J.P. Morgan Healthcare Conference 2018

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President and CEO, Intuitive Surgical

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Forward Looking Statement

These slides and any accompanying oral presentation by Intuitive Surgical, Inc. contain estimates and forward-looking statements. Actual results may differ materially from those expressed or implied as a result of certain risks and uncertainties. These risks and uncertainties are described in detail in the Company’s Securities and Exchange Commission filings.
Surgery is a Primary Therapy for a Number of Conditions

AHRQ estimates that there were about 21.8 million inpatient invasive therapeutic surgeries performed in the U.S. in 2014¹

- **Cardiothoracic**
  - 3.3 million¹

- **General Surgery**
  - 3.8 million¹

- **Urology and Gynecology**
  - 2.5 million¹
Surgery has significant room for improvement.
Typical U.S. Rectal Surgery and Complex Ventral Hernia Complication Rates in Open Surgery

Rectal: 35.98\%^2

Complex Ventral: 17.1\%^3

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Despite decades of progress, \textbf{variability} in surgery is still a major challenge.
Variability in Surgeon Skill Should be Reduced

*Laparoscopic Bariatric Surgery*

*NEJM 2013*

Bottom quartile of surgical skill had

~3x more complications

~2x increase in re-admissions

than the top quartile

Delivering the promise of tomorrow’s surgery – today.
Every 36 seconds, a surgeon starts a da Vinci procedure. 5M da Vinci procedures performed worldwide. 875k da Vinci procedures performed in 2017.
Intuitive Systems Approach

Our products are designed to decrease variability in surgery by offering consistency in functionality and user-experience with dependability for surgeons seeking better outcomes.
With Our Systems Approach, We Offer:

- Intelligent technology and systems designed to work together to make minimally invasive intervention more available and applicable.
- Support and analytics that enable efficient programs and actionable insights.
- Education, technology training and support for the health care teams that make better outcomes possible.
Tomorrow’s **operating room** is here – today.

4,409 *da Vinci*-enabled operating rooms worldwide as of December 31, 2017
We’re providing value-oriented technologies that enable minimally invasive surgery in an integrated system.

Tomorrow’s **surgery** is here – today.
We’re innovating to create less invasive approaches to the body.

The presented da Vinci technology is still in development, not 510(k) cleared and the safety or effectiveness of the product has not been established. The product is not currently for sale in the US. The presented da Vinci technology is not CE Marked and not for human use, and cannot be placed on the market or put into service.
Tomorrow’s early detection is here – today.
We’re developing a flexible robotic catheter with a less invasive approach to the lung.

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The presented da Vinci technology is not CE Marked and not for human use, and cannot be placed on the market or put into service.
Tomorrow’s simulation is here – today.
We offer **virtual reality simulators** for training.

2,000+
da Vinci simulators at customer sites around the globe

84%
of U.S. customers at academic institutions use a simulator
2017 Commentary

Objectives

- Continued adoption in General Surgery
- Develop core European markets and Asian access
- Advance new platforms – imaging, advanced instruments, da Vinci and early detection-platform milestones
- Support additional clinical and economic validation by region

Areas of Strength

- Robotic-assisted surgery acceptance
- U.S. general surgery growth
- da Vinci X System launch and our Generation 4 portfolio
- Capital placement performance
- Data collection in Japan

Challenges

- Utilization in some countries
- System quota in China
Worldwide Procedure Trend

2012: Urology 400,000
2013: Urology 500,000
2014: Urology 600,000
2015: Urology 700,000
2016: Urology 800,000
2017: Urology 900,000
2018: Urology 1,000,000

2012: Gynecology 100,000
2013: Gynecology 200,000
2014: Gynecology 300,000
2015: Gynecology 400,000
2016: Gynecology 500,000
2017: Gynecology 600,000
2018: Gynecology 700,000

2012: General Surgery 200,000
2013: General Surgery 400,000
2014: General Surgery 600,000
2015: General Surgery 800,000
2016: General Surgery 1,000,000
2017: General Surgery 1,200,000
2018: General Surgery 1,400,000

2012: Other 100,000
2013: Other 200,000
2014: Other 300,000
2015: Other 400,000
2016: Other 500,000
2017: Other 600,000
2018: Other 700,000

2018 Guidance: 11-15% Growth
Worldwide Procedure Trend

- General Surgery
- Gynecology
- Urology

2012: 50,000
2013: 100,000
2014: 140,000
2015: 180,000
2016: 220,000
2017: 260,000

+32% +4% +14%
System Placements

- Rest-of-World
- Asia
- Europe
- U.S.

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<th>Rest-of-World</th>
<th>Asia</th>
<th>Europe</th>
<th>U.S.</th>
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Installed Base

- Rest-of-World
- Asia
- Europe
- U.S.

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<th>Europe</th>
<th>U.S.</th>
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+27% growth in 2017 compared to 2016
+13% growth in 2017 compared to 2016
Total Revenue*

<table>
<thead>
<tr>
<th>Year</th>
<th>Systems</th>
<th>Service</th>
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<th>Total Revenue</th>
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2017: 16% Growth
71% Recurring

*Dollar amounts in millions*
Continuing Investments in Key Technologies and Global Regions

ADVANCING MINIMALLY INVASIVE CARE

Quality of Life

Recovery

Productivity

Enhanced Imaging

Intelligent Systems

Less Invasive Approaches

Data Analytics

Optimized Learning

USA 2,862

Europe 742

Asia 579

Rest of World: 226
## 2018 Priorities

Accelerate Access to and Quality of MIS

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<td>Continue adoption in General Surgery</td>
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<td>Continue to develop core European markets and Asian market access</td>
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<td>Advance new platforms – da Vinci SP System, advanced instrumentation and diagnostic platform</td>
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