



**J.P. Morgan Healthcare Conference
Walt Rosebrough, President and CEO, STERIS
January 7, 2019**

Forward Looking Statements

This presentation may contain statements concerning certain trends, expectations, forecasts, estimates, or other forward-looking information affecting or relating to STERIS or its industry, products or activities that are intended to qualify for the protections afforded “forward-looking statements” under the Private Securities Litigation Reform Act of 1995 and other laws and regulations. Forward-looking statements speak only as to the date the statement is made and may be identified by the use of forward-looking terms such as “may,” “will,” “expects,” “believes,” “anticipates,” “plans,” “estimates,” “projects,” “targets,” “forecasts,” “outlook,” “impact,” “potential,” “confidence,” “improve,” “optimistic,” “deliver,” “orders,” “backlog,” “comfortable,” “trend,” and “seeks,” or the negative of such terms or other variations on such terms or comparable terminology. Many important factors could cause actual results to differ materially from those in the forward-looking statements including, without limitation, disruption of production or supplies, changes in market conditions, political events, pending or future claims or litigation, competitive factors, technology advances, actions of regulatory agencies, and changes in laws, government regulations, labeling or product approvals or the application or interpretation thereof. Other risk factors are described in STERIS’s securities filings, including Item 1A of STERIS’s Annual Report on Form 10-K for the year ended March 31, 2018. Many of these important factors are outside of STERIS’s control. 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Other potential risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements include, without limitation, (a) the receipt of approval of STERIS’s shareholders of the redomiciliation transaction, (b) any regulatory or court approvals required for the redomiciliation transaction not being obtained on the terms expected or on the anticipated schedule, (c) the parties’ ability to meet expectations regarding the timing, completion and accounting and tax treatments of the redomiciliation transaction, (d) operating costs, Customer loss and business disruption (including, without limitation, difficulties in maintaining relationships with employees, Customers, clients or suppliers) being greater than expected following the redomiciliation transaction, (e) STERIS’s ability to meet expectations regarding the accounting and tax treatment of the Tax Cuts and Jobs Act (“TCJA”) or the possibility that anticipated benefits resulting from the TCJA will be less than estimated, (f) changes in tax laws or interpretations that could increase our consolidated tax liabilities, including, if the redomiciliation transaction is consummated, changes in tax laws that would result in STERIS Ireland being treated as a domestic corporation for United States federal tax purposes, (g) the potential for increased pressure on pricing or costs that leads to erosion of profit margins, (h) the possibility that market demand will not develop for new technologies, products or applications or services, or business initiatives will take longer, cost more or produce lower benefits than anticipated, (i) the possibility that application of or compliance with laws, court rulings, certifications, regulations, regulatory actions, including without limitation those relating to FDA warning notices or letters, government investigations, the outcome of any pending FDA requests, inspections or submissions, or other requirements or standards may delay, limit or prevent new product introductions, affect the production and marketing of existing products or services or otherwise affect STERIS’s performance, results, prospects or value, (j) the potential of international unrest, economic downturn or effects of currencies, tax assessments, tariffs and/or other trade barriers, adjustments or anticipated rates, raw material costs or availability, benefit or retirement plan costs, or other regulatory compliance costs, (k) the possibility of reduced demand, or reductions in the rate of growth in demand, for STERIS’s products and services, (l) the possibility of delays in receipt of orders, order cancellations, or delays in the manufacture or shipment of ordered products or in the provision of services, (m) the possibility that anticipated growth, cost savings, new product acceptance, performance or approvals, or other results may not be achieved, or that transition, labor, competition, timing, execution, regulatory, governmental, or other issues or risks associated with STERIS’s businesses, industry or initiatives including, without limitation, those matters described in STERIS’s 10-K for the year ended March 31, 2018 and other securities filings, may adversely impact STERIS’s performance, results, prospects or value, (n) the impact on STERIS and its operations, or tax liabilities, of Brexit or the exit of other member countries from the EU, and the Company’s ability to respond to such impacts, (o) the impact on STERIS and its operations of any legislation, regulations or orders, including but not limited to any new trade or tax legislation, regulations or orders, that may be implemented by the U.S. administration or Congress, or of any responses thereto, (p) the possibility that anticipated financial results or benefits of recent acquisitions, or of STERIS’s restructuring efforts, or of recent divestitures, or of the targeted restructuring plan will not be realized or will be other than anticipated, and (q) the effects of contractions in credit availability, as well as the ability of STERIS’s Customers and suppliers to adequately access the credit markets when needed.

Non-GAAP Financial Measures

Adjusted net income and free cash flow are non-GAAP measures that may be used from time to time and should not be considered replacements for GAAP results. Non-GAAP financial measures are presented in this release with the intent of providing greater transparency to supplemental financial information used by management and the Board of Directors in their financial analysis and operational decision making. These amounts are disclosed so that the reader has the same financial data that management uses with the belief that it will assist investors and other readers in making comparisons to our historical operating results and analyzing the underlying performance of our operations for the periods presented. The Company believes that the presentation of these non-GAAP financial measures, when considered along with our GAAP financial measures, provides a more complete understanding of the factors and trends affecting our business than could be obtained absent this disclosure.

Adjusted net income excludes the amortization of intangible assets acquired in business combinations, acquisition-related transaction costs, integration costs related to acquisitions, and certain other unusual or non-recurring items. STERIS believes this measure is useful because it excludes items that may not be indicative of or are unrelated to our core operating results and provides a baseline for analyzing trends in our underlying businesses.

The Company defines free cash flow as cash flows from operating activities less purchases of property, plant, equipment and intangibles, net capital expenditures, plus proceeds from the sale of property, plant, equipment, and intangibles. STERIS believes that free cash flow is a useful measure of the Company's ability to fund future principal debt repayments and growth outside of core operations, pay cash dividends, and repurchase ordinary shares.

To measure the percentage organic revenue growth, the Company removes the impact of acquisitions and divestitures that affect the comparability and trends in revenue. To measure the percentage constant currency organic revenue growth, the impact of changes in foreign currency exchange rates and acquisitions and divestitures that affect the comparability and trends in revenue are removed. The impact of changes in foreign currency exchange rates is calculated by translating current year results at prior year average foreign currency exchange rates.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These adjusted financial measures should not be considered in isolation or as a substitute for reported sales growth, gross profit, operating income, net earnings and net earnings per diluted share, the most directly comparable GAAP financial measures. These non-GAAP financial measures are an additional way of viewing aspects of the Company's operations that, when viewed with GAAP results and the reconciliations to corresponding GAAP financial measures below, provide a more complete understanding of the business. The Company strongly encourage investors and shareholders to review its financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

Leading Global Provider



\$2.6 BILLION in revenue in FY18	12,000 employees worldwide Over 3,000 Customer facing sales and service	53% Service 22% Consumables 25% Capital Equipment	30% of revenue OUS FY18
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STERIS Applied Sterilization Technologies (AST) in blue and manufacturing or repair locations in orange; not listed are close to 50 outsourced reprocessing centers in Europe and North America.

Serving Growth Areas Within Healthcare

Customers

Hospitals, Surgery and GI Centers

Medical Device Manufacturers

Pharmaceutical Production (Biopharma)

Reporting Segments

Healthcare Products 49% of total revenue

Infection prevention and procedural solutions for healthcare providers worldwide, including consumables, equipment maintenance and installation services and capital equipment.

Healthcare Specialty Services (HSS) 18% of total revenue

A range of specialty services for healthcare providers including hospital sterilization services and instrument and scope repair.

Applied Sterilization Technologies (AST) 19% of total revenue

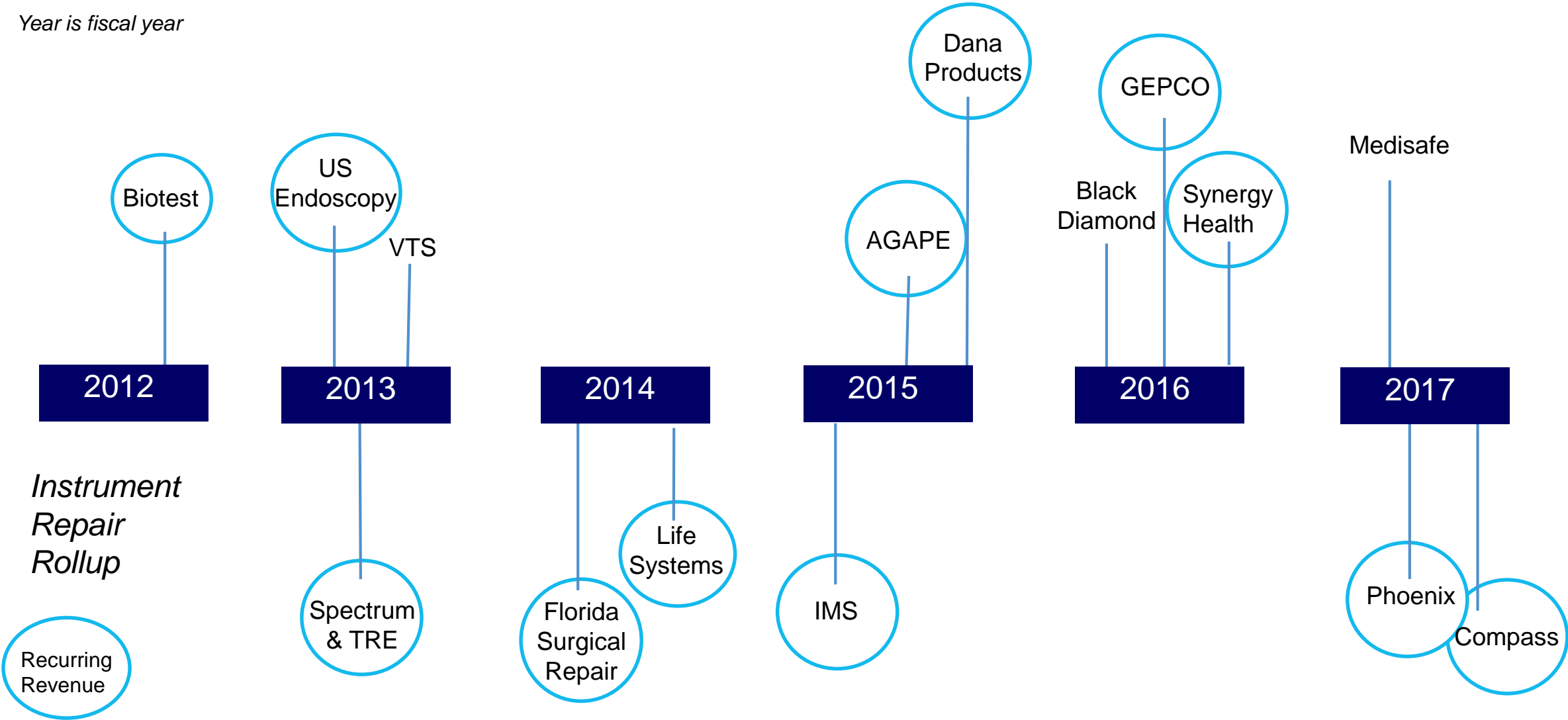
Contract sterilization and laboratory services for medical device and pharmaceutical Customers.

Life Sciences 14% of total revenue

Consumable products, equipment maintenance and specialty services, and capital equipment primarily for pharmaceutical manufacturers.

M&A Boosts Growth of Revenue and Profitability

Year is fiscal year



Recurring revenue has increased from half of total revenue to three-quarters of total revenue

Conservatively Financed with Capacity for Growth

FY18 Free Cash Flow
\$294 million

3.3% average interest rate on outstanding debt

Total debt
\$1.3 billion

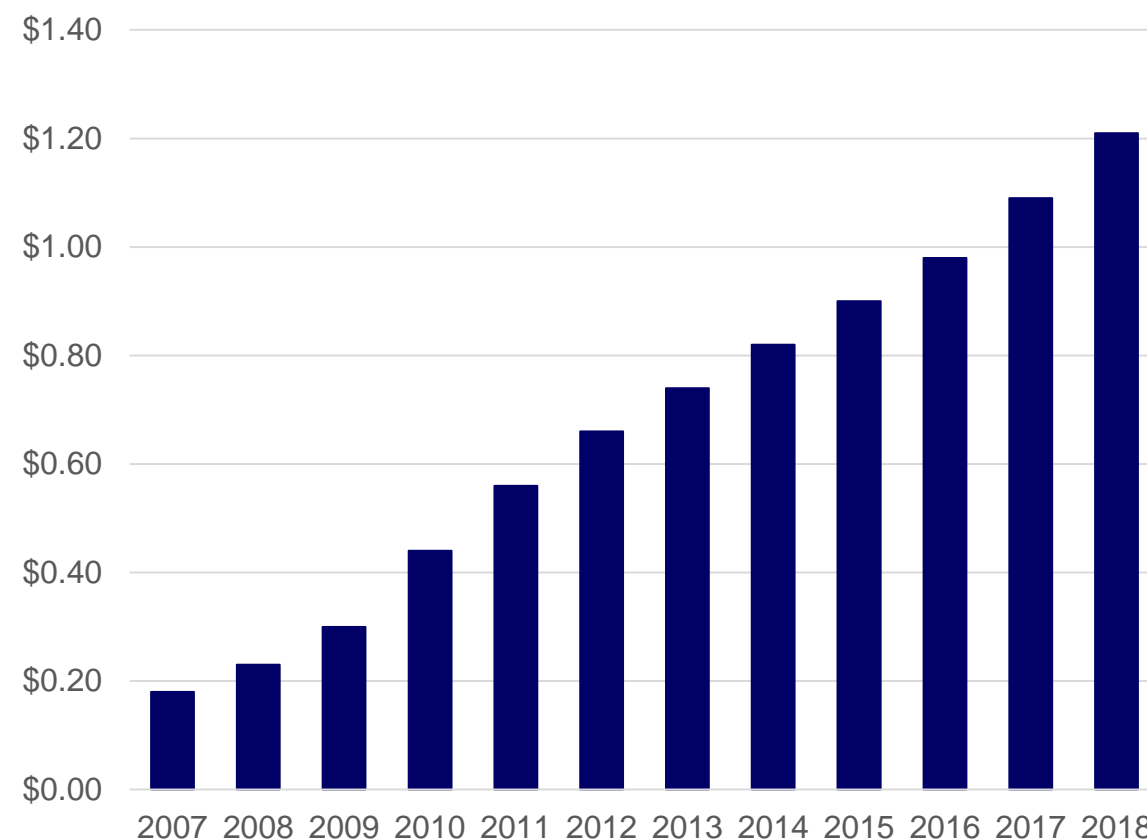
25% of debt is floating

26% Net Debt
to Capital

Capital Allocation Priorities

- 1 Maintain and Grow Dividend
- 2 Reinvest in the Business
- 3 Mergers and Acquisitions
- 4 Share Repurchase

Double-digit growth in dividend per share since inception



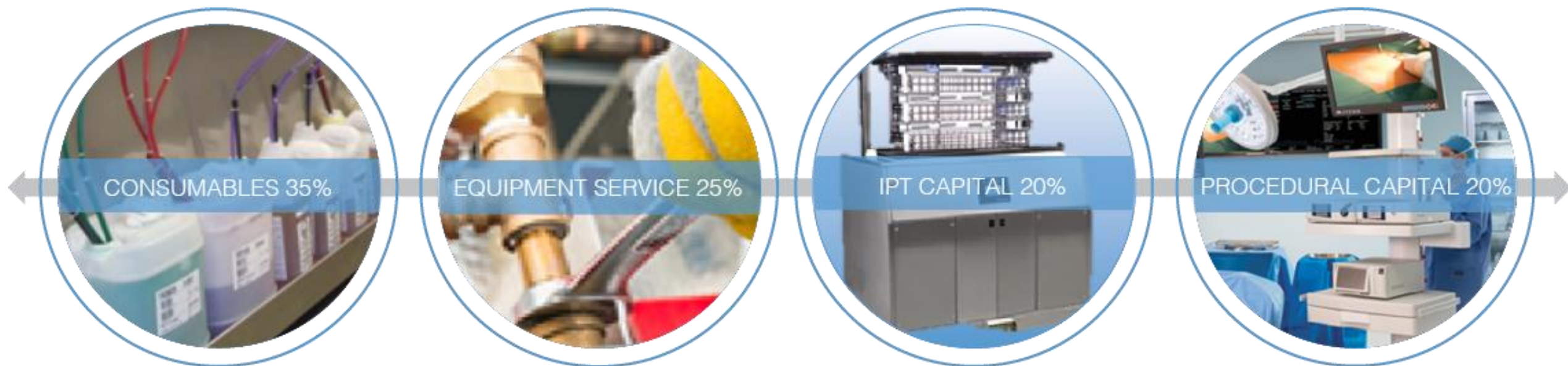
Dividends per share paid by fiscal year



Segments

Healthcare Products Segment

Infection prevention and procedural solutions for healthcare providers worldwide.



Consumable products includes: cleaning chemistries and sterilants, sterility assurance products, GI and other accessories

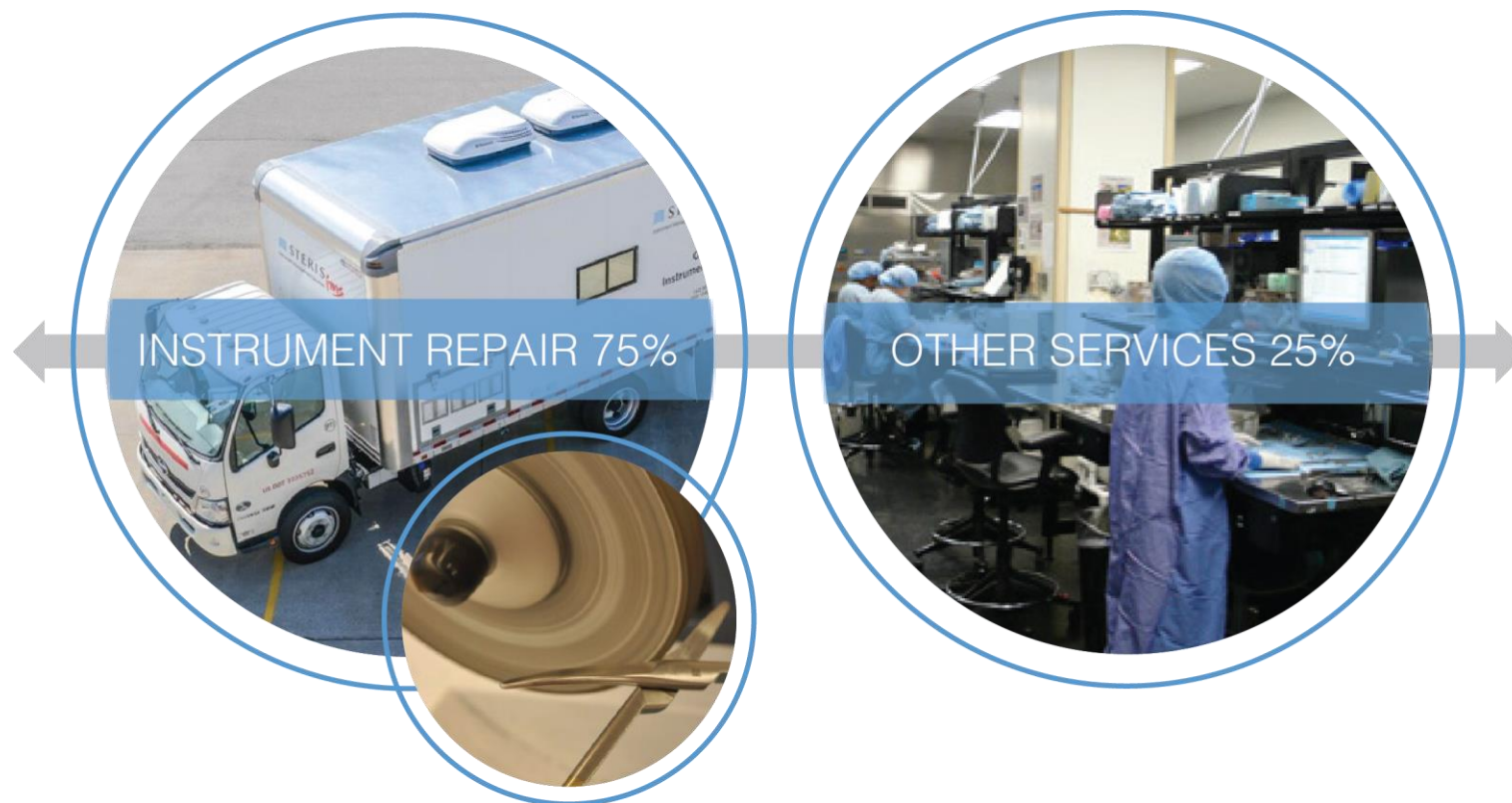
Equipment services includes: maintenance and installation of capital equipment and OEM parts

IPT capital includes: steam and gas sterilizers, washers and disinfectors and liquid chemical sterilizers

Procedural capital includes: surgical tables and lights and integrated operating rooms

Healthcare Specialty Services Segment (HSS)

A range of specialty services for healthcare providers including hospital sterilization services, instrument and scope repair.

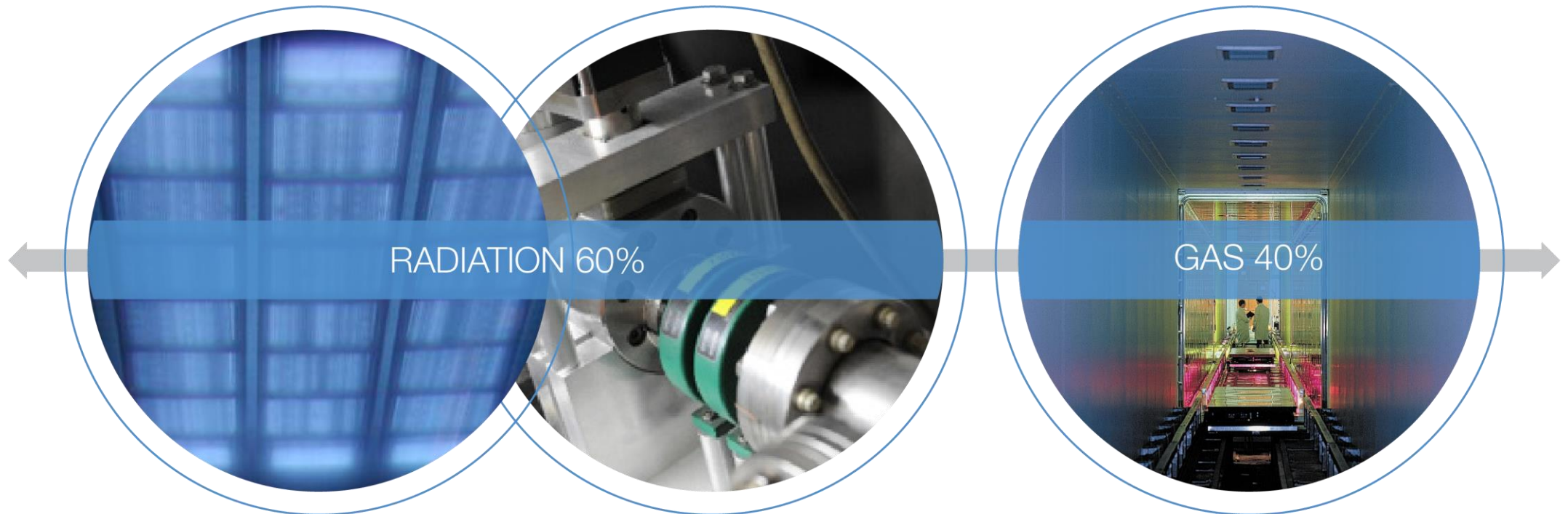


Instrument repair includes repair of: surgical instruments, endoscopes and powered instruments

Other services includes: on-site and off-site hospital sterilization services

Applied Sterilization Technologies Segment (AST)

Contract sterilization and laboratory services primarily for medical device and pharmaceutical Customers.



We provide terminal sterilization services, primarily for single-use medical devices, using two main modalities of sterilization – Radiation and Gas.

Life Sciences Segment

Consumable products, equipment maintenance and specialty services, and capital equipment primarily for pharmaceutical manufacturers.



Contamination control solutions includes: application specific detergents, sterilants, surface disinfectants and barrier protection solutions

Service includes: maintenance and installation of capital equipment and OEM parts

Capital equipment includes: steam and gas sterilizers, washer disinfectors and water stills

Full Year Fiscal 2019 Outlook

- Revenue growth of 5-6% constant currency organic
- Approximately 5% revenue growth as reported
 - Reported revenue reflects the negative impact of divestitures of approximately \$25 million and the negative impact of approximately \$5 million from currency based on September 30, 2018 forward rates
- Adjusted effective tax rate of approximately 20%
- Adjusted earnings per diluted share to increase 14-17% to \$4.74-\$4.84
- Capital spending of approximately \$190 million
- Free cash flow of approximately \$340 million

STERIS: Positioned for Continuing Growth

- ✓ We are a leading global provider of products and services that meet the needs of growth areas within Healthcare: procedures, devices, vaccines and biologics
- ✓ We have a history of double-digit EPS growth on high single-digit revenue growth
 - ✓ It is the Company's long term objective to continue that trend
- ✓ Our organic and M&A initiatives have boosted recurring revenue since 2012 from half of total revenue to three-quarters of total revenue
- ✓ We have a strong balance sheet and free cash flow generation with capacity for growth



Appendix

Non-GAAP Reconciliation

FY 2019 Outlook	Twelve Months Ended March 31 2019
	(Outlook)**
Net Income per diluted share	\$3.99- \$4.09
Amortization of property "step up" to fair value	0.02
Amortization of acquired intangible assets	0.64
Acquisition and integration related charges	0.04
Redomiciliation costs	0.05
Adjusted net income per diluted share	<u>\$4.74- \$4.84</u>

	Twelve Months Ended March 31, 2019
Calculation of free cash flow for outlook:	(Outlook)*
Cash flows from operating activities	\$ 530,000
Purchases of property, plant, equipment, and intangibles, net	(190,000)
Free Cash Flow	<u>\$ 340,000</u>

	Twelve Months Ended March 31,	
	2018	2017
	(Unaudited)	(Unaudited)
Calculation of Free Cash Flow:		
Cash flows from operating activities	\$ 457,632	\$ 424,086
Purchases of property, plant, equipment, and intangibles, net	(165,457)	(172,901)
Proceeds from the sale of property, plant, equipment, and intangibles	2,094	4,846
Free Cash Flow	<u>\$ 294,269</u>	<u>\$ 256,031</u>

Non-GAAP Reconciliation – FY18 results

	Twelve months ended March 31, (unaudited)							
	As reported, GAAP		Impact of Acquisitions	Impact of Divestitures	Impact of Currency Movements	GAAP growth	Organic growth	Constant currency organic growth
	2018	2017	2018	2017	2018	2108	2018	2018
Segment Revenues:								
Healthcare Products	\$ 1,276,054	\$ 1,266,517	\$ 7,432	\$ (27,999)	\$ 4,199	0.8%	2.4%	2.1%
Healthcare Specialty Services	469,065	539,536	-	(109,921)	2,367	-13.1%	9.2%	8.6%
Life Sciences	361,590	328,866	-	-	3,586	10.0%	10.0%	8.9%
Applied Sterilization Technologies	513,287	477,837	-	(5,091)	9,925	7.4%	8.6%	6.5%
Total	\$ 2,619,996	\$ 2,612,756	\$ 7,432	\$ (143,011)	\$ 20,077	0.3%	5.8%	5.0%

	Twelve months ended March 31, (unaudited)							
	Gross Profit		Income from Operations		Net income attributable to shareholders		Diluted EPS	
	2018	2017	2018	2017	2018	2017	2018	2017
GAAP	\$ 1,094,223	\$ 1,025,632	\$ 403,454	\$ 227,595	\$ 290,915	\$ 109,965	\$ 3.39	\$ 1.28
Adjustments:								
Amortization of inventory and property "step up" to fair value	2,619	6,580	1,599	4,743				
Amortization and impairment of purchased intangible assets	207	33	67,793	66,398				
Acquisition and integration related charges	4,201	1,589	16,211	30,082				
Loss (gain) on fair value adjustment of acquisition related contingent consideration	-	-	(593)	2,569				
Net loss on divestiture of businesses			14,547	86,574				
Goodwill impairment loss	-	-	-	58,356				
Restructuring charges	-	-	103	215				
Impact of the U.S. Tax Cuts and Jobs Act*	5,542	-	10,264	-	(13,597)	-		
Net impact of adjustments after tax**					78,309	213,498		
Net EPS impact							0.76	2.48
Adjusted	\$ 1,106,792	\$ 1,033,834	\$ 513,378	\$ 476,532	\$ 355,627	\$ 323,463	\$ 4.15	\$ 3.76

* Represents the re-measurement of U.S. deferred tax balances and the related taxation of unremitted earnings of non-U.S. subsidiaries along with a one-time special employee bonus paid to most U.S. employees and associated professional fees.

** The tax expense (benefit) includes both the current and deferred income tax impact of the adjustments.

STERIS plc

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