HALYARD [hal-yr’od]: A nautical term referring to the line used for hoisting the sails that propel a ship forward.

PROFILE: Halyard Health is a medical technology company focused on advancing health and healthcare by preventing infection, eliminating pain and speeding recovery. The company delivers clinically-superior products and solutions in infection prevention, surgical solutions, respiratory health, digestive health and pain management.

Halyard Health sells its recognized brands and products in more than 100 countries, and holds leading market positions in multiple categories across its portfolio. Halyard Health is traded on the New York Stock Exchange under the ticker symbol “HYH”.

MISSION: To advance health and healthcare by preventing infection, eliminating pain and speeding recovery.

HEADQUARTERS: Halyard Health is headquartered in Alpharetta, Georgia.

LOCATIONS: 11 manufacturing facilities worldwide

EMPLOYEES: 12,000 globally

2015 NET SALES: $1.6 billion

BUSINESS SEGMENTS: Halyard Health is comprised of two business segments: Surgical & Infection Prevention (S&IP) and Medical Devices.

The products and solutions in these categories are designed to address some of today’s most important healthcare needs, namely, preventing infection and reducing the use of narcotics while helping patients recover faster.

Halyard Health has operated the S&IP business for more than 30 years, providing products that address the prevention of healthcare-associated infections (HAIs) and provide protection for both healthcare workers and patients. The Medical Devices business is comprised of a diverse set of medical device solutions focused on improving patient outcomes, patient safety and reducing the cost of care.

Halyard Health is vertically integrated and manufactures most of its products. S&IP and each Medical Devices category is supported by a dedicated global sales force, a customer support team with significant industry experience and a robust product training, and customer education programs.
**Surgical & Infection Prevention:** This business holds several leading market positions, provides products that help prevent HAIs and provides protection for both healthcare workers and patients including:

- Exam gloves, facial protection and protective apparel
- Disposable sterilization wraps and surgical drapes and gowns

**Medical Devices:** This business focuses on pain management, digestive and respiratory health and is comprised of a set of solutions focused on improving patient outcomes, reducing narcotics usage, increasing patient safety and reducing the cost of care including:

- Non-narcotic surgical pain technologies
- Minimally-invasive interventional (or chronic) pain therapies
- Closed airway suction systems and enteral feeding tubes

**Business Strategy:**

Invest in innovation and growth initiatives:

- Round out Medical Devices portfolio through strategic M&A
- Drive operating efficiencies
- Increase research & development investment
### SELECTED HISTORICAL FINANCIAL DATA*

#### Net Sales

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'s in millions</td>
<td>1,678</td>
<td>1,672</td>
<td>1,574</td>
</tr>
</tbody>
</table>

#### Adjusted EBITDA*

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'s in millions</td>
<td>295</td>
<td>326</td>
<td>220</td>
</tr>
</tbody>
</table>

#### Free Cash Flow*

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$'s in millions</td>
<td>175</td>
<td>69</td>
<td>27</td>
</tr>
</tbody>
</table>

*Adjusted data. Visit company website (www.halyardhealth.investorroom.com) for discussion of adjustments and certain reconciliations to GAAP data.

### SUMMARY OF BALANCE SHEET AND OTHER DATA*

#### As of December 31.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014 (a)</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance Sheet Data:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Capital</td>
<td>$275</td>
<td>$328</td>
<td>$361</td>
</tr>
<tr>
<td>Primary Working Capital (b)</td>
<td>370</td>
<td>348</td>
<td>365</td>
</tr>
<tr>
<td>Property, Plant and Equipment, Net</td>
<td>325</td>
<td>278</td>
<td>280</td>
</tr>
<tr>
<td>Total Assets</td>
<td>2,484</td>
<td>2,518</td>
<td>2,000</td>
</tr>
</tbody>
</table>

**a)** The 2014 Consolidated Balance Sheet has been revised to reflect the treatment of $10 million of deferred financing cost as a reduction of long-term debt.

**b)** Primary working capital consists of accounts receivable, net plus inventories, less trade accounts payable.

#### For the Year Ended December 31.

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Other Data:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Spending</td>
<td>$49</td>
<td>$79</td>
<td>$70</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>69</td>
<td>85</td>
<td>65</td>
</tr>
</tbody>
</table>

*The selected historical consolidated and combined financial data should be read in conjunction with our audited historical consolidated and combined financial statements and the related notes contained in our Form 10-K for the year ended December 31, 2015 and filed with the Securities and Exchange Commission. The historical consolidated and combined financial statements and other data represent the global operations of Halyard Health and its subsidiaries as an independent, publicly-traded company beginning on November 1, 2014, and a combined reporting entity derived from Kimberly-Clark’s consolidated financial statements and accounting records using the historical results of operations and bases of the assets and liabilities of Kimberly-Clark’s businesses and give effect to allocations of expenses from Kimberly-Clark prior to November 1, 2014. The historical consolidated and combined financial statements and other data have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”). Our historical consolidated and combined financial statements and other data will not be indicative of our future performance and does not reflect what our financial position and results of operations would have been had we operated as a separate, stand-alone public company during the periods shown.

For more complete information, please refer to the Halyard Health website at: https://halyardhealth.investorroom.com
BUSINESS STRENGTHS:

- An established portfolio of S&IP products with leading market positions and significant brand recognition
- A growing and innovative Medical Devices business with solutions that reduce cost and improve quality of care
- An existing global commercial infrastructure
- A vertically integrated manufacturer
- Strong cash flow
- A strong management team with significant healthcare experience

MANAGEMENT:

Robert E. Abernathy, Chairman of the Board and Chief Executive Officer
Rhonda D. Gibby, Senior Vice President and Chief Human Resources Officer
Christopher G. Isenberg, Senior Vice President – Global Supply Chain and Procurement
Christopher M. Lowery, Senior Vice President – Business Strategy
Warren J. Machan, Senior Vice President – Business Strategy
Steven E. Voskuil, Senior Vice President and Chief Financial Officer
John W. Wesley, Senior Vice President, General Counsel and Chief Ethics and Compliance Officer