



# Q3 2024 Highlights

October 23, 2024



# 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," "may," "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. These forward-looking statements include, among other things, statements regarding our expected net sales; reported, operational and organic revenue growth rates; reported and adjusted EPS for the fourth quarter and full year 2024; our financial performance; acquisitions; clinical trials; our business plans and product performance; and new and anticipated product approvals and launches. If our underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed or implied by our forward-looking statements. These factors, in some cases, have affected and in the future (together with other factors) could affect our ability to implement our business strategy and may cause actual results to differ materially from those contemplated by the statements expressed in this press release. As a result, readers are cautioned not to place undue reliance on any of our forward-looking statements.

Factors that may cause such differences can be found in our most recent Annual Report on Form 10-K and Quarterly Reports on Form 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, except as required by law.

## Non-GAAP Measures:

This document contains non-generally accepted accounting principles in the United States (GAAP) measures (denoted with \*) in talking about our Company's performance. The reconciliations of these non-GAAP measures to their most comparable GAAP measures are contained within this document including appendices attached to the end of this presentation or in our earnings release.

Operational net sales growth excludes the impact of foreign currency fluctuations. Organic net sales growth excludes the impact of foreign currency fluctuations and net sales attributable to acquisitions and divestitures for which there are less than a full period of comparable net sales.

We measure and evaluate our reportable segments based on their respective net sales, operating income, excluding intersegment profits, and operating income as a percentage of net sales, all based on internally-derived standard currency exchange rates to exclude the impact of foreign currency, which may be updated from year to year. We exclude from operating income of reportable segments certain corporate-related expenses and certain transactions or adjustments considered to be non-operational. Please refer to Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission or Part I, Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations in our Quarterly Reports on Form 10-Q that we file thereafter for an explanation of each of these adjustments and the reasons for excluding each item.

Adjusted EPS excludes the impacts of certain charges (credits) which may include amortization expense, goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), investment portfolio net losses (gains) and impairments, restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits), European Union Medical Device Regulation (EU MDR) implementation costs, debt extinguishment net charges, deferred tax expenses (benefits) and certain discrete tax items.

## Emerging Markets:

Periodically, we assess our list of Emerging Markets countries, and effective January 1, 2023, modified our list to include all countries except the United States, Western and Central Europe, Japan, Australia, New Zealand and Canada.

## Use of Document:

This document contains certain highlights with respect to our third quarter 2024 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, 2024 located in the investor section of our website at [www.bostonscientific.com](http://www.bostonscientific.com) and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2024 to be filed with the Securities and Exchange Commission.

Amounts reported in millions within this presentation are computed based on the amounts in thousands. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. Certain columns and rows within tables may not add due to the use of rounded numbers. Percentages presented are calculated from the underlying unrounded amounts.



## Financial Highlights

- **Net sales growth:**
  - +19.4% reported, +19.5% operational\*, +18.2% organic\* Y/Y
- **Earnings per share:**
  - As reported: \$0.32 vs. \$0.34 Q3:23
  - Adjusted\*: \$0.63 vs. \$0.50 Q3:23
- **Gross margin:**
  - As reported: 68.8%, relatively flat Y/Y
  - Adjusted\*: 70.4%, +20 bps Y/Y
- **Operating margin:**
  - As reported: 17.4%, (220) bps Y/Y
  - Adjusted\*: 27.2%, +110 bps Y/Y
- **Q4 2024 guidance vs. Q4 2023:**
  - As reported net sales growth: 16.5% - 18.5%
  - As reported EPS: \$0.41 - \$0.43
  - Organic\* net sales growth: 14% - 16%
  - Adjusted EPS\*: \$0.64 - \$0.66
- **FY 2024 guidance vs. FY 2023:**
  - As reported net sales growth: ~16.5%
  - As reported EPS: \$1.28 - \$1.30
  - Organic\* net sales growth: ~15.0%
  - Adjusted EPS\*: \$2.45 - \$2.47

## Operational Highlights

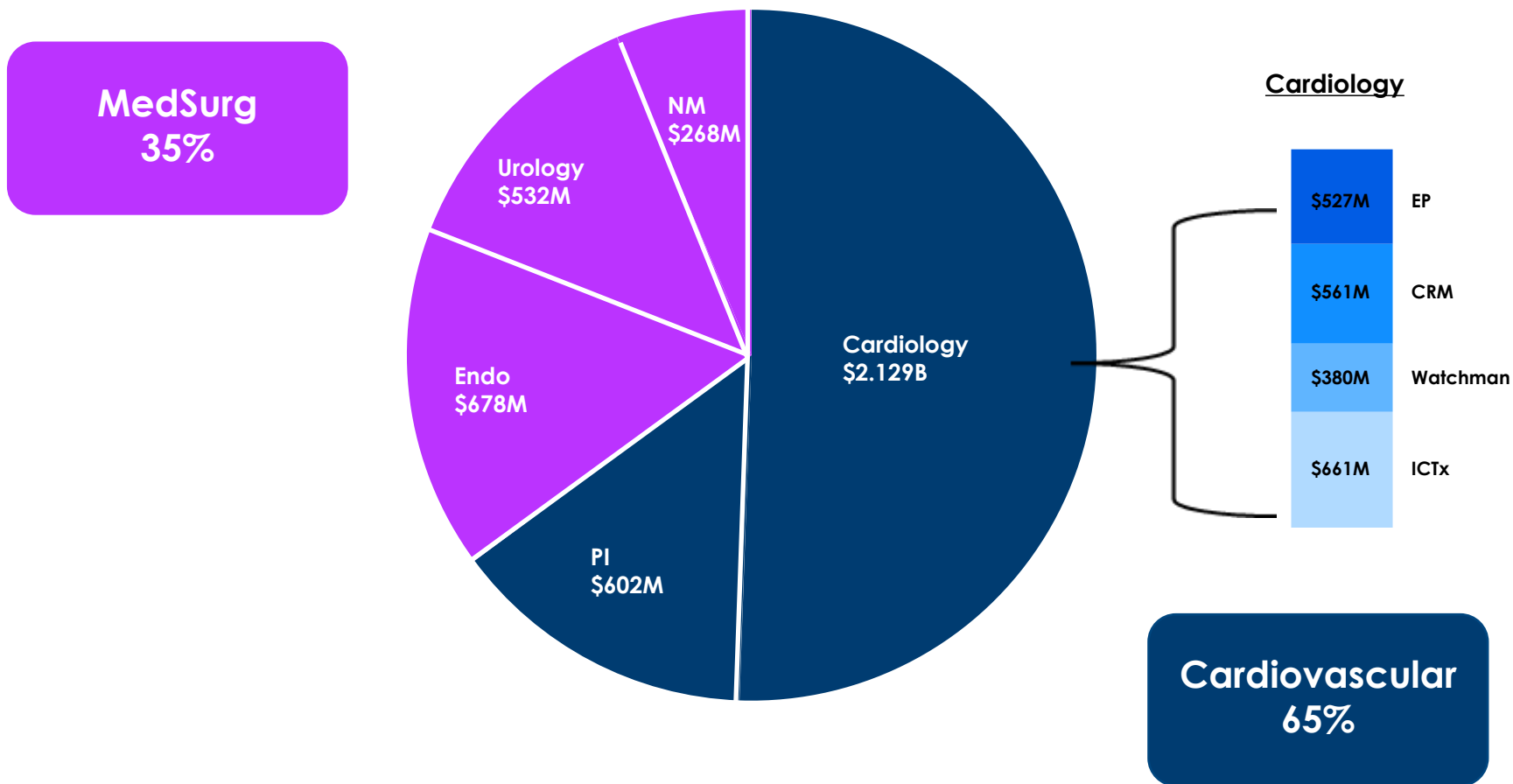
- Received U.S. Food and Drug Administration (FDA) approval for the navigation-enabled **FARAWAVE™ Nav Ablation Catheter** for the treatment of paroxysmal atrial fibrillation (AF) and FDA 510(k) clearance for the new **FARAVIEW™ Software**, which combine to provide visualization for cardiac ablation procedures with the **FARAPULSE™ Pulsed Field Ablation (PFA) System**.
- Announced Pharmaceuticals and Medical Device Agency (PMDA) approval in Japan for the **FARAPULSE PFA System**.
- Received CE Mark and initiated the European launch of the **ACURATE Prime™ Aortic Valve System**, the company's next-generation transcatheter aortic valve replacement technology designed to treat severe aortic stenosis in patients across all surgical risk levels while also expanding the treatment range to patients with a larger anatomy.
- Received FDA approval to expand the indication for current-generation **INGEVITY™+ Pacing Leads** to include conduction system pacing and sensing of the left bundle branch area of the heart when connected to a single- or dual-chamber pacemaker.
- Received CE mark for the **LUX-Dx II/II+™ Insertable Cardiac Monitor System** for long-term monitoring of arrhythmias.
- Recently published in *The Spine Journal* an analysis for basivertebral nerve ablation that demonstrated the **Intrasept™ Intraosseous Nerve Ablation System** at the five-year follow-up is a cost-effective treatment for vertebrogenic chronic lower back pain compared to standard care alone (e.g., medication, physical therapy).
- Completed the acquisition of **Silk Road Medical, Inc.**, (Nasdaq: SILK) a publicly traded medical technology company that commercialized a platform of products to prevent stroke in patients with carotid artery disease.
- Elected to the company's board of directors David Habiger, president and chief executive officer of J.D. Power.



# Reported Net Sales by Segment and Business

Q3 2024 Reported Net Sales: \$4.209B

Net Sales by Business; Segment Percentage of Total Net Sales





Measure	Q3 2024	Q3 2023	Change Y/Y
Reported Net Sales	\$1,479M	\$1,341M	+10.3%
Adjusted Operating Margin*	34.6%	34.2%	+40 bps

\* Represents operating income as a percentage of operational net sales, both based on internally-derived standard currency exchange rates to exclude the impact of foreign currency, which may be updated from year to year. This measure is reported to the chief operating decision maker (CODM) for purposes of making decisions about allocating resources to the segment and assessing its performance. Prior period adjusted operating margin has been restated at constant currency rates to conform to current year presentation.

## Q3 2024 Highlights

- **Endoscopy: Global net sales +7.8% as reported, +7.9% operational\* and +7.4% organic\***
  - Above-market growth driven by anchor products with double digit growth in AXIOS™ and Exalt D™.
  - Strong double digit growth in the Endoluminal Surgery franchise.
- **Urology: Global net sales +10.3% as reported, +10.4% operational\*/organic\***
  - Double digit growth in Stone Management and Prostate Health, including double digit growth in both Rezum™ and SpaceOAR™.
  - Continued momentum from the launches of LithoVue™ Elite and Tenacio™ Pump with the AMST™ 700 device.
- **Neuromodulation: Global net sales +17.0% as reported, +17.1% operational\* and +2.7% organic\***
  - Brain franchise grew low double digits driven by a strong close to the quarter in the U.S. supported by *de novo* implants and competitive replacements.
  - Pain franchise grew double digits operationally\* and low single digits on an organic\* basis.

Measure	Q3 2024	Q3 2023	Change Y/Y
Reported Net Sales	\$2,731M	\$2,185M	+25.0%
Adjusted Operating Margin*	31.1%	26.7%	+440 bps

\* Represents operating income as a percentage of operational net sales, both based on internally-derived standard currency exchange rates to exclude the impact of foreign currency, which may be updated from year to year. This measure is reported to the chief operating decision maker (CODM) for purposes of making decisions about allocating resources to the segment and assessing its performance. Prior period adjusted operating margin has been restated at constant currency rates to conform to current year presentation.

## Q3 2024 Highlights

- **Cardiology: Global net sales +29.2% as reported, +29.3% operational\*/organic\***
  - **Interventional Cardiology Therapies: Global net sales 13.4% as reported, +13.8% operational\*/organic\***
    - Mid teens Coronary Therapies franchise growth driven by strong U.S. AGENT™ performance and continued global adoption of the AVVIGO™+ platform and the Calcium business.
    - Structural Heart Valves franchise grew double digits, led by ACURATE Neo2™ in Europe.
  - **WATCHMAN: Global net sales +17.8% as reported, +17.8% operational\*/organic\***
    - Continued conversion to WATCHMAN FLX™ Pro in the U.S. and Japan.
  - **Cardiac Rhythm Management: Global net sales +1.8% as reported, +1.7% operational\*/organic\***
    - In Core CRM, the high-voltage franchise grew low single digits and the low-voltage franchise declined low single digits.
    - Diagnostics franchise grew high single digits, driven by LUX-Dx II™/II+™ implantable cardiac monitors.
  - **Electrophysiology: Global net sales +177.0% as reported, +176.7% operational\*/organic\***
    - Performance driven by continued commercial execution, pull-through in the Access Solutions franchise and increased procedural volumes.
    - Treated over 125,000 patients with the FARAPULSE™ device.
- **Peripheral Interventions: Global net sales +11.8% as reported, +12.0% operational\* and +10.3% organic\***
  - Arterial franchise grew mid single digits with continued double digit growth in the Drug-Eluting portfolio, and the Venous franchise grew low double digits.
  - Interventional Oncology and Embolization franchise grew double digits, driven by continued momentum from recent launches in embolization and sustained double digit growth in TheraSphere™.



# Living our values: ESG update



## Advancing care by ensuring product quality



Boston Scientific is committed to quality patient care. Every year, employees renew their commitment to quality by signing the quality wall at our annual event, Everyone Makes an Impact.

To learn more, visit our [Newsroom](#).



## Empowering people by offering ERGs



Lia moved from Miami to Minnesota and found an employee resource group (ERG), giving her a sense of community. ERGs offer employees important opportunities to meet, learn and grow outside their day-to-day jobs.

To learn more, visit our [Newsroom](#).



## Shaping a healthier planet through gold standards



Boston Scientific's Penang Global Distribution Center earned Leadership in Energy and Environmental Design (LEED) Gold Certification by the U.S. Green Building Council, demonstrating sustainability best practices.

To see the LinkedIn posts from Penang leaders, click [here](#) and [here](#)

## RECENT AWARDS

**2024 Top Women Employer,  
DiversityComm Magazine**

**Top 100 Companies,  
2024 Gender Equality Report**



# Q3 2024 Net Sales vs. Q3 2023

<i>(in millions)</i>	Q3:24 Reported Net Sales	Organic* Growth
		vs Q3:23
Endoscopy	\$678	7%
Urology	\$532	10%
Neuromodulation	\$268	3%
<b>MedSurg</b>	<b>\$1,479</b>	<b>8%</b>
<i>Interventional Cardiology Therapies</i>	\$661	14%
<i>Watchman</i>	\$380	18%
<i>Cardiac Rhythm Management</i>	\$561	2%
<i>Electrophysiology</i>	\$527	177%
Cardiology	\$2,129	29%
Peripheral Interventions	\$602	10%
<b>Cardiovascular</b>	<b>\$2,731</b>	<b>25%</b>
<b>Total Company</b>	<b>\$4,209</b>	<b>18%</b>
<b>Guidance Range</b> <i>Disclosed July 24, 2024</i>		<b>13 to 15 percent</b>

Q3 2024 organic\* growth vs. Q3 2023 excludes:

- Relieva Medsystems, Inc. (Relieva), acquired November 17, 2023
- Endoluminal vacuum therapy portfolio from B. Braun Medical Inc. (Braun), acquired March 1, 2024
- Silk Road Medical, Inc. (Silk Road Medical), acquired September 17, 2024





# Income Statement Information

## Non-GAAP Reconciliation

Three Months Ended September 30, 2024 (unaudited)

Boston  
Scientific

<i>in millions, except per share data</i>	GAAP Results	Amortization Expense	Acquisition/Divestiture-Related Net Charges (Credits)	Restructuring and Restructuring-Related Net Charges (Credits)	Investment Portfolio Net Losses (Gains)	EU MDR Implementation Costs	Deferred Tax Expenses (Benefits)	Adjusted* Results
<b>Net sales</b>	\$ 4,209	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,209
Cost of products sold	1,312	—	27	28	—	9	—	1,248
<b>Gross profit</b>	<b>2,897</b>	—	(27)	(28)	—	(9)	—	<b>2,962</b>
<i>Gross margin</i>	68.8 %							70.4 %
Selling, general and administrative expenses	1,562	—	119	16	—	0	—	1,428
<i>SG&amp;A as a percentage of sales</i>	37.1 %							33.9 %
Research and development expenses	407	—	21	0	—	4	—	382
<i>R&amp;D as a percentage of sales</i>	9.7 %							9.1 %
Royalty expense	5	—	—	—	—	—	—	5
<i>Royalty expense as a percentage of sales</i>	0.1 %							0.1 %
Amortization expense	205	205	—	—	—	—	—	—
Intangible asset impairment charges	—	—	—	—	—	—	—	—
Contingent consideration net expense (benefit)	(23)	—	(23)	—	—	—	—	—
Restructuring net charges (credits)	8	—	—	8	—	—	—	—
	2,164	205	116	24	—	4	—	1,815
<b>Operating income (loss)</b>	<b>733</b>	<b>(205)</b>	<b>(143)</b>	<b>(52)</b>	—	<b>(13)</b>	—	<b>1,147</b>
<i>Operating margin</i>	17.4 %							27.2 %
Other income (expense):								
Interest expense	(79)	—	—	—	—	—	—	(79)
Other, net	14	—	(0)	—	1	—	—	14
<b>Income (loss) before income taxes</b>	<b>669</b>	<b>(205)</b>	<b>(144)</b>	<b>(52)</b>	<b>1</b>	<b>(13)</b>	—	<b>1,082</b>
Income tax expense (benefit)	200	(28)	56	(7)	(0)	(2)	38	143
<b>Net income (loss)</b>	<b>468</b>	<b>(177)</b>	<b>(200)</b>	<b>(45)</b>	<b>1</b>	<b>(12)</b>	<b>(38)</b>	<b>939</b>
Net income (loss) attributable to noncontrolling interests	(0)	(2)	—	—	—	—	—	2
<b>Net income (loss) attributable to Boston Scientific common stockholders</b>	<b>\$ 469</b>	<b>\$ (175)</b>	<b>\$ (200)</b>	<b>\$ (45)</b>	<b>\$ 1</b>	<b>\$ (12)</b>	<b>\$ (38)</b>	<b>\$ 937</b>
<b>Net income (loss) per diluted common share</b>	<b>\$ 0.32</b>	<b>\$ (0.12)</b>	<b>\$ (0.13)</b>	<b>\$ (0.03)</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>	<b>\$ 0.63</b>
Weighted average diluted shares outstanding	1,487.4	1,487.4	1,487.4	1,487.4	1,487.4	1,487.4	1,487.4	1,487.4



# Working Capital & Cash Flow Metrics

## Days Sales Outstanding (DSO)

Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
55	53	54	55	55

## Free Cash Flow\*

Q3 2024	Q3 2023
\$822M	\$582M

## Days Inventory on Hand (DIOH)

Sep 2024	Jun 2024	Mar 2024	Dec 2023	Sep 2023
193	187	193	199	201

## Capital Expenditures

Q3 2024	Q3 2023
\$180M	\$190M



# Use of Non-GAAP Measures

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

A reconciliation of these measures to the corresponding GAAP measures follows in the Appendices. 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 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 information is not meant to be considered in isolation from or as a substitute for financial information prepared in accordance with GAAP.



# Appendix A

## Net Sales Detail



# Appendix A - Net Sales Detail - MedSurg

## Three Months Ended September 30, 2024 and 2023

(in millions)	Q3 2024	Q3 2023	Year-over-Year Change		
			Reported Basis	Impact of Foreign Currency Fluctuations	Operational Basis
<b>MEDSURG SEGMENT:</b>					
<b>ENDOSCOPY</b>					
UNITED STATES	\$ 417	\$ 382	9.1 %	— %	9.1 %
INTERNATIONAL	261	247	5.8 %	0.2 %	6.0 %
<b>WORLDWIDE</b>	<b>\$ 678</b>	<b>\$ 629</b>	<b>7.8 %</b>	<b>0.1 %</b>	<b>7.9 %</b>
<b>UROLOGY</b>					
UNITED STATES	\$ 379	\$ 341	11.1 %	— %	11.1 %
INTERNATIONAL	153	142	8.4 %	0.5 %	8.9 %
<b>WORLDWIDE</b>	<b>\$ 532</b>	<b>\$ 483</b>	<b>10.3 %</b>	<b>0.1 %</b>	<b>10.4 %</b>
<b>NEUROMODULATION</b>					
UNITED STATES	\$ 211	\$ 175	20.9 %	— %	20.9 %
INTERNATIONAL	57	55	4.6 %	0.6 %	5.1 %
<b>WORLDWIDE</b>	<b>\$ 268</b>	<b>\$ 229</b>	<b>17.0 %</b>	<b>0.1 %</b>	<b>17.1 %</b>



# Appendix A - Net Sales Detail - Cardiovascular

## Three Months Ended September 30, 2024 and 2023

(in millions)	Q3 2024	Q3 2023	Year-over-Year Change		
			Reported Basis	Impact of Foreign Currency Fluctuations	Operational Basis
<b>CARDIOVASCULAR SEGMENT:</b>					
<b>ICTx</b>					
UNITED STATES	\$ 212	\$ 182	16.2 %	— %	16.2 %
INTERNATIONAL	449	401	12.1 %	0.7 %	12.7 %
<b>WORLDWIDE</b>	<b>\$ 661</b>	<b>\$ 583</b>	<b>13.4 %</b>	<b>0.5 %</b>	<b>13.8 %</b>
<b>Watchman</b>					
UNITED STATES	\$ 342	\$ 291	17.5 %	— %	17.5 %
INTERNATIONAL	38	31	20.9 %	(0.4) %	20.5 %
<b>WORLDWIDE</b>	<b>\$ 380</b>	<b>\$ 323</b>	<b>17.8 %</b>	<b>(0.0) %</b>	<b>17.8 %</b>
<b>CRM</b>					
UNITED STATES	\$ 349	\$ 355	(1.7) %	— %	(1.7) %
INTERNATIONAL	213	197	8.1 %	(0.2) %	7.9 %
<b>WORLDWIDE</b>	<b>\$ 561</b>	<b>\$ 552</b>	<b>1.8 %</b>	<b>(0.1) %</b>	<b>1.7 %</b>
<b>Electrophysiology</b>					
UNITED STATES	\$ 366	\$ 89	312.2 %	— %	312.2 %
INTERNATIONAL	160	101	58.3 %	(0.5) %	57.8 %
<b>WORLDWIDE</b>	<b>\$ 527</b>	<b>\$ 190</b>	<b>177.0 %</b>	<b>(0.3) %</b>	<b>176.7 %</b>
<b>CARDIOLOGY</b>					
UNITED STATES	\$ 1,269	\$ 918	38.3 %	— %	38.3 %
INTERNATIONAL	859	730	17.8 %	0.2 %	18.0 %
<b>WORLDWIDE</b>	<b>\$ 2,129</b>	<b>\$ 1,647</b>	<b>29.2 %</b>	<b>0.1 %</b>	<b>29.3 %</b>
<b>PERIPHERAL INTERVENTIONS</b>					
UNITED STATES	\$ 316	\$ 283	11.6 %	— %	11.6 %
INTERNATIONAL	285	255	12.1 %	0.3 %	12.4 %
<b>WORLDWIDE</b>	<b>\$ 602</b>	<b>\$ 538</b>	<b>11.8 %</b>	<b>0.1 %</b>	<b>12.0 %</b>



# Appendix B

## Additional Information - Statement of Operations



# Appendix B - Statement of Operations Profitability Margins

Adjusted Gross Margin	Three Months Ended		
	9/30/2024	9/30/2023	Basis Points Change
Gross Margin, as reported	68.8 %	68.8 %	—
Non-GAAP adjustments	1.6 %	1.4 %	
<b>Gross Margin, adjusted</b>	<b>70.4 %</b>	<b>70.2 %</b>	<b>20</b>

Adjusted Operating Margin	Three Months Ended		
	9/30/2024	9/30/2023	Basis Points Change
Operating Margin, as reported	17.4 %	19.6 %	(220)
Non-GAAP adjustments	9.8 %	6.5 %	
<b>Operating Margin, adjusted</b>	<b>27.2 %</b>	<b>26.1 %</b>	<b>110</b>

Estimated Adjusted Operating Margin	FY 2024
Operating Margin, as reported	~17%
Non-GAAP adjustments	~10%
<b>Operating Margin, adjusted</b>	<b>~27%</b>





# Appendix C

## Additional Non-GAAP Reconciliations



# Appendix C - Additional Non-GAAP Reconciliations

<i>(in millions)</i>	Q3 2024	Q3 2023	As Reported Basis	Impact of Foreign Currency Fluctuations	Operational Basis	Impact of Recent Acquisitions/ Divestitures	Organic Basis
ENDOSCOPY	\$ 678	\$ 629	7.8 %	0.1 %	7.9 %	(0.5)%	7.4 %
UROLOGY	532	483	10.3 %	0.1 %	10.4 %	— %	10.4 %
NEUROMODULATION	268	229	17.0 %	0.1 %	17.1 %	(14.4)%	2.7 %
<b>MEDSURG</b>	<b>1,479</b>	<b>1,341</b>	<b>10.3 %</b>	<b>0.1 %</b>	<b>10.4 %</b>	<b>(2.7)%</b>	<b>7.7 %</b>
ICTx	661	583	13.4 %	0.5 %	13.8 %	— %	13.8 %
WATCHMAN	380	323	17.8 %	(0.0)%	17.8 %	— %	17.8 %
CARDIAC RHYTHM MANAGEMENT	561	552	1.8 %	(0.1)%	1.7 %	— %	1.7 %
ELECTROPHYSIOLOGY	527	190	177.0 %	(0.3)%	176.7 %	— %	176.7 %
CARDIOLOGY	2,129	1,647	29.2 %	0.1 %	29.3 %	— %	29.3 %
PERIPHERAL INTERVENTIONS	602	538	11.8 %	0.1 %	12.0 %	(1.7)%	10.3 %
<b>CARDIOVASCULAR</b>	<b>2,731</b>	<b>2,185</b>	<b>25.0 %</b>	<b>0.1 %</b>	<b>25.1 %</b>	<b>(0.4)%</b>	<b>24.6 %</b>
<b>NET SALES</b>	<b>\$ 4,209</b>	<b>\$ 3,527</b>	<b>19.4 %</b>	<b>0.1 %</b>	<b>19.5 %</b>	<b>(1.3)%</b>	<b>18.2 %</b>

**Acquisitions/Divestitures include:**

- Endoscopy - Endoluminal vacuum therapy portfolio from Braun, acquired March 1, 2024
- Neuromodulation - Relieva, acquired November 17, 2023
- Peripheral Interventions - Silk Road Medical, acquired September 17, 2024



# Appendix C - Additional Non-GAAP Reconciliations

Free Cash Flow (in millions)	Three Months Ended 9/30/2024	
<b>Cash provided by (used for) operating activities</b>	\$	1,002
Purchases of property, plant and equipment and internal use software		(180)
<b>Free Cash Flow</b>	<b>\$</b>	<b>822</b>

Q3 2024 free cash flow includes \$208 million of payments related to acquisitions, restructuring, litigation and other special items.

Estimated Free Cash Flow (in billions)	FY 2024	
<b>Cash provided by (used for) operating activities</b>	\$	~3.0
Purchases of property, plant and equipment and internal use software		(0.8)
<b>Free Cash Flow</b>	<b>\$</b>	<b>~2.2</b>

Estimated FY 2024 free cash flow includes approximately \$900 million of expected payments related to acquisitions, restructuring, litigation and other special items.

Adjusted Operating Margin - by Segment	Three Months Ended 9/30/2024	
	MedSurg	Cardiovascular
<b>Operating Margin, as reported</b>	34.6 %	31.1 %
Non-GAAP adjustments	0.0 %	0.0 %
<b>Operating Margin, adjusted</b>	<b>34.6 %</b>	<b>31.1 %</b>

Adjusted Operating Margin - by Segment	Three Months Ended 9/30/2023	
	MedSurg	Cardiovascular
<b>Operating Margin, as reported</b>	33.9 %	26.8 %
Non-GAAP adjustments	0.3 %	(0.1) %
<b>Operating Margin, adjusted</b>	<b>34.2 %</b>	<b>26.7 %</b>



# Appendix C - Additional Non-GAAP Reconciliations

Reconciliation of Debt to Adjusted EBITDA (in millions)	Q4 2023	Q1 2024	Q2 2024	Q3 2024	12 Months Ended
					9/30/2024
<b>Net income (loss)</b>	\$ 504	\$ 493	\$ 322	\$ 468	\$ 1,787
Income tax (benefit) expense	1	115	98	200	415
Interest expense	65	69	77	79	289
Interest income	(9)	(13)	(30)	(41)	(94)
Depreciation expense	104	90	98	102	394
Amortization expense	208	214	213	205	840
<b>EBITDA</b>	<b>873</b>	<b>967</b>	<b>778</b>	<b>1,013</b>	<b>3,631</b>
<b>Non-GAAP Adjustments</b>					
Restructuring and restructuring-related net charges (credits)	52	46	50	52	200
Goodwill and other intangible asset impairment charges	—	—	276	—	276
Investment portfolio net losses (gains)	(0)	(14)	31	(1)	17
Acquisition/divestiture - related net charges (credits)	129	64	49	144	385
Litigation-related net charges (credits)	—	—	—	—	—
EU MDR implementation costs	16	14	12	13	55
<b>Adjusted EBITDA</b>	<b>\$ 1,070</b>	<b>\$ 1,078</b>	<b>\$ 1,196</b>	<b>\$ 1,221</b>	<b>\$ 4,565</b>
<b>Debt</b>					<b>\$ 10,885</b>
<b>Debt to Adjusted EBITDA</b>					<b>2.4x</b>



# Appendix C - Additional Non-GAAP Reconciliations

Adjusted Below-the-Line Expenses <i>(in millions)</i>	Three Months Ended 9/30/2024
<b>Below-the-line expenses, as reported</b>	\$ (65)
Non-GAAP adjustments	0
<b>Below-the-line expenses, adjusted</b>	<u><u>\$ (65)</u></u>

Estimated Adjusted Below-the-Line Expenses <i>(in millions)</i>	FY 2024
<b>Below-the-line expenses, as reported</b>	\$ ~310
Non-GAAP adjustments	~(10)
<b>Below-the-line expenses, adjusted</b>	<u><u>\$ ~300</u></u>

Estimated Adjusted Tax Rate	FY 2025 <sup>(1)</sup>	FY 2024
<b>Tax Rate, as reported</b>		21.8 %
Non-GAAP adjustments		(9.3)%
<b>Tax Rate, adjusted</b>	~ 13%	12.5 %
Discrete tax items	~ 1%	1.0 %
<b>Tax Rate, operational</b>	~ 14%	<u><u>13.5 %</u></u>

Adjusted Tax Rate	Three Months Ended 9/30/2024
<b>Tax Rate, as reported</b>	30.0 %
Non-GAAP adjustments	(16.8)%
<b>Tax Rate, adjusted</b>	13.2 %
Discrete tax items	0.3 %
<b>Tax Rate, operational</b>	<u><u>13.5 %</u></u>

<sup>(1)</sup>Components of the reconciliation of estimated adjusted tax rates are not currently available without unreasonable efforts on a forward-looking basis because certain significant information necessary for such reconciliations is unavailable, dependent on future events outside of our control and cannot be predicted without reasonable efforts.



# Appendix C - Additional Non-GAAP Reconciliations

Net Sales Guidance	Q4 2024 Estimate		FY 2024 Estimate
	(Low)	(High)	
<b>Reported growth</b>	<b>16.5 %</b>	<b>18.5 %</b>	<b>16.5 %</b>
Impact of foreign currency fluctuations	(0.5)%	(0.5)%	~0.5%
<b>Operational growth</b>	<b>16.0 %</b>	<b>18.0 %</b>	<b>17.0 %</b>
Impact of acquisitions/divestitures	(2.0)%	(2.0)%	~(2.0)%
<b>Organic growth</b>	<b>14.0 %</b>	<b>16.0 %</b>	<b>15.0 %</b>

Earnings per Share Guidance	Q4 2024 Estimate		FY 2024 Estimate	
	(Low)	(High)	(Low)	(High)
<b>GAAP results</b>	\$ <b>0.41</b>	\$ <b>0.43</b>	\$ <b>1.28</b>	\$ <b>1.30</b>
Amortization expense	0.12	0.12	0.48	0.48
Intangible asset impairment charges	—	—	0.16	0.16
Acquisition/divestiture-related net charges (credits)	0.03	0.03	0.24	0.24
Restructuring and restructuring-related net charges (credits)	0.04	0.04	0.13	0.13
Other adjustments	0.04	0.04	0.15	0.15
<b>Adjusted results</b>	<b>\$ 0.64</b>	<b>\$ 0.66</b>	<b>\$ 2.45</b>	<b>\$ 2.47</b>



# BSX: Acronym Reference Guide

AF	Atrial Fibrillation
CODM	Chief Operating Decision Maker
CRM	Cardiac Rhythm Management
DIOH	Days Inventory on Hand
DRG	Diagnosis-Related Group Reimbursement
DSO	Days Sales Outstanding
EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
EMEA	Europe, the Middle East and Africa
Endo	Endoscopy
EP	Electrophysiology
EPS	Earnings per Share
ERG	Employee Resource Group
ESG	Endoscopic Sleeve Gastropasty
FDA	Food and Drug Administration
FY	Full Year
GAAP	Generally Accepted Accounting Principles
ICTx	Interventional Cardiology Therapies
LEED	Leadership in Energy and Environmental Design
NM	Neuromodulation
PCI	Percutaneous Coronary Intervention
PFA	Pulsed Field Ablation
PMDA	Pharmaceuticals and Medical Device Agency
PI	Peripheral Interventions
R&D	Research and Development
SCS	Spinal Cord Stimulation
TCT	Transcatheter Cardiovascular Therapeutics
TAVR	Transcatheter Aortic Valve Replacement
TACR	Transcarotid Artery Revascularization
VBP	Volume-based Procurement