

AVANOS

INTERVENTIONAL PAIN

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INTERVENTIONAL PAIN

OVERVIEW

FORWARD-LOOKING INFORMATION

Certain matters in this presentation, including our financial outlook, expectations and planning assumptions, and any estimates, projections, and statements relating to our business plans, objectives, or the acquisition of CoolSystems constitute forward-looking statements and are based upon management's expectations and beliefs concerning future events impacting the Company.

These statements are subject to risks and uncertainties, including currency exchange risks, cost savings and reductions, raw material, energy, and other input costs, competition, market demand, economic condition, S&IP separation execution and legislative and regulatory actions. There can be no assurance that these future events will occur as anticipated or that the Company's results will be as estimated. Forward-looking statements speak only as of the date they were made, and we undertake no obligation to publicly update them. For a more complete listing and description of other factors that could cause the Company's future results to differ materially from those expressed in any forward-looking statements, see the Company's most recent Form 10-K and Quarterly Reports on Form 10-Q.

NON-GAAP FINANCIAL MEASURES

Management believes that non-GAAP financial measures enhance investors' understanding and analysis of the company's performance. As such, results and outlook have been adjusted to exclude certain items for relevant time periods as indicated in the non-GAAP reconciliations to the comparable GAAP financial measures included in this presentation posted on our website (www.halyardhealth.com/investors).

INTERVENTIONAL PAIN

Interventional Pain Vision

To be the world leader in minimally invasive solutions for the treatment of chronic pain

Attractive Market Dynamics

Large, growing category that lacks longer-term minimally invasive solutions for patients

Significant Future Potential

Investing in clinical evidence, sales and marketing and breakthrough technologies



INTERVENTIONAL PAIN OVERVIEW

Large Addressable Market

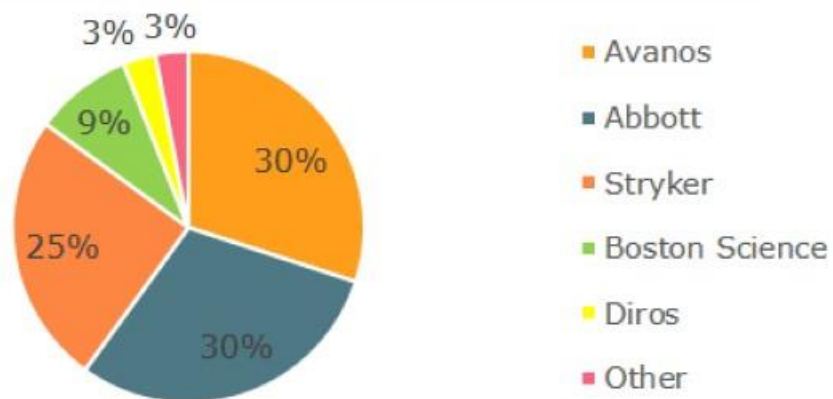
100M

Americans with
Chronic Pain

>\$4B

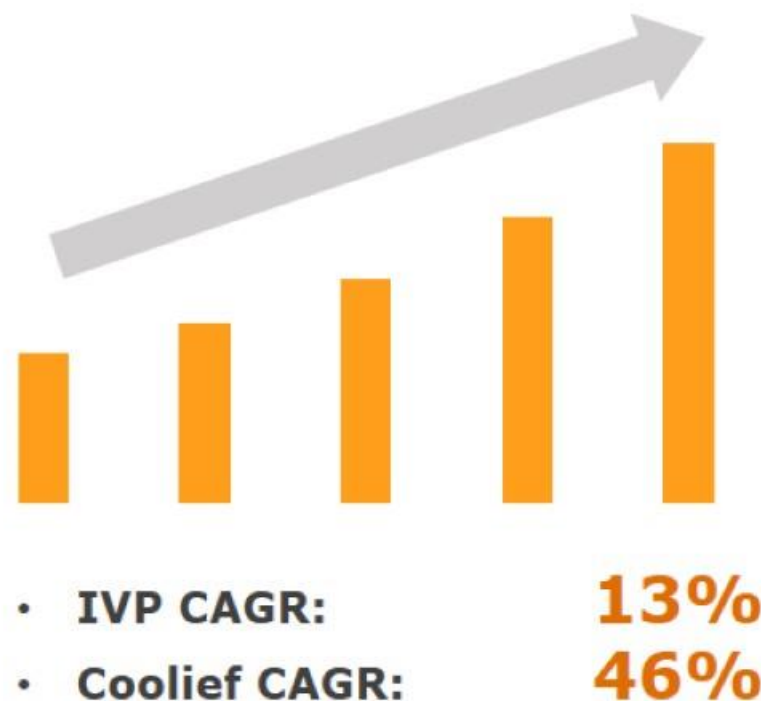
Addressable
Market

Leading RF Market Share Position



Source: MedTech Market Research, Transparency Market Research, IMS Data and Halyard Internal Sales Projections

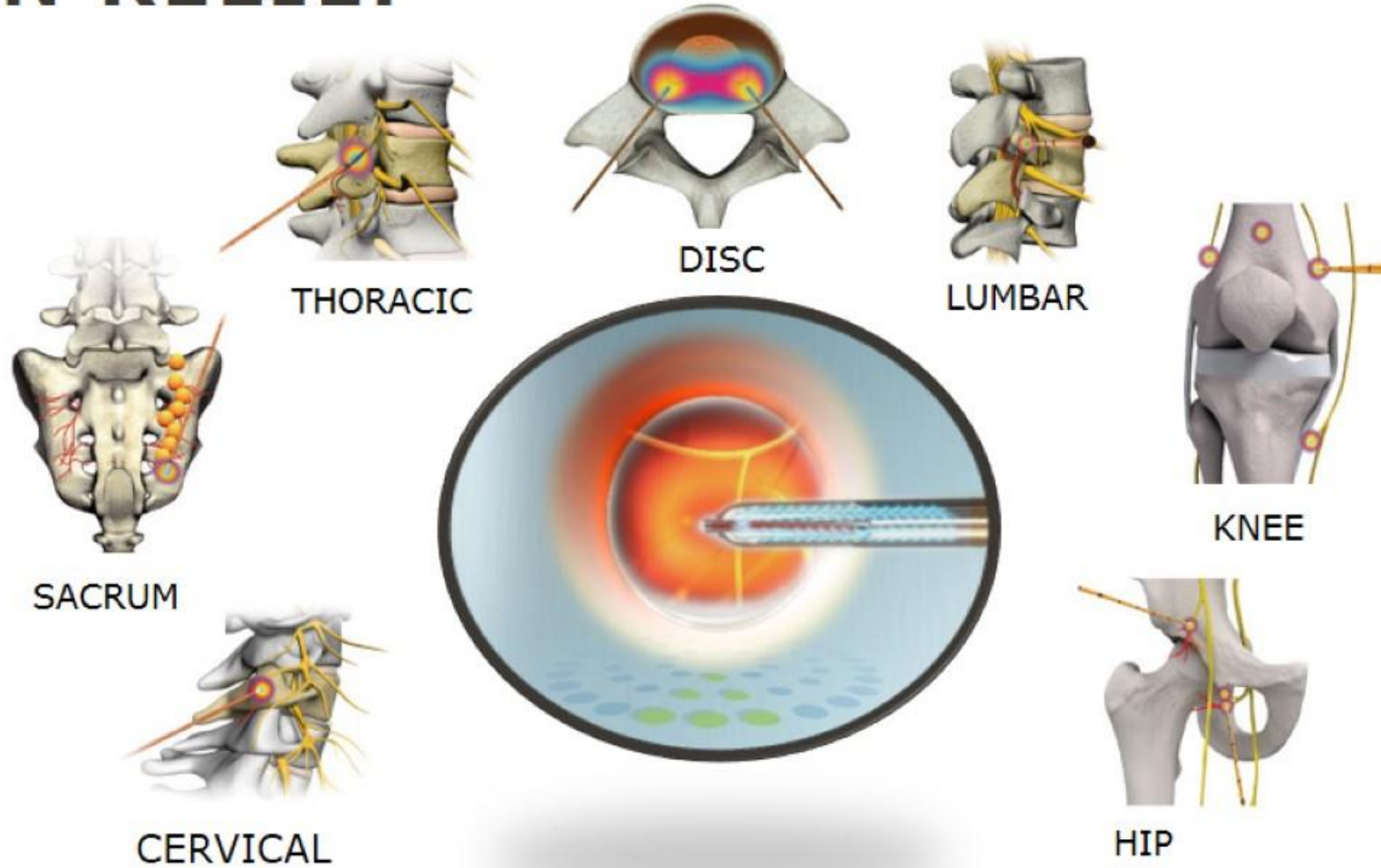
Double-Digit Growth Driven by COOLIEF*1



Note:

1. Based on 4-year CAGR, 2013-2017

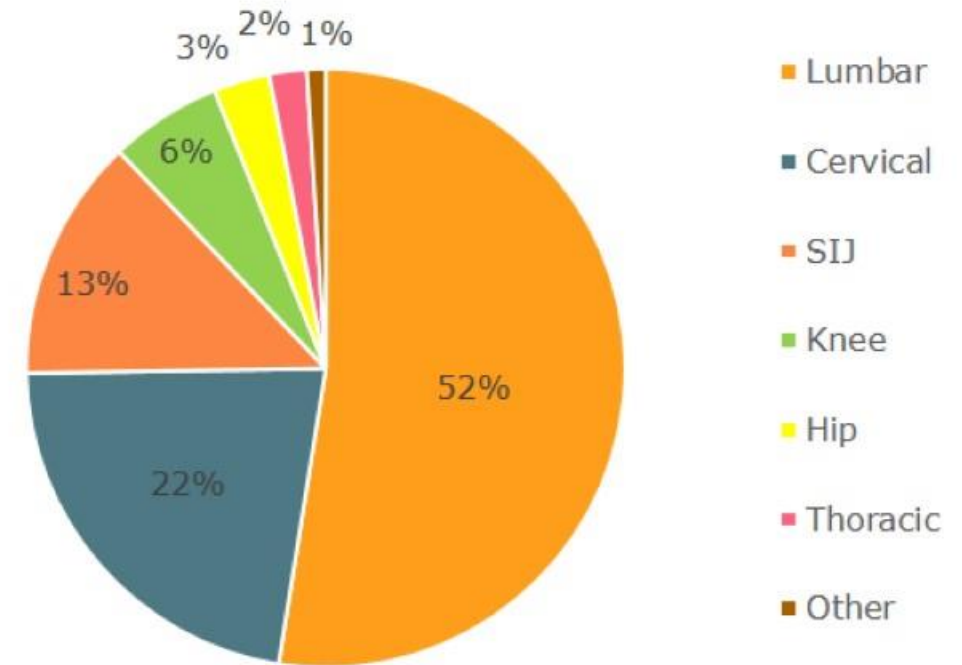
COOLIEF* ENABLES DEACTIVATION OF SENSORY NERVES FOR INCREASED DURATION OF PAIN RELIEF



SIGNIFICANT OPPORTUNITY FOR COOLIEF* BEYOND SPINE

- Majority of RF procedures performed are for spine pain
- Knee procedures rapidly becoming the 4th most common procedure
- Knee represents the largest untapped growth opportunity for COOLIEF*
- COOLIEF* is the first and only FDA-cleared RF procedure for osteoarthritic knee pain

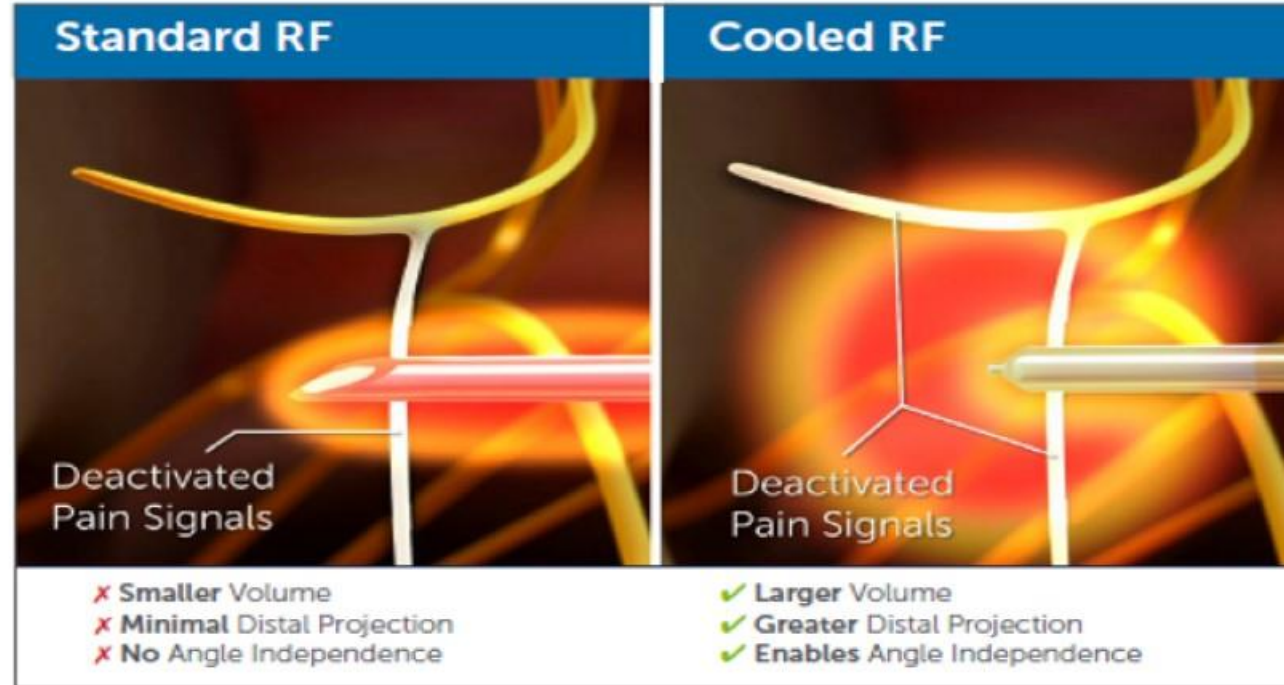
U.S. RF Procedures by Anatomy¹



Note:

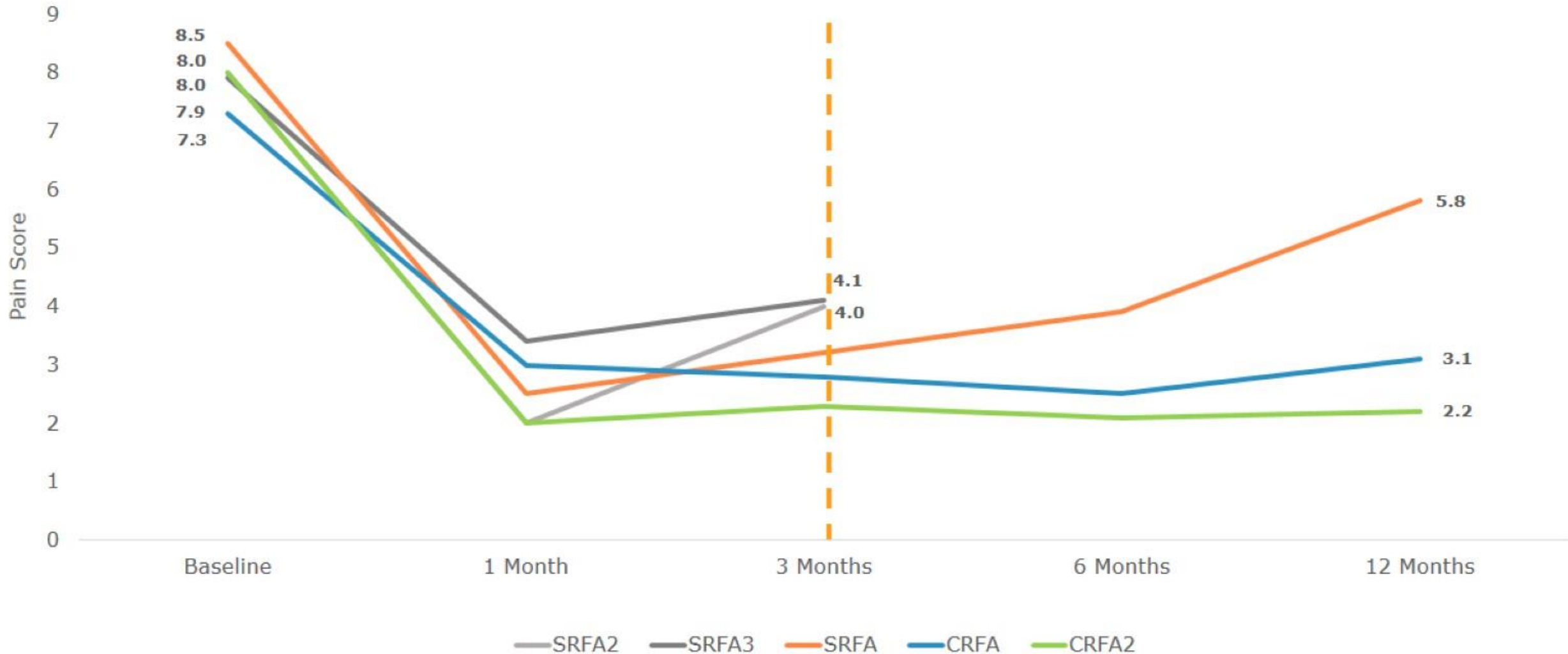
1. HMS, COOLIEF* ASC Pricing and Market Sizing Research Report, March 2017 KJT Research Group; BI data; 2015-2017 Survey Monkey New Procedure Training

COOLIEF* ADVANTAGE OVER STANDARD RF



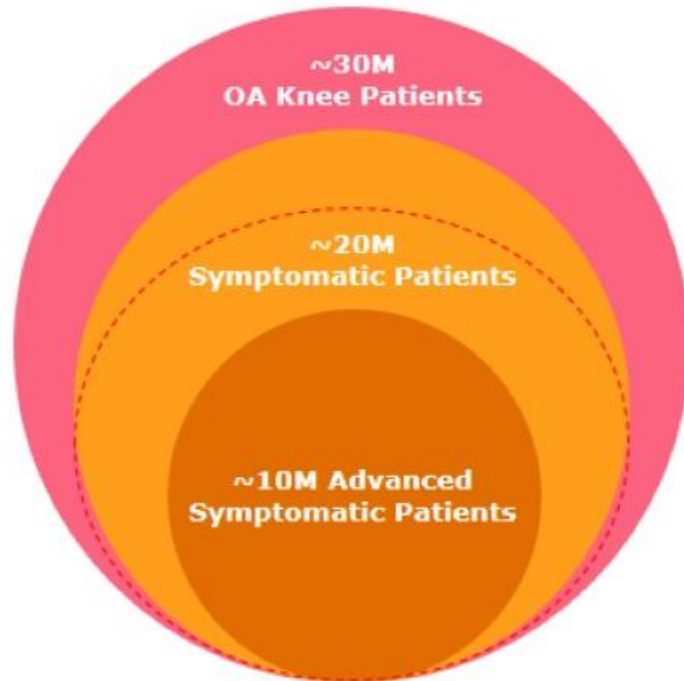
COOLIEF
Cooled Radiofrequency Treatment

COOLED RF PROVIDES LONGER DURATION OF PAIN RELIEF FOR KNEE OVER STANDARD RF



THE ONLY FDA-CLEARED ABLATION TECHNIQUE TO TREAT OSTEOARTHRITIS KNEE PAIN

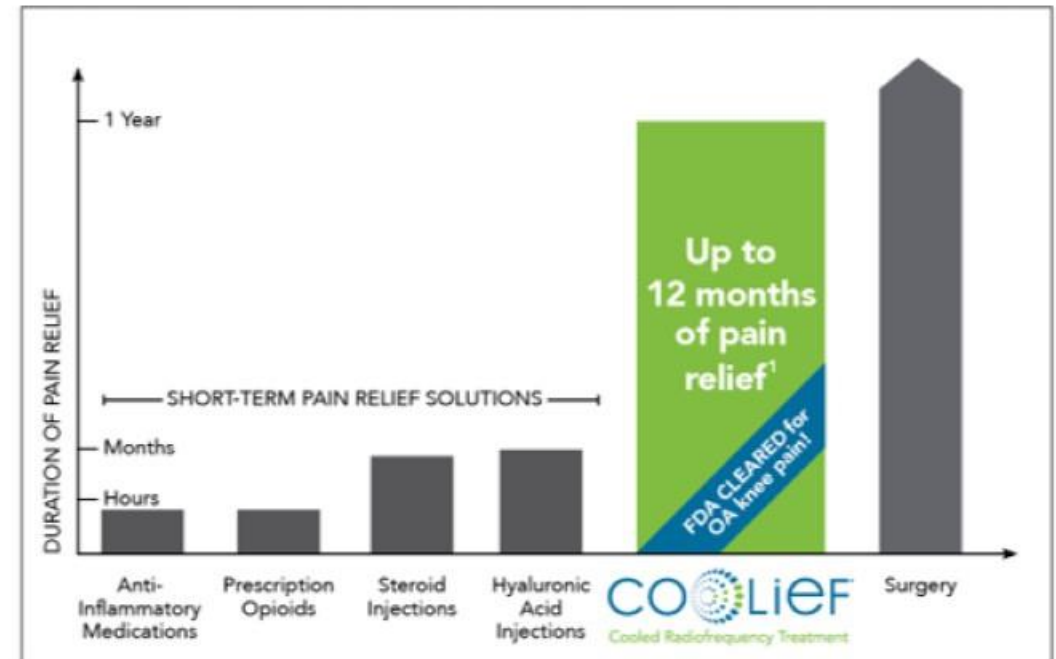
Target market: moderate to severe knee OA



~11M
Patient population

Adapted from Deshpande, R. et al. "Number of Persons with Symptomatic Knee Osteoarthritis in the US", Arthritis Care & Research, 2016 68(2).
National Center for Chronic Disease Prevention and Health Promotion, Data & Statistics, Atlanta, GA: Centers for Disease Control, 2017; Advisory Board Market Scenario Planner; Service Line Strategy Advisor research and analysis.

COOLIEF* plays critical role in short-term pain relief¹



Note:

1. National Center for Chronic Disease Prevention and Health Promotion, Data & Statistics, Atlanta, GA: Centers for Disease Control, 2017; Advisory Board Market Scenario Planner; Service Line Strategy Advisor research and analysis.

THE POWER OF COOLIEF* FROM A PATIENT'S PERSPECTIVE







HOW WE WILL WIN

A balanced investment approach



- 1
 - ✓ Expand patient advertising to drive procedure demand
 - ✓ Utilize targeted physician value proposition campaigns supported by demand generation programs
- 2
 - ✓ Increase investment in clinical data: 13 studies across 3 indications over next 3 years
 - ✓ Show efficacy/safety/differentiation to standard RF
 - ✓ Ensure appropriate coverage and payment for the physician to perform in preferred site of service
- 3
 - ✓ Expand physician coverage in the US and internationally
 - ✓ Expand marketing programs globally
- 4
 - ✓ Advance research in nerve ablation to further enhance technology development
 - ✓ Explore new technologies in adjacent Chronic Pain markets, such as migraine

BRIGHT FUTURE FOR INTERVENTIONAL PAIN MANAGEMENT

-  Building on solid foundation with differentiated product portfolio and market-leading position
-  Large growing category that lacks longer term minimally invasive solutions for patients
-  Solid investments in clinical evidence that create value with physicians, patients and payers
-  Multi-pronged growth strategy aimed at patient and physician awareness, targeted international expansion & product portfolio development through R&D and M&A

THANK YOU