 5 (continued)

Approval of Securities Issued to the President/CEO under the Cochlear Executive Long Term Incentive Plan

“THAT approval be given to:

- c) The grant to Dr Roberts, of options calculated (in accordance with the formula), and on the terms, summarised in the Explanatory Notes to the Notice of Meeting for the financial year ending June 30 2005;
- d) The acquisition by the Plan Trustee on behalf of Dr Roberts of performance shares calculated (in accordance with the formula), and on the terms, summarised in the Explanatory Notes to the Notice of Meeting for the financial year ending June 30 2005; and
- e) The issue to Dr Roberts of any shares upon the exercise of any options, or the transfer by the Plan Trustee to Dr Roberts of any such performance shares.

Resolution No. 5

Approval of Securities Issued to the President/CEO Under the Cochlear Executive Long Term Incentive Plan

Proxy Summary:

• Total number of proxy votes available to be cast	23,135,589	100%
• Votes in favour of the resolution	21,998,077	95%
• Votes against the resolution	843,385	3%
• Votes to be cast at the discretion of the proxy	143,501	1%
• Votes directed to abstain from voting	160,626	1%



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Resolution No. 6

Approval of Securities Issued to Executive Director under CELTIP

“THAT approval be given to:

- a) The grant to Dr John Louis Parker, an Executive Director of the Company, of options calculated (in accordance with the formula), and on the terms, summarised in the Explanatory Notes to the Notice of Meeting;
- b) The acquisition by the Plan Trustee on behalf of Dr Parker of performance shares calculated (in accordance with the formula), and on the terms, summarised in the Explanatory Notes to the Notice of Meeting; and
- c) The issue to Dr Parker of any shares upon the exercise of any options, or the transfer by the Plan Trustee to Dr Parker of any such performance shares

Resolution No. 6

Approval of Securities Issued to Executive Director Under Cochlear Executive Long Term Incentive Plan

Proxy Summary:

• Total number of proxy votes available to be cast	23,136,089	100%
• Votes in favour of the resolution	21,980,393	95%
• Votes against the resolution	851,276	3%
• Votes to be cast at the discretion of the proxy	143,501	1%
• Votes directed to abstain from voting	160,919	1%



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The world leader.



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Cochlear