Investor Review

November 2017
Forward-Looking Statements

This presentation contains forward-looking statements reflecting our current expectations that involve risks and uncertainties which are subject to safe harbors under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act.

These forward-looking statements may include, but are not limited to, statements concerning our plans, objectives, expectations and intentions, future financial position, future revenues, projected costs, expectations regarding demand and acceptance for our technologies, growth opportunities and trends in the market in which we operate, prospects and plans and objectives of management. The words “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans,” “projects,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements.

These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part II, Item 1A, “Risk Factors” in our Quarterly Reports on Form 10-Q and in our other filings with the Securities and Exchange Commission. We do not assume any obligation to update any forward-looking statements.
VOCERA
We simplify and improve the lives of healthcare professionals, patients, and families

- A recognized leader in clinical communication and workflow solutions
- Founded in 2000
- HQ: San Jose, CA
- ~600 employees
- 40+ clinician staff
- Revenue Growth
- Operating Leverage
- Strong balance sheet
- (NYSE: VCRA)
- 1,100 US Hospitals
- 1,400 Customers
- 95%+ Maintenance Renewals
- Proven ROI
- 62 VA Hospitals
- 38 DoD Hospitals
- JITC, DIACAP, FIPS certified
Our Opportunity

- Large market shifting toward Vocera
- Market leader with compelling ROI
- Large wins validate sales strategy
- Software acquisition extends platform
- Accelerating operating leverage

*Earnings before interest, taxes, depreciation and amortization, and further excludes stock-based compensation and change in fair value of warrant and option liabilities. See appendix for a reconciliation.

**Represents the high end of the company’s guidance range
Drivers - Clinical Communication Challenges

- Miscommunication is behind **80% of serious medical error** in hospitals\(^1\)

- Communication failures contributed to **30% of malpractice claims resulting in 1,744 deaths** over 5 years\(^3\)

- Tens of thousands of alarm signals occur throughout a hospital per day and **85-99% don’t require clinical intervention**\(^4\)

- Nurses are interrupted more than **12 times per hour**\(^7\), and may spend less than two hours of a 12-hour shift in direct patient care\(^8\)

Strategic Evolution

Vocera Before

- Communications
- Badge-Centric
- Point Product
- Department Sale

Vocera Now

- Clinical Workflow
- Software-Centric
- Complete Solution
- Enterprise Sale
### Compelling Return on Investment

#### Patient Safety and Satisfaction

- Response times down from **2 minutes to 9 seconds**
- Fall related injuries down 60%; estimated **$1.27 mm savings**
- **35% overall** satisfaction rating improvement
- **25% improvement** in HCAHPS scores

#### Operational Efficiency

- **10 minute savings per nurse per shift**
- **350 more** annual OR capacity hours
- **OR revenues up $780,000**
- Bed turnover rates **up 50%**
- **4,000 annual ED hours recaptured**
Recent Platform Wins Validate Strategy
Our Mission

The Quadruple Aim

Quality
Enhance how care is provided to help patients to achieve better outcomes

Cost
Increase operational efficiencies

Patient-Centered
Improve patient experience by allowing caregivers to be Patient Centered

Resiliency
Improve the caregiver experience by improving workflow and empowering care teams
Vocera Platform Improves the Patient Journey

- Clinical Communication
- Care Experience
- Staff Assignment
- Clinical Expertise
- Enterprise Scalability
- Defense Grade Security
- System Integration and Interoperability
- Smartphones and Wearable Devices

Streamline Patient flow
Update Patient status
Obtain, clarify, change orders
Nurse-physician consult
Test results
Admission, discharge, transfer
Broadcast to OR Turnover
Call on-call Orthopedic Surgeon

Secure text to on-call Cardiologist
Urgent call to ED Charge Nurse

The Call Sheet Transformed
Communicate, Collaborate, Make Informed Decisions Quickly

**Inputs**

- Electronic Health Record
- Nurse Call
- Physiologic Monitor
- Bed Management
- Real-Time Location System
- Laboratory Info System

**Outputs**

- Physician
  - Collaborate whether inside or outside the hospital
- Nurse
  - Reach the right person without names or numbers
- Nurse Supervisor
  - Keep nurses and patients safer
- Hospitalist
  - Receive timely, relevant patient information
- Housekeeping
  - Increase bed turnover

**Dynamic Master Directory**
Alert & Alarm Intelligence
Device of Choice Differentiator

Hands-Free  BYOD or in House  Tablet  Desktop/ WOW
Competitive Landscape

- Complete end-to-end solution
- Device of choice
- Hands-free
- Role-based intelligence
- Enterprise Class
- Clinical integration
- Secure
- World class service/support

= we win > 75% of the time
Large Global Market Opportunity

- **U.S. Hospitals**: 1100+ (1)
- **International Healthcare Facilities**: 230+ (1)
- **Global Non-Healthcare Facilities**: 270+ (1)

18% U.S. Penetration Rate (2)

(6308 Total US Hospitals)

~$6 Billion Global Market Opportunity

<table>
<thead>
<tr>
<th>Fed Hospitals (1)</th>
<th>Vocera</th>
<th>Total (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>VA</td>
<td>62</td>
<td>168</td>
</tr>
<tr>
<td>DoD</td>
<td>38</td>
<td>48</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100</td>
<td>216</td>
</tr>
</tbody>
</table>

---

(1) Based on Definitive US Healthcare Database. As of January 1, 2017
(2) Definitive Healthcare database
Our Opportunity: Multiple Avenues for Growth

Core Customer Growth
- Large system deals
- Further penetrate existing health system customers
- Continue pace of new customer acquisition

Software
Building momentum across new products
- EHR Integration
- Collaboration Suite
- Clinical Integration
- Event Driven Alerts
- Care Experience

New Users
Extend reach to new users
- Physicians
- Long Term Care
- Surgery Centers

International Expansion
Attractive international markets
- Canada
- United Kingdom
- Saudi Arabia
- UAE
- Qatar
- Australia
- New Zealand

Sustainable Organic Growth
Diversified Revenue, High Visibility

- 60% revenues are recurring
- High visibility
- Low customer concentration

% of 2016 Revenue

- **Devices**: 39%
  - *50% recurring

- **Software**: 16%
  - *15%+ subscription

- **Maintenance**: 34%
  - *All recurring

- **Services**: 11%
  - *15%+ recurring
Financial Highlights

**Strong Revenue Growth**
- Q3’17: 25% Revenue Growth
  - Product: +20%, Services: +32%
  - YTD’17: 27% Revenue Growth

**Solid Customer Base and Value Proposition**
- 95%+ s/w maintenance renewal rate
- Strong competitive win rate

**Expanding Profitability and Cash Flow**
- 2017 A-EBITDA guidance: $7.0 -10.5 million
- $67.5 million of Cash, no Debt

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(1) Earnings before interest, taxes, depreciation and amortization, and further excludes stock-based compensation and change in fair value of warrant and option liabilities. See appendix for a reconciliation.
Q4’17 Revenue Visibility

Rev from Def. Rev/BL

Supplies

Visible Revenue

Book-ship

Q4’17 Revenue

(*high end of guidance)

$45M*
## Operating Leverage Drives Significant Value

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Drivers</th>
<th>Target Model</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2015</td>
<td>2016</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td>63%</td>
<td>64%</td>
<td>63%</td>
</tr>
<tr>
<td><strong>R&amp;D % of Revenue</strong></td>
<td>17%</td>
<td>15%</td>
<td>13%</td>
</tr>
<tr>
<td><strong>S&amp;M % of Revenue</strong></td>
<td>47%</td>
<td>41%</td>
<td>37%</td>
</tr>
<tr>
<td><strong>G&amp;A % of Revenue</strong></td>
<td>13%</td>
<td>12%</td>
<td>11%</td>
</tr>
<tr>
<td><strong>Opex % of Revenue</strong></td>
<td>77%</td>
<td>68%</td>
<td>61%</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>(13%)</td>
<td>(3%)</td>
<td>3%</td>
</tr>
</tbody>
</table>

**Notes**
- All numbers are non-GAAP, see appendix for reconciliation.
- Mean peer group enterprise value comps are 3-4x Revenue and 12-15x A-EBITDA
Appendix
## GAAP to Non-GAAP Reconciliation YTD 2017

### Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>GAAP (In thousands)</th>
<th>Stock Compensation Amortization (b)</th>
<th>Intangible Acquisition Related Amortization expense (c)</th>
<th>Total adjustments</th>
<th>Non-GAAP (In thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$63,940</td>
<td>$309</td>
<td>$2,222</td>
<td>$2,531</td>
<td>$63,940</td>
</tr>
<tr>
<td>Service</td>
<td>$53,105</td>
<td>$238</td>
<td>$229</td>
<td>$2,037</td>
<td>$53,105</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$117,045</td>
<td>$547</td>
<td>$4,451</td>
<td>$4,568</td>
<td>$117,045</td>
</tr>
<tr>
<td><strong>Cost of revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$20,424</td>
<td>$1,808</td>
<td>$2,222</td>
<td>$2,037</td>
<td>$17,893</td>
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<tr>
<td>Service</td>
<td>$28,358</td>
<td>$2,117</td>
<td>$2,222</td>
<td>$2,037</td>
<td>$26,321</td>
</tr>
<tr>
<td><strong>Total cost of revenue</strong></td>
<td>$48,782</td>
<td>$3,925</td>
<td>$4,451</td>
<td>$4,568</td>
<td>$44,214</td>
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<tr>
<td><strong>Gross profit</strong></td>
<td>$68,263</td>
<td>$2,117</td>
<td>$2,222</td>
<td>$229</td>
<td>$72,831</td>
</tr>
</tbody>
</table>

### Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>GAAP (In thousands)</th>
<th>Stock Compensation Amortization (b)</th>
<th>Intangible Acquisition Related Amortization expense (c)</th>
<th>Total adjustments</th>
<th>Non-GAAP (In thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research and development</strong></td>
<td>$20,944 $1,542 $47 $1,589</td>
<td>$19,355</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sales and marketing</strong></td>
<td>$45,789 $4,697 $1,154 $15</td>
<td>$5,866 $39,923</td>
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<td></td>
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<tr>
<td><strong>General and administrative</strong></td>
<td>$17,767 $4,848 $166 $718</td>
<td>$12,035 $5,732</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>$84,500 $11,087 $1,320 $780 $13,187</td>
<td>$71,313</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit (Unaudited)

<table>
<thead>
<tr>
<th>Description</th>
<th>GAAP 2016</th>
<th>Stock compensation expense (a)</th>
<th>Intangible amortization (b)</th>
<th>Acquisition related expense (c)</th>
<th>Total adjustments</th>
<th>Non-GAAP 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$ 70,667</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$ 70,667</td>
</tr>
<tr>
<td>Service</td>
<td>57,029</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>57,029</td>
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<tr>
<td><strong>Total revenue</strong></td>
<td>127,696</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>127,696</td>
</tr>
<tr>
<td><strong>Cost of revenue</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>22,788</td>
<td>235</td>
<td>672</td>
<td></td>
<td>907</td>
<td>21,881</td>
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<tr>
<td>Service</td>
<td>26,287</td>
<td>1,153</td>
<td></td>
<td>274</td>
<td>1,427</td>
<td>24,860</td>
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<tr>
<td><strong>Total cost of revenue</strong></td>
<td>49,075</td>
<td>1,388</td>
<td>672</td>
<td>274</td>
<td>2,334</td>
<td>46,741</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>$ 78,621</td>
<td>$ (1,388)</td>
<td>$ (672)</td>
<td>$ (274)</td>
<td>$ (2,334)</td>
<td>$ 80,955</td>
</tr>
</tbody>
</table>

(a) This adjustment reflects the accounting impact of non-cash stock-based compensation expense.
(b) This adjustment reflects the accounting impact of acquisitions in 2010, 2014 and 2016 in non-cash expense.
(c) This adjustment reflects the costs associated with the acquisition in 2016.

## Reconciliation of GAAP Operating Expenses to Non-GAAP Operating Expenses (Unaudited)

<table>
<thead>
<tr>
<th>Description</th>
<th>GAAP 2016</th>
<th>Stock compensation expense (a)</th>
<th>Intangible amortization (b)</th>
<th>Acquisition related expense (c)</th>
<th>Total adjustments</th>
<th>Non-GAAP 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research and development</td>
<td>$ 18,266</td>
<td>$ 1,158</td>
<td>—</td>
<td>$ 23</td>
<td>$ 1,181</td>
<td>$ 17,085</td>
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<tr>
<td>Sales and marketing</td>
<td>52,811</td>
<td>4,625</td>
<td>415</td>
<td>399</td>
<td>5,439</td>
<td>47,372</td>
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<tr>
<td>General and administrative</td>
<td>24,499</td>
<td>4,864</td>
<td>288</td>
<td>5,126</td>
<td>10,278</td>
<td>14,221</td>
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<tr>
<td><strong>Total operating expenses</strong></td>
<td>$ 95,576</td>
<td>$ 10,647</td>
<td>$ 703</td>
<td>$ 5,548</td>
<td>$ 16,898</td>
<td>$ 78,678</td>
</tr>
</tbody>
</table>

(a) This adjustment reflects the accounting impact of non-cash stock-based compensation expense.
(b) This adjustment reflects the accounting impact of acquisitions in 2010, 2014 and 2016 in non-cash expense.
(c) This adjustment reflects the costs associated with the acquisition in 2016.
## GAAP to Non-GAAP Reconciliation 2015

### Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit (Unaudited)

<table>
<thead>
<tr>
<th>(In thousands)</th>
<th>GAAP 2015</th>
<th>Stock compensation expense (a)</th>
<th>Intangible amortization (b)</th>
<th>Litigation expense (c)</th>
<th>Total adjustments</th>
<th>Non-GAAP 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$ 55,716</td>
<td>$ —</td>
<td>$ —</td>
<td></td>
<td>—</td>
<td>$ 55,716</td>
</tr>
<tr>
<td>Service</td>
<td>48,370</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>48,370</td>
</tr>
<tr>
<td>Total revenue</td>
<td>104,086</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>104,086</td>
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<td>Cost of revenue</td>
<td></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Product</td>
<td>19,666</td>
<td>232</td>
<td>323</td>
<td>—</td>
<td>1,036</td>
<td>19,111</td>
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<tr>
<td>Service</td>
<td>19,844</td>
<td>1,036</td>
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<td>—</td>
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<td>18,808</td>
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<tr>
<td>Total cost of revenue</td>
<td>39,510</td>
<td>1,268</td>
<td>323</td>
<td>—</td>
<td>1,591</td>
<td>37,919</td>
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<tr>
<td>Gross profit</td>
<td>64,576</td>
<td>(1,268)</td>
<td>(323)</td>
<td>—</td>
<td>(1,591)</td>
<td>66,167</td>
</tr>
</tbody>
</table>

(a) This adjustment reflects the accounting impact of non-cash stock-based compensation expense.
(b) This adjustment reflects the accounting impact of acquisitions in 2010 and 2014 in non-cash expense.
(c) This operating expense adjustment reflects class action litigation expenses from the August 2013 lawsuit.
## Reconciliation of GAAP Gross Profit to Non-GAAP Gross Profit (Unaudited)

<table>
<thead>
<tr>
<th></th>
<th>GAAP</th>
<th>Stock compensation expense (a)</th>
<th>Intangible amortization (b)</th>
<th>Acquisition related expense (c)</th>
<th>Litigation expense (d)</th>
<th>Restructuring expense (e)</th>
<th>Total adjustments</th>
<th>Non-GAAP 2014</th>
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<td>Revenue</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$95,421</td>
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<tr>
<td>Cost of revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product</td>
<td>$18,766</td>
<td>254</td>
<td>429</td>
<td>-</td>
<td>72</td>
<td>575</td>
<td>18,011</td>
<td></td>
</tr>
<tr>
<td>Service</td>
<td>$18,470</td>
<td>924</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>17,520</td>
</tr>
<tr>
<td>Total cost of revenue</td>
<td>$37,236</td>
<td>1,178</td>
<td>429</td>
<td>-</td>
<td>72</td>
<td>575</td>
<td>18,011</td>
<td></td>
</tr>
<tr>
<td>Gross profit</td>
<td>$58,185</td>
<td>$(1,178)</td>
<td>$(429)</td>
<td>-</td>
<td>$ -</td>
<td>$ -</td>
<td>$ (1,705)</td>
<td>$59,890</td>
</tr>
</tbody>
</table>

- (a) This adjustment reflects the accounting impacts of non-cash stock-based compensation expense.
- (b) This adjustment reflects the accounting impact of acquisitions in 2010 and 2014 in non-cash expense.
- (c) This operating expense adjustment reflects the accounting impact of acquisitions, including for Q4 2014 $800K of consideration deemed to be compensation.
- (d) The operating expense adjustment reflects class action litigation expenses from the August 2013 lawsuit.
- (e) This operating expense adjustment reflects the impact of restructuring expense.