



Teleflex Reports Fourth Quarter and Full Year 2016 Results; Provides 2017 Guidance

February 23, 2017

Fourth Quarter Revenues of \$513.9 million, up 6.1% Versus Prior Year Period; up 6.9% on Constant Currency Basis

Fourth Quarter GAAP Diluted EPS of \$1.29, down 31.4% Versus Prior Year Period

Fourth Quarter Adjusted Diluted EPS of \$2.13, up 6.0% Versus Prior Year Period

Full Year 2016 Revenues of \$1,868.0 million, up 3.2% Versus Prior Year; up 4.1% on Constant Currency Basis

Full Year 2016 GAAP Diluted EPS of \$4.98, up 1.4% Versus Prior Year

Full Year 2016 Adjusted Diluted EPS of \$7.34, up 16.0% Versus Prior Year

2017 Guidance Range for GAAP Revenue Growth of 10.0% to 11.5%

2017 Guidance Range for Constant Currency Revenue Growth of 12.5% to 14.0%

2017 Guidance Range for GAAP Diluted EPS of \$5.04 to \$5.08

2017 Guidance Range for Adjusted Diluted EPS of \$8.00 to \$8.15, up 9.0% to 11.0%, which reflects our expectation of an approximately 4.1% negative impact from foreign currency exchange rates

WAYNE, Pa.--(BUSINESS WIRE)--Feb. 23, 2017-- Teleflex Incorporated (NYSE: TFX) (the "Company") today announced financial results for the fourth quarter and year ended December 31, 2016.

Fourth quarter 2016 net revenues were \$513.9 million, an increase of 6.1% compared to the prior year period. Excluding the impact of foreign currency exchange rate fluctuations, fourth quarter 2016 net revenues increased 6.9% over the year ago period.

Fourth quarter 2016 GAAP diluted earnings per share from continuing operations decreased 31.4% to \$1.29, as compared to \$1.88 in the prior year period. The financial results for the quarter reflect non-cash impairment charges, net of tax of \$26.1 million related to the Company's Semprus technology, which was somewhat offset by a related reversal of contingent consideration liabilities, net of tax of \$8.3 million. As such, the net non-cash, after-tax impact associated with these items was \$17.8 million. Fourth quarter 2016 adjusted diluted earnings per share from continuing operations increased 6.0% to \$2.13, compared to \$2.01 in the prior year period.

Full year 2016 net revenues were \$1,868.0 million, an increase of 3.2% compared to the prior year period. Excluding the impact of foreign currency exchange rate fluctuations, full year 2016 net revenues increased 4.1% over the prior year.

Full year 2016 GAAP diluted earnings per share from continuing operations increased 1.4% to \$4.98, as compared to \$4.91 in the prior year. Full year 2016 adjusted diluted earnings per share from continuing operations increased 16.0% to \$7.34, compared to \$6.33 in the prior year.

"Teleflex delivered a strong finish to 2016 with revenue growth above our most recently provided guidance," said Benson Smith, Chairman and Chief Executive Officer. "During the fourth quarter, each of our segments delivered solid performances, resulting in constant currency revenue growth of 6.9% and the attainment of an adjusted operating margin of 25.0%."

Added Mr. Smith, "As we turn to 2017, thanks to stability in our end-markets, a robust product pipeline and the completion of the acquisition of Vascular Solutions ahead of our initial timetable, Teleflex is poised to deliver double-digit constant currency revenue growth and significant adjusted margin and adjusted earnings per share expansion."

FOURTH QUARTER NET REVENUE BY SEGMENT

The following table provides information regarding net revenues in each of the Company's reportable operating segments and all of its other operating segments for the three months ended December 31, 2016 and December 31, 2015 on both a GAAP and constant currency basis. The discussion below the table of the principal factors behind changes in net revenues for the three months ended December 31, 2016 as compared to the prior year period applies to both GAAP revenue and constant currency revenue, although GAAP revenue also was affected by foreign currency exchange rate fluctuations, as indicated in the "Foreign Currency" column of the table.

| | Three Months Ended | | % Increase/ (Decrease) | | |
|--------------------------|-----------------------|-------------------|------------------------|------------------|--------------|
| | December 31, 2016 | December 31, 2015 | Constant Currency | Foreign Currency | Total Change |
| | (Dollars in millions) | | | | |
| Vascular North America | \$ 95.7 | \$ 90.3 | 5.9% | — | 5.9% |
| Surgical North America | 48.3 | 43.1 | 12.2% | — | 12.2% |
| Anesthesia North America | 54.9 | 50.6 | 8.5% | — | 8.5% |
| EMEA | 135.7 | 135.2 | 3.0% | (2.6)% | 0.4% |
| Asia | 73.0 | 69.2 | 5.4% | — | 5.4% |
| OEM | 45.3 | 37.8 | 20.0% | (0.2)% | 19.8% |
| All Other | 61.0 | 58.3 | 5.5% | (0.8)% | 4.7% |
| Total | \$ 513.9 | \$ 484.5 | 6.9% | (0.8)% | 6.1% |

Vascular North America fourth quarter 2016 net revenues were \$95.7 million, an increase of 5.9% compared to the prior year period on both a GAAP and constant currency basis. The increase in revenue was largely due to higher sales volumes of both existing and new products and price increases.

Surgical North America fourth quarter 2016 net revenues were \$48.3 million, an increase of 12.2% compared to the prior year period on both a GAAP and constant currency basis. The increase in revenue was largely due to higher sales volumes of both new and existing products and price increases.

Anesthesia North America fourth quarter 2016 net revenues were \$54.9 million, an increase of 8.5% compared to the prior year period on both a GAAP and constant currency basis. The increase in revenue was largely due to higher sales volumes of both existing and new products.

EMEA fourth quarter 2016 net revenues were \$135.7 million, an increase of 0.4% compared to the prior year period. Excluding the impact of foreign currency exchange rate fluctuations, fourth quarter 2016 net revenues increased 3.0% compared to the prior year period. The constant currency revenue increase was largely due to higher sales

volumes of both existing and new products, somewhat offset by a decline in the average selling prices of certain products.

Asia fourth quarter 2016 net revenues were \$73.0 million, an increase of 5.4% compared to the prior year period on both a GAAP and constant currency basis. The increase in revenue was largely due to higher sales volumes of both new and existing products and price increases.

OEM and Development Services ("OEM") fourth quarter 2016 net revenues were \$45.3 million, an increase of 19.8% compared to the prior year period. Excluding the impact of foreign currency exchange rate fluctuations, fourth quarter 2016 net revenues increased 20.0% compared to the prior year period. The constant currency revenue increase was largely due to higher sales volumes of existing products and revenues generated by acquired businesses.

OTHER FINANCIAL HIGHLIGHTS AND KEY PERFORMANCE METRICS

Depreciation expense, amortization of intangible assets and deferred financing charges for 2016 totaled \$128.3 million compared to \$125.3 million for the prior year.

Cash and cash equivalents at December 31, 2016 were \$543.8 million compared to \$338.4 million at December 31, 2015.

Net accounts receivable at December 31, 2016 were \$272.0 million compared to \$262.4 million at December 31, 2015.

Net inventories at December 31, 2016 were \$316.2 million compared to \$330.3 million at December 31, 2015.

2017 OUTLOOK

On a GAAP basis, revenues in 2017 are expected to increase 10.0% to 11.5% over the prior year, reflecting the anticipated 2.5% unfavorable impact of foreign currency exchange rate fluctuations. On a constant currency basis, the Company estimates that revenues for full year 2017 will increase 12.5% to 14.0%, which includes the impact of Vascular Solutions which is expected to contribute approximately 8.5% to 9.0%.

The Company expects full year 2017 GAAP diluted earnings per share from continuing operations to be between \$5.04 and \$5.08. The Company expects adjusted diluted earnings per share from continuing operations to be between \$8.00 and \$8.15 for full year 2017, representing an increase of 9.0% to 11.0% over 2016, reflecting our expectation of an approximately 4.1% negative impact from foreign currency exchange rate fluctuations.

FORECASTED 2017 CONSTANT CURRENCY REVENUE GROWTH RECONCILIATION

| | <u>Low</u> | <u>High</u> |
|---|--------------|--------------|
| Forecasted 2017 GAAP revenue growth | 10.0% | 11.5% |
| Estimated impact of foreign currency exchange rate fluctuations | <u>2.5%</u> | <u>2.5%</u> |
| Forecasted 2017 constant currency revenue growth | <u>12.5%</u> | <u>14.0%</u> |

FORECASTED 2017 ADJUSTED EARNINGS PER SHARE RECONCILIATION

| | <u>Low</u> | <u>High</u> |
|---|---------------|---------------|
| Diluted earnings per share attributable to common shareholders | \$5.04 | \$5.08 |
| Restructuring, impairment charges and special items, net of tax | \$1.35 | \$1.40 |
| Intangible amortization expense, net of tax | \$1.60 | \$1.65 |
| Amortization of debt discount on convertible notes, net of tax | <u>\$0.01</u> | <u>\$0.02</u> |
| Adjusted diluted earnings per share | <u>\$8.00</u> | <u>\$8.15</u> |

CONFERENCE CALL WEBCAST AND ADDITIONAL INFORMATION

As previously announced, Teleflex will comment on its financial results on a conference call to be held today at 8:00 a.m. (ET). The call will be available live and archived on the company's website at www.teleflex.com and the accompanying presentation will be posted prior to the call. An audio replay will be available until March 28, 2017 at 11:59pm (ET), by calling 855-859-2056 (U.S./Canada) or 404-537-3406 (International), Passcode: 65576607.

ADDITIONAL NOTES

References in this release to the impact of foreign currency exchange rate fluctuations on adjusted diluted earnings per share include both the impact of translating foreign currencies into U.S. dollars and the impact of foreign currency exchange rate fluctuations on foreign currency denominated transactions.

In the discussion of segment results, "new products" refers to products we have sold for 36 months or less, and "existing products" refers to products we have sold for more than 36 months.

Certain financial information is presented on a rounded basis, which may cause minor differences.

Segment results and commentary exclude the impact of discontinued operations.

NOTES ON NON-GAAP FINANCIAL MEASURES

This press release includes certain non-GAAP financial measures, which include:

Adjusted diluted earnings per share. This measure excludes, depending on the period presented (i) restructuring and other impairment charges; (ii) certain losses and other charges, including, for 2016, charges primarily related to facility consolidation and acquisition costs, net of reversals related to contingent consideration liabilities and the gain on sale of assets and, for 2015, charges related to facility consolidations, net of reversals related to contingent consideration liabilities, the medical device excise tax and a litigation verdict against the Company with respect to a non-operating joint venture; (iii) amortization of the debt discount on the Company's convertible notes; (iv) intangible amortization expense; (v) loss on extinguishment of debt; and (vi) tax benefits resulting primarily from (1) the expiration of applicable statutes of limitations for prior year

returns and/or the resolution of audits or filing of amended returns with respect to prior tax years, and (2) tax law changes affecting the Company's deferred tax liability. In addition, the calculation of diluted shares within adjusted earnings per share gives effect to the anti-dilutive impact of the Company's convertible note hedge agreements, which reduce the potential economic dilution that otherwise would occur upon conversion of the Company's senior subordinated convertible notes (under GAAP, the anti-dilutive impact of the convertible note hedge agreements is not reflected in diluted shares).

Constant currency revenue growth. This measure excludes the impact of translating the results of international subsidiaries at different currency exchange rates from period to period.

Management believes these measures are useful to investors because they eliminate items that do not reflect Teleflex's day-to-day operations and, as a result, they facilitate comparisons of financial results exclusive of items that can fluctuate in a manner that may not reflect the performance of our business. In addition, management believes that the calculation of non-GAAP diluted shares is useful to investors because it provides insight into the offsetting economic effect of the convertible note hedge against conversions of the convertible notes. Management uses these financial measures for internal managerial purposes, when publicly providing guidance on possible future results, and to assist in our evaluation of period-to-period comparisons. These financial measures are presented in addition to results presented in accordance with generally accepted accounting principles ("GAAP") and should not be relied upon as a substitute for GAAP financial measures. Tables reconciling historical adjusted diluted earnings per share to historical GAAP earnings per share are set forth below. Tables reconciling constant currency net revenues to GAAP net revenues and reconciling forecasted non-GAAP measures to the most directly comparable forecasted GAAP measures are set forth above.

RECONCILIATION OF CONSOLIDATED STATEMENT OF INCOME ITEMS

Dollars in millions, except per share amounts

Quarter Ended - December 31, 2016

| | Cost of goods sold | Selling, general and administrative expenses | Research and development expenses | Restructuring and other impairment charges | (Gain) loss on sale of business and assets | Interest expense, net | Income taxes | Net income (loss) attributable to common shareholders from continuing operations | Diluted earnings per share available to common shareholders | Shares used in calculation of GAAP and adjusted earnings per share |
|--|--------------------|--|-----------------------------------|--|--|-----------------------|--------------|--|---|--|
| GAAP Basis | \$240.9 | \$144.2 | \$15.7 | \$46.4 | (\$0.2) | \$16.2 | (\$10.1) | \$60.9 | \$1.29 | 47,112 |
| Adjustments | | | | | | | | | | |
| Restructuring and other impairment charges (A) | — | — | — | 46.4 | — | — | 16.5 | 29.8 | \$0.63 | — |
| Losses and other charges, net (B) | 3.7 | (4.4) | 0.0 | — | (0.2) | 3.4 | 3.4 | (1.0) | (\$0.01) | — |
| Amortization of debt discount on convertible notes | — | — | — | — | — | 1.1 | 0.4 | 0.7 | \$0.02 | — |
| Intangible amortization expense | — | 15.9 | 0.1 | — | — | — | 4.0 | 12.0 | \$0.26 | — |
| Tax adjustment (C) | — | — | — | — | — | — | 4.9 | (4.9) | (\$0.10) | — |
| Shares due to Teleflex under note hedge (D) | — | — | — | — | — | — | — | — | \$0.06 | (1,343) |
| Adjusted basis | \$237.2 | \$132.7 | \$15.6 | — | — | \$11.7 | \$19.3 | \$97.5 | \$2.13 | 45,769 |

Quarter Ended - December 31, 2015

| | Cost of goods sold | Selling, general and administrative expenses | Research and development expenses | Restructuring and other impairment charges | (Gain) loss on sale of business and assets | Interest expense, net | Income taxes | Net income (loss) attributable to common shareholders from continuing operations | Diluted earnings per share available to common shareholders | Shares used in calculation of GAAP and adjusted earnings per share |
|--|--------------------|--|-----------------------------------|--|--|-----------------------|--------------|--|---|--|
| GAAP Basis | \$224.2 | \$148.2 | \$13.2 | \$2.1 | — | \$13.6 | (\$7.6) | \$90.6 | \$1.88 | 48,323 |
| Adjustments | | | | | | | | | | |
| Restructuring and other impairment charges (A) | — | — | — | 2.1 | — | — | 0.8 | 1.3 | \$0.03 | — |
| Losses and other charges, net (B) | 1.9 | (3.1) | — | — | — | — | 0.3 | (1.5) | (\$0.03) | — |
| Amortization of debt discount on convertible notes | — | — | — | — | — | 3.4 | 1.2 | 2.1 | \$0.04 | — |
| Intangible amortization expense | — | 17.1 | — | — | — | — | 4.6 | 12.5 | \$0.26 | — |
| Tax adjustment (C) | — | — | — | — | — | — | 14.9 | (14.9) | (\$0.31) | — |
| Shares due to Teleflex under note hedge (D) | — | — | — | — | — | — | — | — | \$0.14 | (3,440) |
| Adjusted basis | \$222.3 | \$134.2 | \$13.2 | — | — | \$10.2 | \$14.2 | \$90.2 | \$2.01 | 44,883 |

(A) In 2016, "other impairment charges" included (1) a pre-tax, non-cash \$41.0 million impairment charge and \$14.9 million reduction in related deferred tax liabilities in

connection with the Company's Semprus technology; and (2) \$2.4 million in pre-tax, non-cash impairment charges related to two properties, one of which was classified as an asset held for sale and \$0.7 million reduction in related deferred tax liabilities. In 2015, there were no "other impairment charges."

(B) In 2016, losses and other charges, net related primarily to reversals related to contingent consideration liabilities, including \$8.3 million related to the Company's Semprus technology, somewhat offset by acquisition and facility consolidation costs. In 2015, losses and other charges, net related primarily to facility consolidations and reflect reversals of previously recorded charges related to contingent consideration liabilities and the medical device excise tax.

(C) The tax adjustment represents a net benefit resulting primarily from (1) the expiration of applicable statutes of limitations for prior year returns and/or the resolution of audits or filing of amended returns with respect to prior tax years, and (2) tax law changes affecting our deferred tax liability.

(D) Adjusted diluted shares are calculated by giving effect to the anti-dilutive impact of the Company's convertible note hedge agreements, which reduce the potential economic dilution that otherwise would occur upon conversion of the Company's convertible notes. Under GAAP, the anti-dilutive impact of the convertible note hedge agreements is not reflected in diluted shares.

Reconciliation of Adjusted Operating Profit and Margin

Dollars in millions

Quarter Ended - December 31, 2016

| | |
|--|---------|
| Teleflex income from continuing operations before interest and taxes | \$67.0 |
| Teleflex income from continuing operations before interest and taxes margin | 13.0% |
| Restructuring and other impairment charges | \$46.4 |
| Losses and other charges, net | (\$0.9) |
| Intangible amortization expense | \$16.0 |
| Adjusted Teleflex income from continuing operations before interest and taxes | \$128.5 |
| Adjusted Teleflex income from continuing operations before interest and taxes margin | 25.0% |
| Teleflex revenue as-reported | \$513.9 |

RECONCILIATION OF CONSOLIDATED STATEMENT OF INCOME ITEMS

Dollars in millions, except per share amounts

Year Ended - December 31, 2016

| | Cost of goods sold | Selling, general and administrative expenses | Research and development expenses | Restructuring and other impairment charges | (Gain) loss on sale of business and assets | Interest expense, net | Loss on extinguishment of debt, net | Income taxes | Net income (loss) attributable to common shareholders from continuing operations | Diluted earnings per share available to common shareholders | Shares used in calculation of GAAP and adjusted earnings per share |
|--|--------------------|--|-----------------------------------|--|--|-----------------------|-------------------------------------|--------------|--|---|--|
| GAAP Basis | \$871.8 | \$563.3 | \$58.6 | \$59.2 | (\$4.4) | \$54.5 | \$19.3 | \$8.1 | \$237.2 | \$4.98 | 47,646 |
| Adjustments | | | | | | | | | | | |
| Restructuring and other impairment charges (A) | — | — | — | 59.2 | — | — | — | 19.9 | 39.3 | \$0.83 | — |
| Losses and other charges, net (B) | 14.6 | (1.8) | 0.1 | — | (4.4) | 3.4 | — | 7.0 | 4.9 | \$0.11 | — |
| Amortization of debt discount on convertible notes | — | — | — | — | — | 7.2 | — | 2.6 | 4.5 | \$0.10 | — |
| Intangible amortization expense | — | 63.1 | 0.4 | — | — | — | — | 16.1 | 47.4 | \$0.99 | — |
| Loss on extinguishment of debt, net | — | — | — | — | — | — | 19.3 | 7.0 | 12.2 | \$0.26 | — |
| Tax adjustment (C) | — | — | — | — | — | — | — | 10.7 | (10.7) | (\$0.23) | — |
| Shares due to Teleflex under note hedge (D) | — | — | — | — | — | — | — | — | — | \$0.31 | (2,025) |
| Adjusted basis | \$857.3 | \$502.0 | \$58.1 | — | — | \$43.9 | — | \$71.5 | \$334.8 | \$7.34 | 45,621 |

Year Ended - December 31, 2015

| | Cost of goods sold | Selling, general and administrative expenses | Research and development expenses | Restructuring and other impairment charges | (Gain) loss on sale of business and assets | Interest expense, net | Loss on extinguishment of debt, net | Income taxes | Net income (loss) attributable to common shareholders from continuing operations | Diluted earnings per share available to common shareholders | Shares used in calculation of GAAP and adjusted earnings per share |
|--|--------------------|--|-----------------------------------|--|--|-----------------------|-------------------------------------|--------------|--|---|--|
| GAAP Basis | \$865.3 | \$569.0 | \$52.1 | \$7.8 | (\$0.4) | \$60.8 | \$10.5 | \$7.8 | \$236.0 | \$4.91 | 48,058 |
| Adjustments | | | | | | | | | | | |
| Restructuring and other impairment charges (A) | — | — | — | 7.8 | — | — | — | 2.9 | 4.9 | \$0.10 | — |
| Losses and other charges, net (B) | 9.4 | (6.1) | — | — | (0.4) | — | — | 2.5 | 0.4 | \$0.01 | — |
| Amortization of debt discount on convertible notes | — | — | — | — | — | 13.2 | — | 4.8 | 8.4 | \$0.17 | — |
| Intangible amortization expense | — | 62.4 | — | — | — | — | — | 16.6 | 45.8 | \$0.95 | — |
| Loss on extinguishment of debt, net | — | — | — | — | — | — | 10.5 | 3.8 | 6.6 | \$0.14 | — |
| Tax adjustment (C) | — | — | — | — | — | — | — | 19.0 | (19.0) | (\$0.39) | — |
| Shares due to Teleflex under note hedge (D) | — | — | — | — | — | — | — | — | — | \$0.44 | (3,350) |
| Adjusted basis | \$855.8 | \$512.7 | \$52.1 | — | — | \$47.6 | — | \$57.4 | \$283.2 | \$6.33 | 44,708 |

(A) In 2016, "other impairment charges" included (1) a pre-tax, non-cash \$41.0 million impairment charge and \$14.9 million reduction in related deferred tax liabilities in connection with the Company's Semprus technology; and (2) \$2.4 million in pre-tax, non-cash impairment charges related to two properties, one of which was classified as an asset held for sale and \$0.7 million reduction in related deferred tax liabilities. In 2015, there were no "other impairment charges."

(B) In 2016, losses and other charges, net related primarily to facility consolidation and acquisition costs, net of reversals related to contingent consideration liabilities, including \$8.3 million related to the Company's Semprus technology, and the gain on sale of assets. In 2015, losses and other charges, net related primarily to facility consolidation costs and reflects reversals of previously recorded charges related to contingent consideration liabilities, the medical device excise tax and a litigation verdict against the Company with respect to a non-operating joint venture.

(C) The tax adjustment represents a net benefit resulting primarily from (1) the expiration of applicable statutes of limitations for prior year returns and/or the resolution of audits or filing of amended returns with respect to prior tax years, and (2) tax law changes affecting our deferred tax liability.

(D) Adjusted diluted shares are calculated by giving effect to the anti-dilutive impact of the Company's convertible note hedge agreements, which reduce the potential economic dilution that otherwise would occur upon conversion of the Company's convertible notes. Under GAAP, the anti-dilutive impact of the convertible note hedge agreements is not reflected in diluted shares.

ABOUT TELEFLEX INCORPORATED

Teleflex is a global provider of medical technologies designed to improve the health and quality of people's lives. We apply purpose driven innovation - a relentless pursuit of identifying unmet clinical needs - to benefit patients and healthcare providers. Our portfolio is diverse, with solutions in the fields of vascular and interventional access, surgical, anesthesia, cardiac care, urology, emergency medicine and respiratory care. Teleflex employees worldwide are united in the understanding that what we do every day makes a difference. For more information, please visit teleflex.com.

Teleflex is the home of Arrow[®], Deknate[®], Hudson RCI[®], LMA[®], Pilling[®], Rusch[®] and Weck[®] - trusted brands united by a common sense of purpose.

CAUTION CONCERNING FORWARD-LOOKING INFORMATION

This press release contains forward-looking statements, including, but not limited to, forecasted 2017 GAAP and constant currency revenue growth and GAAP and adjusted diluted earnings per share. Actual results could differ materially from those in the forward-looking statements due to, among other things, conditions in the end markets we serve, customer reaction to new products and programs, our ability to achieve sales growth, price increases or cost reductions; changes in the reimbursement practices of third party payors; our ability to realize efficiencies and to execute on our strategic initiatives; changes in material costs and surcharges; market acceptance and unanticipated difficulties in connection with the introduction of new products and product line extensions; product recalls; unanticipated difficulties in connection with the consolidation of manufacturing and administrative functions, including as a result of difficulties with various employees, labor representatives or regulators; the loss of skilled employees in connection with such initiatives; unanticipated difficulties, expenditures and delays in complying with government regulations applicable to our businesses; the impact of government healthcare reform legislation, including possible repeal, modification or replacement of the Patient Protection and Affordable Care Act; our ability to meet our debt obligations; changes in general and international economic conditions, including fluctuations in foreign currency exchange rates and the impact of the United Kingdom's vote to leave the European Union; and other factors described or incorporated in our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K.

TELEFLEX INCORPORATED CONSOLIDATED STATEMENTS OF INCOME (unaudited)

Three Months Ended December 31, Twelve Months Ended December 31,

| | 2016 | 2015 | 2016 | 2015 |
|---|---|------------|--------------|--------------|
| | (Dollars and shares in thousands, except per share) | | | |
| Net revenues | \$ 513,933 | \$ 484,501 | \$ 1,868,027 | \$ 1,809,690 |
| Cost of goods sold | 240,881 | 224,185 | 871,827 | 865,287 |
| Gross profit | 273,052 | 260,316 | 996,200 | 944,403 |
| Selling, general and administrative expenses | 144,180 | 148,217 | 563,308 | 568,982 |
| Research and development expenses | 15,687 | 13,221 | 58,579 | 52,119 |
| Restructuring and other impairment charges | 46,351 | 2,131 | 59,227 | 7,819 |
| Gain on sale of assets | (194) | — | (4,367) | (408) |
| Income from continuing operations before interest, loss on extinguishment of debt and taxes | 67,028 | 96,747 | 319,453 | 315,891 |
| Interest expense | 16,362 | 13,638 | 54,941 | 61,323 |
| Interest income | (150) | (79) | (474) | (532) |
| Loss on extinguishment of debt | — | — | 19,261 | 10,454 |
| Income from continuing operations before taxes | 50,816 | 83,188 | 245,725 | 244,646 |
| Taxes on income from continuing operations | (10,060) | (7,577) | 8,074 | 7,838 |
| Income from continuing operations | 60,876 | 90,765 | 237,651 | 236,808 |
| Operating loss from discontinued operations | (806) | (298) | (922) | (1,730) |
| Tax benefit on loss from discontinued operations | (993) | (10,815) | (1,112) | (10,635) |
| Income (loss) on discontinued operations | 187 | 10,517 | 190 | 8,905 |
| Net income | 61,063 | 101,282 | 237,841 | 245,713 |
| Less: Income from continuing operations attributable to noncontrolling interest | — | 158 | 464 | 850 |
| Net income attributable to common shareholders | \$ 61,063 | \$ 101,124 | \$ 237,377 | \$ 244,863 |
| Earnings per share available to common shareholders: | | | | |
| Basic: | | | | |
| Income from continuing operations | \$ 1.38 | \$ 2.18 | \$ 5.47 | \$ 5.68 |
| Income (loss) on discontinued operations | 0.01 | 0.25 | 0.01 | 0.21 |
| Net income | \$ 1.39 | \$ 2.43 | \$ 5.48 | \$ 5.89 |
| Diluted: | | | | |
| Income from continuing operations | \$ 1.29 | \$ 1.88 | \$ 4.98 | \$ 4.91 |
| Income (loss) on discontinued operations | 0.01 | 0.21 | — | 0.19 |
| Net income | \$ 1.30 | \$ 2.09 | \$ 4.98 | \$ 5.10 |
| Dividends per share | \$ 0.34 | \$ 0.34 | \$ 1.36 | \$ 1.36 |
| Weighted average common shares outstanding: | | | | |
| Basic | 44,058 | 41,606 | 43,325 | 41,558 |
| Diluted | 47,112 | 48,323 | 47,646 | 48,058 |
| Amounts attributable to common shareholders: | | | | |
| Income from continuing operations, net of tax | \$ 60,876 | \$ 90,607 | \$ 237,187 | \$ 235,958 |
| Income (loss) from discontinued operations, net of tax | 187 | 10,517 | 190 | 8,905 |
| Net income | \$ 61,063 | \$ 101,124 | \$ 237,377 | \$ 244,863 |

TELEFLEX INCORPORATED
CONSOLIDATED BALANCE SHEETS
(unaudited)

| | December 31, | |
|---|---|--------------|
| | 2016 | 2015 |
| | (Dollars, except per share amounts, and shares in thousands) | |
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 543,789 | \$ 338,366 |
| Accounts receivable, net | 271,993 | 262,416 |
| Inventories, net | 316,171 | 330,275 |
| Prepaid expenses and other current assets | 40,382 | 34,915 |
| Prepaid taxes | 8,179 | 30,895 |
| Assets held for sale | 2,879 | 6,972 |
| Total current assets | 1,183,393 | 1,003,839 |
| Property, plant and equipment, net | 302,899 | 316,123 |
| Goodwill | 1,276,720 | 1,295,852 |
| Intangibles assets, net | 1,091,663 | 1,199,975 |
| Deferred tax assets | 1,712 | 2,341 |
| Other assets | 34,826 | 53,644 |
| Total assets | \$ 3,891,213 | \$ 3,871,774 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Current borrowings | \$ 183,071 | \$ 417,350 |
| Accounts payable | 69,400 | 66,305 |

| | | |
|---|--------------|--------------|
| Accrued expenses | 65,149 | 64,017 |
| Current portion of contingent consideration | 587 | 7,291 |
| Payroll and benefit-related liabilities | 82,679 | 84,658 |
| Accrued interest | 10,450 | 7,480 |
| Income taxes payable | 7,908 | 8,059 |
| Other current liabilities | 8,402 | 8,960 |
| Total current liabilities | 427,646 | 664,120 |
| Long-term borrowings | 850,252 | 641,850 |
| Deferred tax liabilities | 271,377 | 315,983 |
| Pension and postretirement benefit liabilities | 133,062 | 149,441 |
| Noncurrent liability for uncertain tax positions | 17,520 | 40,400 |
| Other liabilities | 52,015 | 48,887 |
| Total liabilities | 1,751,872 | 1,860,681 |
| Commitments and contingencies | | |
| Convertible notes - redeemable equity component (Note 19) | 1,824 | — |
| Mezzanine equity | 1,824 | — |
| Common shareholders' equity | | |
| Common shares, \$1 par value Issued: 2016 — 45,814 shares; 2015 — 43,517 shares | 45,814 | 43,517 |
| Additional paid-in capital | 506,800 | 440,127 |
| Retained earnings | 2,194,593 | 2,016,176 |
| Accumulated other comprehensive loss | (438,717) | (371,124) |
| | 2,308,490 | 2,128,696 |
| Less: Treasury stock, at cost | 170,973 | 119,424 |
| Total common shareholders' equity | 2,137,517 | 2,009,272 |
| Noncontrolling interest | — | 1,821 |
| Total equity | 2,137,517 | 2,011,093 |
| Total liabilities and equity | \$ 3,891,213 | \$ 3,871,774 |

TELEFLEX INCORPORATED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

| | Year Ended December 31, | |
|--|--------------------------------|------------------|
| | 2016 | 2015 |
| | (Dollars in thousands) | |
| Cash flows from operating activities of continuing operations: | | |
| Net income | \$ 237,841 | \$ 245,713 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| (Income) loss from discontinued operations | (190) | (8,905) |
| Depreciation expense | 54,415 | 46,013 |
| Amortization expense of intangible assets | 63,491 | 62,380 |
| Amortization expense of deferred financing costs and debt discount | 10,440 | 16,941 |
| Loss on extinguishment of debt | 19,261 | 10,454 |
| Changes in contingent consideration | (6,445) | (4,576) |
| Impairment of long-lived assets | 2,356 | — |
| In-process research and development impairment charge | 41,000 | — |
| Stock-based compensation | 16,871 | 14,467 |
| Net gain on sales of businesses and assets | (4,367) | (408) |
| Deferred income taxes, net | (29,346) | (54,413) |
| Other | (13,311) | (20,775) |
| Changes in operating assets and liabilities, net of effects of acquisitions and disposals: | | |
| Accounts receivable | (11,029) | 398 |
| Inventories | 6,408 | (8,371) |
| Prepaid expenses and other current assets | (3,613) | (3,027) |
| Accounts payable and accrued expenses | 15,422 | (117) |
| Income taxes receivable and payable, net | 11,386 | 7,672 |
| Net cash provided by operating activities from continuing operations | <u>410,590</u> | <u>303,446</u> |
| Cash flows from investing activities of continuing operations: | | |
| Expenditures for property, plant and equipment | (53,135) | (61,448) |
| Payments for businesses and intangibles acquired, net of cash acquired | (14,040) | (93,808) |
| Proceeds from sales of businesses and assets | 10,201 | 408 |
| Investments in affiliates | — | — |
| Net cash used in investing activities from continuing operations | <u>(56,974)</u> | <u>(154,848)</u> |
| Cash flows from financing activities of continuing operations: | | |
| Proceeds from new borrowings | 671,700 | 288,100 |
| Reduction in borrowings | (714,565) | (303,757) |
| Debt extinguishment, issuance and amendment fees | (8,958) | (9,017) |
| Proceeds from share based compensation plans and the related tax impacts | 9,068 | 4,994 |

| | | |
|--|-------------------|-------------------|
| Payments to noncontrolling interest shareholders | (464) | (1,343) |
| Payments for acquisition of noncontrolling interest | (9,231) | — |
| Payments for contingent consideration | (7,282) | (8,028) |
| Dividends | (58,960) | (56,532) |
| Net cash used in financing activities from continuing operations | <u>(118,692)</u> | <u>(85,583)</u> |
| Cash flows from discontinued operations: | | |
| Net cash used in operating activities | <u>(2,110)</u> | <u>(2,636)</u> |
| Net cash used in discontinued operations | <u>(2,110)</u> | <u>(2,636)</u> |
| Effect of exchange rate changes on cash and cash equivalents | <u>(27,391)</u> | <u>(25,249)</u> |
| Net increase (decrease) in cash and cash equivalents | 205,423 | 35,130 |
| Cash and cash equivalents at the beginning of the year | <u>338,366</u> | <u>303,236</u> |
| Cash and cash equivalents at the end of the year | <u>\$ 543,789</u> | <u>\$ 338,366</u> |
| Supplemental cash flow information: | | |
| Cash interest paid | \$ 44,203 | \$ 45,973 |
| Income taxes paid, net of refunds | \$ 23,955 | \$ 56,079 |
| Non cash financing activities of continuing operations: | | |
| Settlement and exchange of convertible notes with common or treasury stock | \$ 35,286 | \$ 133 |
| Acquisition of treasury stock associated with settlement and exchange of convertible note hedge and warrant agreements | \$ 86,046 | \$ 269 |

View source version on businesswire.com: <http://www.businesswire.com/news/home/20170223005129/en/>

Source: Teleflex Incorporated

Teleflex Incorporated
 Jake Elguicze
 Treasurer and Vice President of Investor Relations
 610-948-2836