

STERIS plc

Consolidated Condensed Statements of Operations

(In thousands, except per share data)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenues</b>	\$ 1,328,912	\$ 1,238,204	\$ 2,608,414	\$ 2,421,590
<b>Cost of revenues</b>	750,121	691,976	1,457,193	1,346,358
<b>Gross profit</b>	578,791	546,228	1,151,221	1,075,232
<b>Operating expenses:</b>				
Selling, general, and administrative	329,298	328,430	664,924	634,960
Research and development	27,031	26,268	52,604	50,962
Restructuring expenses (credits)	2,796	(23)	28,496	(4)
<b>Total operating expenses</b>	359,125	354,675	746,024	685,918
<b>Income from operations</b>	219,666	191,553	405,197	389,314
<b>Non-operating expenses, net:</b>				
Interest expense	19,668	36,938	50,052	69,295
Interest and miscellaneous income	(1,126)	(1,237)	(2,435)	(2,614)
Loss (gain) on sale of business and equity investment, net	6,232	—	(12,571)	—
<b>Total non-operating expenses, net</b>	24,774	35,701	35,046	66,681
<b>Income from continuing operations before income tax expense</b>	194,892	155,852	370,151	322,633
<b>Income tax expense</b>	43,506	35,055	78,816	71,255
<b>Income from continuing operations, net of income tax</b>	\$ 151,386	\$ 120,797	\$ 291,335	\$ 251,378
<b>(Loss) income from discontinued operations, net of income tax</b>	(213)	(4,451)	5,379	(11,242)
<b>Net income</b>	151,173	116,346	296,714	240,136
<b>Less: Net income attributable to noncontrolling interests</b>	1,139	1,027	1,279	1,263
<b>Net income attributable to shareholders</b>	\$ 150,034	\$ 115,319	\$ 295,435	\$ 238,873
<b>Net income from continuing operations attributable to shareholders</b>	\$ 150,247	\$ 119,770	\$ 290,056	\$ 250,115
<b>Earnings per ordinary share (EPS) - Basic</b>				
Continuing Operations	\$ 1.52	\$ 1.21	\$ 2.94	\$ 2.53
Discontinued Operations	\$ —	\$ (0.05)	\$ 0.05	\$ (0.11)
Total	\$ 1.52	\$ 1.17	\$ 2.99	\$ 2.42
<b>Earnings per ordinary share (EPS) - Diluted</b>				
Continuing Operations	\$ 1.51	\$ 1.20	\$ 2.92	\$ 2.52
Discontinued Operations	\$ —	\$ (0.04)	\$ 0.05	\$ (0.11)
Total	\$ 1.51	\$ 1.16	\$ 2.98	\$ 2.41
<b>Cash dividends declared per share ordinary outstanding</b>	\$ 0.57	\$ 0.52	\$ 1.09	\$ 0.99
<b>Weighted average number of shares outstanding used in EPS computation:</b>				
Basic number of shares outstanding	98,669	98,785	98,769	98,747
Diluted number of shares outstanding	99,204	99,406	99,290	99,323

STERIS plc  
Consolidated Condensed Balance Sheets  
(in thousands)

	September 30, 2024	March 31, 2024
	(Unaudited)	
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 172,195	\$ 207,020
Accounts receivable, net	923,340	1,008,315
Inventories, net	688,933	674,535
Prepaid expenses and other current assets	153,401	174,349
Current assets held for sale	—	804,904
<b>Total current assets</b>	<b>1,937,869</b>	<b>2,869,123</b>
Property, plant, and equipment, net	1,929,666	1,765,180
Lease right-of-use assets, net	159,237	173,201
Goodwill	4,151,437	4,070,712
Intangibles, net	2,003,669	2,119,282
Other assets	60,267	66,199
<b>Total assets</b>	<b>\$ 10,242,145</b>	<b>\$ 11,063,697</b>
<b>Liabilities and equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 235,070	\$ 251,723
Other current liabilities	570,413	615,392
Current liabilities held for sale	—	64,012
<b>Total current liabilities</b>	<b>805,483</b>	<b>931,127</b>
Long-term indebtedness	2,156,158	3,120,162
Other liabilities	670,042	697,062
<b>Total equity</b>	<b>6,610,462</b>	<b>6,315,346</b>
<b>Total liabilities and equity</b>	<b>\$ 10,242,145</b>	<b>\$ 11,063,697</b>

**STERIS plc**  
**Segment Data**

Financial information for each of the segments is presented in the following table. We disclose a measure of segment income that is consistent with the way management operates and views the business. The accounting policies for reportable segments are the same as those for the consolidated Company. Segment income is calculated as the segment's gross profit less direct costs and indirect costs if the resources are dedicated to a single segment. Corporate costs include corporate and administrative functions, public company costs, legacy post-retirement benefits, and certain services and facilities related to distribution and research and development that are shared by multiple segments.

(in thousands)	Three Months Ended September 30,		Six Months Ended September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenues:</b>				
Healthcare	\$ 944,230	\$ 870,056	\$ 1,845,451	\$ 1,688,930
AST	256,737	235,053	506,540	468,152
Life Sciences	127,945	133,095	256,423	264,508
<b>Total revenues</b>	<b>\$ 1,328,912</b>	<b>\$ 1,238,204</b>	<b>\$ 2,608,414</b>	<b>\$ 2,421,590</b>
<b>Operating income (loss):</b>				
Healthcare	\$ 228,006	\$ 204,054	\$ 444,893	\$ 402,236
AST	109,902	110,783	227,616	220,373
Life Sciences	53,700	50,284	106,284	100,125
Corporate	(97,129)	(87,020)	(198,877)	(178,893)
<b>Total operating income before adjustments</b>	<b>\$ 294,479</b>	<b>\$ 278,101</b>	<b>\$ 579,916</b>	<b>\$ 543,841</b>
<b>Less: Adjustments</b>				
Amortization of acquired intangible assets	\$ 67,971	\$ 69,846	\$ 135,632	\$ 133,938
Acquisition and integration related charges	3,205	15,808	5,459	18,045
Tax restructuring (credits) costs	(561)	—	(43)	9
Amortization of inventory and property "step up" to fair value	1,402	917	2,793	2,539
Restructuring charges (credits)	2,796	(23)	30,878	(4)
<b>Income from operations</b>	<b>\$ 219,666</b>	<b>\$ 191,553</b>	<b>\$ 405,197</b>	<b>\$ 389,314</b>

**STERIS plc**  
**Consolidated Condensed Statements of Cash Flows**  
(in thousands)

	<b>Six Months Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
	(Unaudited)	(Unaudited)
<b>Operating activities:</b>		
Net income	\$ 296,714	\$ 240,136
Non-cash items	236,967	320,168
Changes in operating assets and liabilities	20,787	(133,080)
<b>Net cash provided by operating activities</b>	<b>554,468</b>	<b>427,224</b>
<b>Investing activities:</b>		
Purchases of property, plant, equipment, and intangibles, net	(209,975)	(149,893)
Proceeds from the sale of property, plant, equipment, and intangibles	—	7,360
Proceeds from the sale of businesses	809,919	9,458
Acquisition of businesses, net of cash acquired	(17,467)	(539,758)
<b>Net cash provided by (used in) investing activities</b>	<b>582,477</b>	<b>(672,833)</b>
<b>Financing activities:</b>		
Payments on term loans	(638,125)	(30,000)
(Payments) proceeds under credit facilities, net	(344,920)	391,022
Acquisition related deferred or contingent consideration	(177)	(177)
Repurchases of ordinary shares	(110,625)	(9,213)
Cash dividends paid to ordinary shareholders	(107,673)	(97,795)
Contributions from noncontrolling interest holders	2,532	—
Stock option and other equity transactions, net	19,092	2,740
<b>Net cash (used in) provided by financing activities</b>	<b>(1,179,896)</b>	<b>256,577</b>
Effect of exchange rate changes on cash and cash equivalents	8,126	(5,568)
(Decrease) increase in cash and cash equivalents	(34,825)	5,400
Cash and cash equivalents at beginning of period	207,020	208,357
Cash and cash equivalents at end of period	<b>\$ 172,195</b>	<b>\$ 213,757</b>

The following table presents a financial measure which is considered to be "non-GAAP financial measures" under Securities Exchange Commission rules. Free cash flow is defined by the Company as cash flows from operating activities less purchases of property, plant, equipment and intangibles (capital expenditures) plus proceeds from the sale of property, plant, equipment and intangibles. The Company uses free cash flow as a measure to gauge its ability to pay cash dividends, fund growth outside of core operations, fund future debt principal repayments, and repurchase shares. STERIS's calculation of free cash flows may vary from other companies.

	<b>Six Months Ended September 30,</b>	
	<b>2024</b>	<b>2023</b>
	(Unaudited)	(Unaudited)
<b>Calculation of Free Cash Flow:</b>		
Cash flows from operating activities	\$ 554,468	\$ 427,224
Purchases of property, plant, equipment, and intangibles, net	(209,975)	(149,893)
Proceeds from the sale of property, plant, equipment, and intangibles	—	7,360
<b>Free Cash Flow</b>	<b>\$ 344,493</b>	<b>\$ 284,691</b>

**STERIS plc**  
**Non-GAAP Financial Measures**  
(in thousands, except per share data)

Non-GAAP financial measures are presented 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.

Management and the Board of Directors believe that the presentation of these non-GAAP financial measures, when considered along with our U.S. GAAP financial measures and the reconciliation to the corresponding U.S. GAAP financial measures, provides the reader with a more complete understanding of the factors and trends affecting our business than could be obtained absent this disclosure. It is important for the reader to note that the non-GAAP financial measure used may be calculated differently from, and therefore may not be comparable to, a similarly titled measure used by other companies.

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 currency exchange rates and acquisitions and divestitures that affect the comparability and trends in revenue are removed. The impact of changes in currency exchange rates is calculated by translating current year results at prior year average currency exchange rates.

**Three Months Ended September 30, (unaudited)**

	As reported, GAAP		Impact of Acquisitions		Impact of Divestitures		Impact of Foreign Currency Movements	GAAP Growth	Organic Growth	Constant Currency Organic Growth
	2024	2023	2024	2023	2024	2023	2024	2024	2024	2024
<b>Segment revenues:</b>										
Healthcare	\$ 944,230	\$ 870,056	\$ 11,397	\$ —	\$ 748		8.5 %	7.2 %	7.1 %	
AST	256,737	235,053	—	—	1,250		9.2 %	9.2 %	8.7 %	
Life Sciences	127,945	133,095	—	(8,918)	59		(3.9)%	3.0 %	3.0 %	
<b>Total</b>	<b>\$ 1,328,912</b>	<b>\$ 1,238,204</b>	<b>\$ 11,397</b>	<b>\$ (8,918)</b>	<b>\$ 2,057</b>		<b>7.3 %</b>	<b>7.2 %</b>	<b>7.0 %</b>	

**Six Months Ended September 30, (unaudited)**

	As reported, U.S. GAAP		Impact of Acquisitions		Impact of Divestitures		Impact of Foreign Currency Movements	U.S. GAAP Growth	Organic Growth	Constant Currency Organic Growth
	2024	2023	2024	2023	2024	2023	2024	2024	2024	2024
<b>Segment revenues:</b>										
Healthcare	\$ 1,845,451	\$ 1,688,930	\$ 52,373	\$ —	\$ (449)		9.3 %	6.2 %	6.2 %	
AST	506,540	468,152	—	—	(64)		8.2 %	8.2 %	8.2 %	
Life Sciences	256,423	264,508	—	(16,800)	(307)		(3.1)%	3.5 %	3.6 %	
<b>Total</b>	<b>\$ 2,608,414</b>	<b>\$ 2,421,590</b>	<b>\$ 52,373</b>	<b>\$ (16,800)</b>	<b>\$ (820)</b>		<b>7.7 %</b>	<b>6.3 %</b>	<b>6.3 %</b>	

STERIS plc  
Non-GAAP Financial Measures (Continued)  
(in thousands, except per share data)

Three Months Ended September 30, (unaudited)

	Continuing Operations															
	Gross Profit		Income from Operations		Income from continuing operations, net of income tax		Income (loss) from discontinued operations, net of income tax		Net Income attributable to shareholders		Diluted EPS from continuing operations		Diluted EPS from discontinued operations		Diluted EPS <sup>(2)</sup>	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>As reported, U.S. GAAP</b>	<b>\$ 578,791</b>	\$ 546,228	<b>\$ 219,666</b>	\$ 191,553	<b>\$ 151,386</b>	\$ 120,797	<b>\$ (213)</b>	\$ (4,451)	<b>\$ 150,034</b>	\$ 115,319	<b>\$ 1.51</b>	\$ 1.20	<b>\$ —</b>	\$ (0.04)	<b>\$ 1.51</b>	\$ 1.16
Adjustments:																
Amortization of acquired intangible assets	610	574	67,971	69,846												
Acquisition and integration related charges	1,027	225	3,205	15,808												
Tax restructuring credits	—	—	(561)	—												
Amortization of inventory and property "step up" to fair value	546	553	1,402	917												
Restructuring charges (credits)	—	—	2,796	(23)												
Loss on sale of business and equity investment, net					6,232	—										
Net impact of adjustments after tax <sup>(1)</sup>					55,725	65,125	213	21,732	62,170	86,857						
Net EPS impact											0.63	0.66	—	0.21	0.63	0.87
<b>Adjusted</b>	<b>\$ 580,974</b>	\$ 547,580	<b>\$ 294,479</b>	\$ 278,101	<b>\$ 213,343</b>	\$ 185,922	<b>\$ —</b>	\$ 17,281	<b>\$ 212,204</b>	\$ 202,176	<b>\$ 2.14</b>	\$ 1.86	<b>\$ —</b>	\$ 0.17	<b>\$ 2.14</b>	\$ 2.03

<sup>(1)</sup> The tax expense includes both the current and deferred income tax impact of the adjustments.

<sup>(2)</sup> Diluted EPS is calculated independently for Diluted EPS from continuing operations and Diluted EPS from discontinued operations. The sum of Diluted EPS from continuing operations and Diluted EPS from discontinued operations may not equal Diluted EPS due to rounding.

Six Months Ended September 30, (unaudited)

	Continuing Operations															
	Gross Profit		Income from Operations		Income from continuing operations, net of income tax		Income (loss) from discontinued operations, net of income tax		Net Income attributable to shareholders		Diluted EPS from continuing operations		Diluted EPS from discontinued operations		Diluted EPS <sup>(2)</sup>	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>As reported, U.S. GAAP</b>	<b>\$1,151,221</b>	\$1,075,232	<b>\$ 405,197</b>	\$ 389,314	<b>\$ 291,335</b>	\$ 251,378	<b>\$ 5,379</b>	\$ (11,242)	<b>\$ 295,435</b>	\$ 238,873	<b>\$ 2.92</b>	\$ 2.52	<b>\$ 0.05</b>	\$ (0.11)	<b>\$ 2.98</b>	\$ 2.41
Adjustments:																
Amortization of acquired intangible assets	<b>1,094</b>	1,149	<b>135,632</b>	133,938												
Acquisition and integration related charges (credits)	<b>1,646</b>	187	<b>5,459</b>	18,045												
Tax restructuring (credits) costs	—	—	<b>(43)</b>	9												
Amortization of inventory and property "step up" to fair value	<b>1,240</b>	1,150	<b>2,793</b>	2,539												
Restructuring charges (credits)	<b>2,382</b>	—	<b>30,878</b>	(4)												
Gain on sale of business and equity investment, net					<b>(12,571)</b>	—										
Net impact of adjustments after tax <sup>(1)</sup>					<b>136,287</b>	117,046	<b>5,697</b>	44,470	<b>129,413</b>	161,516						
Net EPS impact											<b>1.25</b>	1.18	<b>0.06</b>	0.44	<b>1.30</b>	1.62
<b>Adjusted</b>	<b>\$1,157,583</b>	\$1,077,718	<b>\$ 579,916</b>	\$ 543,841	<b>\$ 415,051</b>	\$ 368,424	<b>\$ 11,076</b>	\$ 33,228	<b>\$ 424,848</b>	\$ 400,389	<b>\$ 4.17</b>	\$ 3.70	<b>\$ 0.11</b>	\$ 0.33	<b>\$ 4.28</b>	\$ 4.03

<sup>(1)</sup> The tax expense includes both the current and deferred income tax impact of the adjustments.

<sup>(2)</sup> Diluted EPS is calculated independently for Diluted EPS from continuing operations and Diluted EPS from discontinued operations. The sum of Diluted EPS from continuing operations and Diluted EPS from discontinued operations may not equal Diluted EPS due to rounding.

STERIS plc  
Non-GAAP Financial Measures (Continued)  
(in thousands, except per share data)

**FY 2025 Outlook**

**Twelve Months  
Ended March 31, 2025  
(Outlook)\*\***

Net income from continuing operations per diluted share	\$6.70 - \$6.90
Amortization of acquired intangible assets	2.06
Acquisition and integration and divestiture related charges	(0.10)
Restructuring	0.39
Adjusted net income from continuing operations per diluted share	<u>\$9.05 - \$9.25</u>
Cash flows from operating activities	\$1,060,000
Purchases of property, plant, equipment, and intangibles, net	<u>(360,000)</u>
Free Cash Flow	<u>\$700,000</u>

\*\* All amounts are estimates.



STERIS plc  
Unaudited Supplemental Financial Data  
Second Quarter Fiscal 2025  
For the Periods Ending September 30, 2024 and 2023

	FY 2025	FY 2024	FY 2025	FY 2024
	Q2	Q2	YTD	YTD
<b>Total Company Revenues - Continuing Operations</b>				
Consumables	\$ 414,359	\$ 366,083	\$ 828,449	\$ 708,821
Service	633,004	580,024	1,256,213	1,150,708
Total Recurring	\$ 1,047,363	\$ 946,107	\$ 2,084,662	\$ 1,859,529
Capital Equipment	281,549	292,097	523,752	562,061
<b>Total Revenues</b>	<b>\$ 1,328,912</b>	<b>\$ 1,238,204</b>	<b>\$ 2,608,414</b>	<b>\$ 2,421,590</b>
<b>Ireland Revenues</b>	<b>\$ 22,802</b>	<b>\$ 20,399</b>	<b>\$ 44,996</b>	<b>\$ 40,435</b>
Ireland Revenues as a % of Total	2 %	2 %	2 %	2 %
<b>United States Revenues</b>	<b>\$ 979,528</b>	<b>\$ 909,651</b>	<b>\$ 1,926,418</b>	<b>\$ 1,765,439</b>
United States Revenues as a % of Total	73 %	73 %	74 %	73 %
<b>International Revenues</b>	<b>\$ 326,582</b>	<b>\$ 308,154</b>	<b>\$ 637,000</b>	<b>\$ 615,716</b>
International Revenues as a % of Total	25 %	25 %	24 %	25 %
<b>Segment Data - Continuing Operations</b>	<b>FY 2025</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2024</b>
	<b>Q2</b>	<b>Q2</b>	<b>YTD</b>	<b>YTD</b>
<b>Healthcare</b>				
<b>Revenues</b>				
Consumables	\$ 341,707	\$ 306,025	\$ 685,061	\$ 586,306
Service	352,791	309,126	696,019	\$ 609,620
Total Recurring	\$ 694,498	\$ 615,151	\$ 1,381,080	\$ 1,195,926
Capital Equipment	249,732	254,905	464,371	493,004
Total Healthcare Revenues	\$ 944,230	\$ 870,056	\$ 1,845,451	\$ 1,688,930
<b>Segment Operating Income</b>	<b>\$ 228,006</b>	<b>\$ 204,054</b>	<b>\$ 444,893</b>	<b>\$ 402,236</b>
<b>AST</b>				
<b>Revenues</b>				
Service	\$ 247,932	\$ 233,299	\$ 496,647	\$ 465,524
Capital Equipment	8,805	1,754	9,893	2,628
Total AST Revenues	\$ 256,737	\$ 235,053	\$ 506,540	\$ 468,152
<b>Segment Operating Income</b>	<b>\$ 109,902</b>	<b>\$ 110,783</b>	<b>\$ 227,616</b>	<b>\$ 220,373</b>
<b>Life Sciences</b>				
<b>Revenues</b>				
Consumables	\$ 72,125	\$ 59,409	\$ 141,943	\$ 121,107
Service	32,808	38,248	64,992	\$ 76,972
Total Recurring	\$ 104,933	\$ 97,657	\$ 206,935	\$ 198,079
Capital Equipment	23,012	35,438	49,488	66,429
Total Life Sciences Revenues	\$ 127,945	\$ 133,095	\$ 256,423	264,508
<b>Segment Operating Income</b>	<b>\$ 53,700</b>	<b>\$ 50,284</b>	<b>\$ 106,284</b>	<b>\$ 100,125</b>
<b>Corporate Operating Loss</b>	<b>\$ (97,129)</b>	<b>\$ (87,020)</b>	<b>\$ (198,877)</b>	<b>\$ (178,893)</b>
<b>Other Data</b>	<b>FY 2025</b>	<b>FY 2024</b>	<b>FY 2025</b>	<b>FY 2024</b>
	<b>Q2</b>	<b>Q2</b>	<b>YTD</b>	<b>YTD</b>
Healthcare Backlog	\$ 405,280	\$ 457,138		
Life Sciences Backlog	75,600	91,100		
<b>Total Backlog - Continuing Operations</b>	<b>\$ 480,880</b>	<b>\$ 548,238</b>		
<b>As reported, U.S. GAAP Income Tax Rate - Continuing Operations</b>	<b>22.3 %</b>	<b>22.5 %</b>	<b>21.3 %</b>	<b>22.1 %</b>
<b>Adjusted Income Tax Rate - Continuing Operations</b>	<b>22.7 %</b>	<b>23.3 %</b>	<b>22.0 %</b>	<b>22.8 %</b>
<b>As reported, U.S. GAAP Income Tax Rate - Discontinued Operations</b>	<b>21.1 %</b>	<b>21.9 %</b>	<b>21.4 %</b>	<b>22.8 %</b>
<b>Adjusted Income Tax Rate - Discontinued Operations</b>	<b>26.8 %</b>	<b>27.7 %</b>	<b>26.8 %</b>	<b>27.1 %</b>

This supplemental data is consistent with publicly disclosed information provided in quarterly conference calls, earnings releases and SEC filings, and is subject to all definitions, precautions and limitations contained in those disclosures. Please see the Company's most recent 10-K for definitions (and reconciliation where appropriate) of adjusted measures, backlog, free cash flow and net debt.