

# Hill-Rom Q3 2017 Earnings

Solid performance reflects value of diversified portfolio, positive momentum in the international business, and disciplined execution of cost management initiatives

## Q3 2017 Highlights



Improving core business and international trends



Continuing margin expansion through operational execution



Optimizing the portfolio including the announced divestiture of Völker



Capitalizing on new product introductions

### Q3 2017

### GROWTH

Adjusted EPS	<b>\$0.91</b>	<b>+12%</b>
Worldwide Revenue Constant   Core <sup>1</sup>	<b>\$689M</b>	<b>+6%*   +4%*</b>
Operating Cash Flow Year-to-Date	<b>\$240M</b>	<b>+17%</b>
Capital Returned via Repurchases & Dividends Year-to-Date	<b>\$65M</b>	

### Q3 2017 Revenue by Reporting Segment

### GROWTH\* Constant | Core<sup>1</sup>

Patient Support Systems	<b>\$355M</b>	<b>-1%   +2%</b>
Front Line Care	<b>\$227M</b>	<b>+19%   +6%</b>
Surgical Solutions	<b>\$107M</b>	<b>+7%   +7%</b>

\*Percentage change versus the prior year on a constant currency basis

## Q4 and FY 2017 Guidance

### Fiscal Q4 2017 Outlook

Revenue	Core Revenue <sup>1</sup>	Adjusted EPS <sup>2</sup>
<b>3% – 4%*</b>	<b>~3%*</b>	<b>\$1.26 – \$1.30</b>

### Fiscal 2017 Full-Year Revenue Outlook

Revenue	Core Revenue <sup>1</sup>
<b>~4%*</b>	<b>~3%*</b>

### Fiscal 2017 Full-Year Outlook

Adjusted EPS <sup>2</sup>	Operating Cash Flow
<b>\$3.80 – \$3.84</b>	<b>\$330M – \$340M</b>

\*Percentage change versus the prior year on a constant currency basis

## New Innovations



TruSystem™  
3000 Mobile  
Operating Table



Monarch™  
Airway  
Clearance  
System



Welch Allyn®  
Home  
Hypertension  
Program



Envella™ Air  
Fluidized Therapy  
Bed



Welch Allyn®  
RetinaVue™  
100 Imager



Integrated Table  
Motion

"The strength of our third quarter financial results reflects the value of our diversified portfolio, positive momentum in our international business, and disciplined execution of cost management initiatives. We are also updating our full-year guidance to reflect the anticipated Völker divestiture and the phasing of certain international orders in the fourth quarter. We remain committed to driving sustained growth, executing our plans for margin expansion, and achieving key strategic objectives to create long-term value for patients, customers and shareholders."

JOHN J. GREISCH,  
PRESIDENT AND CEO

<sup>1</sup>Excluding Mortara and the impact of completed and announced divestitures from both periods

<sup>2</sup>Refer to the July 28, 2017 press release on [www.hill-rom.com](http://www.hill-rom.com) for a reconciliation of GAAP to non-GAAP financial metrics.