



Q1 Fiscal 2017 Earnings Conference Call

August 25, 2016



Cautionary Language Regarding Forward-Looking Statements

This presentation contains forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are information of a non-historical nature and are subject to risks and uncertainties that are beyond the Company's ability to control. Forward-looking statements generally can be identified by words such as "believes," "expects," "anticipates," "foresees," "forecasts," "estimates" or other words or phrases of similar import. It is uncertain whether any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what impact they will have on the results of operations and financial condition of the Company or the price of the Company's stock. These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those indicated in such forward-looking statements, including but not limited to the other risks and important factors contained and identified in the Company's filings with the Securities and Exchange Commission, such as its Quarterly Reports on Form 10-Q and Annual Reports on Form 10-K, any of which could cause actual results to differ materially from the forward-looking statements. Any forward-looking statement in this presentation speaks only as of the date on which it is made. Except to the extent required under the federal securities laws, the Company does not intend to update or revise the forward-looking statements.

Non-GAAP Financial Data

Note that this presentation references adjusted performance results, which exclude the impact of tax affected one-time costs, current and prior-year deal amortization costs and tax costs related to cash repatriation. Management believes that these adjusted performance results may provide a helpful representation of the Company's current quarter performance. A tabular reconciliation of GAAP and non-GAAP financial measures appears in our earnings release dated August 25, 2016.

Furthermore, our guidance is presented on a non-GAAP basis. Due to the difficulty in forecasting certain transaction and business restructuring-related expenses and the tax impact thereof, the Company is unable to provide a reconciliation of adjusted earnings guidance for fiscal 2017 without unreasonable effort. Because the information necessary to provide such reconciliation is unavailable, the Company is unable to predict its probable significance.

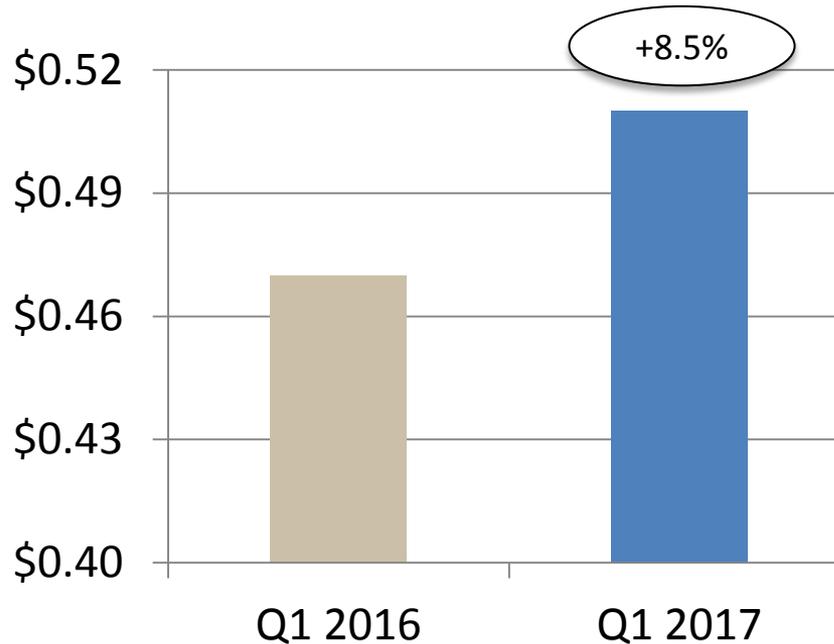
The term constant currency represents net sales adjusted to exclude foreign currency impacts. Foreign currency impact represents the difference in results that is attributable to fluctuations in currency exchange rates the Company uses to convert results for all foreign entities where the functional currency is not the U.S. dollar. The Company calculates the impact as the difference between the current period results translated using the current period currency exchange rates and using the comparable prior period's currency exchange rates. The Company believes the disclosure of net sales changes in constant currency provides useful supplementary information to investors in light of significant fluctuations in currency rates.

Discontinued Operations

This presentation of results is adjusted to reflect the reclassification of Patterson Medical as a discontinued operation.

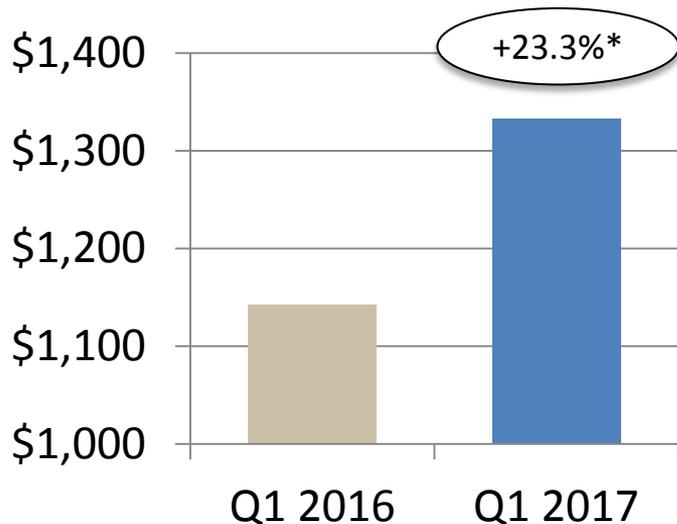
First Quarter Fiscal 2017 Performance Summary

Adjusted Earnings Per Diluted Share From Continuing Operations



First Quarter Fiscal 2017 Performance Summary

Consolidated Sales from Continuing Operations (in millions)



* On a constant currency basis and normalizing for the extra week in the prior year

Gross Profit Margin from Continuing Operations (as % of Revenue)

Q1 2016 – 25.2 %
Q1 2017 – 23.8%

-140 bps

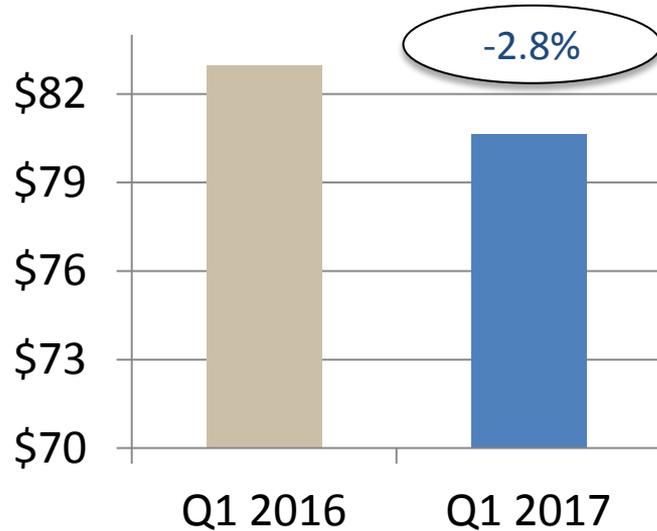
Adjusted Operating Expenses from Continuing Operations (as % of Revenue)

Q1 2016 – 18.0%
Q1 2017 – 17.7%

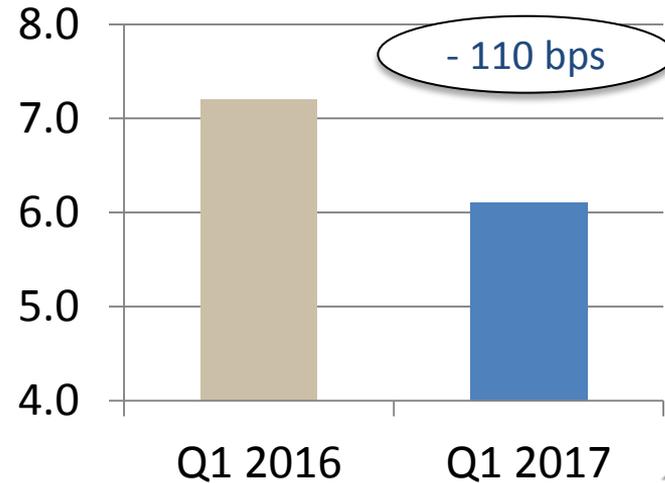
30 bps improvement

First Quarter Fiscal 2017 Performance Summary

**Adjusted Operating Profit
from Continuing Operations
(in millions)**



**Adjusted Operating Profit
Margin from Continuing
Operations (%)**



First Quarter Fiscal 2017 Performance Summary

(From continuing operations)	Q1 2016 (in millions)	Q1 2017 (in millions)
Operating Cash Flow	\$8	(\$73)
Cap Ex	17	15
Free Cash Flow*	(\$9)	(\$88)

0.5 million shares of common stock, with a value of \$25 million, were purchased in Q1 2017

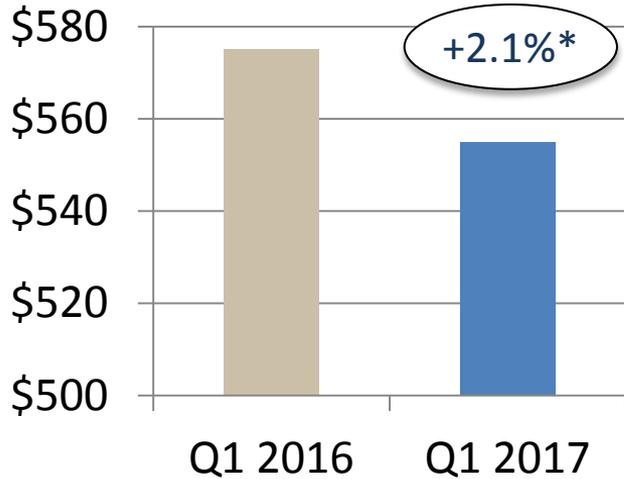
Cash dividends of \$24.2 million were paid to shareholders in Q1 2017

*Free Cash Flow is defined as Operating Cash Flow less Cap Ex

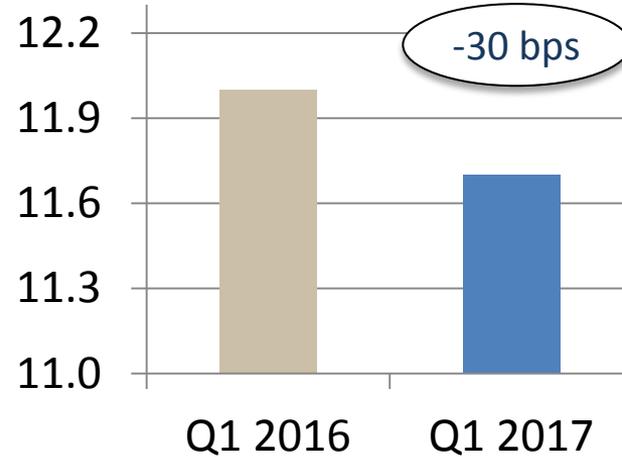
First Quarter Fiscal 2017 Summary

Patterson Dental Overview

Revenue (in millions)



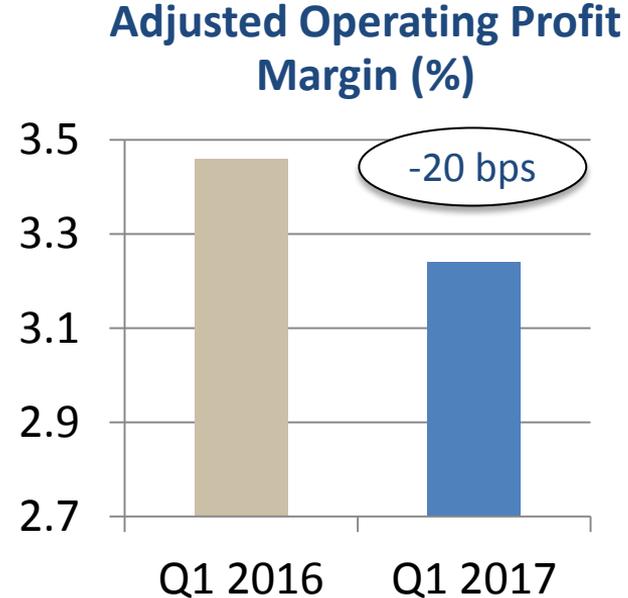
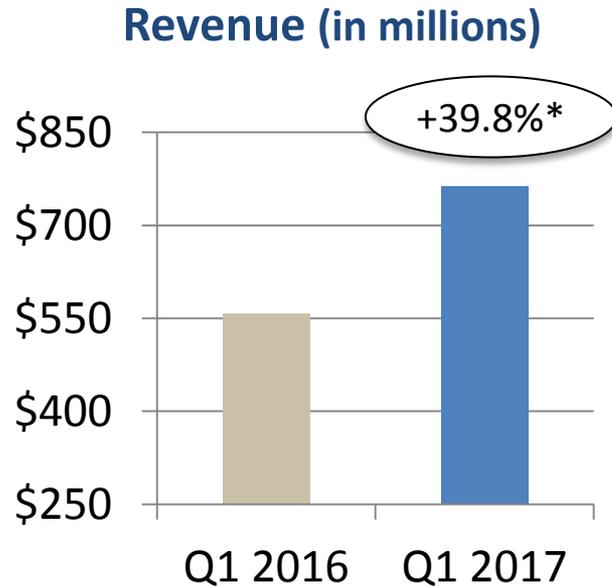
Adjusted Operating Profit Margin (%)



* On a constant currency basis and normalizing for the extra week in the prior year

First Quarter Fiscal 2017 Summary

Patterson Animal Health Overview



* On a constant currency basis

Fiscal 2017 Adjusted Guidance from Continuing Operations

EPS: \$2.60-\$2.70

Guidance Assumptions

- Stable North American and international markets
- Excludes the impact of additional share repurchases
- Excludes new acquisitions
- Excludes transaction-related costs, integration and business restructuring expenses and deal amortization
- Includes \$25 million step up in operating expense associated with the ERP implementation



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