Intuitive Surgical
Investor Presentation

Q4 2018

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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.

Risks

Serious complications may occur in any surgery, including da Vinci® Surgery, up to and including death. Individual surgical results may vary. Patients should talk to their doctor to decide if da Vinci® Surgery is right for them. Patients and doctors should review all available information on non-surgical and surgical options in order to make an informed decision. Please also refer to http://www.daVinciSurgery.com/Safety for Important Safety Information.

Robotic Opportunity and Intuitive Products

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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 2014[1]

Cardiothoracic

3.3 million[1]

General Surgery

3.8 million[1]

Urology and Gynecology

2.5 million[1]

[1]Healthcare Cost and Utilization Project—Agency for Healthcare Research and Quality (AHRQ).

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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[2]Chen S-T, Wu M-C, Hsu T-C, Yen DW, Chang C-N, Hsu W-T, et al. Comparison of outcome and cost among open, laparoscopic, and robotic surgical treatments for rectal cancer: A propensity score matched analysis of nationwide inpatient sample data. J Surg Oncol. 2017:1-9.

[3]Martin Di Campo et al. - Comparative analysis of perioperative outcomes of robotic versus open transversus abdominis release. Surg Endosc. 2017 Jul 21. doi: 10.1007/s00464-017-5752-12.

Despite decades of progress,
variability in surgery is still a major challenge.

Variability in Surgeon Skill Should be Reduced

Bottom quartile of surgical skill had

~3x more complications

~2x increase in re-admissions

than the top quartile[4]

4Birkmeyer JD, Finks JF, O'Reilly A, Oerline M, Carlin AM, Nunn AR, Dimick J, Banerjee M, Birkmeyer NJ. Surgical skill and complication rates after bariatric surgery. New England Journal of Medicine. 2013 Oct 10;369(15):1434-42.

Delivering the promise of tomorrow's surgery – **today.**

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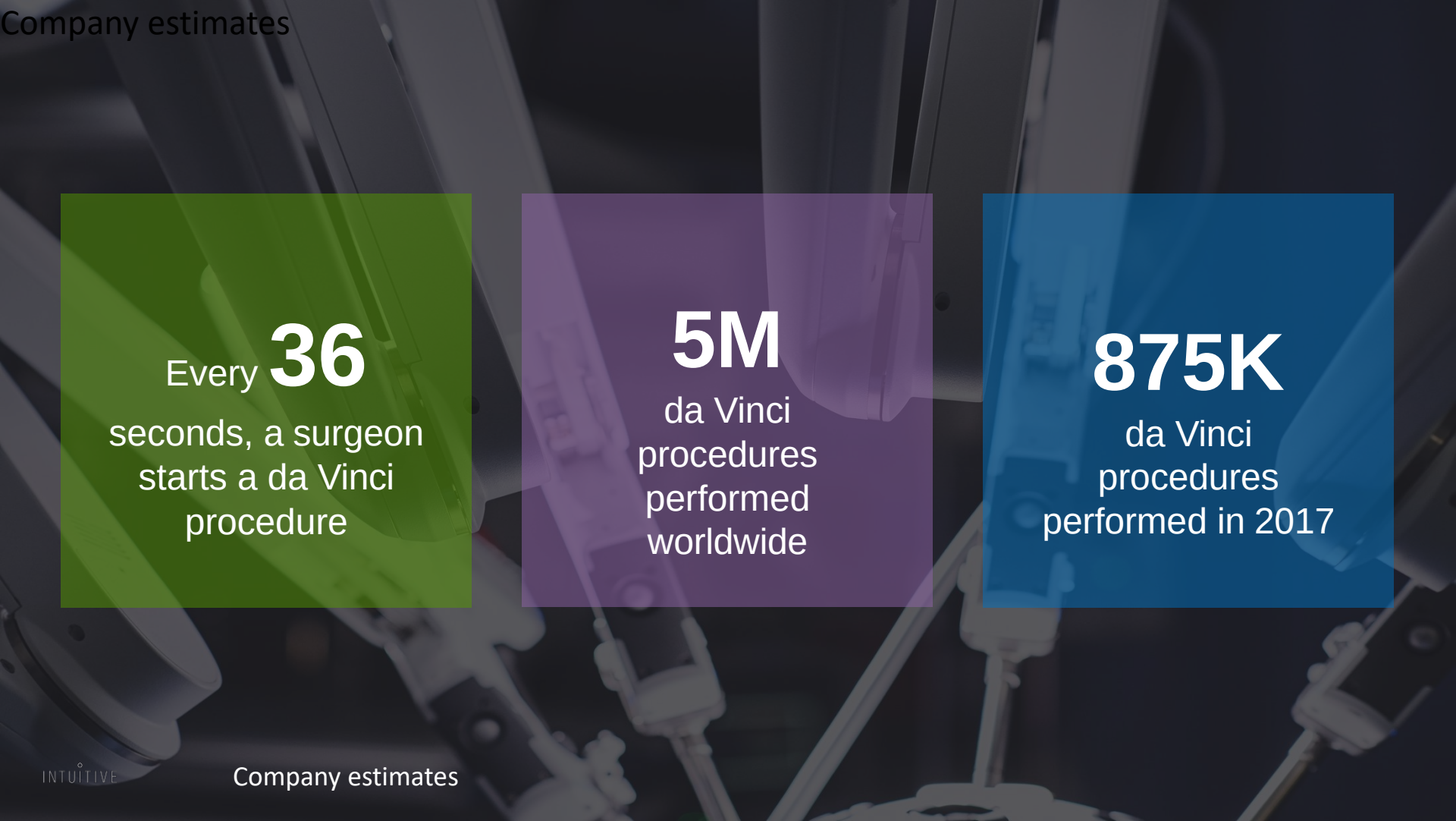
Company estimates



Company estimates

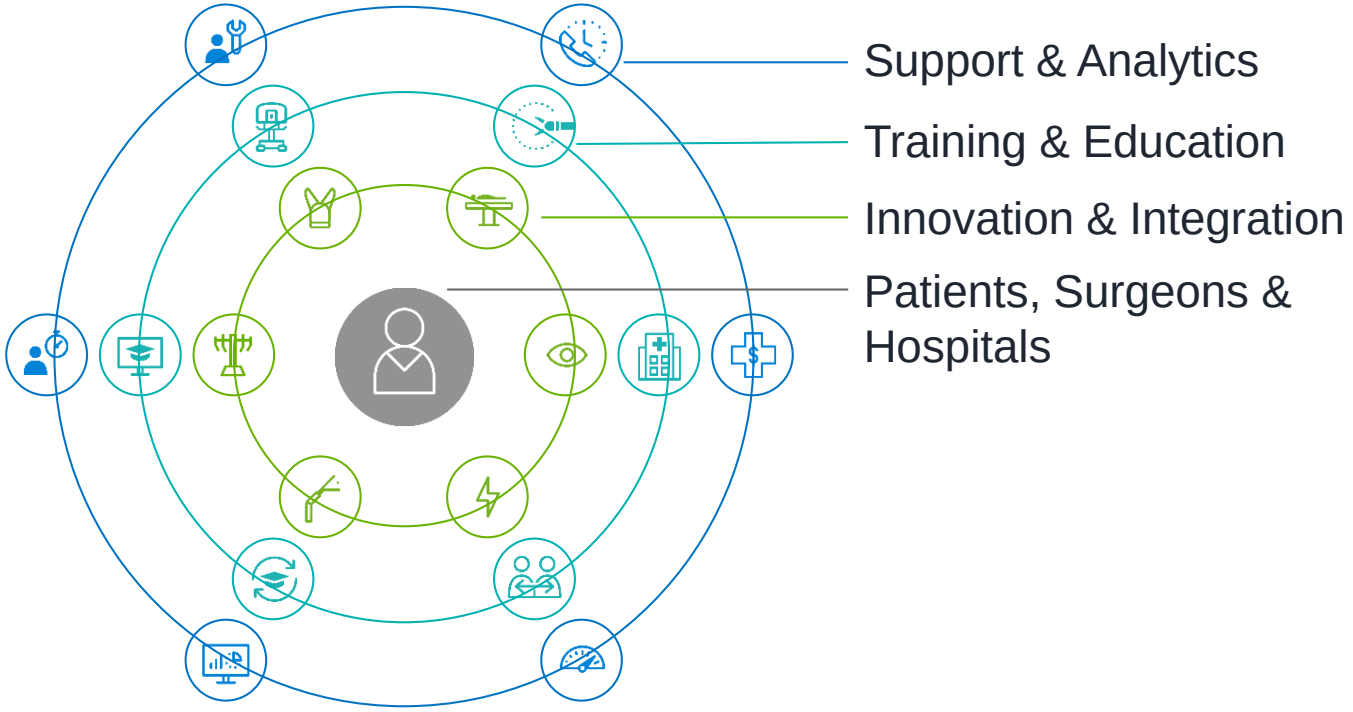
Intuitive Systems Approach

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.

The Core — Innovation Enabling Better Outcomes
Surgeons & hospitals driving outcomes



An Integrated Ecosystem

Patients, Surgeons & Hospitals

Innovation & Integration

- Instruments
- Advanced Instruments
- da Vinci Systems
- Integrated Table
- Integrated Energy
- Vision

Training & Education

- Online Training
- Initial Training
- Continuing Education
- Peer-to-Peer Training
- Fellowship Training
- Skills Simulation

Support & Analytics

- 24/7/365 Tech Support
- Healthcare Economic Analytics
- Program Benchmarking
- Program & Procedure Analytics
- Efficiency Support Team
- Clinical Support Reps

Tomorrow's **operating room** is here – today.

4,814 *daVinci*-enabled operating rooms worldwide as of September 30, 2018

We’re providing value-oriented technologies that enable minimally invasive surgery in an **integrated system.**

Placed 218 da Vinci X’s since Q217 introduction.

Tomorrow's **surgery** is here – today.

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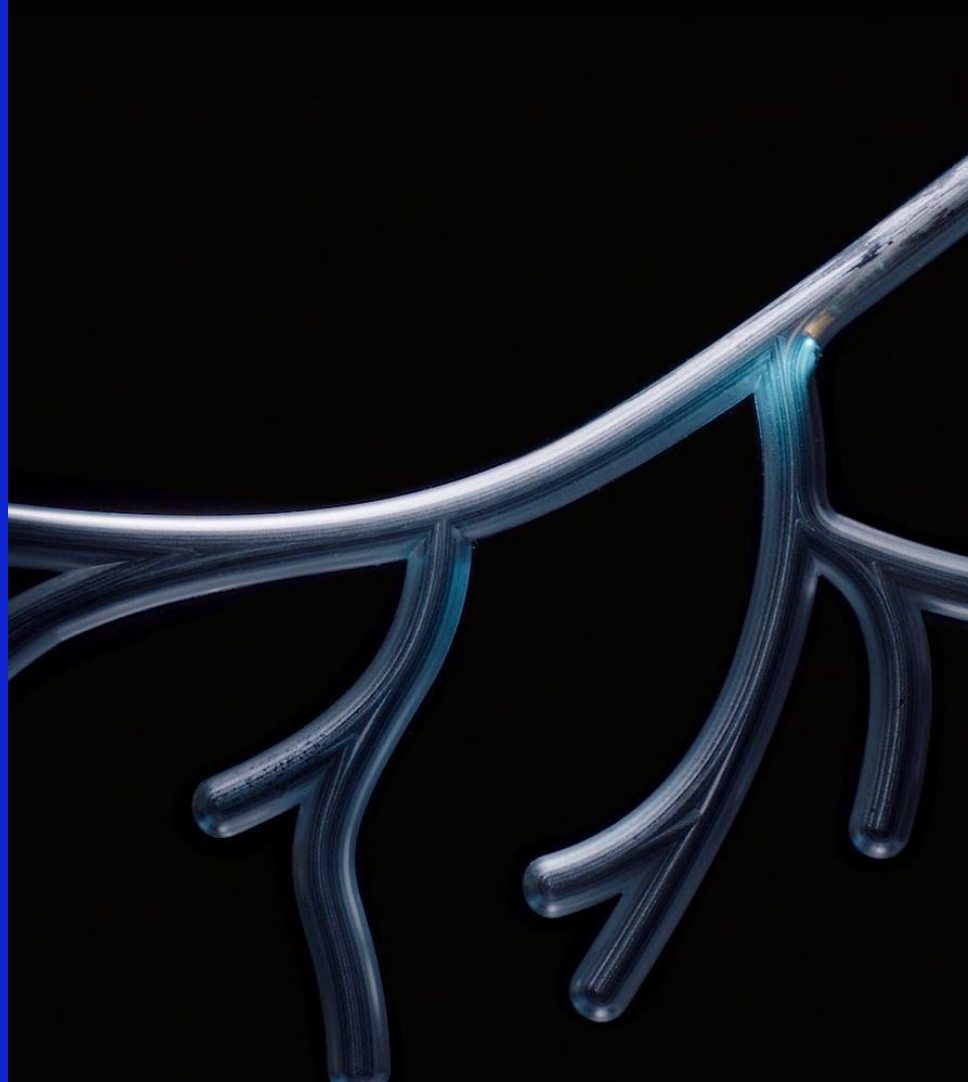
We’re innovating to create **less invasive approaches to the body.**

Tomorrow's **early detection** is here – today.



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Ion by Intuitive.

A new robotic endoluminal platform* for minimally invasive peripheral lung biopsy.

**Ion is pending 510(k) clearance and is not for sale in the U.S. Ion is not CE Marked, and cannot be placed on the market or put into service..*

Tomorrow's **simulation** is here – today.

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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

Business Model Results Commentary

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Recurring Revenue Model

2017: 71% Recurring Revenue

- **Including $26M Systems Leasing**

da Vinci® Surgical System
$0.5M - $2.5M
2017 Rev: $928M

Instruments & Accessories
$700-$3,500 per Procedure
2017 Rev: $1,637M

Service
$80K - $190K/Year
2017 Rev: $573M

Comprehensive Cost of Care

Upfront OR investment yields downstream savings.

- Instruments and accessories
- Capital costs
- OR time costs

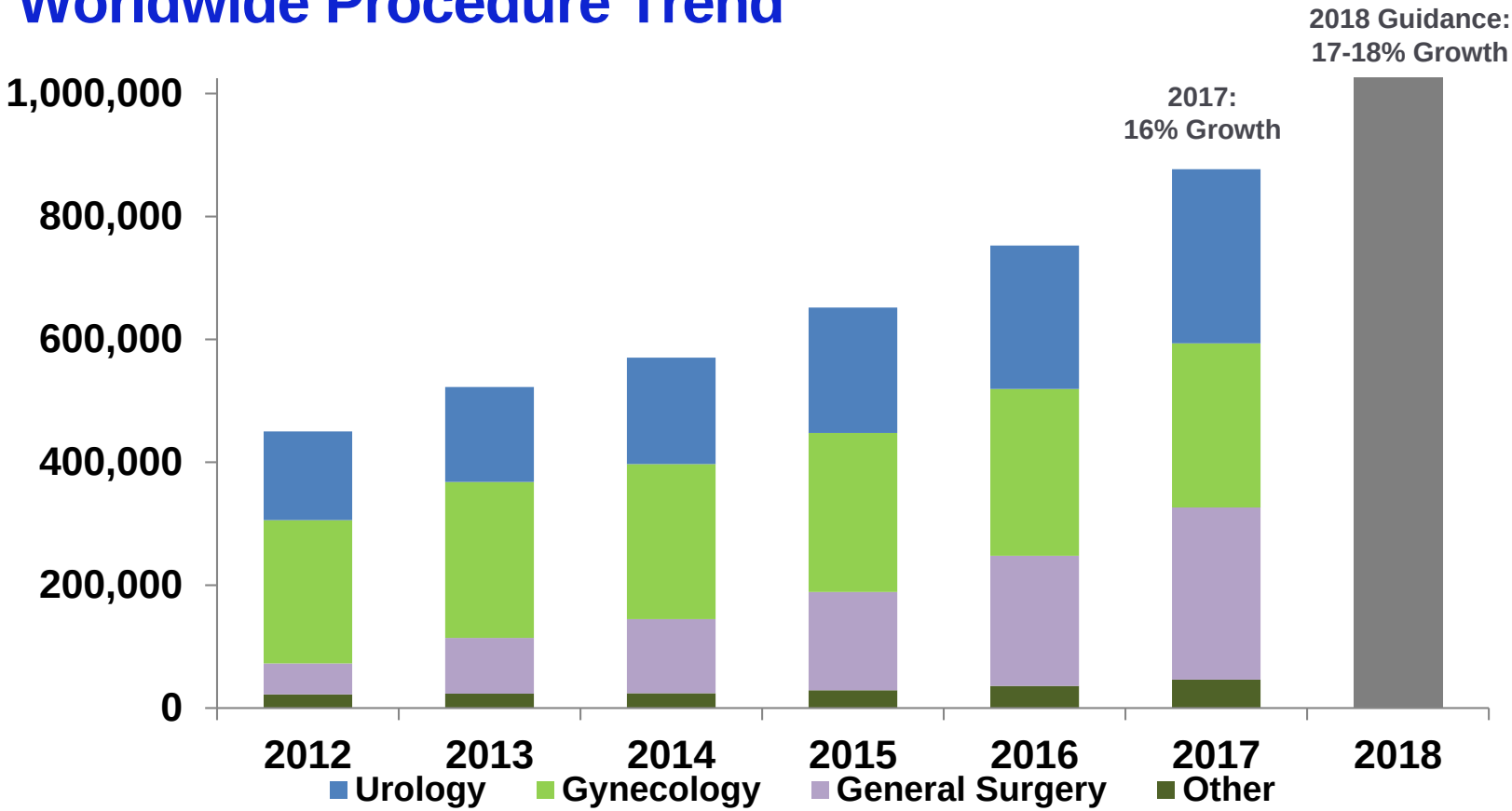
- Reduced length of stay
- Fewer conversions to open surgery
- Reduced complications
- Fewer readmissions
- Lower infection rates

See appendix for references to support the above claims.

Q3 2018 Highlights

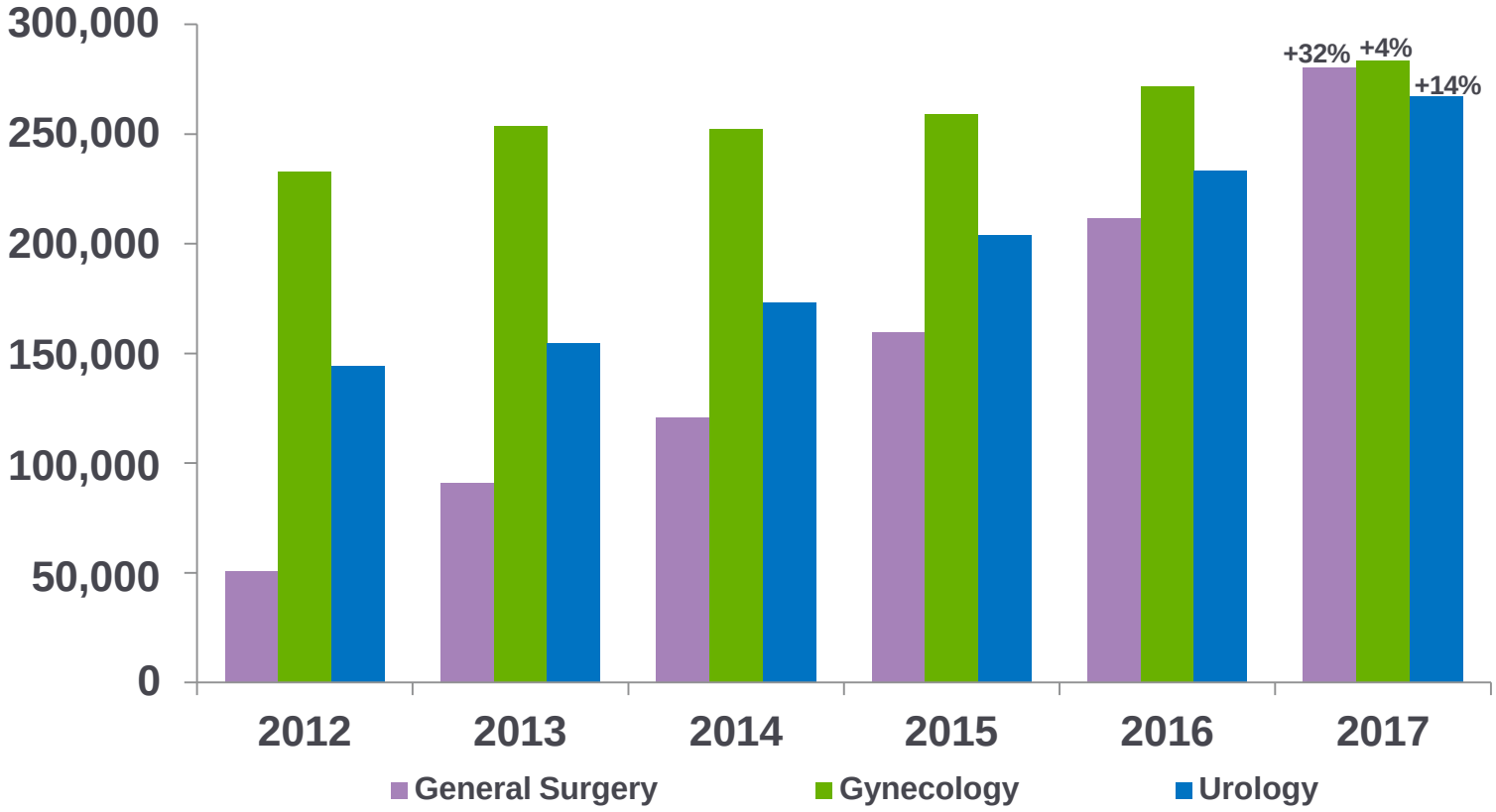
- da Vinci procedures grew approximately 20% compared Q317, driven primarily by growth in U.S. general surgery procedures and worldwide urologic procedures.
- 231 da Vinci Surgical Systems were shipped compared with 169 in the third quarter of 2017.
- Q318 revenue of $921 million grew approximately 14% compared with $808 million in Q317.
- Shipped first 3 da Vinci SP Surgical Systems which deliver surgical instruments and camera through a single port for narrow access surgery.
- Submitted a premarket notification to the U.S. FDA for the Ion™ endoluminal system, the Company's new flexible robotic-assisted, catheter-based platform, designed to navigate through very small lung airways to reach peripheral nodules for biopsies

Worldwide Procedure Trend



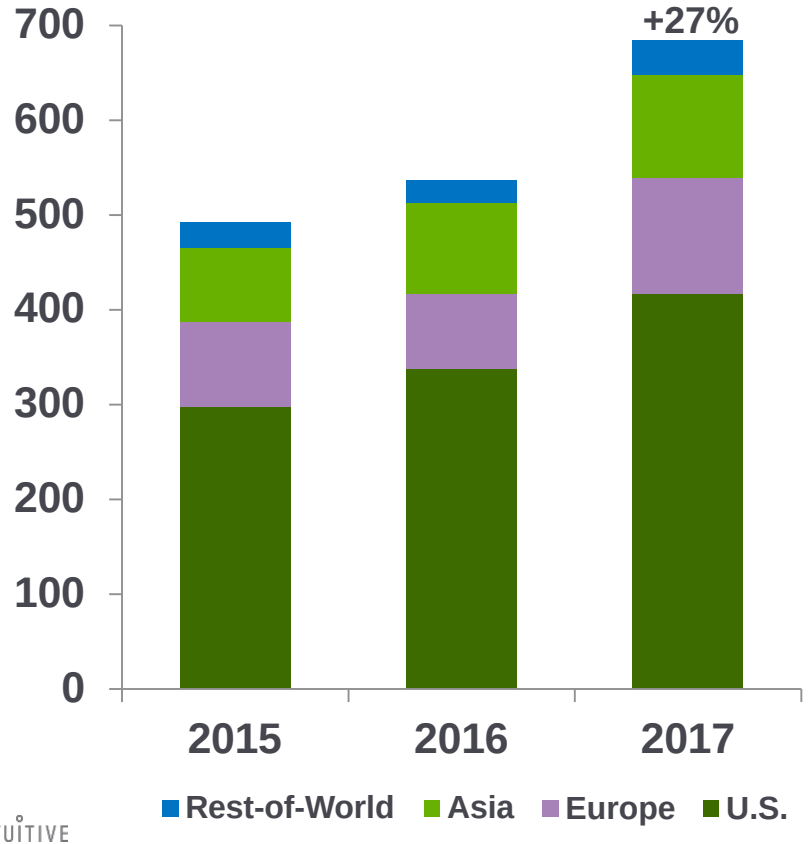
Company Estimates.

Worldwide Procedure Trend

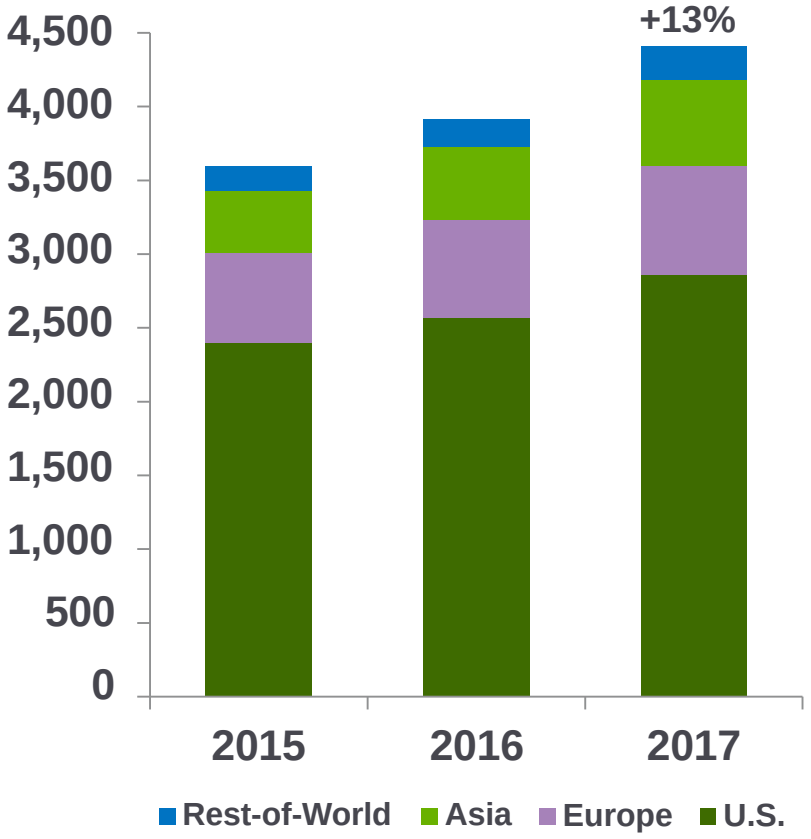


Company Estimates.

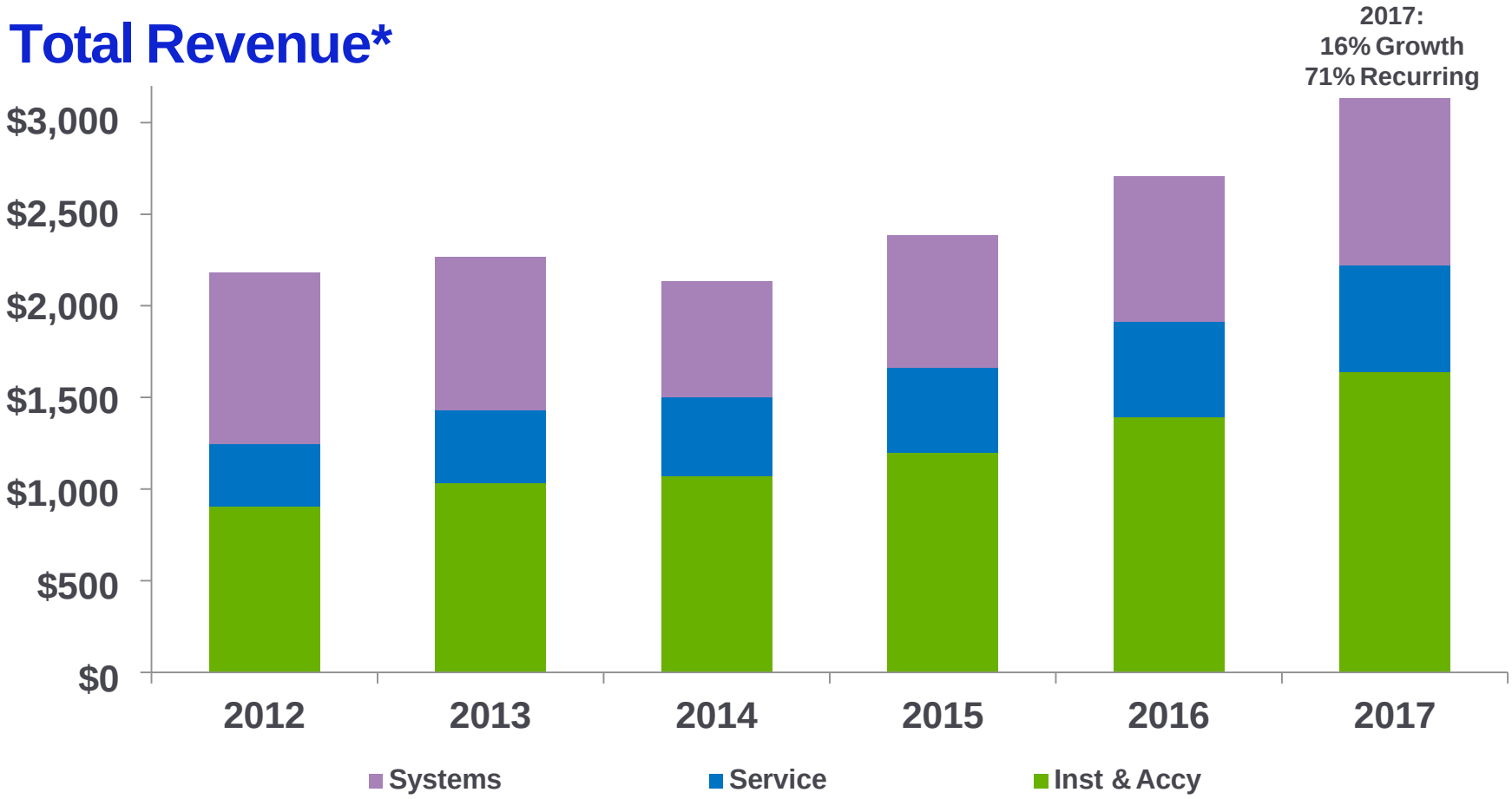
System Placements



Installed Base



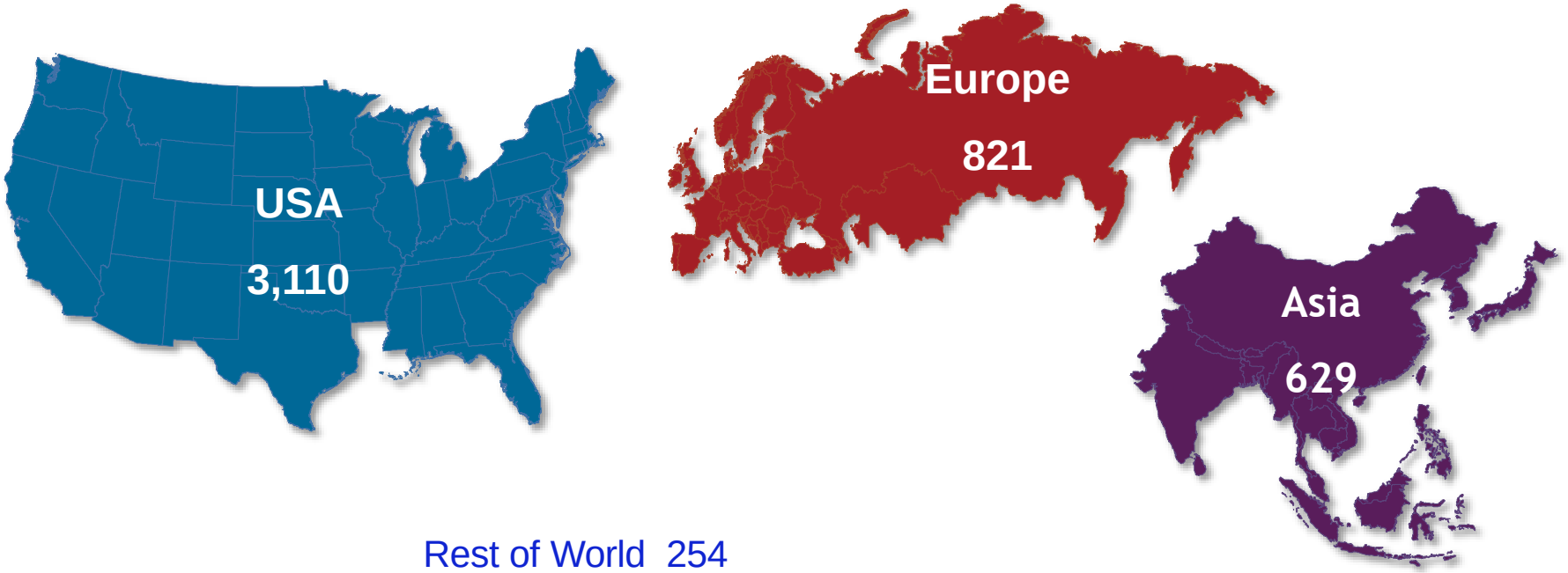
Total Revenue*



*Dollar amounts in millions

da Vinci System Installed Base

4,814 Worldwide as of September 30, 2018



Rest of World 254

2018 Priorities

Accelerate Access to and Quality of MIS

Continue adoption in General Surgery

Continue to develop core European markets and Asian market access

Advance new platforms – da Vinci SP System,
advanced instrumentation and diagnostic platform

Support additional clinical and economic validation by region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Reduced length of stay	1,2,3,4, 12, 13, 14, 15, 16, 17, 18, 19, 20, 22, 23, 24
Fewer conversions	9,10,11, 25, 27
Reduced complications	1,6, 14, 15, 16, 17, 19, 20, 21
Fewer readmissions	7,8, 17, 18
Lower infection rates	1,5

Appendix: Clinical and economic references

1	Prostatectomy	Tewari A. et al., Positive surgical margin and perioperative complication rates of primary surgical treatments for prostate cancer: a systematic review and meta-analysis comparing retropubic, laparoscopic, and robotic prostatectomy. Eur Urol. 2012 Jul;62(1):1-15. Epub 2012 Feb 24
2	Prostatectomy	Health Information and Quality Authority (HIQA), reporting to the Minister of Health-Ireland. Health technology assessment of robot-assisted surgery in selected surgical procedures, 21 September 2011. http://www.higa.ie/system/files/HTA-robot-assisted-surgery.pdf
3	Prostatectomy	Rocco B. et al., Robotic vs open prostatectomy in a laparoscopically naive centre: a matchedpair analysis. BJU Int. 2009 Oct;104(7):991-5. Epub 2009 May 5.
4	Prostatectomy	Lott F. et al., Is previous experience in laparoscopic necessary to perform robotic radical prostatectomy? A comparative study with robotic and the classic open procedure in patients with prostate cancer. Acta Cirurgica Brasileira. 2015;30(3):229-234. doi:10.1590/s0102- 8650201500300000011.
5	Prostatectomy	Carlsson S. et al., Surgery-related complications in 1253 robot- assisted and 485 open retropubic radical prostatectomies at the Karolinska University Hospital, Sweden. Urology. 2010 May;75(5):1092-7
6	Prostatectomy	Sugihara T. et al., Robot-assisted versus other types of radical prostatectomy: Population-based safety and cost comparison in Japan, 2012–2013. Cancer Sci (2014) doi: 10.1111/cas.12523
7	Prostatectomy	Fabbro E. et al., Robot-assisted laparoscopic prostatectomy: an economic analysis for decision- making in a university hospital of Northern Italy. Epidemiology Biostatistics and Public Health - 2015, Volume 12, Number 1.
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12	Low Anterior Resection	Kang J, Yoon KJ, Min BS, Hur H, Baik SH, Kim NK, Lee KY. The impact of robotic surgery for mid and low rectal cancer: A case-matched analysis of 3-arm comparison – open, laparoscopic, and robotic surgery. Ann Surg. 2013 Jan; 257(1):95-101.
13	Low Anterior Resection	Ghezzi, TL, Luca, F, Valvo, M, Corleta OC, Zuccaro, M, Cenciarelli, S, Biffi, R. Robotic versus open total mesorectal excision for rectal cancer: Comparative study of short and long-term outcomes."European Journal of Surgical Oncology. 2014 10.1016/j.ejso.2014.02.235
14	Benign Hyst	Ho C, Tsakonas E, Tran K, Cimon K, Severn M, Mierzwinski-Urban M, Corcos J, Pautler S. "Robot-Assisted Surgery Compared with Open Surgery and Laparoscopic Surgery: Clinical Effectiveness and Economic Analyses." Ottawa (ON): Canadian Agency for Drugs and Technologies in Health; 2011 Sep.
15	Benign Hyst	Landeen, Laurie B., MD, MBA, Maria C. Bell, MD, MPH, Helen B. Hubert, MPH, PhD, Larissa Y. Bennis, MD, Siri S. Knutsten-Larsen, MD, and Usha Seshari-Kreaden, MSc. "Clinical and Cost Comparisons for Hysterectomy via Abdominal, Standard Laparoscopic, Vaginal and Robot-assisted Approaches." South Dakota Medicine 64.6 (2011): 197-209. Print.
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17	Benign Hyst	Lim, Peter C., John T. Crane, Eric J. English, Richard W. Farnam, Devin M. Garza, Marc L. Winter, and Jerry L. Rozeboom. "Multicenter analysis comparing robotic, open, laparoscopic, and vaginal hysterectomies performed by high-volume surgeons for benign indications." *International Journal of Gynecology & Obstetrics* 133.3 (2016): 359–364. Print.
18	Benign Hyst	Martino, Martin A., MD, Elizabeth A. Berger, DO, Jeffrey T. McFetridge, MD, Jocelyn Shubella, BS, Gabrielle Gosciniak, BA, Taylor Wejkszner, BA, Gregory F. Kainz, DO, Jeremy Patriarco, BS, M. B. Thomas, MD, and Richard Boulay, MD. "A Comparison of Quality Outcome Measures in Patients Having a Hysterectomy for Benign Disease: Robotic vs. Non-robotic Approaches." Journal of Minimally Invasive Gynecology 21.3 (2014): 389-93. Web.
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21	Colectomy	Lorenzon L, Bini F, Balducci G, Ferri M, Salvi P, Marinozzi F. Laparoscopic versus robotic-assisted colectomy and rectal resection: a systematic review and meta-analysis. International Journal of Colorectal Disease. 2015;31(2):161-173. doi:10.1007/s00384-015-2394-4.
22	Lobectomy	Cerfolio RJ, et al. Initial consecutive experience of completely portal robotic pulmonary resection with 4 arms. The Journal of Thoracic and Cardiovascular Surgery.2011;142(4)740-746.
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26	Hernia	Gonzalez, A. M., et al. (2014). "Laparoscopic ventral hernia repair with primary closure versus no primary closure of the defect: potential benefits of the robotic technology." International of Medical Robots and Computer Assisted Surgery.
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