



ICU Medical, Inc. Q3 2018 Conference Call Presentation

November 8, 2018



Forward Looking Statement

- > Any statement concerning Management's expectation with respect to future results is a forward looking statement based upon the best information currently available to Management and assumptions Management believes are reasonable, but Management does not intend the statement to be a representation as to future results.
- > Future results are subject to risks and uncertainties, including the risk factors described in the Company's filings with the Securities and Exchange Commission, which include those in the Form 10-K for the year ended December 31, 2017. Actual results in the future may differ materially from Management's current expectations.
- > These forward-looking statements are made based upon our current expectations and we undertake no duty to update information provided in this presentation.

2017–2018 Pro-forma Combined Revenue

In \$ millions, unaudited, pro-forma combined¹

	2017 Q1	2017 Q2	2017 Q3	2017 Q4	Total FY17	2018 Q1	2018 Q2	2018 Q3
Infusion Consumables ²	109	109	110	121	449	120	124	118
YoY Growth	-8%	-11%	-8%	5%	-6%	10%	13%	7%
IV Solutions	114	112	125	130	481	126	116	93
YoY Growth	-2%	-8%	10%	12%	3%	11%	4%	-26%
Infusion Systems	93	93	92	89	367	93	88	81
YoY Growth	-16%	-9%	-12%	-10%	-12%	1%	-5%	-12%
Critical Care	12	12	13	13	50	14	13	13
YoY Growth	-5%	-10%	-8%	-5%	-7%	15%	9%	4%
Total	328	326	340	353	1,347	354	341	305
YoY Growth	-8%	-9%	-4%	3%	-5%	8%	5%	-10%

¹ Excludes all sales from ICU legacy to HIS, includes some internal estimates & allocations

² ICU legacy Infusion and Oncology included in Infusion Consumables.

2018 Reporting Framework Revenue and Gross Profit

In \$ thousands	Three Months Ended September 30,		% Change	Nine Months Ended September 30,		% Change
	2018	2017		2018	2017	
GAAP net sales	\$327,169	\$ 343,236	-5%	\$1,059,662	\$ 922,489	15%
Non-GAAP adjustments:						
Contract manufacturing (1)	(21,720)	(16,164)		(59,315)	(51,868)	
ICU intercompany sales to Hospira (2)	-	7,484		-	44,903	
Non-GAAP net sales	<u>\$ 305,449</u>	<u>\$ 334,556</u>	-9%	<u>\$ 1,000,347</u>	<u>\$ 915,524</u>	9%
GAAP Gross Profit	\$ 134,587	\$ 111,598	21%	\$ 435,388	\$ 288,605	51%
Non-GAAP adjustments:						
Adjustment to reverse the cost recognition related to the purchase accounting write-up of inventory to fair market value (3)	-	11,180		-	66,313	
Non-GAAP gross profit	<u>\$ 134,587</u>	<u>\$ 122,778</u>	10%	<u>\$ 435,388</u>	<u>\$ 354,918</u>	23%
GAAP Gross Profit % Sales	41%	33%		41%	31%	
Non-GAAP Gross Profit % of Non-GAAP Net Sales	44%	37%		44%	39%	

(1) Contract manufacturing to Pfizer at cost

(2) ICU sales to Hospira previously recognized as revenue but remained in Hospira inventory at time of close.

Adjustment is to record revenue as if originally sold to end customer.

(3) Hospira Inventory marked to market at time of purchase

What to expect in 2019

Approximate Q3/Q4 exit run-rate annualized	~ \$280 million
Plus TSA savings	~ \$20 - \$30 million
Plus Operating synergies	~ \$7.5 - \$15 million
Plus Earnings growth	~ \$7.5 - \$15 million
2019 Adjusted EBITDA range	\$315 - \$340 million