



# ICU Medical, Inc. Q1 2020 Conference Call Presentation

May 7, 2020



# Disclosures

- > 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 most recent Form 10-K and subsequent filings. Actual results in the future may differ materially from Management's current expectations.
- > These forward-looking statements, including statements about the potential impacts of the COVID-19 pandemic, are made based upon our current expectations and we undertake no duty to update information provided in this presentation.
- > This presentation contains financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). These non-GAAP financial measures should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Our management believes that the non-GAAP data provides useful supplemental information to management and investors regarding our performance and facilitates a more meaningful comparison of results of operations between current and prior periods.
- > Our non-GAAP financial measures include revenue presented on a constant currency basis, which uses the average exchange rate for revenues from the prior year applied to the current year results.

# 2019–2020 Adjusted Revenue

In \$ millions, unaudited, adjusted

	2019 Q1	2019 Q2	2019 Q3	2019 Q4	Total FY19	2020 Q1
<b>Infusion Consumables</b>	<b>121</b>	<b>118</b>	<b>120</b>	<b>120</b>	<b>478</b>	<b>124</b>
YoY Growth	1%	-5%	2%	-2%	-1%	2%
YoY Growth (FXN)	3%	-3%	3%	-1%	1%	4%
<b>IV Solutions</b>	<b>92</b>	<b>80</b>	<b>81</b>	<b>81</b>	<b>334</b>	<b>91</b>
YoY Growth	-27%	-31%	-12%	-14%	-22%	-1%
YoY Growth (FXN)	-27%	-31%	-12%	-14%	-22%	-1%
<b>Infusion Systems</b>	<b>85</b>	<b>82</b>	<b>80</b>	<b>85</b>	<b>332</b>	<b>89</b>
YoY Growth	-9%	-7%	-2%	-8%	-7%	4%
YoY Growth (FXN)	-5%	-4%	0%	-7%	-4%	7%
<b>Critical Care</b>	<b>13</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>45</b>	<b>12</b>
YoY Growth	-10%	-18%	-21%	-13%	-15%	-4%
YoY Growth (FXN)	-8%	-17%	-20%	-13%	-14%	-3%
<b>Total</b>	<b>311</b>	<b>290</b>	<b>291</b>	<b>297</b>	<b>1,189</b>	<b>316</b>
YoY Growth	-12%	-15%	-5%	-8%	-10%	2%
YoY Growth (FXN)	-9%	-13%	-3%	-7%	-9%	3%

Amounts may not foot due to rounding.

# 2020 Adjusted Revenue and Gross Profit Reconciliation

In \$ thousands	Three Months Ended March 31,	
	2019	2020
GAAP net sales	\$ 330,932	\$ 328,607
Non-GAAP adjustments:		
Contract manufacturing (1)	(21,491)	(13,496)
Contract settlement (2)	1,190	860
Non-GAAP net sales	<u>\$ 310,631</u>	<u>\$ 315,971</u>
GAAP Gross Profit	\$ 135,303	\$ 121,415
Non-GAAP adjustments:		
Stock compensation expense	805	914
Amortization expense	-	105
Contract settlement (2)	1,190	860
Product-related charges (3)	-	2,626
Non-GAAP gross profit	<u>\$ 137,298</u>	<u>\$ 125,920</u>
GAAP Gross Profit % Sales	41%	37%
Non-GAAP Gross Profit % of Non-GAAP Net Sales	44%	40%

(1) Contract manufacturing to Pfizer at cost

(2) Contract settlement - contract renegotiations that result in one-time settlements

(3) Product-related charges - disposal of certain infusion sets

# F/X and Interest Income/Expense

Amounts in \$ millions, except per share figures

Revenue	Q120	FY20 Est.
F/X-Translation	(\$3)	(\$15)

EBITDA	Q120	FY20 Est.
F/X-Translation (Operating Earnings)	(\$2)	(\$4)
F/X-Transaction (Other Expense/Income)	(\$6)	(\$6)
<b>Total</b>	<b>(\$8)</b>	<b>(\$10)</b>

EPS	Q120	FY20 Est.
F/X-Translation and Transaction	(\$0.30)	(\$0.40)
Interest Income/Expense	-	(\$0.15)
<b>Total</b>	<b>(\$0.30)</b>	<b>(\$0.55)</b>

Non-Cash F/X Transaction Losses Driven By The Following Currencies:	1/1 - 3/31 Rate Changes vs. USD
Colombian Peso (COP)	(19%)
Mexican Peso (MXN)	(20%)
South African Rand (ZAR)	(22%)
Canadian Dollar (CAD)	(8%)

Note: The FY20 estimates assume foreign currency rates consistent with those as of March 31, 2020 and 1 month USD LIBOR rate of 50bps as the base rate for interest expense.