

February 14, 2018

Dear Valued B. Braun Customer:

This letter provides an update on the activities B. Braun Medical has taken to increase supply of IV solutions to the U.S. marketplace.

In early January, we successfully completed critical routine maintenance at our Irvine, California manufacturing facility. Our production resumed, as scheduled, with all manufacturing lines running. Product is being shipped daily across our distribution network as we work to build depleted inventories within our authorized distributors. During the maintenance period, numerous production upgrades were performed and an EXCEL® container production line was added which will improve reliability and increase output.

We are pleased to report that on January 26, 2018, the U.S. Food and Drug Administration (FDA) approved our application for 0.9% Sodium Chloride Injection, USP in the Ecoflac™ Plus 500 mL container. Over the past few years, we have worked closely with the FDA to temporarily import Ecoflac Plus under regulatory discretion from B. Braun Melsungen AG's manufacturing facility in Germany. Under regulatory discretion, we are also importing Ecoflac Plus 1000 mL for temporary supply. Ecoflac expands our IV solution portfolio and provides an additional option for administering 0.9% Sodium Chloride. B. Braun currently offers 0.9% Sodium Chloride in EXCEL® IV containers, E3® IV containers and PAB® Partial Additive Bags. We continue to work with the FDA on additional opportunities that will help support increased product supply for the U.S. market.

Increase in Supply

As a result of these efforts, we expect in April 2018, to increase our supply allocations of IV solutions to our contracted customers as follows:

- (i) All PAB codes: 100% of historical purchases
- (ii) LVP Codes L8000, L8001, L7500: 90% of historical purchases

L8002 will remain at 75% through Q2 2018, while all other large volume parenteral (LVP) solutions will remain at 100% of historical purchases.

We will be working closely with our customers and distributors to strengthen supply allocations as our production output continues to increase, and we anticipate increasing supply allocations of all LVP codes to 100% of historical purchases by Q3 2018. We will work with our customers throughout Q3 2018 to ensure that current demand levels are reflected in all LVP and PAB supply allocations.

Investing in the Future

We have been and will continue to make significant investments to modernize our manufacturing facilities and increase production to introduce new supply into the marketplace.

Since 2014, we've increased our LVP solution supply in the U.S. market by more than 50 percent. The opening of our new Daytona Beach, Florida manufacturing facility will provide another material incremental addition to the U.S. marketplace in 2019.

We recognize the unfavorable impact our supply inconsistencies have had on your operations. Thank you for your continued support through this difficult period. We are confident our expanded capacity, continuous

improvement, and our long-term investments will result in immediate improvements to service and in sustainable long-term supply for you and your patients.

We will provide additional updates as we continue to increase our supply of IV solutions. If you have specific questions, please contact your B. Braun Sales Representative.

Sincerely,



Tom Sutton
Vice President of Marketing – Medical Device and Pharmaceutical Systems