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LivaNova, PLC. (NASDAQ GS: LIVN) **Reinitiating Coverage**

August 31, 2016

Reinitiating with Hold Rating and Reducing 12-Month Price Target to $60.00

Inconsistent Product Unit Sales Beckons Caution for LivaNova

On October 19, 2015 LivaNova, PLC, (LIVN), formed as a British company, became the holding company for the merger of the U.S. company Cyberonics, Inc. (CYBX) and the Italy-based company, Sorin S.p.A (SORN.MI), with operations in France, Italy, Japan and Texas. On August 3, 2016 LIVN issued a press release of Q2-2016 operations. Net sales for Q2-2016 increased by $3.9 million over Q2-2015 sales for the company's entire product line, from $317.1 million to $321 million. Sales of neuromodulation products from the former CYBX increased by $11.6 million, while sales of all other LIVN products decreased by about $7.7 million. LIVN's total Q2-2016 sales increased solely because of neuromodulation product sales from the former CYBX. If neuromodulation product sales had remained flat, the Q2-2016 sales would have been $309.4 million, or a 2.4% decrease over the comparable 2015 period. In our opinion, we would like to see greater growth to sustain a company like LIVN. We are therefore reinitiating coverage of LIVN with a Hold recommendation and reducing our 12-Month Price Target to $60.00.

Current Price	$60.16
12 Month Target Price	$60.00
12 Month Trading Range	$46.79-$77.00
Market Capitalization (Bil)	$2.95
Shares Outstanding (Mil)	49.074
Avg. Daily Volume	569,881
L. T. Debt (Mil)	83.266
Dividend/Yield	N/A
Book Value P/S	$37.17
NASDAQ Composite	5,222.99
S&P 500	2,176.12

The company reported the following accomplishments for Q2:

- Launch of the only suture-less heart valve in the U.S. market, the Perceval valve, and the first implant of Perceval in the PERSIST-AVR trial, which is a study with over 1,200 patients, comparing Perceval with standard tissue valves.
- Launch of a full-body MRI-compatible pacemaker in Japan, the KORA 250.
- Favorable results in the RESPOND-CRT clinical trial, which were announced on May 5 and showed a 35% risk reduction in heart failure hospitalization with SonR the cardiac resynchronization therapy device compared to echocardiography. A later update on August 28 reaffirmed reduction in risk; subgroup analysis showed that patients with atrial fibrillation and renal dysfunctions had a risk reduction of 48% and 41% respectively in cardiac death or hospitalization.
- The company also reported it would buy up to $30 million of its stock in 2016 and a maximum of $150 million by end of 2018.

However, the company has had some difficulties since its formation. LIVN received an FDA Warning Letter in December 2015, a $5 million class-action lawsuit in February 2016, and undertook a reorganization of its Cardiac Rhythm Management Business Unit in 2016.

Valuation

Rating Legend:

Strong Buy – Should be aggressively purchased.
Buy - Should be purchased on market weakness.
Hold - Fairly valued.
Sell - Stock should be sold on market strength.
Sell Short - Should be aggressively sold.
Speculative Buy – For aggressive accounts only.

We believe these are tenuous times for both healthcare and the capital markets, and, as such, caution is the watchword in valuation. In our opinion a simple multiple calculation of 2.35 our estimated 12-month revenue projection provides us with a target price of $60.00. This assumes growth within the VNS sales division, but does not model any additional insurance coverage improvements.

Recent Challenges

FDA Warning Letter: In December 2015, the company received an FDA Warning Letter, which instituted immediate prohibition on importing 3T Heater Cooler devices to the U.S. This device, about the size of a large suitcase, controls patient temperature during cardiothoracic surgery. Several patients who underwent heart surgery with use of this device have had infections or died from infections thought to have been caused by contaminated water used to cool blood. The FDA letter allows continued use of the 3T Heater Cooler, and shipment of all of the company's other products is unaffected by the 3T prohibition. The company believes the prohibition will not affect financial performance.

Lawsuit: A $5 million class-action lawsuit against LIVN was filed in the U.S. federal court in mid-February, 2016, by two heart surgery patients who allege they were among 3,600 exposed to a potentially deadly infection at Pennsylvania hospitals. The two hospitals that were cited in the lawsuit are: (1) WellSpan Health York Hospital, which performed about 1,300 open-heart surgeries using the Heater Cooler between Oct. 1, 2011, and July 24, 2015, and reports that infection was likely a contributing factor in four deaths; (2) Penn State Milton S. Hershey Medical Center, which reports about 2,300 patients had open-heart surgery at its facilities between November 5, 2011, and November 5, 2015, and also may have been affected by infection from the machine.

Reorganization: On March 10, 2016 the company announced reorganization of its Cardiac Rhythm Management Business Unit (previously a part of Sorin). The reorganization is expected to reduce the LIVN workforce by around 140 positions, primarily at the company's Clamart, France facility. The plan includes potential closures of the company's R&D facility in Meylan, France, and consolidation of the Business Unit's R&D capabilities into the Clamart facility. In addition, the New Ventures R&D team will be combined with the R&D efforts of the Cardiac Rhythm Management Business Unit. The company estimates total pre-tax charges of $16 million to $21 million in 2016 relating to non-recurring cash employee-related costs.

Recent Approvals

Feb. 01, 2016 -- LIVN announced approval from FDA for its innovative stented aortic bioprosthesis CROWN PRT for treatment of aortic valve disease. This is the second valve to be approved in the U.S. this year and is expected to be launched in the coming months. The first to be approved is the Perceval aortic valve (see below).

The Crown PRT is described as "an ideal aortic valve replacement option for older patients." It features a surgeon-friendly design, optimizing hemodynamics and the patented Phospholipid Reduction Treatment (PRT) to enhance valve durability.

Crown PRT
Source: LivaNova, PLC

CROWN PRT enables intuitive intraoperative handling through enhanced ease of implant with visible markers and improved radiographic visualization through dedicated X-ray markers. The stented aortic heart valve replacement provides physicians with greater surgical versatility and provides patients a long-lasting valve replacement.

Perceval Valve
Source: LivaNova, PLC

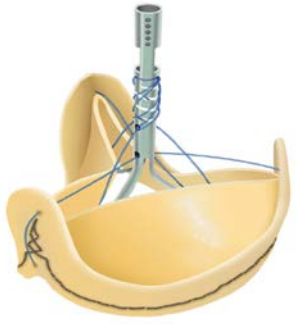
January 8, 2016 -- The company received FDA approval for the Perceval Sutureless Heart Valve (Perceval). The company said it would begin commercial U.S. distribution over Q2-2016 and announced the first U.S. implantation on March 8, 2016. Perceval is indicated for replacement of diseased, damaged, or malfunctioning native or prosthetic aortic valves.

January 28, 2016 -- LIVN announced the approval of its new generation of full body MRI-conditional pacemakers in Japan. KORA 250 SR and DR pacemakers allow patients to undergo MRI scans on any region of the body.

KORA 250
Source: LivaNova, PLC

KORA 250 also features an Automatic MRI Mode, which makes MRI scans safe for pacemaker patients, automatically detecting the MRI scanner's magnetic field and ensuring appropriate pacemaker operation during the scan. After the scan, the device automatically returns to its initial configuration. As a result, KORA 250 minimizes the amount of time that patients experience MRI mode.

Designed to manage co-morbidities, KORA 250, at only 8cc, offers advanced therapeutic and diagnostic features including SafeR, an algorithm to safely reduce unnecessary right ventricular pacing for patients with Atrio-Ventricular block as well as Sinus Node Disease, while extending longevity by two years. SafeR has also been shown to reduce the risk of heart failure and cardiac hospitalization by 51% and the risk of the first onset of atrial fibrillation by 23%.



Solo Smart
Source: LivaNova, PLC

February 29, 2016 -- LIVN announced approval of its Solo Smart stentless tissue valve from Japan's Pharmaceutical and Medical Devices Agency (PMDA). The Solo Smart stentless valve is designed for active-lifestyle patients, are at risk of Patient Prosthesis Mismatch (PPM), or who require a concomitant aortic valve replacement procedure. It provides superior hemodynamics with the ease of a

stented bioprosthesis implantation, which provides for a simplified implant and a removable stent. Solo Smart is designed from bovine pericardium with fully biological materials.

March 9, 2016 -- LIVN announced the approval of its Memo 3D ReChord in Canada. Memo 3D ReChord is a semi-rigid prosthetic annuloplasty ring that aims to offer a unique and optimal solution for Mitral Valve Repair (MVR) procedures by providing reproducible and physiological results. It features a super-elastic alloy core that supports mitral annulus and a Carbofilm™ coating to enhance hemo- and biocompatibility.

Memo 3D ReChord
Source: LivaNova, PLC

LivaNova Business Units and Product Lines

Cardiac Surgery Device	Cardiac Rhythm Management Devices	Neuromodulation

Source: LivaNova, PLC

LIVN has three business units: Cardiac Surgery, Cardiac Rhythm Management and Neuromodulation, with operating headquarters in Mirandola (Italy), Clamart (France), and Houston, TX (U.S.) respectively. At the time of the merger, the combined company had a pro-forma revenue of approximately $1.3 billion. The company also operates a New Ventures group that focuses on innovative technologies to treat heart failure, sleep apnea and percutaneous mitral valve.

Cardiac Surgery – LIVN is a leader in the cardiac surgery space. The company's products are used in 50% of cardiac surgeries worldwide. These products serve as blood oxygenators, heart-lung machines, perfusion tubing systems, cannulae and accessories, and systems for auto-transfusion and autologous blood washing, as well as mechanical and tissue-based heart valves.

LIVN offers a wide range of cardiac surgery devices through its SORIN group. Products include: the Heartlink perfusion system, Inspire oxygenators, S5 and C5 perfusion systems, CP5 and SCP centrifugal pumps, auto-transfusion systems, Connect perfusion charting system, B-Care5 Blood Monitoring System (integrated into a heart-lung machine), Vanguard Cardioplegia and CSC 14 heat exchangers, hemo-concentrators, arterial filters, perfusion tubing systems, the Sorin Centrifugal Pump Console (SCPC), Bonchek for distension and irrigation of a vein for harvesting, surgical instruments, pediatric valves and cannulae.

On March 8, 2016 LIVN announced the first U.S. implantation of the Perceval valve, a suture-less biological aortic valve replacement. Benefits of the Perceval valve include: lowering overall procedural cost compared to traditional sutured valves, shorter intensive care stays, reduced ventilation time, less blood transfusion, and suitability for a broad range of patients, including high-risk and complex cases. On April 4, 2016 the company announced the first implant in the PERSIST-AVR trial at the University of Lorraine in Nancy, France. This trial will compare the Perceval suture-less aortic valve with standard sutured bioprosthesis in 1,200 patients with aortic valve disease.

Cardiac Rhythm Management – Products include implantable cardiac defibrillators, pacemakers, and systems for arrhythmia assessment, patient management, and cardiac resynchronization therapy. Introduced sleep apnea monitoring system (SAM) and SafeR technology for right ventricular pacing. On January 28, 2016 the company's Kora 250 pacemaker, which allows for full body MRI scans, was approved in Japan. Other Cardiac Rhythm Devices offered through the Sorin group include: SonR cardiac resynchronization therapy device, single and dual-chamber pacemakers, Paradym RF Implantable Cardioverter Defibrillators, VOLTA defibrillation leads, Holter recorders for arrhythmia assessment, blood pressure monitors and Orchestra Plus clinical software.

Neuromodulation is the business unit derived from CYBX. The core for this business is the Vagus Nerve Stimulation (VNS) Therapy system for drug-resistant epilepsy, depression, heart failure, and other chronic disorders. The VNS system is FDA-approved for refractory epilepsy and treatment-resistant depression. This business unit also has investments in other large markets, including chronic heart failure and obstructive sleep apnea. More than 80,000 patients with epilepsy have been implanted using the VNS Therapy system. The VNS Therapy system consists of implanted components and an external programming system used to program the generator. The AspireSr was approved for commercialization in the U.S. in June 2015. Product acceptance has been high and pricing is higher than for previously released products.

Risks

LIVN has encountered four risks that are specific to its business. (1) The most recent and currently imminent risk is the outcome of the vote for the UK to leave the European Economic Union. (2) The company has been subject to an adverse regulatory event. An FDA Warning Letter in December 2015 prohibited the shipment to the U.S. of a major Sorin device, the 3T heater cooler, because of potentially deadly infections, unauthorized design changes, and poor

documentation. (3) The company is a defendant in a class-action lawsuit resulting from product deficiencies. In February 2016, two heart surgery patients filed a $5 million class-action lawsuit against LIVN for exposing 3,600 patients to a life-threatening infection, from which one hospital claims four people may have died. (4) If the company does not achieve cost savings anticipated in the merger, it could financially inhibit the company. In March 2016, the company announced a $16-$21 million reorganization of its Cardiac Rhythm Management unit.

The company reports in its 10Q for the period ending June 30, 2016:

For additional detailed discussion of risk factors that should be understood by any investor contemplating investment in our stock, please refer to "Part I. Item 1A. Risk Factors" in our 2015 Form 10-KT and elsewhere as described in this Quarterly Report on Form 10-Q.

The results of the United Kingdom's referendum on withdrawal from the European Union may have a negative effect on global economic conditions, financial markets and our business, which could reduce the price of our ordinary shares.

We are a multinational company headquartered in London with worldwide operations, including significant business operations in Europe. In June 2016, a majority of voters in the United Kingdom elected to withdraw from the European Union in a national referendum. The referendum was advisory, and the terms of any withdrawal are subject to a negotiation period that could last at least two years after the government of the United Kingdom formally initiates a withdrawal process. Nevertheless, the referendum has created significant uncertainty about the future relationship between the United Kingdom and the European Union, and has given rise to calls for certain regions within the United Kingdom to preserve their place in the European Union by separating from the United Kingdom as well as for the governments of other European Union member states to consider withdrawal.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings may be especially subject to increased market volatility. Lack of clarity about future United Kingdom laws and regulations as the United Kingdom determines which European Union laws to replace or replicate in the event of a withdrawal, including financial laws and regulations, tax and free trade agreements, intellectual property rights, supply chain logistics, environmental, health and safety laws and regulations, immigration laws and employment laws, could increase costs, depress economic activity and restrict our access to capital. If the United Kingdom and the European Union are unable to negotiate acceptable withdrawal terms or if other European Union member states pursue withdrawal, barrier-free access between the United Kingdom and other European Union member states or among the European economic area overall could be diminished or eliminated. Any of these factors could have a material adverse effect on our business, financial condition and results of operations and reduce the price of our ordinary shares.

The adoption of new therapies by the market requires significant time and expense in therapy education efforts, and such adoption may be delayed by a variety of factors and cannot be guaranteed.

LivaNova, as a result of internal research and development or investments in technologies, will introduce new products or new therapies to the market over time. Introducing a new product to the market requires significant expense and resources in order to support the adoption of the new product or treatment option in the market, as a significant amount of effort needs to be undertaken to train and educate health care professionals, patients, and payors on the disease to be treated, the benefits of the new product or therapy, and the clinical data in support of the therapy. In such situations, LivaNova will need to create therapy awareness programs, train and educate health care professionals on the clinical need and benefits of the new therapy, and conduct additional market access activities in order to obtain reimbursement approvals and medical codes for the new product or therapy. There are various factors that could delay the adoption of the new therapy, including the need to create new clinical pathways to identify potential patients, screen potential patients, and provide therapy to the new patients, as well as resource constraints or reimbursement constraints at the medical hospitals or institutions to support new infrastructure for

the adoption of the new therapy. We cannot guarantee the adoption of new therapies, or the timing of adoption, by the market or that it will not materially adversely affect our sales projections, consolidated earnings, financial condition, operations, and/or cash flows.

The following risks are excerpted from the LIVN 10KT filing for the transition period from April 25, 2015 to December 31, 2015:

Regulatory Risks:

Our product sales are subject to regulatory clearance or approval and our business is subject to extensive regulatory requirements. If we fail to maintain regulatory clearances and approvals, or are unable to obtain, or experience significant delays in obtaining, such clearances or approvals for future products or product enhancements, our ability to commercially distribute and market these products could suffer.

Modifications to our marketed products may require new clearances or approvals, and may require LivaNova to cease marketing or recall the modified products until required clearances or approvals are obtained.

Outside of the United States, our medical devices must comply with the laws and regulations of the foreign countries in which they are marketed, and compliance may be costly and time-consuming. Failure to obtain and maintain regulatory approvals in jurisdictions outside the United States will prevent LivaNova from marketing our products in such jurisdictions.

Product Liability:

If our products cause or contribute to a death or a serious injury, or malfunction in certain ways, we will be subject to medical device reporting regulations, which can result in voluntary corrective actions or agency enforcement actions.

Product liability claims could adversely impact our consolidated financial condition and our earnings and impair our reputation.

LivaNova is subject to lawsuits.

Risks Relating to Completion of the Mergers:

LivaNova may not realize the cost savings, synergies and other benefits that are anticipated as a result of the Mergers.

The IRS may not agree with the conclusion that LivaNova should be treated as a foreign corporation for U.S. federal tax purposes, and LivaNova may be required to pay substantial U.S. federal income taxes.

The IRS may not agree with the conclusion that Section 7874 does not limit Cyberonics' and its U.S. affiliates' ability to utilize their U.S. tax attributes and does not impose an excise tax on gain recognized by certain individuals.

Future changes to U.S. and foreign tax laws could adversely affect LivaNova.

Management

André-Michel Ballester, Chief Executive Officer since February 2015. Prior to the merger, Mr. Ballester served as CEO of Sorin beginning in 2007, after serving as President of Sorin's Cardiac Rhythm Management Business Unit. Before joining Sorin, Mr. Ballester was Corporate Vice President EMEA, Asia and Latin America for Edwards Lifesciences, a spinoff from Baxter. While at Baxter, he was appointed President, CardioVascular Group, Europe. Currently Mr. Ballester also serves as Independent Director of the Board of Carmat SA and of Mauna Kea Technologies, both in

France. Mr. Ballester received his MS degree in Engineering from Ecole Centrale, Lille, France, and his MBA from INSEAD, Fontainebleau, France.

Damien McDonald, Chief Operating Officer (Designate) beginning October 3, 2016. Mr. McDonald has nearly 30 years of health care experience. Before LivaNova, He was at Danaher Corporation, serving as Group Executive and Corporate Vice President. Prior to that, he was Group President of Kerr Corporation, leading a dental consumables entity. Prior to Kerr Corporation, he led Zimmer Holding's spine division where he helped acquire and successfully integrate substantial acquisitions. Earlier in his career, he worked with a number of J&J`s medical device franchises, including Ethicon, where he led marketing of the $2.5 billion medical device unit.

Michael Darnaud, President, Cardiac Surgery since February 2015. Mr. Darnaud previously served as Sorin's President of Cardiopulmonary and Intercontinental business. He also served as President, Europe for Boston Scientific for seven years. He is a former Chairman of Eucomed (European Medical Device Industry Association) and today serves as Chairman of the Board of Directors at Stentys. Darnaud. Mr. Darnaud studied at EDHEC Business School.

Stefano Di Lullo, President, Cardiac Rhythm Management since February 2015. Mr. Di Lullo previously served as President of the Heart Valves business unit at Sorin Group. He began with Sorin in 2005 as Senior Vice President of the Vascular Therapy business unit. Mr. Di Lullo holds an MBA from the University of Toronto and a BA from McGill University.

Jason Richey, President, Neuromodulation since January 2016. Mr. Richey joined Cyberonics in 2001 in Sales and Marketing, becoming Vice President of Global Sales and Marketing before the merger with Sorin. Mr. Richey received his Bachelor of Art in Biology from Indiana University.

Jacques Gutedel, President, Intercontinental since February 2015. He previously served as Vice President, Europe Middle East & Africa at Sorin. He held positions of increasing responsibility at Mallinckrodt and Boston Scientific before joining Sorin. Mr. Gutedel holds an Engineering degree with a specialization in production from Moenchengladbach University (Germany).

Edward Andrle, Senior Vice President, New Ventures & Business Development since February 2015. Previously, Mr. Andrle served as Vice President of Strategy & Business Development at Sorin Group. Earlier in his career, he served as CEO of startup companies such as Teramed, Myocor, and StarFire Medical. Mr. Andrle also served as a Vice President at Boston Scientific after completing his MBA at Stanford Graduate School of Business. He also received a BS in Chemical engineering from the University of Notre Dame.

Vivid Sehgal, Chief Financial Officer since September 2015. Mr. Sehgal previously served as Senior VP of Treasury, Risk and Investor relations at Allergan, after promotion from VP of Finance Europe, Africa & Middle East. Mr. Sehgal also has nine years of experience at GlaxoSmithKline and SmithKline Beecham, lastly as a Group Controller for their International Pharmaceutical division. He earned a BS in Economics from the University of Leicester and a MS in Finance and Investment from the University of Exeter.

Brian Sheridan, Senior Vice President, General Counsel & Corporate Secretary since February 2015. Mr. Sheridan previously served as General Counsel at Sorin. Prior to Sorin, he worked in the

Brussels office of a US law firm and became a Partner and Head of the Life Science Practice Group. Mr. Sheridan received his Law and Masters degree from the London University.

Pritpal Shinmar, Senior Vice President, Market Access since February 2015. He previously served as Vice President for Global Market Access at Sorin. Prior to Sorin, Mr. Shinmar was Vice President, International Strategy, for Boston Scientific. He graduated from Trent University and studied General Business Management at the London Business School.

David Wise, Senior Vice President, Human Resources & Information Technology since February 2015. He joined Cyberonics in September 2003 as Vice President and General Counsel, was appointed Secretary in November 2003 and assumed responsibility for Human Resources in June 2009. In April 2011, he was appointed Senior Vice President and Chief Administrative Officer, with responsibility for Legal, Human Resources, Information Technology and New Business Development. Prior to Cyberonics, he was Group Vice President and General Counsel at Centerpulse USA, Inc. (formerly Sulzer Medica). Prior to Centerpulse, he practiced law, focusing on intellectual property and commercial litigation. He received his JD from Duquesne University School of Law and BS in Electrical Engineering from Rice University.

Board of Directors

Daniel Moore, Chairman, Board of Directors since September 2015. Previously, Mr. Moore was a member of the board of directors and Chief Executive Officer of Cyberonics. Mr. Moore joined Cyberonics from Boston Scientific, where, his last position was President, International Distributor Management. Prior to that, he was President, Inter-Continental, the fourth largest business unit of Boston Scientific. Mr. Moore currently serves on the board of directors of GI Dynamics, Inc., BrainScope Company, Inc. (Chairman), a company focused on traumatic brain injury, the BioHouston Executive Committee, Weldon School of Biomedical Engineering Advisory Board, the Epilepsy Foundation of America and the Medical Device Manufacturers Association (immediate past-Chairman). While he was employed as an officer for Boston Scientific, Mr. Moore was named as one of several defendants in a criminal proceeding filed in May 2011 in the Federal Court for Criminal and Correctional Matters No. 4 in Buenos Aires, Argentina. The proceeding pertained to alleged fraudulent conduct in connection with a public tender for the sale of cardiac stents in 2006. In December 2013, the Argentine federal court dismissed the charges, and the prosecutor appealed the dismissal. In June 2014, the court of appeals dismissed the appeal, concluding the matter.

André-Michel Ballester, Chief Executive Officer and Member of the Board since February 2015. Prior to the merger, Mr. Ballester served as CEO of Sorin beginning in 2007, after serving as President of Sorin's Cardiac Rhythm Management Business Unit. Before joining Sorin, Mr. Ballester was Corporate Vice President EMEA, Asia and Latin America for Edwards Lifesciences, a spinoff from Baxter. While at Baxter, he was appointed President, CardioVascular Group, Europe. Currently Mr. Ballester also serves as Independent Director of the Board of Carmat SA and of Mauna Kea Technologies, both in France. Mr. Ballester received his MS degree in Engineering from Ecole Centrale, Lille, France, and his MBA from INSEAD, Fontainebleau, France.

Andrea L. Saia, Non-Executive Director of the Board since July 2016. Prior to LivaNova, Ms. Saia spent 11 years with Novartis AG as President and CEO of the CIBAVision subsidiary and

as global head of their Vision Care Division. Ms. Saia also held senior management and marketing positions with Revlon, Unilever, GCG Private Equity Partners and Procter & Gamble. She currently serves on the board of Align Technologies and Miami University's Farmer Business School Advisory Council and is a member of Women Corporate Directors Foundation and the Women's Leadership Development "Signature Program." She previously served on the board of Coca Cola Enterprises from 2012-2016. She earned an MBA from Northwestern University and a BS in Business Administration from Miami University.

Francesco Bianchi, Member of the Board since October 2015. Previously, Mr. Bianchi had served on the board of directors of Sorin since August 2015. Mr. Bianchi has M&A and strategic advisory experience working for JPMorgan Chase (Paris), Morgan Grenfell (Milan), Citi (London) and Bankers Trust (Milan) where he served as General Manager and Head of the M&A and Corporate Finance division. Mr. Bianchi has worked as an advisor in the liquidation of Efim, a former Italian state-owned entity. He also headed the Strategic Planning division of Banca-Intesa S.p.A. in Italy and abroad. Currently, Mr. Bianchi is a member of the Intesasanpaolo Supervisory Board and the Provisional Administrator of Maggio Fiorentino Theatre Foundation. Mr. Bianchi graduated with a degree in Economic Sciences from the University of Florence, and is a Chartered Accountant.

Stefano Gianotti, Member of the Board since October 2015. Prior to joining LivaNova, Mr. Gianotti founded Padana Ricambi S.p.A, a company that specializes in the production of parts for motorcycles and scooters. He serves on the board of KYMCO-Padana Ricambi S.p.A, Banco di Brescia S.p.A., Banca Popolare di Bergamo S.p.A., Calisio S.p.A., San Paolo Foundation Bank of Brescia and the Association of Former Shareholders of Banca Lombarda e Piemontese. Mr. Gianotti is also an accountant from the Institute of Accounting, Abba, Genoa. Mr. Gianotti previously served on the board of directors at Mittel S.p.A., UBI Assicuraziono, and Cattolica Investimenti S.p.A. Mr.

Hugh Morrison, Member of the Board since October 2015. Previously, Mr. Morrison served on the board of directors of Cyberonics since November 2006. Currently, Mr. Morrison serves on the board of directors of the Texas A&M Kingsville University Foundation and the Rockport Center for the Arts. Mr. Morrison has also engaged in independent consulting and investments. He was a Managing Director at Callahan Advisors, LLC, an investment management company, served as a director, and as Chairman of the board of directors, of Advanced Neuromodulation Systems, Inc., Mr. Morrison served as a director of Owen Healthcare, Inc. and a director of Dow Hickam Pharmaceuticals, Inc., a pharmaceutical manufacturer and marketer. Mr. Morrison served as President and Chief Executive Officer, and Chairman of the board of directors, of Pilgrim Cleaners, Inc., a retail dry cleaning company operating over 100 stores and its parent, Clean Acquisition, Inc. Subsequent to Mr. Morrison's resignation, Pilgrim and Clean each filed a petition under Chapter 7 of the Bankruptcy Code with the United States Bankruptcy Court for the Southern District of Texas, Houston Division. Mr. Morrison is licensed as a Certified Public Accountant.

Alfred Novak, Member of the Board since October 2015. Previously, Mr. Novak had served on the board of directors of Cyberonics since January 2007. Mr. Novak served as President and Chief Executive Officer of Syntheon Cardiology, LLC, an early-stage company developing a percutaneous prosthetic aortic heart valve. He was Chairman and Chief Executive Officer and served on the board of directors of OrbusNeich Medical Technology Company, Ltd., a privately held interventional cardiology company. He previously served as Chairman of the board of

directors of ProRhythm, Inc., a privately held company dedicated to the treatment of atrial fibrillation through the use of ultrasound technologies. He was a founder of Syntheon, LLC, a privately held company that focused on minimally invasive medical devices for the gastroenterology and vascular markets. Mr. Novak was the President, Chief Executive Officer and a director of Novoste Corporation, a publicly held interventional cardiology company. He was a member of the board of directors of Sutura, Inc., a vascular closure company. Mr. Novak was President, Chief Executive Officer and a director of Biosense, Inc., an electrophysiology company, until it was acquired by Johnson & Johnson. He was employed by Cordis Corporation, a publicly held cardiology company, until it was acquired by Johnson & Johnson. At Cordis, he served as Vice President and Chief Financial Officer and had additional responsibility for Americas Sales and Marketing, Asia Pacific operations, electrophysiology, interventional neuroradiology and neuroscience, strategic planning and business development activities. Mr. Novak currently serves on the board of directors of Goodwill Industries of South Florida.

Sharon O'Kane, Ph.D., Member of the Board since October 2015. Currently, Dr. O'Kane is the Entrepreneur in Residence at University College Dublin and is on the clinical/scientific advisory board of ScarX Therapeutics Inc., a Canadian biotech company. Dr. O'Kane also serves on the boards of directors of Bank End Properties 1 Ltd. and Bank End Properties 2 Ltd. Dr. O'Kane is an expert advisor to the Stevenage Bioscience Catalyst Facility at GSK. Previously, Dr. O'Kane served on the board of directors at IOmet Pharma LTD. Additionally, Dr. O'Kane was the Entrepreneur in Residence at the University of Manchester Intellectual Property Company UMIP, and the Chair of the Drug Discovery Advisory Board at the University of Manchester. She was also a member of the External Business Advisory Board of the Faculty of Life Sciences of the University of Manchester, and was a non-executive director of Manchester Inward Development Agency and a member of the Operational Board of the Association of Greater Manchester Authorities' Centre of Excellence. Dr. O'Kane co-founded, and was the Chief Scientific Officer and Executive Director of, Renovo Group PLC ("Renovo"), a publicly listed U.K. biotech company. Dr. O'Kane has been a member of the Institute of Directors since 2002, and has a diploma in Company Direction from the Institute of Directors.

Arthur L. Rosenthal, Ph.D., Member of the Board since October 2015. Previously, Dr. Rosenthal had served on the board of directors of Cyberonics since January 2007. Dr. Rosenthal also was a co-founder and served as Chief Executive Officer of gEyeCue, Ltd., a medical device company working on a guided biopsy for lower and upper gastrointestinal cancer screening. He served as President and Chief Executive Officer and Vice Chairman of Cappella Medical Devices Ltd. (now ArraVasc Ltd.), a development-stage company focused on novel device solutions for coronary artery disease. Dr. Rosenthal served as Chairman, and Chief Executive Officer of Labcoat, Ltd. until its acquisition by Boston Scientific. Until his retirement, he was a Senior Vice President, Chief Scientific Officer, and Executive Committee Member of Boston Scientific. Dr. Rosenthal also served as Professor of Practice in the Biomedical Engineering Department at Boston University. Dr. Rosenthal served as a non-executive director, and as Chairman of the Remuneration Committee of Renovo, Ltd., a U.K.-based pharmaceutical company. He was Chairman at Interface Biologics, Inc. and served on the board of Arch Therapeutics, Inc., a life science company based in Natick, MA developing liquid polymers to stop or control bleeding.

Andrea L. Saia Member of the Board since July 28, 2016 following 11 years with Novartis AG as President and CEO of their CIBAVision subsidiary and as global head of their Vision Care Division. She currently serves on the board of Align Technologies and served on the board of Coca Cola Enterprises from 2012-2016.

Historical and Future Performance

EPS	2015	2016	2017
Q1		(0.83)A	
Q2		0.18A	
Q3		0.25E	
Q4		0.40E	
Year	(0.37)A*	0.00E	2.00E
P/E	NM	NM	30
EPS Growth	NM	NM	NM
FY Rev. (Mil)	1,205A	1,275E	1,350E
FY: DEC			

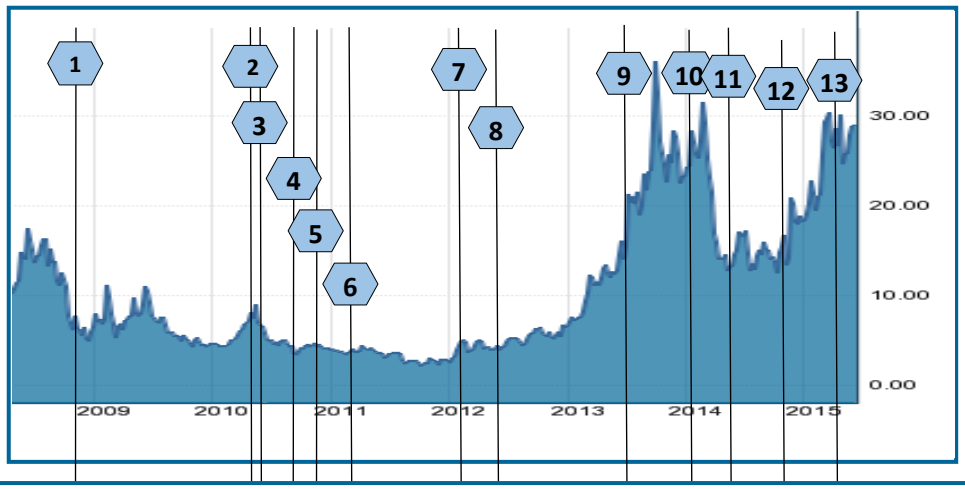
*** Consolidated Sorin/Cyberonics GAAP adjusted.**

LIVN Price and Volume

From Formation on 10/19/15 until Present

CYBX Price and Volume

From Coverage Initiation 05/18/05 Until 02/27/15



1	Initiated coverage of CYBX with a Sell rating on 5/18/05 at $38.87 and a 12 –month price target of $31.25
2	Updated coverage of CYBX on 7/28/05 at $39.33 with a Sell Short rating and a 12-month target priceof $30.50
3	Updated coverage of CYBX on 11/16/06 at $19.92 with a Hold rating and a 12-month price target of $20.00
4	Updated coverage of CYBX on 2/05/07 with a Sell rating at $21.55 with a 12-month price target of $16.00
5	Updated coverage of CYBX on 10/07/08 at $16.04 with a Sell rating and a 12-month price target of $14.00
6	Updated coverage of CYBX on 11/25/08 at $12.99 with a Buy rating and a 12-month price target of $15.15
7	Updated coverage of CYBX on 3/31/09 at $12.62 with a Strong Buy rating and a 12-month price target of $17.50
8	Updated coverage of CYBX on 2/19/10 at $17.77 with a Buy rating and a 12-month price target of $22.00
9	Updated coverage of CYBX on 1/31/11 at $33.07 with a Strong Buy rating and a 12-month price target of $38.00
10	Updated coverage of CYBX on 6/3/11 at $29.05 with a Strong Buy rating and a 12-month price target of $38.00
11	Updated coverage of CYBX on 9/26/12 at $52.12 with a Strong Buy rating and a 12-month price target of $60.00
12	Updated coverage of CYBX on 1/7/14 at $64.20 with a Strong Buy rating and a 12-month price target of $100.00
13	Updated coverage of CYBX on 02/27/15 at $66.60 with a Strong Buy rating and a 12-Month Price Target of $100

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	Percentage of Covered Securities	Percentage of Banking Clients
Buy	61%	23%
Hold	22%	0%
Sell	17%	0%

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