

Q3 2017 Highlights

October 26, 2017

Safe Harbor for forward-looking statements and Use of Document:

Safe Harbor for forward-looking statements:

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by words like “anticipate,” “expect,” “project,” “believe,” “plan,” “estimate,” “intend” and similar words. These forward-looking statements are based on our beliefs, assumptions and estimates using information available to us at the time and are not intended to be guarantees of future events or performance. If our underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could differ materially from the expectations and projections expressed or implied by our forward-looking statements.

Factors that may cause such differences can be found in our most recent Form 10-K and Forms 10-Q filed or to be filed with the Securities and Exchange Commission under the headings “Risk Factors” and “Safe Harbor for Forward-Looking Statements.” Accordingly, you are cautioned not to place undue reliance on any of our forward-looking statements. We disclaim any intention or obligation to publicly update or revise any forward-looking statements to reflect any change in our expectations or in events, conditions, or circumstances on which they may be based, or that may affect the likelihood that actual results will differ from those contained in the forward-looking statements.

Non-GAAP Measures:

This document contains non-GAAP measures (denoted with *) in talking about our company’s performance. The reconciliations of those non-GAAP measures to their most comparable GAAP measures are contained within this document including appendices attached to the end of this presentation.

Segment Information:

We restated segment information for the prior period (denoted with †) based on our internally-derived standard currency exchange rates as of January 1, 2017, used for the current period in order to remove the impact of foreign currency exchange fluctuation.

Use of Document:

This document contains certain highlights with respect to our third quarter 2017 performance and developments and does not purport to be a complete summary thereof. Accordingly, we encourage you to read our Earnings Release for the quarter ended September 30, 2017 located in the investor section of our website at www.bostonscientific.com and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2017 filed with the Securities and Exchange Commission.

Financial Highlights

- **Revenue growth Y/Y:**
 - +5.7% operational*, +5.6% as reported, +4.3% organic*
 - \$2,222M as reported revenue includes (\$3M) FX impact Y/Y
- **Earnings per share:**
 - Adjusted*: \$0.31 vs. \$0.27 Q3:16
 - GAAP: \$0.20 vs. \$0.17 Q3:16
- **Gross margin:**
 - Adjusted*: 72.2%, (30 bps) Y/Y
 - Includes 120 bps negative FX impact Y/Y
 - GAAP: 71.3%, (50 bps) Y/Y
- **Operating margin:**
 - Adjusted*: 25.1%, +80 bps Y/Y
 - GAAP: 17.0%, +50 bps Y/Y
- **Reiterated FY guidance:**
 - ~7% FY operational* revenue growth
 - Adjusted EPS* \$1.24 to \$1.27

Operational Highlights

- **Resumed operations** at Puerto Rico manufacturing facility following Hurricane Maria, and **supported employees impacted** with \$2 million charitable fund
- Received **FDA approval for MRI labeling** and announced the **U.S. launch of the Resonate™ family** of ICD and CRT-D systems, combining the HeartLogic™, EnduraLife™ and SmartCRT™ technologies; and presented data from the **MultiSENSE study**, confirming HeartLogic™ **significantly expanded** ability to identify when patients were at risk of experiencing a HF event
- Received **CE Mark for the ACURATE neo™** Transapical Aortic Valve System¹
- Acquired Apama Medical to **strengthen electrophysiology portfolio** with single-shot RF balloon catheter system² for treatment of Afib
- Presented 3-yr. outcomes from **MAJESTIC study**, demonstrating LT treatment durability for ELUVIA™ DES, with **85.3% freedom from TLR**

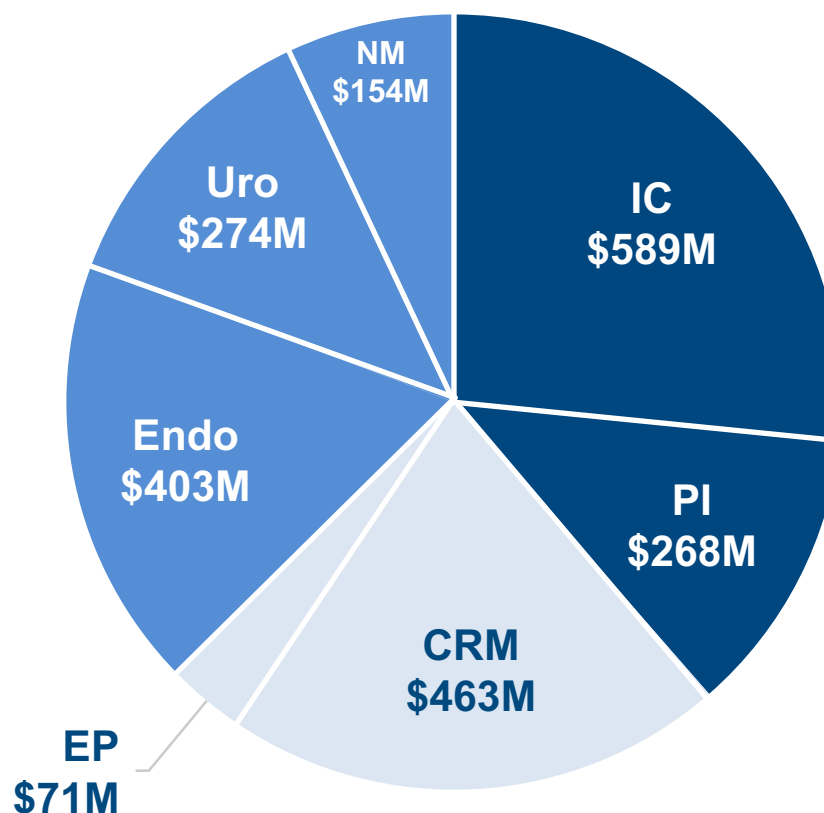
WW Sales by Segment and Business

Q3 2017 As Reported Revenue: \$2,222M

Revenue by business on an "as reported" basis

MedSurg
37%

Cardiovascular
39%



Rhythm
Management
24%

Percentages are based on actual, non-rounded amounts and may not recalculate precisely

WW Sales Detail

Three months ended September 30, 2017 and 2016

(in millions)	Q3 2017	Q3 2016	Year-over-Year Change					
			As Reported Basis	Less: Impact of Foreign Currency (\$)	Less: Impact of Foreign Currency (%)	Operational Basis*	Less: Impact of Significant Acquisitions	Organic Basis*
INTERVENTIONAL CARDIOLOGY	\$ 589	\$ 568	3.8 %	(3)	(0.4)%	4.2 %	2.5%	1.7 %
PERIPHERAL INTERVENTIONS	268	257	4.7 %	(1)	(0.4)%	5.1 %	—%	5.1 %
CARDIOVASCULAR	857	825	4.1 %	(4)	(0.4)%	4.5 %	1.7%	2.8 %
CARDIAC RHYTHM MANAGEMENT	463	467	(0.6)%	0	0.3 %	(0.9)%	—%	(0.9)%
ELECTROPHYSIOLOGY	71	60	17.8 %	0	0.2 %	17.6 %	—%	17.6 %
RHYTHM MANAGEMENT	534	527	1.5 %	0	0.3 %	1.2 %	—%	1.2 %
ENDOSCOPY	403	367	9.8 %	(1)	(0.2)%	10.0 %	4.6%	5.4 %
UROLOGY AND PELVIC HEALTH	274	248	10.3 %	1	0.1 %	10.2 %	—%	10.2 %
NEUROMODULATION	154	138	11.0 %	1	0.0 %	11.0 %	—%	11.0 %
MEDSURG	831	753	10.2 %	1	(0.1)%	10.3 %	2.3%	8.0 %
WORLDWIDE NET SALES	\$ 2,222	\$ 2,105	5.6 %	(3)	(0.1)%	5.7 %	1.4%	4.3 %
<i>EMERGING MARKETS¹ SALES</i>	239	202	18.3 %	0	0.0 %	18.3 %	0.3%	18.0 %
<i>EMERGING MARKETS¹ SALES PERCENTAGE OF TOTAL BSC</i>			11 %			11 %		

¹We define Emerging Markets as including certain countries that we believe have strong growth potential based on their economic conditions, healthcare sectors, and our global capabilities. Currently, we include 20 countries in our definition of Emerging Markets.

Growth rates are based on actual, non-rounded amounts and may not recalculate precisely.

Cardiovascular Performance Summary

Measure (\$ in millions)	Q3 2017	Q3 2016 (restated) [†]	Change Y/Y
Operational Revenue*	857	821	+4.5%
Operating Income	243	247	(2%)
Operating Income Margin	28.3%	30.1%	(180 bps)

Q3 2017 Highlights

- **Interventional Cardiology: Global revenue +4.2% Y/Y operational* (+3.8% as reported); +1.7% Y/Y organic**
 - Led by strong sales of the WATCHMAN™ LAAC device, portfolio of complex PCI products, and ACURATE™ platform
 - Products for complex PCI procedures grew double digits, led by strong atherectomy and cutting balloon sales
 - ACURATE™ integration activities are on target and platform is delivering above-plan commercial performance in Europe
 - Continued progress bringing LOTUS™ Edge¹ back to market in Europe, which is expected in Q1:18
 - Implemented additional measures to enhance further the robustness of the platform and enhance ability to scale global manufacturing
 - Received CE Mark for an updated Directions for Use for the WATCHMAN™ LAAC Device in Europe, allowing for shorter duration of oral anticoagulants and dual anti-platelet therapy after implant
- **Peripheral Interventions: Global revenue +5.1% Y/Y operational* (+4.7% as reported)**
 - Strong performance across product portfolio, led by AMEA, particularly China and Korea strength, and Latin America
 - At CIRSE, presented data on ELUVIA™ Drug-Eluting Vascular Stent System² and Ranger Drug-coated balloon², demonstrating 85.3% freedom from TLR at 3 yrs. and 89% at 12 months, respectively
 - Reaffirmed strong launch cadence expected in 2019+ with drug-eluting technologies and interventional oncology products

¹ Not available for sale or use worldwide

² CE Marked. U.S.: "Caution: Investigational Device. Limited by Federal (or U.S.) law to investigational use only. Not available for sale"

Rhythm Management Performance Summary

Measure (\$ in millions)	Q3 2017	Q3 2016 (restated) [†]	Change Y/Y
Operational Revenue*	532	525	+1.2%
Operating Income	103	90	+15%
Operating Income Margin	19.4%	17.1%	+230 bps

Q3 2017 Highlights

- **Cardiac Rhythm Management: Global revenue -0.9% Y/Y operational* (-0.6% as reported)**
 - High voltage sales grew low single digits on double digit growth in Emblem S-ICD and strong EU launch of Resonate™ platform
 - Resonate™ platform includes differentiated Heart Failure Diagnostic, HeartLogic™, which can proactively predict worsening heart failure more than four weeks in advance with the highest level of predictability on the market
 - RM operating margin of 19.4% driven by progress on gross margin, focus on expense control, and leveraging improved top-line performance of the global business
- **Electrophysiology: Global revenue +17.6% Y/Y operational* (+17.8% as reported)**
 - EP revenue growth led by improved uptake of next-generation Rhythmia™ HDx platform and strong growth in disposables
 - Launched the Intella Nav MiFi Open Irrigated therapeutic catheters in the EU and U.S.
 - Expect to begin early European commercialization of Direct Sense technology shortly, followed by U.S. launch in 1H 2018
 - Acquired Apama Medical, developer of a multi-electrode, single-shot RF Balloon Catheter System for the PVI ablation
 - Believe \$500M market today, growing at approximately 20%, will reach \$1B by 2022

MedSurg Performance Summary

Measure (\$ in millions)	Q3 2017	Q3 2016 (restated) [†]	Change Y/Y
Operational Revenue*	827	750	+10.3%
Operating Income	272	234	+16%
Operating Income Margin	32.9%	31.2%	+170 bps

Q3 2017 Highlights

- **Endoscopy: Global revenue +10.0% Y/Y operational* (+9.8% as reported); +5.4% Y/Y organic***
 - Continued strong performance in Spy DS visualization system, Axios stent, Res 360 hemostasis clip, and ambulatory surgery center portfolio
 - Published 3 yr. follow-up data validating Bronchial Thermoplasty (BT) as an effective durable and safe treatment in severe asthmatics
 - Expect Endoscopy to return back to mid-to-high single digit growth rates in the fourth quarter on stronger launch cadence
- **Urology and Pelvic Health: Global revenue +10.2% Y/Y operational* (+10.3% as reported)**
 - Double digit revenue growth led by LithoVue™ and further driven by double digit growth in Men's Health, Prostate Health, and Stone franchises
 - Continued execution of globalization strategy with Emerging Markets¹ sales accelerating to 50% growth, led by Stone and Men's Health franchises
 - Cleared prior FDA Warning Letter for AMS business, issued in August 2014, based on satisfactory facility inspections and corrective actions
- **Neuromodulation: Global revenue +11.0% Y/Y operational* (+11.0% as reported)**
 - Driven by strength in underpenetrated SCS market, as well as continued uptake of the Vercise Gevia² MRI DBS system in Europe
 - Expect launch of Vercise DBS system in the U.S. by end of 2017 or early 2018, followed by directional lead and MRI-conditional labeling in 2018
 - Received FDA expanded indication for Precision Spectra™, Novi™, and Montage™ SCS systems for the management of pain associated with Complex Regional Pain Syndrome (CRPS)

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²CE marked, not available for use or sale in the U.S.

Balance Sheet & Cash Flow Metrics

Days Sales Outstanding (DSO)

Sept 2017	June 2017	Mar 2017	Dec 2016	Sept 2016
61	58	60	64	61

Adjusted Free Cash Flow*

Q3 2017	Q3 2016	FY2017 Guidance
\$464M	\$440M	\$1,750M

Days Inventory on Hand (DIOH)

Sept 2017	June 2017	Mar 2017	Dec 2016	Sept 2016
155	147	134 ¹	142 ²	155

Capital Expenditures

Q3 2017	Q3 2016	FY2017 Guidance
\$60M	\$70M	\$320M

¹Improvement largely a result of Lotus field action

²Decrease due to tighter inventory management and higher COGS in the quarter

Q4 & FY2017 Guidance Summary

Issued October 26, 2017

Measure	Q4 2017	FY2017
As Reported Revenue (\$M)	\$2,345 to \$2,375	\$8,985 to \$9,015
FX Impact on Revenue (\$M)	\$40M tailwind	\$10M tailwind
Operational Growth*	+5% to +6% (with 130 bps contribution from acquisitions)	~7% (with 120 bps contribution from acquisitions)
As Reported Growth	+7% to +8%	+7% to +8%
Adjusted Gross Margin*	72% to 73%	~72%
Adjusted SG&A % of Sales*	35% to 36%	35% to 36%
Adjusted R&D % of Sales*	10% to 11%	10% to 11%
Adjusted Operating Margin*	25.5% to 26.5%	25.0% to 25.25%
Adjusted Tax Rate*	13% to 14%	12% to 12.5%
Adjusted EPS*	\$0.32 to \$0.35	\$1.24 to \$1.27
FX Impact on EPS	1 to 2 cents	7 to 8 cents
Adjusted EPS Growth*	+7% to +17%	+11% to +14%
Adjusted EPS Growth ex-FX*	+14% to +24%	+18% to +21%
GAAP EPS	\$0.19 to \$0.23	\$0.71 to \$0.75

To supplement Boston Scientific's consolidated financial statements presented on a GAAP basis, the Company discloses certain non-GAAP financial measures. These non-GAAP financial measures are not in accordance with generally accepted accounting principles in the United States.

A reconciliation of the non-GAAP financial measures included in this document to the corresponding GAAP measures follows in Appendix A. In addition, an explanation of the ways in which Boston Scientific management uses these supplemental non-GAAP measures to evaluate its business, and the substantive reasons why Boston Scientific management believes that these non-GAAP measures provide useful information to investors is included under "Use of Non-GAAP Financial Measures" in the Company's most recent earnings release filed with the SEC on Form 8-K. This additional non-GAAP financial information is not meant to be considered in isolation from or as a substitute for financial information prepared in accordance with GAAP.

Appendix A - Income Statement Information

Non-GAAP Reconciliation

Boston
Scientific

Three Months Ended September 30, 2017 (unaudited)

<i>In millions, except per share data</i>		GAAP Results	Amortization	Intangible Asset Impairment Charges	Restructuring-Related Charges (Credits)	Acquisition-Related Charges (Credits)	Litigation-Related Charges (Credits)	Adjusted Results
Net sales		\$ 2,222						\$ 2,222
Cost of products sold		637			11	8		618
Gross profit		1,585			(11)	(8)		1,604
	<i>Gross margin</i>	71.3%						72.2%
Selling, general and administrative expenses		800			3	14		783
	<i>SG&A margin</i>	36.0%						35.2%
Research and development expenses		254				7		247
	<i>R&D margin</i>	11.4%						11.1%
Royalty expense		16						16
	<i>Royalty expense margin</i>	0.7%						0.7%
Amortization expense		139	139					—
Intangible asset impairment charge		3		3				—
Contingent consideration expense (benefit)		(4)				(4)		—
Restructuring charges (credits)		12			12			—
Litigation-related charges (credits)		(12)					(12)	—
		1,208	139	3	15	17	(12)	1,046
Operating income		377	(139)	(3)	(26)	(25)	12	558
	<i>Operating margin</i>	17.0%						25.1%
Other income (expense):								
Interest expense		(57)						(57)
Other, net		(11)						(11)
Income before income taxes		309	(139)	(3)	(26)	(25)	12	490
Income tax expense		26	\$ (17)	\$ —	\$ (6)	\$ (11)	2	58
Net (loss) income		\$ 283	\$ (122)	\$ (3)	\$ (20)	\$ (14)	\$ 10	\$ 432
Net income per common share - assuming dilution		\$ 0.20	\$ (0.09)	\$ (0.00)	\$ (0.02)	\$ (0.01)	\$ 0.01	\$ 0.31
		1,394.1	1,394.1	1,394.1	1,394.1	1,394.1	1,394.1	1,394.1

Appendix A - Income Statement Information

Margins

Adjusted Gross Margin	Three Months Ended		
	9/30/2017	9/30/2016	Basis Points Change
Gross Margin, as reported	71.3 %	71.8 %	(50)
Less: Non-GAAP adjustments	(0.9)%	(0.7)%	
Adjusted Gross Margin	72.2 %	72.5 %	(30)

Adjusted Operating Margin	Three Months Ended		
	9/30/2017	9/30/2016	Basis Points Change
Operating Margin, as reported	17.0 %	16.5 %	50
Less: Non-GAAP adjustments	(8.1)%	(7.8)%	
Adjusted Operating Margin	25.1 %	24.3 %	80

Adjusted SG&A Margin	Three Months Ended		
	9/30/2017	9/30/2016	Basis Points Change
SG&A Margin, as reported	36.0 %	36.7 %	(70)
Less: Non-GAAP adjustments	(8.1)%	(7.8)%	
Adjusted SG&A Margin	35.2 %	36.2 %	(100)

*Numbers presented above may not foot due to rounding.
Growth rates are based on actual, non-rounded amounts and may not recalculate precisely.*

Appendix A - Income Statement Information

Earnings per Share

in millions, except per share data	Three Months Ended September 30, 2017				YoY EPS Growth
	Pre-Tax	Tax Impact	After-Tax	Impact per share	
GAAP net income (loss)	\$ 309	\$ (26)	\$ 283	\$ 0.20	23 %
Non-GAAP adjustments:					
Intangible asset impairment charges	3	—	3	0.00	
Acquisition-related net charges (credits)	25	(11)	14	0.01	
Restructuring and restructuring-related net charges (credits)	26	(6)	20	0.02	
Litigation-related net charges (credits)	(12)	2	(10)	(0.01)	
Amortization expense	139	(17)	122	0.09	
Adjusted net income	<u>\$ 490</u>	<u>\$ (58)</u>	<u>\$ 432</u>	<u>\$ 0.31</u>	<u>16 %</u>
Less: Impact of foreign currency fluctuations				(0.02)	(7)%
Adjusted EPS, excluding foreign currency fluctuations				<u>\$ 0.33</u>	<u>23 %</u>

in millions, except per share data	Three Months Ended September 30, 2016			
	Pre-Tax	Tax Impact	After-Tax	Impact per share
GAAP net income (loss)	\$ 257	\$ (29)	\$ 228	\$ 0.17
Non-GAAP adjustments:				
Intangible asset impairment charges	7	(1)	6	0.00
Acquisition-related net charges (credits)	(1)	(1)	(2)	(0.00)
Restructuring and restructuring-related net charges (credits)	17	(4)	13	0.01
Litigation-related net charges (credits)	4	(1)	3	0.00
Amortization expense	136	(16)	120	0.09
Adjusted net income	<u>\$ 420</u>	<u>\$ (52)</u>	<u>\$ 368</u>	<u>\$ 0.27</u>

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Appendix A - Income Statement Information

Segment Operating Income

Note: We measure and evaluate our reportable segments based on segment net sales and operating income, excluding the impact of changes in foreign currency. Sales generated from reportable segments, as well as operating results of reportable segments and corporate expenses, are based on internally-derived standard currency exchange rates, which may differ from year to year and do not include intersegment profits. We exclude from segment operating income certain corporate-related expenses and certain transactions or adjustments that our chief operating decision maker considers to be non-operational, such as amounts related to intangible asset impairment charges, acquisition-related net, restructuring- and restructuring-related, and litigation-related net charges and credits and amortization expense. Although we exclude these amounts from segment operating income, they are included in reported consolidated operating income (loss) and are included in the reconciliation above.

SEGMENT OPERATING INCOME <i>(in millions)</i>	Three Months Ended September 30,	
	2017	2016 (restated) [†]
Segment operating income		
Cardiovascular	\$ 243	\$ 247
Rhythm Management	103	90
MedSurg	272	234
Operating income allocated to reportable segments	618	571
Corporate expenses and currency exchange	(60)	(60)
Intangible asset impairment charges, acquisition-related, restructuring- and restructuring-related, and litigation-related net credits (charges)	(42)	(27)
Amortization expense	(139)	(136)
Operating income (loss)	\$ 377	\$ 348

Appendix B - Sales Information

QTD Domestic Net Sales (unaudited)

Three months ended September 30, 2017 and 2016

Boston
Scientific

(in millions)	Q3 2017	Q3 2016	Year-over-Year Change				
			As Reported Basis	Less: Impact of Foreign Currency	Operational Basis*	Less: Impact of Significant Acquisitions	Organic Basis*
INTERVENTIONAL CARDIOLOGY	\$ 271	\$ 260	4.5 %	—%	4.5 %	0.0%	4.5 %
PERIPHERAL INTERVENTIONS	141	140	0.3 %	—%	0.3 %	—%	0.3 %
CARDIOVASCULAR	412	400					
CARDIAC RHYTHM MANAGEMENT	275	285	(3.6)%	—%	(3.6)%	—%	(3.6)%
ELECTROPHYSIOLOGY	34	33	4.4 %	—%	4.4 %	—%	4.4 %
RHYTHM MANAGEMENT	309	318					
ENDOSCOPY	220	194	13.3 %	—%	13.3 %	8.5%	4.8 %
UROLOGY AND PELVIC HEALTH	190	178	7.0 %	—%	7.0 %	—%	7.0 %
NEUROMODULATION	126	117	7.9 %	—%	7.9 %	—%	7.9 %
MEDSURG	536	489					
DOMESTIC NET SALES	\$ 1,257	\$ 1,207	4.2 %	—%	4.2 %	1.4%	2.8 %
DOMESTIC SALES PERCENTAGE OF TOTAL BSC			57 %	—%	57 %		

Numbers presented above may not foot due to rounding.

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Appendix B - Sales Information

QTD International Net Sales (unaudited)

Three months ended September 30, 2017 and 2016

Boston
Scientific

(in millions)	Q3 2017	Q3 2016	Year-over-Year Change				
			As Reported Basis	Less: Impact of Foreign Currency	Operational Basis*	Less: Impact of Significant Acquisitions	Organic Basis*
INTERVENTIONAL CARDIOLOGY	\$ 318	\$ 308	3.3%	(0.7)%	4.0%	4.6%	(0.6)%
PERIPHERAL INTERVENTIONS	127	117	10.1%	(1.0)%	11.1%	—%	11.1 %
CARDIOVASCULAR	445	425					
CARDIAC RHYTHM MANAGEMENT	188	182	4.1%	0.8 %	3.3%	—%	3.3 %
ELECTROPHYSIOLOGY	37	27	33.7%	0.2 %	33.5%	—%	33.5 %
RHYTHM MANAGEMENT	37	27					
ENDOSCOPY	183	173	5.6%	(0.4)%	6.0%	0.2%	5.8 %
UROLOGY AND PELVIC HEALTH	84	70	18.6%	0.0 %	18.6%	—%	18.6 %
NEUROMODULATION	28	21	28.0%	(0.2)%	28.2%	—%	28.2 %
MEDSURG	295	264					
INTERNATIONAL NET SALES	\$ 965	\$ 716	7.5%	(0.3)%	7.8%	1.7%	6.1 %
INTERNATIONAL SALES PERCENTAGE OF TOTAL BSC			43%	— %	43%		

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Appendix B - Sales Information

Total Company Sales

SEGMENT NET SALES <i>(in millions)</i>	Three Months Ended September 30,	
	2017	2016 (restated)†
Cardiovascular	857	821
Rhythm Management	532	525
MedSurg	827	750
Operational Sales	2,216	2,096
Foreign currency	6	9
Net Sales	\$ 2,222	\$ 2,105

	Three Months Ended September 30, 2016
Revenue Growth, Total BSC	
Revenue growth, as reported	11%
Less: Impact of foreign currency fluctuations	1%
Revenue Growth, operational	10%
Less: Impact of significant acquisitions	1%
Revenue growth, organic	9%

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Appendix B - Sales Information

Sales Growth

Regional Sales Growth	Three Months Ended September 30, 2017			
	U.S.	Europe	AMEA	Emerging Markets
Percentage change in net sales, as reported	4.2%	11.4%	4.6 %	18.3%
Less: Impact of foreign currency fluctuations	0.0%	2.6%	(3.2)%	0.0%
Percentage change in net sales, operational	4.2%	8.8%	7.8 %	18.3%
Less: Impact of significant acquisitions	1.4%	3.5%	0.0 %	0.3%
Percentage change in net sales, organic	2.8%	5.3%	7.8 %	18.0%

Endoscopy Revenue Growth	Three Months Ended September 30, 2016	Six Months Ended June 30, 2017
Revenue growth, as reported	11%	12 %
Less: Impact of foreign currency fluctuations	2%	(1)%
Revenue Growth, operational	9%	13 %
Less: Impact of significant acquisitions	—%	5 %
Percentage change in net sales, organic	9%	8 %

Cardiovascular Revenue Growth	Three Months Ended September 30, 2016
Revenue growth, as reported	13%
Less: Impact of foreign currency fluctuations	1%
Revenue Growth, operational	12%

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Appendix B - Sales Information

Sales Growth

Urology and Pelvic Health (UroPH) Revenue Growth in Emerging Markets	Three Months Ended September 30, 2017
Revenue growth, as reported	52%
Less: Impact of foreign currency fluctuations	2%
Revenue Growth, operational	<u>50%</u>

Urology and Pelvic Health (UroPH) Revenue Growth	Three Months Ended September 30, 2016
Revenue growth, as reported	26%
Less: Impact of foreign currency fluctuations	0%
Revenue Growth, constant currency	<u>26%</u>
Less: Impact of significant acquisitions	13%
Estimated sales growth, organic	<u>13%</u>

DES Revenue Growth	Three Months Ended September 30, 2016
Revenue growth, as reported	17%
Less: Impact of foreign currency fluctuations	3%
Revenue Growth, constant currency	<u>14%</u>

*Numbers presented above may not foot due to rounding.
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Appendix C - Additional Reconciliations

Adjusted Free Cash Flow

<i>in millions</i>	Three Months Ended	
	9/30/2017	9/30/2016
Adjusted Free Cash Flow		
Operating cash flow, reported	\$ 255	\$ (32)
Less: Purchases of PP&E	60	70
Free Cash Flow, reported	195	(102)
Plus: Restructuring Payments	18	18
Plus: Earnouts	4	—
Plus: Special Tax Refunds/Credits	(33)	(15)
Plus: Legal Settlements	266	529
Plus: Other	14	10
Adjusted Free Cash Flow	\$ 464	\$ 440

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Growth rates are based on actual, non-rounded amounts and may not recalculate precisely.*

Appendix D - Guidance

	Q4 2017 Estimate		Estimated Growth	
	(Low)	(High)	(Low)	(High)
Estimated GAAP EPS	\$ 0.19	\$ 0.23	114%	157%
Estimated acquisition-related net charges	0.02	0.01		
Estimated restructuring and restructuring-related charges	0.02	0.02		
Estimated amortization expense	0.09	0.09		
Estimated Adjusted EPS	\$ 0.32	\$ 0.35	7%	17%
Less: Estimated impact of foreign currency fluctuations	(0.02)	(0.01)		
Estimated Adjusted EPS, excluding FX	\$ 0.34	\$ 0.36		

	Full Year 2017 Estimate		Estimated Growth	
	(Low)	(High)	(Low)	(High)
Estimated GAAP EPS	\$ 0.71	\$ 0.75	180%	196%
Estimated acquisition-related net charges	0.01	0.00		
Estimated restructuring and restructuring-related charges	0.06	0.06		
Estimated amortization expense	0.35	0.35		
Investment impairment charges	0.02	0.02		
Litigation-related charges	0.09	0.09		
Estimated Adjusted EPS	\$ 1.24	\$ 1.27	11%	14%
Less: Estimated impact of foreign currency fluctuations	(0.08)	(0.07)		
Estimated Adjusted EPS, excluding FX	\$ 1.32	\$ 1.34		

*Numbers presented above may not foot due to rounding.
Growth rates are based on actual, non-rounded amounts and may not recalculate precisely.*

	Q4 2017 Estimate		Full Year 2017 Estimate	
	(Low)	(High)	(Low)	(High)
Estimated GAAP sales growth	7%	8%	7%	8%
Less: Estimated impact of foreign currency fluctuations	2%	2%	0%	1%
Estimated sales growth, operational¹	5%	6%	7%	7%

¹Q4 2017 includes contribution of approximately 130 basis points from EndoChoice and Symetis which implies approximately 4%-5% organic revenue growth for Q4 2017. FY2017 includes contribution of approximately 120 basis points from EndoChoice and Symetis which implies approximately 6% organic revenue growth for FY2017.

Prior Guidance Estimate - QTD Q3 2017

	Q3 2017 Estimate	
	(Low)	(High)
Estimated GAAP sales growth	4 %	5 %
Less: Estimated impact of foreign currency fluctuations	(1)%	(1)%
Estimated sales growth, operational²	5 %	6 %

² Includes estimated contribution of approximately 140 basis points for the third quarter of 2017 from EndoChoice and Symetis.

*Numbers presented above may not foot due to rounding.
Growth rates are based on actual, non-rounded amounts and may not recalculate precisely.*

Appendix D - Guidance

Forward-Looking Non-GAAP Financial Measures

The following is an explanation of the adjustments that management excluded from GAAP measures to calculate the following forward-looking non-GAAP financial measures for the fourth quarter and full year 2017:

Adjusted Gross Margin: Excludes from GAAP gross margin the impacts of forecasted acquisition- and divestiture- and restructuring-related charges or credits.

Adjusted SG&A: Excludes from GAAP SG&A the impacts of forecasted acquisition- and divestiture- and restructuring-related charges or credits.

Adjusted R&D: Excludes from GAAP R&D the impacts of forecasted acquisition- and divestiture- and restructuring-related charges or credits.

Adjusted Operating Margin: Excludes from GAAP operating margin the impacts of forecasted acquisition- and divestiture- and restructuring- and restructuring-related charges or credits, and amortization expense.

Adjusted Tax Rate: Excludes from GAAP tax rate the tax impacts related to forecasted acquisition- and divestiture- and restructuring- and restructuring-related charges or credits, and amortization expense.

Adjusted Free Cash Flow: Adjusts GAAP operating cash flow to include the impacts of forecasted capital expenditures and excludes the impact of estimated after-tax acquisition- and divestiture-, restructuring- and litigation-payments.

Please refer to our Safe Harbor for forward-looking statements disclosure on slide 2 in conjunction with any forward looking information presented within.