

Q2 2020 Intuitive Investor Presentation

May 11, 2020

INTUITIVE

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. Please do not place undue reliance on these forward-looking statements, which speak only as of the date of this presentation.

Note: Some products shown in this presentation may not yet have obtained regulatory clearances in this country. These products are therefore not for sale in this market. Please check with your local Regulatory contact for current status.

Our Q1 2020 performance is best told in two parts: pre-and post-COVID-19.

Let's first look back to 2019.

In 2019, more than...

2,800

peer reviewed
articles published

1,200,000

procedures performed

1,100

da Vinci systems placed

Since inception, more than...

21,000

peer reviewed
articles published

7,200,000

procedures performed

5,500

da Vinci systems
placed globally

2019 commentary

Objectives

Continue adoption in general surgery

Continue to develop core European markets and Asian market access

Advance new platforms — da Vinci SP System, Ion, and advanced instrumentation

Support additional clinical and economic validation by region

Areas of strength

U.S. general surgery growth

Advanced Instrumentation

Innovation pipeline

Market access

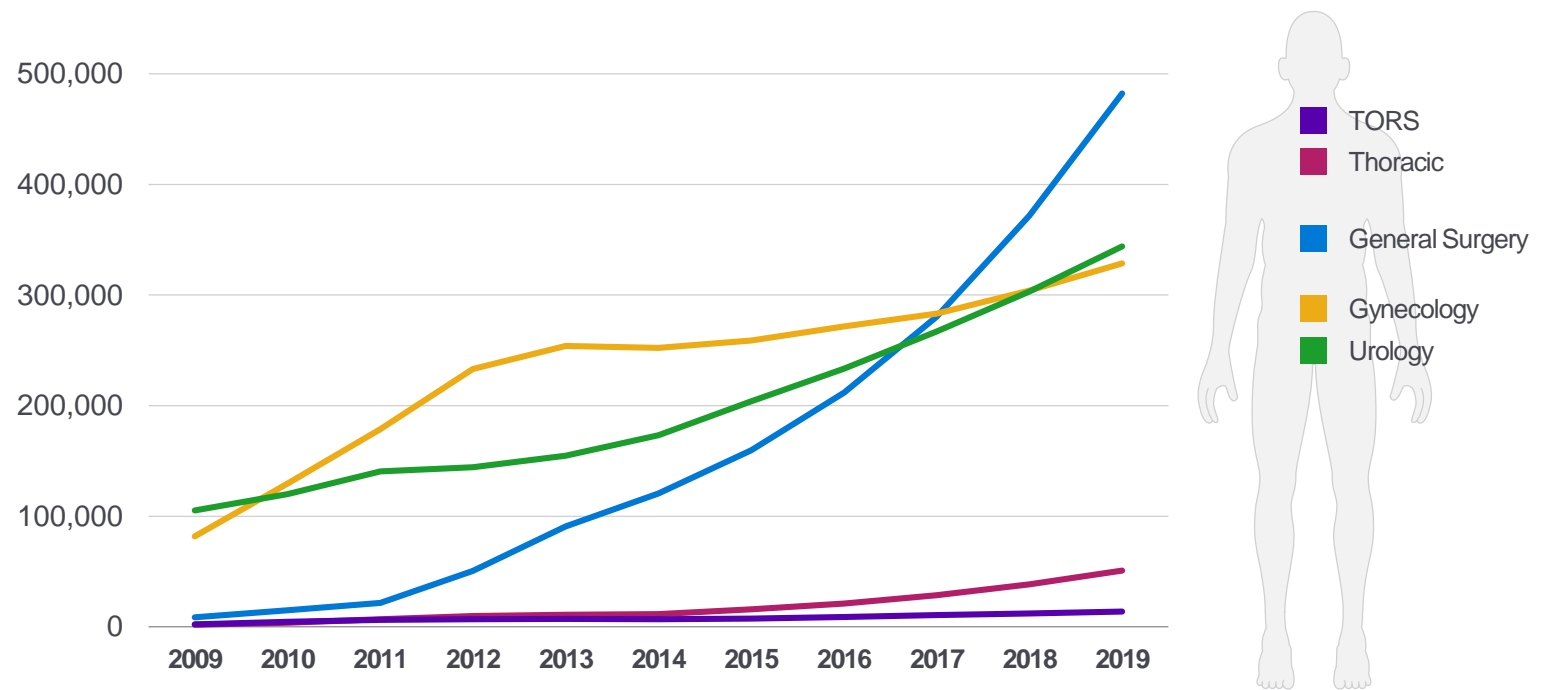
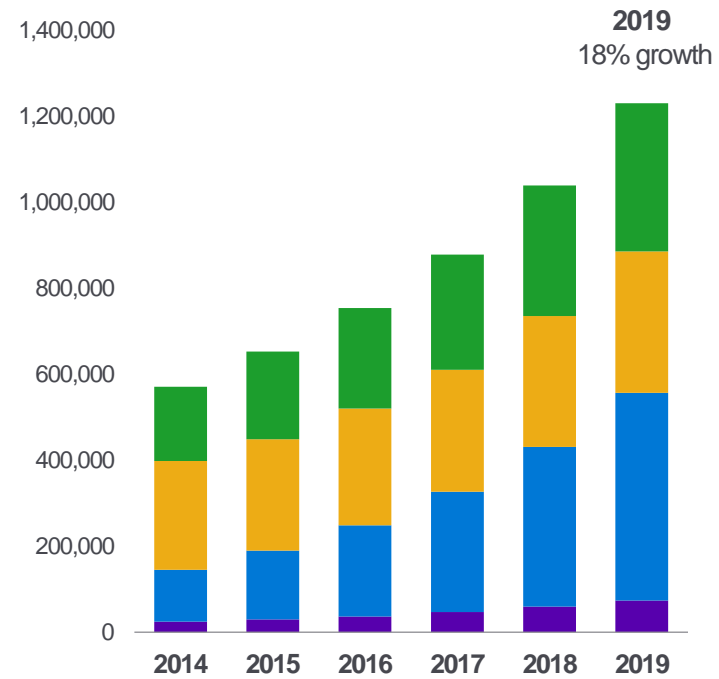
OUS ROI — Germany, China, Japan

Challenges

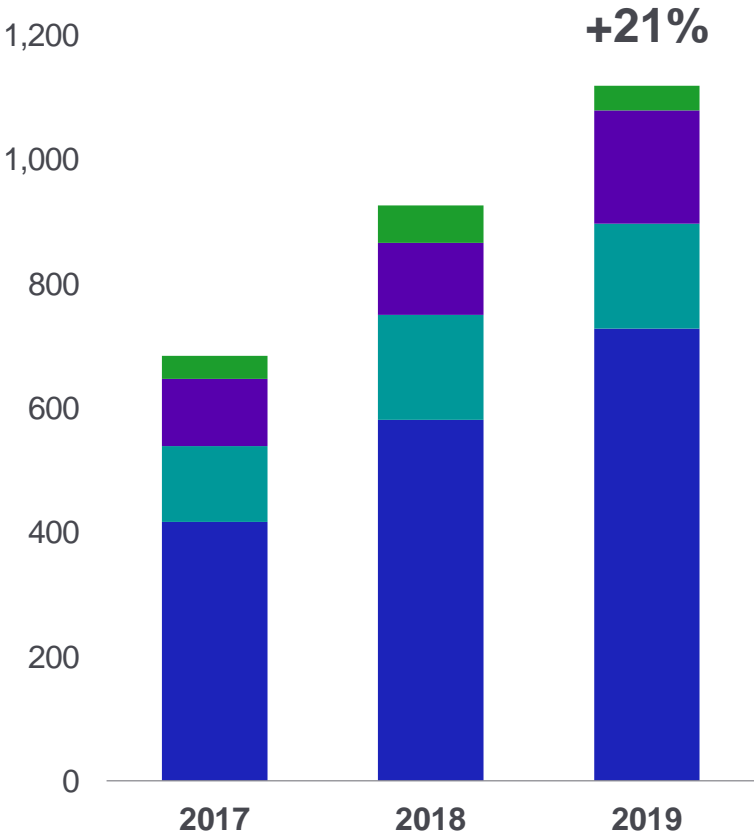
Performance in some EU countries

Da Vinci SP Program timelines

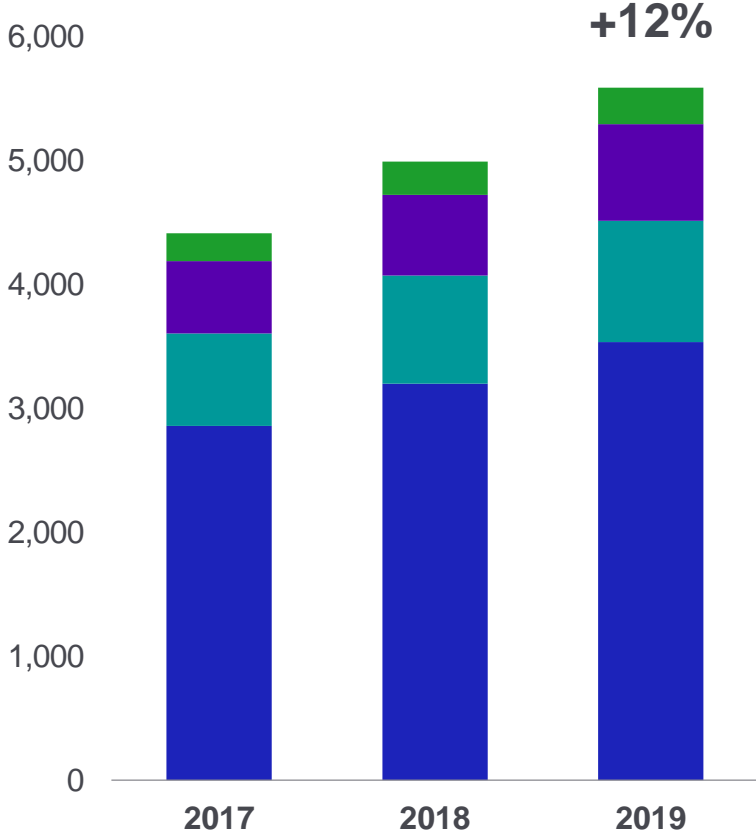
Growth remained strong in 2019



System placements



Installed base



- Rest-of-world
- Asia
- Europe
- United States

The market is accepting robotic-assisted surgery

Phase 1

Adopt



Phase 2

Operationalize

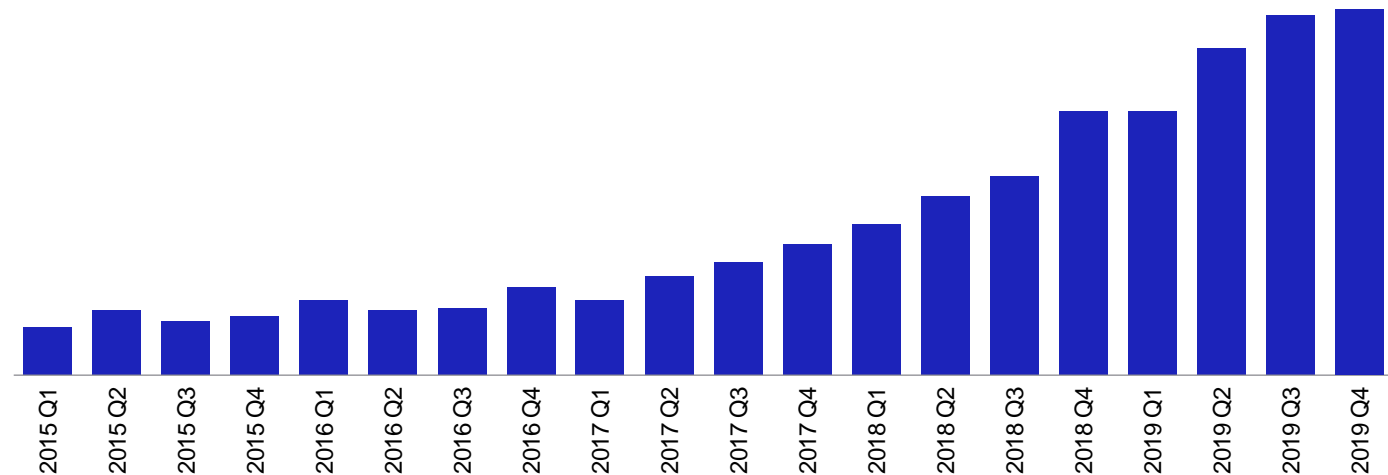


Phase 3

Standardize

Where we are today

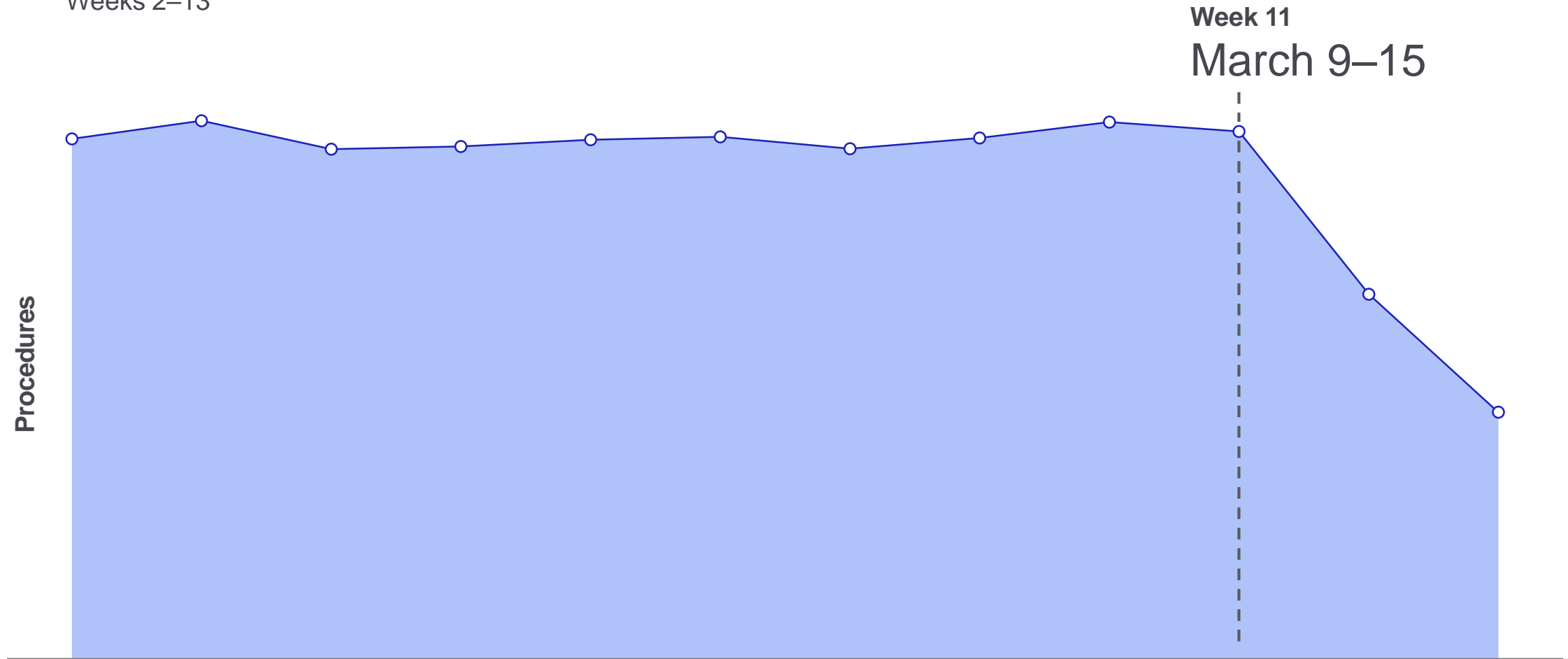
US Hospitals with 5+ systems



Q1 2020 summary

Worldwide da Vinci procedures

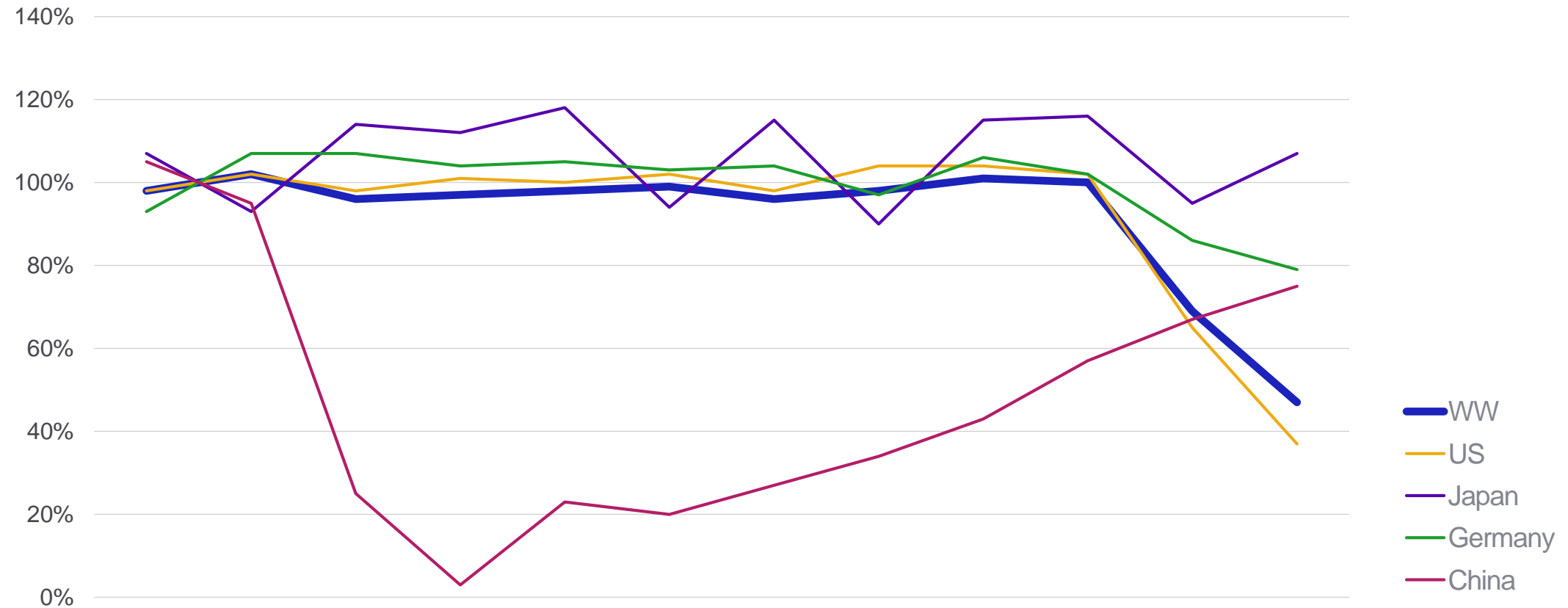
Weeks 2–13



Note: We believe the COVID-19 pandemic's impact on the Company's business differs by geography, and in regions like the United States and parts of European, where COVID-19 cases continue to increase, da Vinci procedure volume could decline below the levels experienced during the last half of March 2020.

Da Vinci procedures: Weekly procedures % of Normalized run-rate

Weeks 2–13



Note: We cannot predict that other countries will see recovery similar to that experienced in China, as geographies are impacted differently and the timing of recovery depends on multiple factors, including economic conditions and the policies of the different countries.

Intuitive's first priority is the support and safety of our customers and our employees

Initial actions taken

We implemented employee health and safety measures to ensure continuity of essential operations — supply, service, logistics, customer support, and IT.

We implemented employee income stabilization measures, so our field and factory employees can focus on customer needs and community health, as elective procedures are deferred.

We started to manufacture and donate face shields and masks for health care workers, an effort led by the Intuitive Foundation.

We introduced a series of programs to provide financial relief to customers, which may include service credits, warranty extensions and more flexible payments terms (estimated value of credits and warranty extensions will range between \$90-130mm and not exceed \$205mm).¹

1: Per our 8-K filed on April 28, 2020

**The National Coronavirus
Response framework serves
as a guide to our approach.**



National Coronavirus Response

A ROAD MAP TO REOPENING

Scott Gottlieb, MD

Caitlin Rivers, PhD, MPH

Mark B. McClellan, MD, PhD

Lauren Silvis, JD

Crystal Watson, DrPh, MPH

MARCH 28, 2020

A M E R I C A N E N T E R P R I S E I N S T I T U T E

The AERI Road Map To Reopening outlines four phases

COVID-19 phase framework

We are here



Phase 1

Slow the spread.

Shelter in place, creating time for health system to acquire resources.

Phase 2

Partial re-open. No vaccine. Possible return to phase 1 in hotspots.

Return to work, physical distancing stays, material shortages resolving.

Phase 3

Establish routine monitoring. HC capacity. Lift restrictions.

Treatment pathways defined. Major wave past. Patients move to optimized environments.

Phase 4

Vaccine and treatment well-defined.

Policy update and coordinated pandemic response by countries.

'Elective Surgery' does not mean optional.

Those seeking da Vinci
procedures have an underlying
medical condition.

As hospitals defer surgeries,
a backlog of patients requiring
treatment is growing.



AMERICAN COLLEGE OF SURGEONS
Inspiring Quality. Highest Standards. Better Outcomes



American Society of
Anesthesiologists



AORN
SAFE SURGERY TOGETHER



American Hospital
Association

Joint Statement: Roadmap for Resuming Elective Surgery after COVID-19 Pandemic

American College of Surgeons
American Society of Anesthesiologists
Association of periOperative Registered Nurses
American Hospital Association

Introduction:

In response to the COVID-19 pandemic, the Centers for Medicare and Medicaid Services (CMS), the U.S. Surgeon General and many medical specialties such as the American College of Surgeons and the American Society of Anesthesiologists recommended interim cancelation of elective surgical procedures. Physicians and health care organizations have responded appropriately and canceled non-essential cases across the country. Many patients have had their needed, but not essential, surgeries postponed due to the pandemic. When the first wave of this pandemic is behind us, the pent-up patient demand for surgical and procedural care may be immense, and health care organizations, physicians and nurses must be prepared to meet this demand. Facility readiness to resume elective surgery will vary by geographic location. The following is a list of principles and considerations to guide physicians, nurses and local facilities in their resumption of care in operating rooms and all procedural areas.

1. Timing for Reopening of Elective Surgery

Principle: There should be a sustained reduction in the rate of new COVID-19 cases in the relevant geographic area for at least 14 days, and the facility shall have appropriate number of intensive care unit (ICU) and non-ICU beds, personal protective equipment (PPE), ventilators and trained staff to treat all non-elective patients without resorting to a crisis standard of care.

Considerations: Facilities should evaluate the following before resuming elective surgery:

- a. Timing of resumption: There should be a sustained reduction in rate of new COVID-19 cases in the relevant geographic area for at least 14 days before resumption of elective surgical procedures.^{1,2,3,4}
- b. Any resumption should be authorized by the appropriate municipal, county and state health authorities.
- c. Facilities in the state are safely able to treat all patients requiring hospitalization without resorting to crisis standards of care.
- d. Does the facility have appropriate number of ICU and non-ICU beds, PPE, ventilators, medications, anesthetics and all medical surgical supplies?
- e. Does the facility have available numbers of trained and educated staff appropriate to the planned surgical procedures, patient population and facility resources? Given the known evidence supporting health care worker fatigue and the impact of stress, can the facilities perform planned procedures without compromising patient safety or staff safety and well-being?

This is a marathon, not a sprint

We are here

Early signs with
customers in Asia

Phase 1

Slow the spread.

- Support for customers
- Supply chain stabilization
- Employee health & safety, essential operations
- Intuitive COVID financial plan
- Community support

Phase 2

Partial re-opening. No vaccine. No cure.

- Support for customers
- Productivity in a new norm
- Crystalize Phase 3 plans
- Phase 3 readiness (e.g. move systems)
- Support for employees

Phase 3

Restrictions lifted. Good surveillance.

- Support for customers
- Productivity in a new norm
- Ramp field and volume
- Stretch planning window

Phase 4

Vaccine. Treatment. Global policy responses.

- New normal emerges for customers
- Population health
- Digital, telemedicine
- Reshaping of hospital budget spend

Our approach

The Intuitive COVID-19 Financial Plan

1

Customer-focused financing and economic policies that meet their needs during this disruption

2

Employee policies that secure our valuable workforce needed for hospital recovery from Phase 1 and to drive our innovation

3

Secured and stabilized critical supply chain resources

4

Reduction of ineffective spending during this period; pause hiring in volume-related roles and spending on projects that cannot progress in the current phase

5

Shareholder policies that do not interfere with the first four priorities

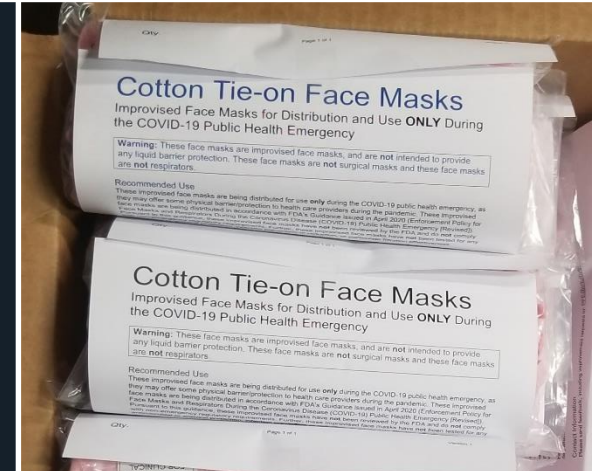
Our employees are actively engaging in the response

More than 100,000 pieces of PPE (personal protection equipment) to frontline workers in our communities.

Manufacturing and delivering **face shields** for frontline healthcare workers

Sourcing and sewing **cloth masks** for employees; overflow goes to frontline workers

Co-leading sub teams with Silicon Valley Leadership Group, for a **coordinated community response and delivery of PPE**



Our long-term opportunity is substantial.

How do we prepare for the next Phase?

Elective does not mean optional. We are preparing to respond to the growing backlog of surgeries.

Trust.

Customers are counting on us as they prepare to operate in this new environment.

Agility.

Our business model allows us to pivot to support evolving customer needs.

Focus.

We will continue to align with our customers' objectives — significant improvement in the quadruple aim.

We are well-positioned — financially and organizationally — to weather this COVID-19 outbreak

Immediate priorities

Support in Phase 1

Support our constituencies through the 'stop the spread' phase and prepare for Phase 2

Recover in Phase 2

Flexibility in supporting customers as they work down the surgery backlog. Continue to deliver on our innovation agenda needed for Phase 3

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Durable opportunity

Accelerate access to and quality of MIS

Growth in US general surgery: hernia, bariatrics & colorectal

Extend depth in OUS markets, particularly Asia and EU; grow beyond urology

Progress in launch of SP, ION, imaging, and analytics

Continue to expand clinical, economic and analytical evidence base for key procedures and countries

Our innovation pipeline remains strong.

Ion

a strong start to
peripheral lung
biopsy



Da Vinci SP

enabling a shift
to less invasive
approaches



Our comprehensive innovation is helping enable differentiated experiences.

Key clearances and first cases completed in 2019

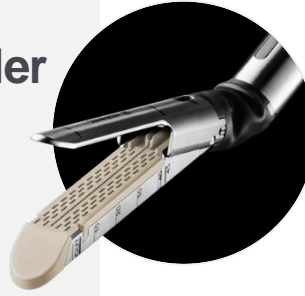
Ion endoluminal system

Lung biopsy in the periphery of the lung



SureForm Stapler

Intelligent stapling
Sureform 45: OUS, Japan, Korea.
SureForm 60: Taiwan



Endoscope Plus

Higher performance, better resolution

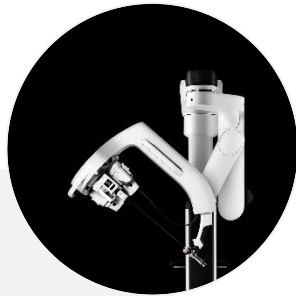


SP

TORS

US Launch

Pre-submission for Colorectal



SynchroSeal E-100 Generator

Integrated energy for fast transection



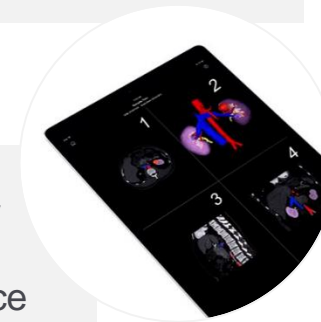
Da Vinci handheld camera

Enhanced visualization



Iris Augmented Reality

pre- and intra-operative guidance by delivering 3D image of patient anatomy



Building a robot is just the beginning — Key investments required

A robust ecosystem is a must have

Building the ecosystem takes time and resources

	Phase1	Phase 2	Phase 3	Phase 4
Systems	Green	Red	Red	Red
Instruments & Accessories	Yellow	Red	Red	Red
Regulatory	Red	Red	Red	Red
Training / Genesis	Red	Red	Red	Red
Clinical Evidence Resources	Red	Red	Red	Red
Sales Competency / Capability / Results	Red	Red	Red	Red
Marketing	Red	Red	Red	Red
Academics / Surgical Society	Red	Red	Red	Red
Economic Validation	Red	Red	Red	Red

Our mission is intact

We believe that minimally invasive care is life-enhancing care. Through ingenuity and intelligent technology, we expand the potential of physicians to **heal without constraints.**



Appendix

Recurring Revenue Model

2019: 72% Recurring Revenue

- Including \$107M Systems Leasing



da Vinci® Surgical System

\$0.5M - \$2.5M

2019 Rev: \$1,346M



Instruments & Accessories

\$700-\$3,500 per Procedure

2019 Rev: \$2,408M



Service

\$80K - \$190K/Year

2019 Rev: \$724M

da Vinci System Installed Base

5,669 Worldwide as of March 31, 2020



Rest of World 295

721 of 5,669 installed systems under operating lease.

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intuitive.com