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Intuitive Surgical ApS

c/o Grant Thornton, Stockholmsgade 45, 2100 København Ø

Company reg. no. 38 15 00 30

Annual report

1 January - 31 December 2018

The annual report have been submitted and approved by the general meeting on the



Jean-Yves Marie Christian Jacques Raimon-Dacunha-Castelle
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's report

The executive board has today presented the annual report of Intuitive Surgical ApS for the financial year 1 January to 31 December 2018.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2018 and of the company's results of its activities in the financial year 1 January to 31 December 2018.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København Ø, 28 January 2019

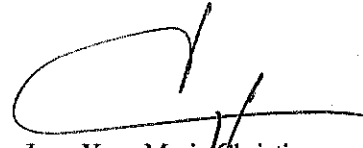
Executive board



Marshall Leigh Mohr



Kara Andersen Reiter



Jean-Yves Marie/Christian
Jacques Raimon-Dacunha-
Castelle

Independent auditor's report on extended review

To the shareholders of Intuitive Surgical ApS

Opinion

We have performed extended review of the annual accounts of Intuitive Surgical ApS for the financial year 1 January to 31 December 2018, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

Based on the work we have performed, we believe that the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January to 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We performed the extended review in accordance with the standard from the Danish Business Authority applicable on auditor's reports to small enterprises and in accordance with the standard from the Danish Institute of State Authorised Public Accountants applicable on extended review of annual accounts prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the extended review of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our opinion.

The management's responsibilities for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. The management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless the management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

Auditor's responsibilities for the extended review of the annual accounts

Our responsibility is to express an opinion on the annual accounts. This requires that we plan and perform our procedures with the purpose of achieving moderate assurance as to our opinion on the annual accounts. Furthermore, it requires that we perform particularly required additional procedures with a view to achieving further assurance as to our opinion.

Independent auditor's report on extended review

An extended review comprises procedures primarily comprising inquiries to the management and to other persons within the enterprise when appropriate, analytical procedures, and the particularly required additional procedures along with an evaluation of the achieved audit evidence.

The scope of the procedures performed during an extended review is less than in case of an audit, and consequently, we do not express any audit opinion on the annual accounts.

Statement on the management's review

The management is responsible for the management's review.

Our opinion on the annual accounts does not cover the management's review, and we do not express any kind of assurance opinion on the management's review.

In connection with our extended review of the annual accounts, our responsibility is to read the management's review and in that connection consider whether the management's review is materially inconsistent with the annual accounts or our knowledge obtained during the extended review, or whether it otherwise appears to contain material misstatement.

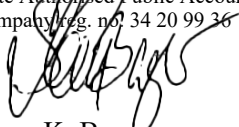
Furthermore, it is our responsibility to consider whether the management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that the management's review is in accordance with the annual accounts and that it has been prepared in accordance with the requirements of the Danish Financial Statement Acts. We did not find any material misstatement in the management's review.

Copenhagen, 28 January 2019

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36



Steen K. Bager

State Authorised Public Accountant
mne28679

Company data

The company

Intuitive Surgical ApS
c/o Grant Thornton, Stockholmsgade 45
2100 København Ø

Company reg. no. 38 15 00 30
Established: 18 October 2016
Financial year: 1 January - 31 December

Executive board

Marshall Leigh Mohr
Kara Andersen Reiter
Jean-Yves Marie Christian Jacques Raimon-Dacunha-Castelle

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management's review

The principal activities of the company

The principal activities are to provide support on inquiries to customers and promotion in connection with sales and other transactions on Intuitive Surgical's products and services in Denmark and other business, which the direction finds connected thereby.

Development in activities and financial matters

The gross profit for the year is DKK 13.857.000 against DKK 16.880.000 last year. The results from ordinary activities after tax are DKK 1.202.000 against DKK 1.051.000 last year. The management consider the results satisfactory.

Profit and loss account

All amounts in DKK.

<u>Note</u>	1/1 2018 - 31/12 2018	18/10 2016 - 31/12 2017
Gross profit	13.856.539	16.880.289
1 Staff costs	-12.256.806	-15.456.372
Operating profit	1.599.733	1.423.917
Other financial income	3	73
Other financial costs	-222	-14.853
Results before tax	1.599.514	1.409.137
Tax on ordinary results	-397.240	-357.805
Results for the year	1.202.274	1.051.332
 Proposed distribution of the results:		
Allocated to results brought forward	1.202.274	1.051.332
Distribution in total	1.202.274	1.051.332

Balance sheet 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2018</u>	<u>2017</u>
Current assets		
Amounts owed by group enterprises	2.304.955	2.482.457
Other debtors	41.718	30.034
Deferred expenses	117.610	0
Debtors in total	<u>2.464.283</u>	<u>2.512.491</u>
Available funds	<u>5.514.268</u>	<u>3.628.317</u>
Current assets in total	<u>7.978.551</u>	<u>6.140.808</u>
Assets in total	<u>7.978.551</u>	<u>6.140.808</u>

Balance sheet 31 December

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2018</u>	<u>2017</u>
Equity			
2	Contributed capital	50.000	50.000
3	Results brought forward	2.253.606	1.051.332
	Equity in total	<u>2.303.606</u>	<u>1.101.332</u>
Liabilities			
	Trade creditors	13.800	5.500
	Corporate tax	340.331	57.805
	Other debts	5.320.814	4.976.171
	Short-term liabilities in total	<u>5.674.945</u>	<u>5.039.476</u>
	Liabilities in total	<u>5.674.945</u>	<u>5.039.476</u>
	Equity and liabilities in total	<u>7.978.551</u>	<u>6.140.808</u>

4 Contingencies

Notes

All amounts in DKK.

	1/1 2018 - 31/12 2018	18/10 2016 - 31/12 2017
	<u> </u>	<u> </u>
1. Staff costs		
Salaries and wages	11.882.280	15.103.277
Pension costs	314.317	295.205
Other costs for social security	60.209	57.890
	<u>12.256.806</u>	<u>15.456.372</u>
 Average number of employees	 <u>8</u>	 <u>8</u>
 2. Contributed capital		
Contributed capital 1 January 2018	<u>50.000</u>	<u>50.000</u>
	<u>50.000</u>	<u>50.000</u>
 3. Results brought forward		
Results brought forward 1 January 2018	1.051.332	0
Profit or loss for the year brought forward	<u>1.202.274</u>	<u>1.051.332</u>
	<u>2.253.606</u>	<u>1.051.332</u>
 4. Contingencies		
Contingent liabilities		
Leasing liabilities		
The company has signed contractual obligations concerning operational leasing contracts concerning cars. The leasing contracts have 35 months left or less to run with a total outstanding liability on k.DKK. 644.		

Accounting policies used

The annual report for Intuitive Surgical ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The annual accounts are presented in Danish kroner (DKK).

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Other external costs comprise costs for sales, administration, premises, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Accounting policies used

Net financials

Net financials comprise interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Available funds comprise cash at bank and in hand.

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.