

LivaNova

Health innovation that matters

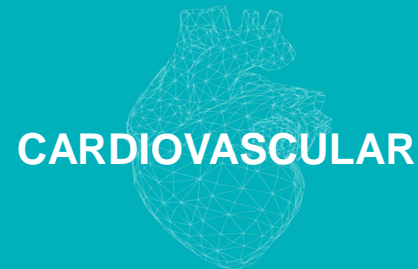
Piper Jaffray 30th Annual Healthcare Conference

November 28, 2018

NEUROMODULATION



CARDIOVASCULAR



Safe Harbor

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Intellectual Property

This report may contain references to our proprietary intellectual property, including among others:

Trademarks for our Neuromodulation systems, the VNS Therapy® System, the VITARIA® System and our proprietary pulse generator products: Model 102 (Pulse®), Model 102R (Pulse Duo®), Model 103 (Demipulse®), Model 104 (Demipulse Duo®), Model 105 (AspireHC®), Model 106 (AspireSR®) and Model 1000 (SenTiva®).

Trademarks for our Cardiopulmonary product systems: S5® heart-lung machine, S3® heart-lung machine, Inspire™, Heartlink™, XTRA® Autotransfusion System, 3T Heater-Cooler® and Connect™.

Trademarks for our line of surgical tissue and mechanical heart valve replacements and repair products: Mitroflow™, Crown PRT™, Solo Smart™, Perceval®, Top Hat™, Reduced Series Aortic Valves™, Carbomedics Carbo-Seal™, Carbo-Seal Valsalva™, Carbomedics Standard™, Orbis™ and Optiform™, and Mitral valve repair products: Memo 3D™, Memo 3D ReChord™, AnnuloFlo™ and AnnuloFlex™.

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We are a \$1.0B¹ focused medical innovator

Improving quality
of patients' lives

Strong leadership
position in
Neuromodulation
and Cardiovascular

Targeting
underserved and
high-growth
market segments

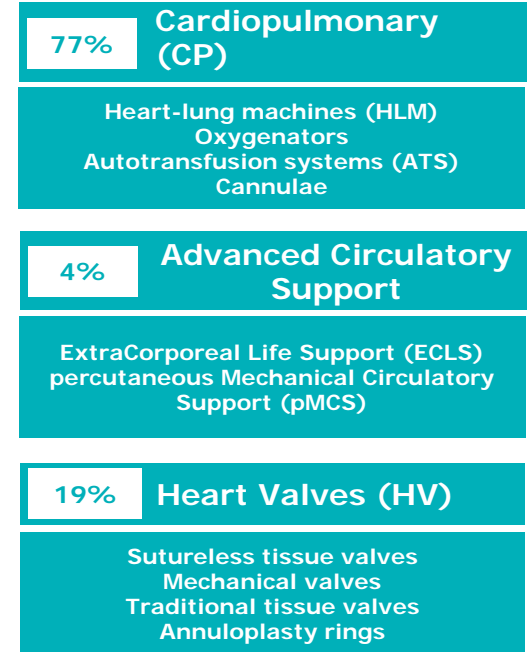
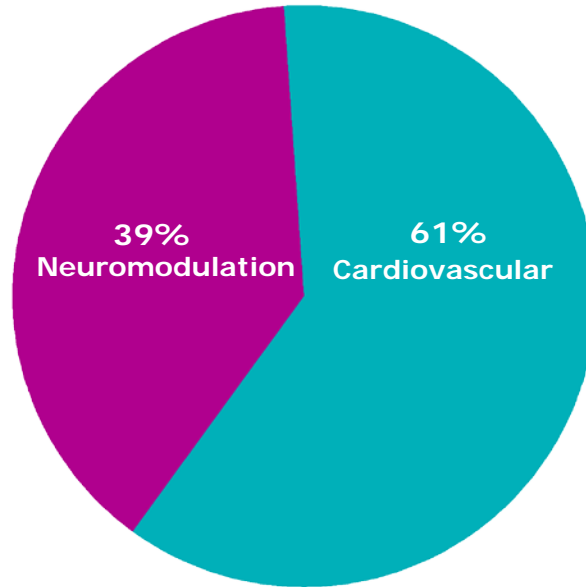


With leading positions in neuromodulation and cardiovascular

Drug-Resistant Epilepsy (DRE)
Treatment-Resistant Depression (TRD)
Obstructive Sleep Apnea (OSA)

Vagus Nerve Stimulation Therapy (VNS Therapy)
Hypoglossal Nerve Stimulation Therapy (HGNS Therapy)

3Q18: \$272M
10.3% Growth*



Numbers may not add up precisely due to rounding.

* Percent change performance is shown on a year-over-year constant currency basis, which is a non-GAAP measure. Constant currency eliminates the effects of foreign currency fluctuations.

Our portfolio is focused on “Head & Heart”

	NEUROMODULATION	CARDIOVASCULAR	
		CARDIOPULMONARY	HEART VALVES
	Creator, leader of VNS Therapy	Market-leading positions	Only sutureless valve on the market
Global Market (2017)	\$4.1B	\$3.0B	\$1.7B
Market Growth	Low-double-digit	Mid-single-digit	Low-single-digit
Sales (2017)	\$375M ¹	\$500M ²	\$140M
Disease State	Drug-Resistant Epilepsy Treatment-Resistant Depression Obstructive Sleep Apnea	Heart valve disease Coronary disease Congenital heart defect Heart Failure CGS, High-risk PCI, RVF, ARDS, SCA ³	
Customers	Neurologists Epileptologists Psychiatrists Neurosurgeons ENT Specialists	Perfusionists Intensivists Cardiac Surgeons Cardiologists Interventional Cardiologists	

¹ Obstructive Sleep Apnea resides under Neuromodulation and was acquired in January 2018. Sales are not included as part of LivaNova's 2017 revenues.

² Advanced Circulatory Support resides under Cardiopulmonary and was acquired in April 2018. Sales are not included as part of LivaNova's 2017 revenues.

³ CGS= Cardiogenic Shock; PCI= Percutaneous Coronary Intervention; RVF= Right Ventricular Failure; ARDS= Acute Respiratory Distress Syndrome; SCA= Sudden Cardiac Arrest
Numbers are rounded for presentation purposes

Multiple near-term growth drivers

NEUROMODULATION

SenTiva advances the ease-of-use of VNS Therapy



100,000 patients treated with VNS Therapy

CARDIOVASCULAR

S5 HLM reduces transfusions and improves recovery



40 years as market leader in heart-lung machines

Inspire oxygenator provides personalized perfusion



1 million+ patients treated with Inspire

Perceval sutureless valve optimizes the surgical approach to aortic valve replacement



10 years of clinical use

TandemLife simplifies advanced circulatory support for critically ill patients



\$1 billion opportunity advancing the standard of care

Differentiated pipeline targeting medical conditions with high unmet needs

TREATMENT-RESISTANT DEPRESSION (TRD)

VNS Therapy may provide better outcomes and symptom improvement



Depression is the leading cause of disability worldwide

OBSTRUCTIVE SLEEP APNEA (OSA)

Implantable pulse generator (IPG) opens the airway during sleep



Rapidly growing multi-billion dollar market

TRANSCATHETER MITRAL VALVE REPLACEMENT (TMVR)

Unique transeptal investigational device



Potentially 2-3 times the size of the TAVR market opportunity

HEART FAILURE (HF)

Novel delivery of Autonomic Regulation Therapy (ART) may improve regulation of cardiovascular function



Leading cause of morbidity and mortality

Full-year 2018 Guidance from Continuing Operations

Reaffirming EPS guidance resulting from improved sales growth, gross margin and tax offset by higher investments in SG&A and R&D

	Guidance as of May 2, 2018	Guidance as of October 31, 2018
Worldwide net sales growth ⁽¹⁾	6% - 8%	7% - 9%
Gross margin ⁽¹⁾	66% - 68%	67.5% - 68.5%
R&D ⁽¹⁾	11% - 13%	12% - 13%
SG&A ⁽¹⁾	34% - 36%	35.5% - 36.5%
Operating margin ⁽¹⁾	19% -21%	19% -21%
Effective tax rate	18% - 20%	16% - 18%
Diluted EPS ^{(1) (2)}	\$3.50 - \$3.70	\$3.50 - \$3.70
Cash flow from operations ⁽³⁾	\$180M - \$200M	\$180M - \$200M

1. Net sales are on a constant currency basis. All financial measures are adjusted non-GAAP measures.

2. Diluted EPS assumes a share count of approximately 49 million.

3. Excludes integration, restructuring and product remediation payments.

Accelerating Growth While Investing in our Future

Performing

- **\$1B** focused medical innovator
- Strong leadership position in Neuromodulation and Cardiovascular
- Targeting ~**\$9B** global market opportunities
- Increasing sales and growing margins

Transforming

- Three acquisitions in the past 18 months – Caisson, ImThera and TandemLife
- Targeting large and growing markets with high unmet needs
- Aligned with our focus on “head and heart”
- Making targeted M&A decisions; mix of accretive and dilutive acquisitions
- Divested our CRM business to MicroPort for **\$190M** in April 2018

Growing

- Building a robust product pipeline in core areas of leadership and strength
- Developing next-generation products to better serve patient needs
- Advancing multiple clinical trials in North America and Europe
- Executing funnel management & profitability initiatives to increase sales and margins
- Leveraging our global footprint and capabilities

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