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Intuitive Surgical ApS

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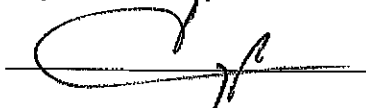
Company reg. no. 38 15 00 30

Annual report

18 October 2016 - 31 December 2017

The annual report have been submitted and approved by the general meeting on the 28 February 2018.

Per Mortensen



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 18 October 2016 to 31 December 2017.

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 as on 31 December 2017 and of the company's results of its activities in the financial year 18 October 2016 to 31 December 2017.

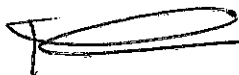
The executive board considers the requirements of omission of audit of the annual accounts for 2016/17 as met.

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.

Copenhagen, 24 January 2018

Executive board



Kara Andersen Reiter



Mark Jonathan Meltzer



Jean-Yves Marie Christian
Jacques Raimon-Dacunha-
Castelle

Auditor's report on compilation of the annual accounts

To the shareholders of Intuitive Surgical ApS

We have compiled the annual accounts of Intuitive Surgical ApS for the period 18 October 2016 to 31 December 2017 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

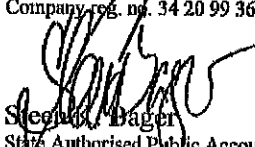
We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 24 January 2018

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


Steffen Dager
State Authorised Public Accountant
MNE-nr. 28679

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: 18 October - 31 December

Executive board

Kara Andersen Reiter
Mark Jonathan Meltzer
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 16.880,000. The results from ordinary activities after tax are DKK 1,051,000. The management consider the results satisfactory.

Profit and loss account

<u>Note</u>	17/10 2016 - 31/12 2017
Gross profit	16.880.289
1 Staff costs	-15.456.372
Operating profit	1.423.917
Other financial income	73
Other financial costs	-14.853
Results before tax	1.409.137
Tax on ordinary results	-357.805
Results for the year	1.051.332
 Proposed distribution of the results:	
Allocated to results brought forward	1.051.332
Distribution in total	1.051.332

Balance sheet

Assets	
<u>Note</u>	<u>31/12 2017</u>
Current assets	
Amounts owed by group enterprises	2.482.457
Other debtors	<u>30.034</u>
Debtors in total	<u>2.512.491</u>
Available funds	<u>3.628.317</u>
Current assets in total	<u>6.140.808</u>
Assets in total	<u>6.140.808</u>

Balance sheet

Equity and liabilities

<u>Note</u>	<u>31/12 2017</u>
Equity	
2 Contributed capital	50.000
3 Results brought forward	1.051.332
Equity in total	<u>1.101.332</u>
Liabilities	
Trade creditors	5.500
Corporate tax	57.805
Other debts	4.976.171
Short-term liabilities in total	<u>5.039.476</u>
Liabilities in total	<u>5.039.476</u>
Equity and liabilities in total	<u>6.140.808</u>

4 Contingencies

Notes

	17/10 2016 - 31/12 2017
1. Staff costs	
Salaries and wages	15.314.070
Other costs for social security	142.302
	<u>15.456.372</u>
Average number of employees	<u>8</u>
2. Contributed capital	
Contributed capital 18 October 2016	50.000
	<u>50.000</u>
3. Results brought forward	
Profit or loss for the year brought forward	1.051.332
	<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 25 months left or less to run with a total outstanding liability on k.DKK. 836.	

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.

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 carryover, 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.