

# LivaNova

Health innovation that matters

## LivaNova Investor Day

**Alistair Simpson**  
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September 14, 2017



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Certain statements in this presentation, other than purely historical information, are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements include, but are not limited to, LivaNova’s plans, objectives, strategies, financial performance and outlook, trends, the amount and timing of future cash distributions, prospects or future events and involve known and unknown risks that are difficult to predict. As a result, our actual financial results, performance, achievements or prospects may differ materially from those expressed or implied by these forward-looking statements. In some cases, you can identify forward-looking statements by the use of words such as “may,” “could,” “seek,” “guidance,” “predict,” “potential,” “likely,” “believe,” “will,” “should,” “expect,” “anticipate,” “estimate,” “plan,” “intend,” “forecast,” “foresee” or variations of these terms and similar expressions, or the negative of these terms or similar expressions. Such forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by LivaNova and its management based on their knowledge and understanding of the business and industry, are inherently uncertain. These statements are not guarantees of future performance, and stockholders should not place undue reliance on forward-looking statements. There are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this press release, including those described in the “Risk Factors” section of Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, the Registration Statement on Form S-4 and other documents filed from time to time with the United States Securities and Exchange Commission by LivaNova.

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# We are a market leader in Cardiac Surgery

## CARDIOPULMONARY



Preferred HLM\* by perfusionists,  
fastest oxygenator adoption

## HEART VALVES



Differentiated in a large, growing  
segment: the only sutureless valve

### CUSTOMERS

Perfusionists  
Cardiac surgeons  
Cardiologists

### DISEASE STATE

Heart valve disease  
Coronary disease  
Congenital heart defect  
Heart failure

### MARKET

Large markets with  
opportunity for organic  
and inorganic growth

# We have a strong core foundation with key growth drivers

S5®  
HEART-LUNG MACHINE



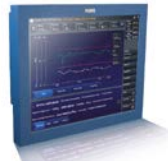
Reduces transfusions and improves recovery

Inspire®  
OXYGENATOR



Personalized perfusion

CONNECT™



Data drives better outcomes in clinical efficacy

Perceval®  
SUTURELESS VALVE

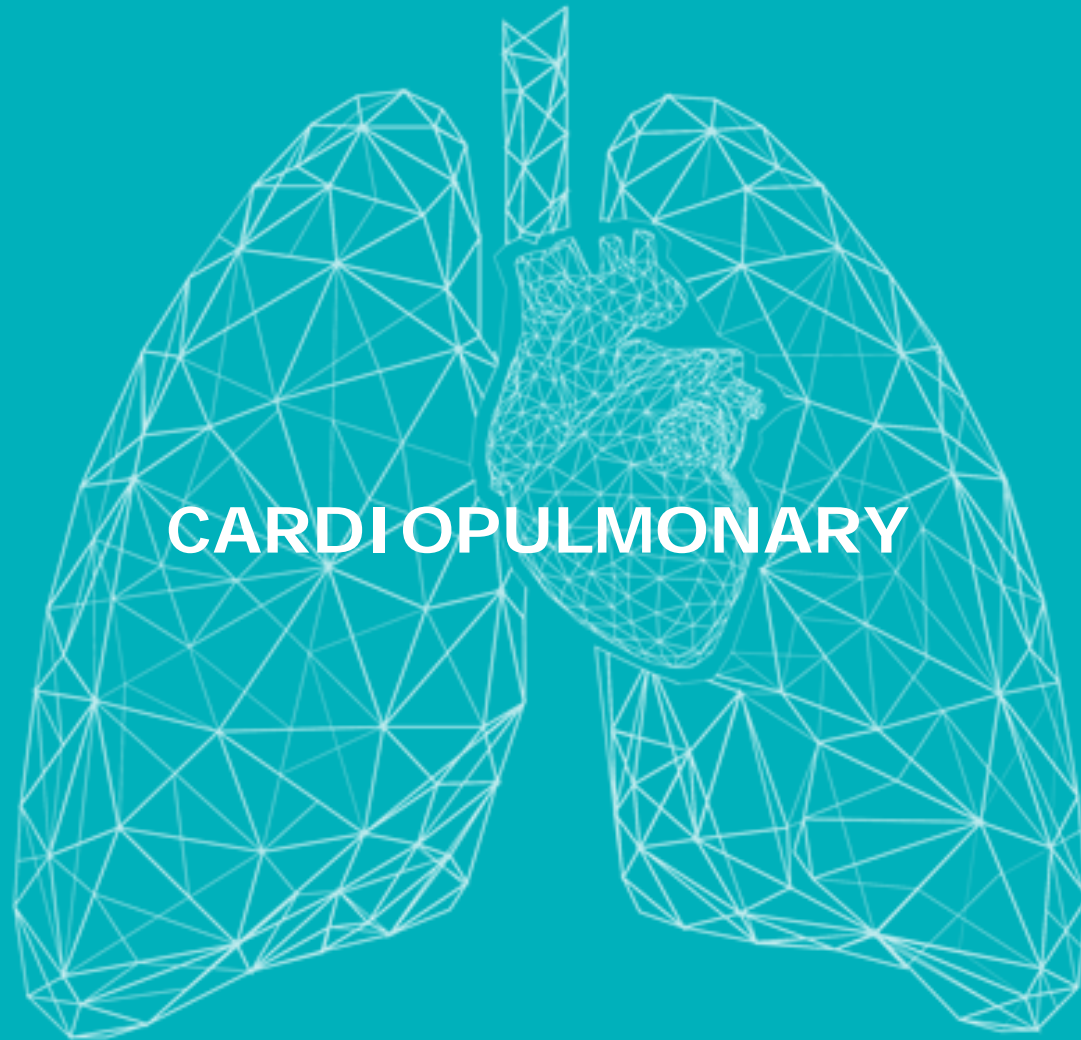


Optimizing the surgical valve replacement

Cannulae

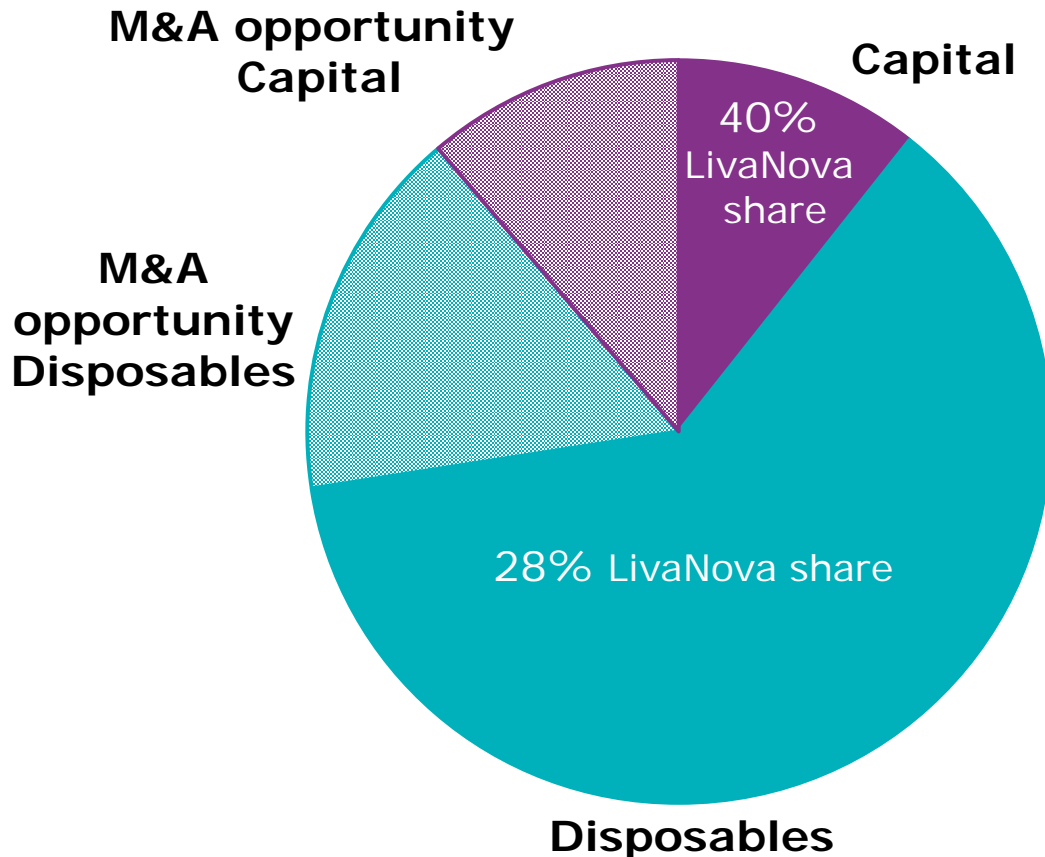


High performance with maximum flexibility



# Large market with opportunity to further surround the perfusionist

**\$2.3B market**



Market is growing low-single digits

M&A enables faster than market / mid-single-digit growth

# Our HLM is the market leader



**Near-term:** commercial execution and S5 enhancements

**Mid- to long-term:**  
next-generation device

**LivaNova**

Reduces transfusions, better neurological protection

70% market share,  
available in 30 languages

Proven safety over 40 years

Robust, proven reliability,  
made in Germany

100% customizable, flexible,  
easy to use

# Inspire ignited the fastest adoption of oxygenators



Reduces transfusions, better neurological protection

30% market share, market leader

Broad choice from complete family of products

Fastest adoption ever, closing in on 1 million patients

100% customizable, flexible, easy to use

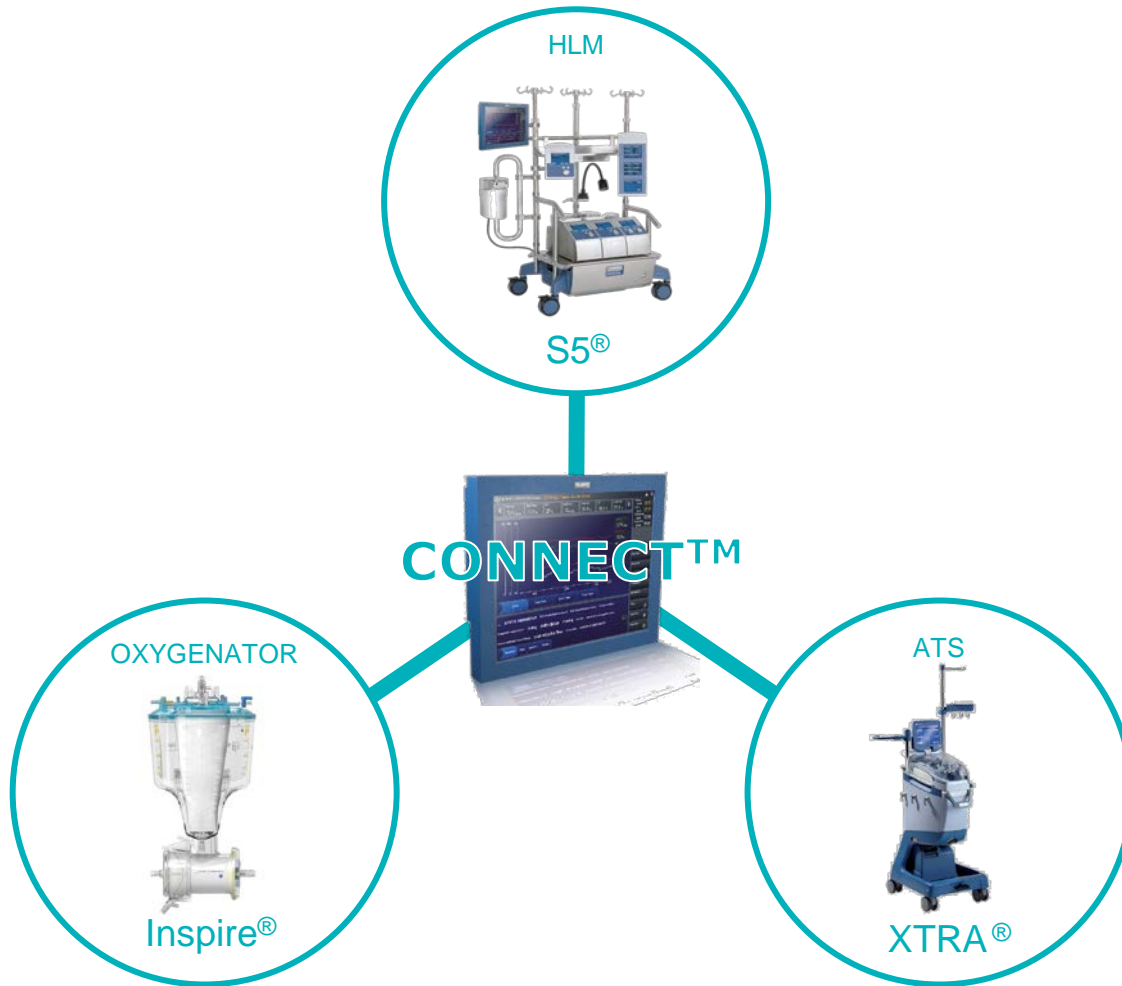
**Near-term:** commercial execution and leverage HLM footprint

**Mid- to long-term:** next-generation device; pediatric line extensions



# CONNECTing the cardiopulmonary workflow

Data is the driver for Goal Directed Perfusion



- One system connects data from all devices
- Automatic integration of perfusion data, patient parameters and product information
- Allows user to tailor perfusion to individual patient factors
- Improves patient outcome

# Investing in the future of cardiopulmonary

Capital



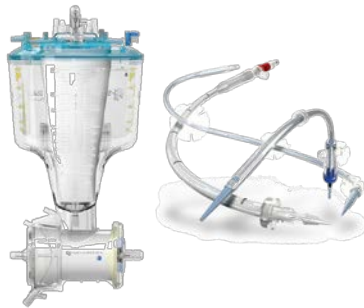
## CLINICAL NEEDS

- MICS support
- Data compatibility with hospital systems
- Improved patient management

## LIVANOVA SOLUTION

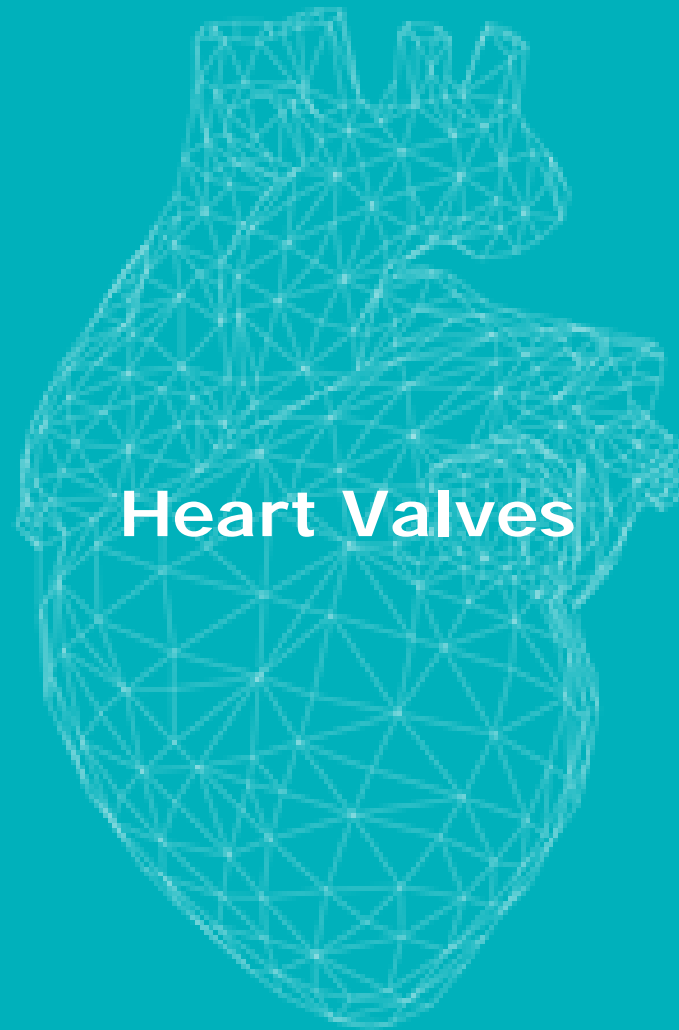
- Near-term S5 enhancements
- Mid- to long-term next-generation S5
- Next-generation Connect
- M&A capital opportunity

Disposables



- Patient safety
- Options for different surgeries
- Neurological protection

- Next-generation Inspire
- Inspire pediatric
- MICS cannulae
- M&A disposable opportunity



# Heart Valves

# Tissue valves will be a larger component of the valve portfolio



MECHANICAL

- Decline in line with market
- Target specific regions

TISSUE

- Invest in sutureless fast-deployment valves
- Perceval main growth driver
- Tissue valve growth will outgrow the decline in mechanical in 2018

# Perceval: the only sutureless fast-deployment valve in the market



10+ years of clinical use/data

190+ publications

Enabler for minimally invasive procedures

Strong economic benefits

Our goal is \$80M by 2018

# Recent studies continue to show clinical and economic benefits of Perceval

REVIEW ARTICLE

(*Innovations* 2017;12:155-173)

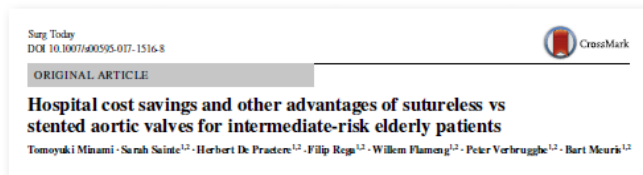
## The Perceval Sutureless Aortic Valve

*Review of Outcomes, Complications, and Future Direction*

Ramsey Powell, BEng,<sup>§</sup> Marc P. Pelletier, MD,<sup>†</sup> Michael W. A. Chu, MD,<sup>‡</sup> Denis Bouchard, MD,<sup>§</sup> Kevin N. Melvin, MD,<sup>||</sup> and Corey Adams, MD<sup>||</sup>

Comprehensive systematic review of 9 years of studies, reports the following main findings for Perceval:

- **Simplify surgery** by reducing ischemic time in all procedures
- **Facilitate MICS**
- Show **lower mortality** and PVL vs TAVR



Real-life analyses imply cost compression benefits of Perceval vs Stented: **26% cost reduction** in favor of Perceval in Leuven, Belgium

## Sutureless Valves Reduce Hospital Costs Compared to Traditional Valves

François Laborde<sup>1</sup>, Thierry Folliguet<sup>2</sup>, Gabriel Ghorayeb<sup>3</sup>, Konstantinos Zannis<sup>1</sup>

<sup>1</sup>Département de Pathologie Cardiaque, Institut Mutualiste Montsouris, Paris. <sup>2</sup>CHU de Strasbourg, Institut Lorrain du Cœur et des Vaisseaux Louis Pasteur, Vandœuvre les Nancy, Université de Lorraine. <sup>3</sup>Service de Chirurgie Cardio-Vasculaire, Hôpital privé de Parly II, Le Chesnay, France

The Journal of Heart Valve Disease 2017;26:1-6

Real-life analyses imply cost compression benefits of Perceval vs Stented: **15% cost reduction** in favor of Perceval in Paris, France

Validated by CMS NTAP approval

# Driving expansion and penetration of Perceval



## Near-term

- Focusing on \$200M MICS segment
- Sales force effectiveness
- Proctorship expansion
- Deeper penetration into existing accounts
- Product enhancements

## Medium-term

- Larger sizes to increase addressable market
- Continued clinical and economic evidence to support efficacy
- Geographic expansion: Japan in 1H18

# Summary: the market leader in cardiopulmonary and sutureless valves

<b>Cardiopulmonary</b>	<ul style="list-style-type: none"><li>• Strong core business, significant market share</li><li>• Life cycle management and new product innovation enhances base business</li><li>• Inorganic opportunities drive above-market growth</li></ul>
<b>Valves</b>	<ul style="list-style-type: none"><li>• Superior new technology sutureless valve</li><li>• Global expansion opportunities</li><li>• Small and growing position in large surgical market</li></ul>
<b>Execution</b>	<ul style="list-style-type: none"><li>• Targeted new product development</li><li>• Commercial execution and operational excellence</li></ul>



**LivaNova**

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