



ICU Medical, Inc. Q2 2018 Conference Call Presentation

August 9, 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 combined^{1,3}

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

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

² ICU legacy Infusion and Oncology included in Infusion Consumables.

³ Excludes contract manufacturing to Pfizer.

2018 Reporting Framework Revenue and Gross Profit

In \$ thousands	Three Months Ended June 30,		%	Six Months Ended June 30,		%
	2018	2017		Change	2018	
GAAP net sales	\$360,460	\$ 331,514	9%	\$ 732,493	\$ 579,253	26%
Non-GAAP adjustments:						
Contract manufacturing (1)	(19,528)	(21,048)		(37,595)	(35,703)	
ICU intercompany sales to Hospira (2)	-	22,451		-	37,419	
Non-GAAP net sales	<u>\$ 340,932</u>	<u>\$ 332,917</u>	2%	<u>\$ 694,898</u>	<u>\$ 580,969</u>	20%
GAAP Gross Profit	\$ 151,800	\$ 88,062	72%	\$ 300,801	\$ 177,007	70%
Non-GAAP adjustments:						
Adjustment to reverse the cost recognition related to the purchase accounting write-up of inventory to fair market value (3)	-	33,080		-	55,133	
Non-GAAP gross profit	<u>\$ 151,800</u>	<u>\$ 121,142</u>	25%	<u>\$ 300,801</u>	<u>\$ 232,140</u>	30%
GAAP Gross Profit % Sales	42%	27%		41%	31%	
Non-GAAP Gross Profit % of Non-GAAP Net Sales	45%	36%		43%	40%	

(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