



# Q4 2022 Highlights

February 1, 2023



# 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 first quarter and full year 2023; our financial performance; 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 presentation. 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.

## **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 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 excluding the impact of foreign currency. 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 filed on Form 10-K filed with the Securities and Exchange Commission or any Quarterly Report 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 intangible asset impairment charges, acquisition/divestiture-related net charges (credits), investment portfolio gains and losses, restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits), EU MDR implementation costs, debt extinguishment charges, deferred tax expenses (benefits) and discrete tax items.

## **Emerging Markets:**

We define Emerging Markets as the 20 countries that we believe have strong growth potential based on their economic conditions, healthcare sectors and our global capabilities.

## **Other sales:**

Presented throughout this document is a sales category titled *Other* (denoted with †). In 2022, this reflects sales reserves established for Italian government payback provisions, not allocated to our reportable segments. In 2021 and 2020, this includes net sales associated with Specialty Pharmaceuticals prior to the sale of the business on March 1, 2021. Specialty Pharmaceuticals net sales were substantially U.S. based and presented as a stand-alone operating segment alongside our medical device reportable segments.

## **Use of document:**

This document contains certain highlights with respect to our fourth quarter 2022 performance and developments and does not purport to be a complete summary of thereof. Accordingly, we encourage you to read our Earnings Release for the quarter ended December 31, 2022 located in the investor section of our website at [www.bostonscientific.com](http://www.bostonscientific.com) and our Annual Report on Form 10-K for the year ended December 31, 2022 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 numbers in dollars.



# Q4 2022 Highlights

## Financial Results

- **Net sales growth<sup>†</sup>:**
  - +3.7% reported, +8.7% operational\*, +7.1% organic\* Y/Y
- **Earnings per share<sup>†</sup>:**
  - As reported: \$0.09 vs. \$0.06 Q4:21
  - Adjusted\*: \$0.45 vs. \$0.45 Q4:21
- **Gross margin<sup>†</sup>:**
  - As reported: 68.8%, (10) bps Y/Y
  - Adjusted\*: 70.5%, (40) bps Y/Y
- **Operating margin<sup>†</sup>:**
  - As reported: 12.4%, +660 bps Y/Y
  - Adjusted\*: 25.7%, (50) bps Y/Y
- **Q1 2023 guidance vs. Q1 2022:**
  - As reported net sales growth: 3% - 5%
  - As reported EPS: \$0.23 - \$0.26
  - Organic\* net sales growth: 6% - 8%
  - Adjusted EPS\*: \$0.42 - \$0.44
- **FY 2023 guidance vs. FY 2022:**
  - As reported net sales growth: 5% - 7%
  - As reported EPS: \$1.11 - \$1.21
  - Organic\* net sales growth: 6% - 8%
  - Adjusted EPS\*: \$1.86 - \$1.93

<sup>†</sup>Included within Q4 results is a (\$60M) unplanned reserve established in connection with the activation of the Italian government payback provision, aimed at rationalizing public spending and requiring medical device companies to pay back a portion of spend exceeding allocated healthcare budgets

## Operational Highlights

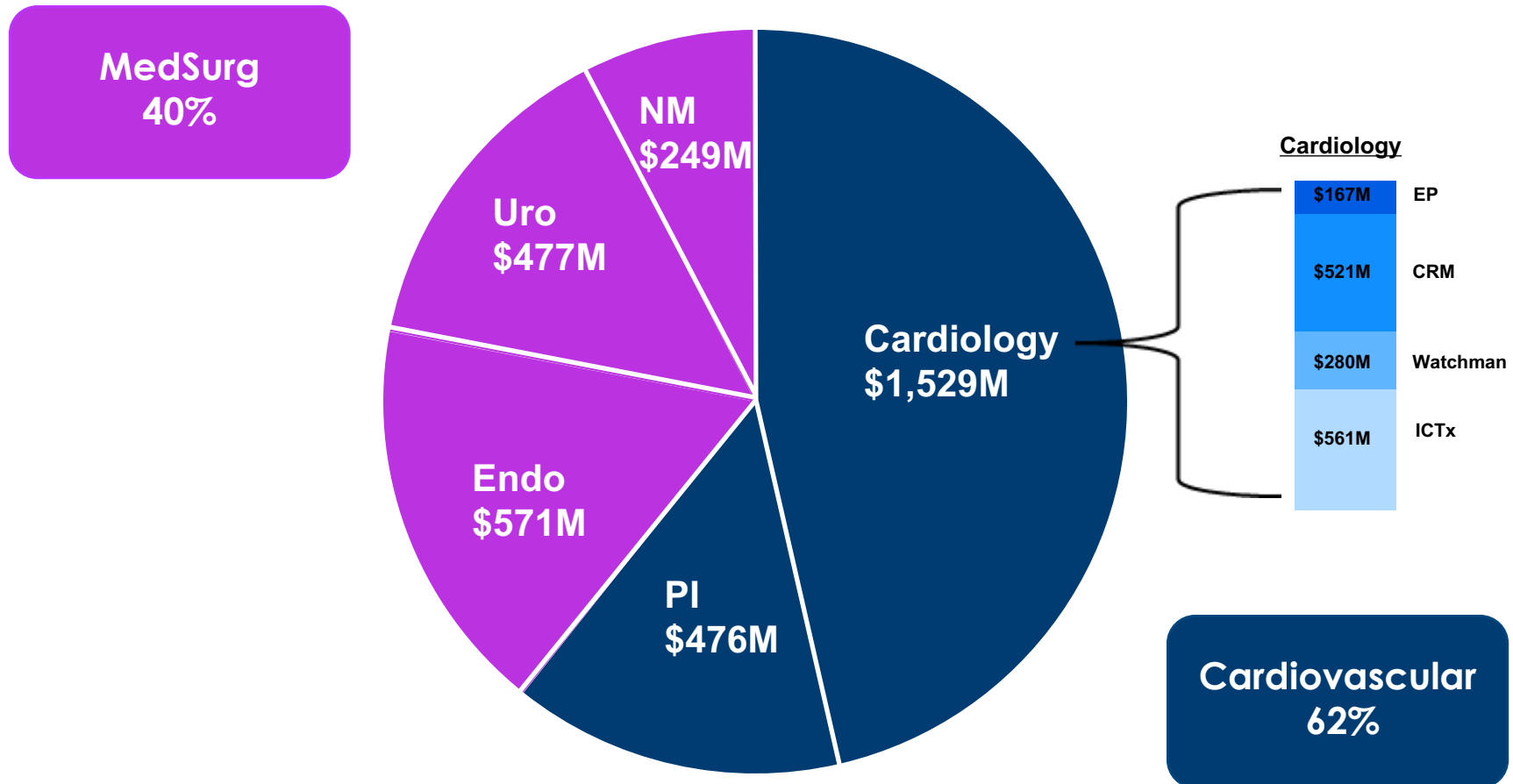
- Received approval from the Japanese Pharmaceuticals and Medical Devices Agency (PMDA) for the **AGENT™ Drug Coated Balloon (DCB)** in Japan to treat patients with in-stent restenosis (ISR) and coronary small vessel disease (SVD), with launch anticipated in the first half of this year.
- Completed enrollment in the CHAMPION-AF clinical trial, evaluating the safety and efficacy of the **WATCHMAN FLX™ Left Atrial Appendage Closure Device** compared to non-vitamin K antagonist oral anticoagulants for stroke prevention in a broad population of patients with non-valvular atrial fibrillation.
- Completed enrollment in this SOLIS clinical trial to assess **WaveWriter Spinal Cord Stimulator Systems (SCS)** for the treatment of patients with chronic low back and/or leg pain who have not undergone spinal surgery. The study met its primary endpoint; SCS demonstrated superior outcomes compared with Conventional Medical Management (CMM) at three-month follow-up.
- Began enrollment in the ACURATE Prime XL Nested Registry, which is designed to assess outcomes from patients receiving the larger **ACURATE Prime™ Aortic Valve XL** within the ACURATE IDE clinical study in the U.S. Also announced, at PCR London Valves, late-breaking data from the European ACURATE neo2 Post Market Clinical Follow-up study supporting the clinical procedural success and safety of the **ACURATE neo2™ Aortic Valve System**.
- Presented positive late-breaking data from the **ELEGANCE registry** at the 2022 VIVA conference, which highlighted that the study is currently exceeding its goal to increase the representation of women and underrepresented minorities in clinical trials for drug-eluting peripheral therapies.
- Announced agreement to acquire **Apollo Endosurgery, Inc.** (Nasdaq: APEN), subject to customary closing conditions, to expand the Boston Scientific endoluminal surgery portfolio and enable a measured entry into the endobariatric market.
- Announced strategic investment to acquire majority stake in **Acotec Scientific Holdings Limited**, a Chinese medical technology company that offers solutions designed for a variety of interventional procedures, expected to close in 1H:2023, subject to customary closing conditions.



# WW Net Sales by Segment and Business

Q4 2022 Reported Net Sales: \$3,242M<sup>†</sup>

Revenue by Business; Segment Percentage of Total Net Sales





# MedSurg Performance Summary

Measure (\$ in millions)	Q4 2022	Q4 2021	Change Y/Y
Reported Net Sales	\$1,297M	\$1,243M	+4.4%
Operating Income* %	33.7%	32.6%	+100 bps

\* Represents operating income as a percentage of operational net sales, both excluding the impact of foreign currency, which is a non-GAAP measure.

## Q4 + FY 2022 Highlights

- **Endoscopy: Q4:22 Global net sales +2.4% as reported, +7.4% operational\*/organic\*; FY:22 Global net sales +3.7% as reported, +8.1% operational\*/organic\***
  - Strong global success supported by innovative products, AXIOS™ and Single-Use-Imaging, both growing over 20% in 2022.
  - Announced agreement to acquire Apollo Endosurgery, which adds a complementary and innovative endoluminal surgery portfolio; we expect to close this transaction as well as our majority stake investment in MI Tech in 1H:23.
- **Urology: Q4:22 Global net sales +8.2% as reported, +11.8% operational\*/organic\*; FY:22 Global net sales +12.0% as reported, +14.9% operational\*, +9.7% organic\***
  - Double digit growth across all franchises in Q4 fueled by new and ongoing product launches and continued global expansion.
  - Full year performance driven by global strength of key products such as LithoVue™, Rezūm™, and SpaceOAR™ as well as the acquisition of Lumenis and the Moses Laser technology.
- **Neuromodulation: Q4:22 Global net sales +2.1% as reported, +4.9% operational\*/organic\*; FY:22 Global net sales +0.9% as reported, +3.5% operational\*/organic\***
  - Q4 global SCS growth of 4%, with differentiated offerings, including Wavewriter Alpha™, FAST, and our Cognita practice optimization suite of tools.
  - The Brain franchise grew double digits in Q4 and low-double digits in FY:22, with continued momentum from 2022 new product launches and the recent launch of the Vercise™ 2 in 1 lead extension.



# Cardiovascular Performance Summary

Measure (\$ in millions)	Q4 2022	Q4 2021	Change Y/Y
Reported Net Sales	\$2,005M	\$1,884M	+6.4%
Operating Income* %	25.9%	22.2%	+400 bps

\* Represents operating income as a percentage of operational net sales, both excluding the impact of foreign currency, which is a non-GAAP measure.

## Q4 + FY 2022 Highlights

- **Cardiology: Q4:22 Global net sales +7.5% as reported, +13.2% operational\*, +9.6% organic\*<sup>†</sup>; FY:22 Global net sales +9.4% as reported, +14.5% operational\*, +10.4% organic\*<sup>†</sup>**
  - Interventional Cardiology: Q4:22 Global net sales -2.4% as reported, +5.2% operational\*/organic\*; FY:22 Global net sales +0.9% as reported, +7.5% operational\*/organic\*
    - Coronary Therapies franchise grew 7%, with strong performance in international regions and Imaging franchise.
    - The Structural Heart Valves franchise grew double digits in Q4 and FY:22, outpacing the market in Europe with ACURATE Neo2™.
  - Watchman: Q4:22 Global net sales +20.5% as reported, +21.9% operational\*/organic\*; FY:22 Global net sales +22.9% as reported, +24.0% operational\*/organic\*
    - Q4 finished with record sales and strong utilization in the U.S., supported by DAPT label expansion.
  - Cardiac Rhythm Management: Q4:22 Global net sales +1.3% as reported, +5.8% operational\*/organic\*; FY:22 Global net sales +4.0% as reported, +8.3% operational\*, +6.7% organic\*
    - Double digit, full year growth versus 2021 in the Diagnostics franchise driven by differentiated and broad portfolio.
    - In Core CRM, our high-voltage franchise grew low-single digits, and low-voltage franchise grew mid-single digits on a full year basis.
  - Electrophysiology: Q4:22 Global net sales +66.7% as reported, +76.4% operational\*, +25.1% organic\*<sup>†</sup>; FY:22 +60.2% as reported, +68.9% operational\*, +17.8% organic\*<sup>†</sup>
    - OUS EP business continues to outpace the market, growing 40% organically in Q4 versus 2021, supported by strength in POLARx™ and Farapulse™.
    - The Baylis acquisition continues to perform well, with the innovative VersaCross Transseptal Access Platform growing 2 times faster than the market in 2022.
- **Peripheral Interventions: Q4:22 Global net sales +3.0% as reported, +8.8% operational\*/organic\*<sup>†</sup>; FY:22 Global net sales +4.4% as reported, +9.1% operational\*/organic\*<sup>†</sup>**
  - Our Drug-Eluting portfolio grew strong double digits in 2022 and achieved the #1 position within the Superficial femoral artery (SFA) in the U.S.
  - Interventional Oncology franchise grew low-double digits; led by our portfolio of innovative cancer therapies and our suite of embolization tools.
  - Varithena™ grew over 20% in 2022, gaining share with its innovative approach to treating venous insufficiency.



# Q4 & FY 2022 Net Sales vs. 2021

(\$ in millions)	Q4:22 Reported Net Sales	FY:22 Reported Net Sales	Organic* Growth	
			vs Q4:21	vs FY:21
Endoscopy	\$571	\$2,221	7%	8%
Urology	\$477	\$1,773	12%	10%
Neuromodulation	\$249	\$917	5%	3%
<b>MedSurg</b>	<b>\$1,297</b>	<b>\$4,911</b>	<b>8%</b>	<b>8%</b>
Interventional Cardiology Therapies	\$561	\$2,228	5%	8%
Watchman	\$280	\$1,019	22%	24%
Cardiac Rhythm Management	\$521	\$2,100	6%	7%
Electrophysiology	\$167	\$585	25%	18%
Cardiology	\$1,529	\$5,932	10%	10%
Peripheral Interventions	\$476	\$1,899	9%	9%
<b>Cardiovascular</b>	<b>\$2,005</b>	<b>\$7,831</b>	<b>9%</b>	<b>10%</b>
	<b>\$3,302</b>	<b>\$12,742</b>	<b>9%</b>	<b>9%</b>
Other <sup>†</sup>	\$(60)	\$(60)	(100)%	(+100)%
<b>Total Company</b>	<b>\$3,242</b>	<b>\$12,682</b>	<b>7%</b>	<b>9%</b>
<b>Guidance Range</b> Disclosed October 26, 2022			<b>7 to 9 percent</b>	<b>~9 percent</b>

Q4 2022 organic\* growth vs. 2021 excludes:

- Baylis Medical Company, Inc., acquired February 14, 2022

FY 2022 organic\* growth vs. FY 2021 excludes:

- Preventice Solutions, Inc., acquired March 1, 2021
- Specialty Pharmaceuticals business, divested March 1, 2021
- Farapulse, Inc. acquired August 6, 2021
- The surgical business of Lumenis LTD., acquired September 1, 2021
- Baylis Medical Company, Inc., acquired February 14, 2022



# Living Our Values: ESG Update

## Science-Based Targets Approved



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

As an important milestone in our journey to net-zero, our emission reduction targets have been approved by the Science-Based Targets initiative (SBTi). This makes Boston Scientific one of the first companies in the Healthcare Equipment and Supplies sector to have net-zero, science-based Scope 1, 2 and 3 targets verified under the SBTi Net-Zero Standard.

To learn more, visit our [Corporate responsibility website](#)

## Kathryn Unger named Vice President of ESG



We recently announced the appointment of Kathryn Unger as vice president, Environmental, Social, Governance (ESG).

To learn more, visit [our newsroom](#)

## Dow Jones Sustainability Index North America

Member of

## Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Boston Scientific was named to the 2022 Dow Jones Sustainability Index (DJSI) for North America for the third consecutive year.

To learn more about our ESG performance, visit our [ESG website](#)

## RECENT AWARDS

**Newsweek America's Greatest Workplaces for Diversity**

**Seramount Inclusion Index**

**Forbes World's Best Employer**





# Income Statement Information

## Non-GAAP Reconciliation

Three Months Ended December 31, 2022 (unaudited)

Boston  
Scientific

In millions, except per share data												
	GAAP Results	Amortization Expense	Intangible Asset Impairment Charges	Acquisition / Divestitures-Related Charges (Credits)	Restructuring and Restructuring-Related Net Charges (Credits)	Litigation-Related Net Charges (Credits)	Investment Portfolio Net Losses (Gains)	EU MDR Implementation Costs	Debt Extinguishment Charges	Deferred Tax Expenses (Benefits)	Discrete Tax Items	Adjusted* Results
<b>Net sales</b>	<b>\$ 3,242</b>	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	<b>\$ 3,242</b>
Cost of products sold	1,011	—	—	24	16	—	—	13	—	—	—	957
<b>Gross profit</b>	<b>2,231</b>	—	—	(24)	(16)	—	—	(13)	—	—	—	<b>2,285</b>
<i>Gross margin</i>	68.8 %											70.5 %
Selling, general and administrative expenses	1,163	—	—	29	6	—	—	0	—	—	—	1,127
<i>SG&amp;A as a percentage of sales</i>	35.9 %											34.8 %
Research and development expenses	330	—	—	12	—	—	—	6	—	—	—	312
<i>R&amp;D as a percentage of sales</i>	10.2 %											9.6 %
Royalty expense	13	—	—	—	—	—	—	—	—	—	—	13
<i>Royalty expense as a percentage of sales</i>	0.4 %											0.4 %
Amortization expense	199	199	—	—	—	—	—	—	—	—	—	—
Intangible asset impairment charges	—	—	—	—	—	—	—	—	—	—	—	—
Contingent consideration net expense (benefit)	(33)	—	—	(33)	—	—	—	—	—	—	—	—
Restructuring net charges (credits)	6	—	—	—	6	—	—	—	—	—	—	—
Litigation-related net charges (credits)	131	—	—	—	—	131	—	—	—	—	—	—
Losses (gains) on disposal of businesses and assets	22	—	—	22	—	—	—	—	—	—	—	—
	1,830	199	—	29	12	131	—	6	—	—	—	1,452
<b>Operating Income (loss)</b>	<b>402</b>	(199)	—	(53)	(28)	(131)	—	(19)	—	—	—	<b>833</b>
<i>Operating margin</i>	12.4 %											25.7 %
Other income (expense):												
Interest expense	(64)	—	—	—	—	—	—	—	—	—	—	(64)
Other, net	58	—	—	44	—	—	38	—	—	—	—	(23)
<b>Income (loss) before taxes</b>	<b>396</b>	(199)	—	(9)	(28)	(131)	38	(19)	—	—	—	<b>745</b>
Income tax expense (benefit)	256	(24)	(1)	50	(3)	(30)	6	(2)	0	42	129	89
<b>Net Income (loss)</b>	<b>140</b>	(175)	1	(59)	(25)	(101)	32	(17)	(0)	(42)	(129)	<b>656</b>
Preferred stock dividends	(14)											(14)
<b>Net Income (loss) available to common stockholders</b>	<b>\$ 126</b>	\$ (175)	\$ 1	\$ (59)	\$ (25)	\$ (101)	\$ 32	\$ (17)	\$ (0)	\$ (42)	\$ (129)	<b>\$ 642</b>
<b>Net Income (loss) per diluted common share</b>	<b>\$ 0.09</b>	\$ (0.12)	\$ —	\$ (0.04)	\$ (0.02)	\$ (0.07)	\$ 0.02	\$ (0.01)	\$ (0.00)	\$ (0.03)	\$ (0.09)	<b>\$ 0.45</b>
Weighted average diluted shares outstanding	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4	1,442.4

For the three months ended December 31, 2022, the effect of assuming the conversion of Mandatory Convertible Preferred Stock (MCPS) into shares of common stock was anti-dilutive, and therefore excluded from the calculation of EPS. Accordingly, GAAP net income and adjusted net income were reduced by cumulative Preferred stock dividends, as presented in our unaudited consolidated statements of operations, for purposes of calculating net income available to common stockholders.



# Income Statement Information

## Non-GAAP Reconciliation

Year Ended December 31, 2022 (unaudited)

Boston  
Scientific

<i>In millions, except per share data</i>												
	GAAP Results	Amortization Expense	Intangible Asset Impairment Charges	Acquisition / Divestitures-Related Charges (Credits)	Restructuring and Restructuring-Related Net Charges (Credits)	Litigation-Related Net Charges (Credits)	Investment Portfolio Net Losses (Gains)	EU MDR Implementation Costs	Debt Extinguishment Charges	Deferred Tax Expenses (Benefits)	Discrete Tax Items	Adjusted* Results
<b>Net sales</b>	<b>\$ 12,682</b>	—	—	—	—	—	—	—	—	—	—	<b>\$ 12,682</b>
Cost of products sold	3,956	—	—	97	65	—	—	46	—	—	—	3,747
<b>Gross profit</b>	<b>8,727</b>	—	—	(97)	(65)	—	—	(46)	—	—	—	<b>8,935</b>
<i>Gross margin</i>	68.8 %											70.5 %
Selling, general and administrative expenses	4,520	—	—	110	21	—	—	2	—	—	—	4,387
<i>SG&amp;A as a percentage of sales</i>	35.6 %											34.6 %
Research and development expenses	1,323	—	—	40	—	—	—	24	—	—	—	1,260
<i>R&amp;D as a percentage of sales</i>	10.4 %											9.9 %
Royalty expense	47	—	—	—	—	—	—	—	—	—	—	47
<i>Royalty expense as a percentage of sales</i>	0.4 %											0.4 %
Amortization expense	803	803	—	—	—	—	—	—	—	—	—	—
Intangible asset impairment charges	132	—	132	—	—	—	—	—	—	—	—	—
Contingent consideration net expense (benefit)	35	—	—	35	—	—	—	—	—	—	—	—
Restructuring net charges (credits)	24	—	—	—	24	—	—	—	—	—	—	—
Litigation-related net charges (credits)	173	—	—	—	—	173	—	—	—	—	—	—
Losses (gains) on disposal of businesses and assets	22	—	—	22	—	—	—	—	—	—	—	—
	7,078	803	132	206	45	173	—	25	—	—	—	5,694
<b>Operating Income (loss)</b>	<b>1,649</b>	(803)	(132)	(303)	(110)	(173)	—	(71)	—	—	—	<b>3,241</b>
<i>Operating margin</i>	13.0 %											25.6 %
Other income (expense):												
Interest expense	(470)	—	—	—	—	—	—	—	(194)	—	—	(276)
Other, net	(38)	—	—	18	—	—	30	—	—	—	—	(86)
<b>Income (loss) before taxes</b>	<b>1,141</b>	(803)	(132)	(285)	(110)	(173)	30	(71)	(194)	—	—	<b>2,880</b>
Income tax expense (benefit)	443	(109)	(29)	53	(14)	(40)	2	(10)	(45)	140	129	366
<b>Net Income (loss)</b>	<b>\$ 698</b>	<b>\$ (694)</b>	<b>\$ (102)</b>	<b>\$ (338)</b>	<b>\$ (96)</b>	<b>\$ (133)</b>	<b>\$ 28</b>	<b>\$ (62)</b>	<b>\$ (149)</b>	<b>\$ (140)</b>	<b>\$ (129)</b>	<b>\$ 2,514</b>
Preferred stock dividends	(55)											(55)
<b>Net Income (loss) available to common stockholders</b>	<b>642</b>	<b>\$ (694)</b>	<b>\$ (102)</b>	<b>\$ (338)</b>	<b>\$ (96)</b>	<b>\$ (133)</b>	<b>\$ 28</b>	<b>\$ (62)</b>	<b>\$ (149)</b>	<b>\$ (140)</b>	<b>\$ (129)</b>	<b>\$ 2,459</b>
<b>Net Income (loss) per diluted common share</b>	<b>\$ 0.45</b>	<b>\$ (0.48)</b>	<b>\$ (0.07)</b>	<b>\$ (0.24)</b>	<b>\$ (0.07)</b>	<b>\$ (0.09)</b>	<b>\$ 0.02</b>	<b>\$ (0.04)</b>	<b>\$ (0.10)</b>	<b>\$ (0.10)</b>	<b>\$ (0.09)</b>	<b>\$ 1.71</b>
Weighted average diluted shares outstanding	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7	1,439.7

For the year ended December 31, 2022, the effect of assuming the conversion of MCPS into shares of common stock was anti-dilutive, and therefore excluded from the calculation of EPS. Accordingly, GAAP net income and adjusted net income were reduced by cumulative Preferred stock dividends, as presented in our unaudited consolidated statements of operations, for purposes of calculating net income available to common stockholders.



# Working Capital & Cash Flow Metrics

## Days Sales Outstanding (DSO)

Dec 2022	Sept 2022	Jun 2022	Mar 2022	Dec 2021
56	54	54	55	52

## Adjusted Free Cash Flow\*

Q4 2022	Q4 2021	FY2022	FY2021
\$776M	\$425M	\$2,066M	\$2,192M

## Days Inventory on Hand (DIOH)

Dec 2022	Sept 2022	Jun 2022	Mar 2022	Dec 2021
170	168	158	164	152

## Capital Expenditures

Q4 2022	Q4 2021	FY2022	FY2021
\$212M	\$266M	\$588M	\$554M



# Weighted Average Diluted Shares

## Preferred Dividend to Retire June 1, 2023

### Expected Dividend and Share Count P&L Impact:

(in millions)

BSX Dividend / Share Count	Q4:22	FY:22	FY:23E
Preferred Dividend	\$13.8	\$55.3	1H: \$23 <sup>†</sup> / 2H: \$0
Weighted Average Diluted Shares (excl. issuance)	1,413	1,410	
Common Stock Issuance	29	29	
MCPS Issuance (effective June 1, 2023)			If price > \$41.96, 23.98M shares convert If price < \$34.25, 29.38M shares convert If \$34.25 < price < \$41.96, then >23.98M but <29.38M shares convert
<b>Expected Weighted Average Diluted Shares</b>	<b>1,442</b>	<b>1,440</b>	Share conversion = \$1,006.3M / share price <sup>‡</sup>

<sup>†</sup> Five months paid of annual preferred dividend at 5.5% per annum per share.

<sup>‡</sup> The dilutive effect of MCPS is calculated using the if-converted method. The method assumes that these securities are converted to shares of common stock upon maturity irrespective of stock movements or changes in the credit environment to the extent that the effect is dilutive. If the effect is anti-dilutive, we calculate Net income (loss) per common share by adjusting Net income (loss) in the numerator for the effect of the cumulative MCPS dividends for the respective period.

<sup>‡‡</sup> Price will be equal to the average volume-weighted average price "VWAP" per share of common stock over 20 consecutive trading days commencing on, and including, the 21<sup>st</sup> scheduled trading day immediately preceding June 1, 2023. On June 1, 2023, preferred shares mature; dividend is retired, and shares convert to common stock

### Prior to maturity, the dilutive effect of MCPS on EPS is calculated by taking the lower of:

Adjusted Earnings Per Share <sup>‡‡‡</sup>	Preferred Stock Dividends
$\frac{\text{Adj Net Income} - \text{Preferred Dividends}}{\text{Weighted Average Diluted Shares Outstanding}}$	$10,062,500 \text{ preferred shares outstanding} \times \$100 \text{ liquidation preference} \times 5.5\% \text{ dividend} \times \frac{1}{4} \text{ P\&L period}$ <p><b>\$13.8M quarterly / \$55.3M annually</b></p>

<sup>‡‡‡</sup> Expected WASO calculation excludes MCPS issuance because dividend is more dilutive than share conversion ("if-converted" method)



## 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 Appendix. 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

## Sales Detail



# Appendix A - Net Sales Detail - MedSurg

## Three Months Ended December 31, 2022 and 2021

			Year-over-Year Change		
(in millions)	Q4 2022	Q4 2021	Reported Basis	Less: Impact of Foreign Currency	Operational Basis
MEDSURG SEGMENT:					
ENDOSCOPY					
UNITED STATES	\$ 349	\$ 320	8.9 %	— %	8.9 %
INTERNATIONAL	223	238	(6.5) %	(11.8) %	5.3 %
WORLDWIDE	<u>\$ 571</u>	<u>\$ 558</u>	<u>2.4 %</u>	<u>(5.1) %</u>	<u>7.4 %</u>
UROLOGY					
UNITED STATES	\$ 336	\$ 303	10.9 %	— %	10.9 %
INTERNATIONAL	141	138	2.3 %	(11.4) %	13.7 %
WORLDWIDE	<u>\$ 477</u>	<u>\$ 441</u>	<u>8.2 %</u>	<u>(3.6) %</u>	<u>11.8 %</u>
NEUROMODULATION					
UNITED STATES	\$ 196	\$ 193	1.6 %	— %	1.6 %
INTERNATIONAL	53	51	3.7 %	(13.6) %	17.3 %
WORLDWIDE	<u>\$ 249</u>	<u>\$ 244</u>	<u>2.1 %</u>	<u>(2.8) %</u>	<u>4.9 %</u>



# Appendix A - Net Sales Detail - Cardiovascular

## Three Months Ended December 31, 2022 and 2021

Boston  
Scientific

(in millions)	Q4 2022	Q4 2021	Year-over-Year Change		
			As Reported Basis	Less: Impact of Foreign Currency	Operational Basis
CARDIOVASCULAR SEGMENT:					
ICTx					
UNITED STATES	\$ 176	\$ 185	(5.3) %	— %	(5.3) %
INTERNATIONAL	386	390	(1.1) %	(11.3) %	10.2 %
WORLDWIDE	\$ 561	\$ 575	(2.4) %	(7.6) %	5.2 %
Watchman					
UNITED STATES	\$ 253	\$ 205	23.6 %	— %	23.6 %
INTERNATIONAL	27	28	(2.9) %	(12.1) %	9.2 %
WORLDWIDE	\$ 280	\$ 233	20.5 %	(1.4) %	21.9 %
Cardiac Rhythm Management					
UNITED STATES	\$ 332	\$ 312	6.4 %	— %	6.4 %
INTERNATIONAL	189	202	(6.6) %	(11.5) %	4.9 %
WORLDWIDE	\$ 521	\$ 514	1.3 %	(4.5) %	5.8 %
Electrophysiology					
UNITED STATES	\$ 79	\$ 32	143.4 %	— %	143.4 %
INTERNATIONAL	88	68	30.1 %	(14.5) %	44.5 %
WORLDWIDE	\$ 167	\$ 100	66.7 %	(9.8) %	76.4 %
CARDIOLOGY					
UNITED STATES	\$ 840	\$ 735	14.3 %	— %	14.3 %
INTERNATIONAL	690	687	0.3 %	(11.7) %	12.0 %
WORLDWIDE	\$ 1,529	\$ 1,422	7.5 %	(5.6) %	13.2 %
PERIPHERAL INTERVENTIONS					
UNITED STATES	\$ 266	\$ 248	7.5 %	— %	7.5 %
INTERNATIONAL	210	214	(2.1) %	(12.4) %	10.3 %
WORLDWIDE	\$ 476	\$ 462	3.0 %	(5.8) %	8.8 %





# Appendix A - Net Sales Detail - MedSurg

## Year Ended December 31, 2022 and 2021

Boston  
Scientific

			Year-over-Year Change		
(in millions)	YTD 2022	YTD 2021	As Reported Basis	Less: Impact of Foreign Currency	Operational Basis
MEDSURG SEGMENT:					
ENDOSCOPY					
UNITED STATES	\$ 1,341	\$ 1,222	9.7 %	— %	9.7 %
INTERNATIONAL	880	919	(4.2) %	(10.1) %	5.9 %
WORLDWIDE	\$ 2,221	\$ 2,141	3.7 %	(4.4) %	8.1 %
UROLOGY					
UNITED STATES	\$ 1,257	\$ 1,120	12.2 %	— %	12.2 %
INTERNATIONAL	516	463	11.5 %	(10.0) %	21.5 %
WORLDWIDE	\$ 1,773	\$ 1,583	12.0 %	(2.9) %	14.9 %
NEUROMODULATION					
UNITED STATES	\$ 715	\$ 713	0.3 %	— %	0.3 %
INTERNATIONAL	202	196	3.2 %	(12.0) %	15.2 %
WORLDWIDE	\$ 917	\$ 909	0.9 %	(2.6) %	3.5 %



# Appendix A - Net Sales Detail - Cardiovascular

Year Ended December 31, 2022 and 2021

(in millions)	YTD 2022	YTD 2021	Year-over-Year Change		
			As Reported Basis	Less: Impact of Foreign Currency	Operational Basis
CARDIOVASCULAR SEGMENT:					
ICTx					
UNITED STATES	\$ 744	\$ 778	(4.4) %	— %	(4.4) %
INTERNATIONAL	1,485	1,431	3.8 %	(10.3) %	14.0 %
WORLDWIDE	\$ 2,228	\$ 2,209	0.9 %	(6.6) %	7.5 %
Watchman					
UNITED STATES	\$ 915	\$ 729	25.5 %	— %	25.5 %
INTERNATIONAL	103	100	3.7 %	(9.5) %	13.2 %
WORLDWIDE	\$ 1,019	\$ 829	22.9 %	(1.1) %	24.0 %
Cardiac Rhythm Management					
UNITED STATES	\$ 1,337	\$ 1,214	10.1 %	— %	10.1 %
INTERNATIONAL	763	805	(5.1) %	(10.7) %	5.5 %
WORLDWIDE	\$ 2,100	\$ 2,019	4.0 %	(4.3) %	8.3 %
Electrophysiology					
UNITED STATES	\$ 275	\$ 128	114.6 %	— %	114.6 %
INTERNATIONAL	310	237	30.8 %	(13.5) %	44.2 %
WORLDWIDE	\$ 585	\$ 365	60.2 %	(8.8) %	68.9 %
CARDIOLOGY					
UNITED STATES	\$ 3,271	\$ 2,850	14.8 %	— %	14.8 %
INTERNATIONAL	2,662	2,572	3.5 %	(10.7) %	14.1 %
WORLDWIDE	\$ 5,932	\$ 5,422	9.4 %	(5.1) %	14.5 %
PERIPHERAL INTERVENTIONS					
UNITED STATES	\$ 1,048	\$ 996	5.2 %	— %	5.2 %
INTERNATIONAL	850	824	3.3 %	(10.5) %	13.8 %
WORLDWIDE	\$ 1,899	\$ 1,820	4.4 %	(4.8) %	9.1 %



# Appendix A - Net Sales Information

## Net Sales Growth

Total BSC Net Sales Growth	Year Ended December 31,					5-Year Average
	2022	2021	2020	2019	2018	
<b>Percentage change in net sales, as reported</b>	6.7 %	19.9 %	(7.7)%	9.3 %	8.6 %	7 %
Less: Impact of foreign currency fluctuations	(4.4)%	1.3 %	0.1 %	(1.8)%	0.6 %	
<b>Percentage change in net sales, operational</b>	11.1 %	18.7 %	(7.8)%	11.1 %	8.0 %	8 %
Less: Impact of recent acquisitions/divestitures	2.4 %	(0.3)%	3.5 %	3.8 %	0.8 %	
<b>Percentage change in net sales, organic</b>	8.7 %	18.9 %	(11.3)%	7.3 %	7.2 %	6 %



# Appendix B

## Income Statement Information



# Appendix B - Income Statement Information

## Margins

	Three Months Ended		
Adjusted Gross Margin	12/31/2022	12/31/2021	Basis Points Change
Gross Margin, as reported	68.8 %	68.9 %	(10)
Less: Non-GAAP adjustments	(1.7) %	(2.0) %	
Gross Margin, adjusted	70.5 %	70.9 %	(40)

	Three Months Ended		
Adjusted Operating Margin	12/31/2022	12/31/2021	Basis Points Change
Operating Margin, as reported	12.4 %	5.8 %	660
Less: Non-GAAP adjustments	(13.3) %	(20.4) %	
Operating Margin, adjusted	25.7 %	26.2 %	(50)

	Year Ended		
Adjusted Gross Margin	12/31/2022	12/31/2021	Basis Points Change
Gross Margin, as reported	68.8 %	68.8 %	—
Less: Non-GAAP adjustments	(1.7) %	(1.5) %	
Gross Margin, adjusted	70.5 %	70.3 %	20

	Year Ended		
Adjusted Operating Margin	12/31/2022	12/31/2021	Basis Points Change
Operating Margin, as reported	13.0 %	10.1 %	290
Less: Non-GAAP adjustments	(12.6) %	(15.2) %	
Operating Margin, adjusted	25.6 %	25.3 %	20



# **Appendix C**

## **Additional Non-GAAP Reconciliations**



# Appendix C - Additional Non-GAAP Reconciliations

<i>in millions</i>	Three Months Ended		12 Months Ended	
	12/31/2022	12/31/2021	12/31/2022	12/31/2021
<b>Adjusted Free Cash Flow</b>				
<b>Operating cash flow, reported</b>	\$ 807	\$ 478	\$ 1,526	\$ 1,870
Less: Purchases of property, plant and equipment and internal use software	212	266	588	554
Add: Proceeds on disposals of property, plant and equipment	1	5	12	14
<b>Free Cash Flow</b>	<b>597</b>	<b>217</b>	<b>949</b>	<b>1,330</b>
Plus: Restructuring and restructuring-related payments	34	40	144	172
Plus: Acquisition-related payments	61	60	329	199
Plus: Certain EU MDR implementation-related payments	19	14	71	49
Plus: Special tax payments (refunds/credits)	68	6	290	1
Plus: Certain litigation-related settlements	(4)	88	282	441
<b>Adjusted Free Cash Flow</b>	<b>\$ 776</b>	<b>\$ 425</b>	<b>\$ 2,066</b>	<b>\$ 2,192</b>

<b>Estimated Adjusted Free Cash Flow (in billions)</b>	<b>FY 2023</b>
<b>Cash provided by (used for) operating activities</b>	<b>\$ ~2.3</b>
Less: Purchases (proceeds from sale) of property, plant and equipment	~0.6
<b>Free Cash Flow</b>	<b>~1.7</b>
Plus: Special Adjustments	~0.6
<b>Adjusted Free Cash Flow</b>	<b>\$ ~2.3</b>



# Appendix C - Additional Non-GAAP Reconciliations

Reconciliation of Debt to Adjusted EBITDA (in millions)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	12 Months Ended
					12/31/2022
<b>Net income (loss)</b>	<b>\$ 110</b>	<b>\$ 260</b>	<b>\$ 188</b>	<b>\$ 140</b>	<b>\$ 698</b>
Income tax (benefit) expense	45	85	57	256	443
Interest expense	279	64	63	64	470
Interest income	(4)	(1)	(1)	(4)	(10)
Depreciation expense	76	80	82	94	333
Amortization expense	198	204	202	199	803
<b>EBITDA</b>	<b>705</b>	<b>692</b>	<b>590</b>	<b>750</b>	<b>2,737</b>
<b>Non-GAAP Adjustments</b>					
Restructuring and restructuring-related net charges (credits)	29	35	18	28	110
Intangible asset impairment charges	—	7	125	—	132
Investment portfolio net losses (gains)	7	4	(3)	(38)	(30)
Acquisition/divestiture - related net charges (credits)	72	91	113	9	285
Litigation-related net charges (credits)	—	42	—	131	173
EU MDR implementation costs	16	17	20	19	71
<b>Adjusted EBITDA</b>	<b>\$ 829</b>	<b>\$ 887</b>	<b>\$ 862</b>	<b>\$ 900</b>	<b>\$ 3,478</b>
<b>Debt</b>					<b>\$ 8,935</b>
<b>Debt to Adjusted EBITDA</b>					<b>2.57x</b>





# Appendix C - Additional Non-GAAP Reconciliations

Adjusted Tax Rate	Three Months Ended 12/31/2022	12 Months Ended 12/31/2022
<b>Tax Rate, as reported</b>	<b>64.6 %</b>	<b>38.9 %</b>
Less: Non-GAAP adjustments	52.7 %	26.2 %
<b>Tax Rate, adjusted</b>	<b>11.9 %</b>	<b>12.7 %</b>
Less: Discrete tax items	(0.1) %	(0.8) %
<b>Tax rate, operational</b>	<b>12.0 %</b>	<b>13.5 %</b>

Estimated Tax Rate	Q1 2023	FY 2023
<b>Tax Rate, as reported</b>	<b>17 %</b>	<b>19 %</b>
Less: Non-GAAP adjustments	5 %	6 %
<b>Tax Rate, adjusted</b>	<b>12 %</b>	<b>13 %</b>
Less: Discrete tax items	(2) %	(1) %
<b>Tax Rate, operational</b>	<b>14 %</b>	<b>14 %</b>

Estimated Non-Operating Income (Loss) (in millions)	FY 2023
<b>Non-Operating Income (Loss), as reported</b>	<b>\$ 322</b>
Less: Non-GAAP adjustments	(18)
<b>Non-Operating Income (Loss), adjusted</b>	<b>\$ 340</b>

Estimated Operating Margin	FY 2023
<b>Operating Margin, as reported</b>	<b>~18.8%</b>
Less: Non-GAAP adjustments	~(7.6) %
<b>Operating Margin, adjusted</b>	<b>~26.4%</b>



# Appendix C - Additional Non-GAAP Reconciliations

China net sales growth 2022 vs 2021	12 Months Ended 12/31/2022
Net sales growth, as reported	17 %
Less: Impact of foreign currency fluctuations	(5) %
<b>Net sales growth, operational</b>	<b>22 %</b>

Latin America net sales growth 2022 vs 2021	Three Months Ended 12/31/2022	12 Months Ended 12/31/2022
Net sales growth, as reported	16 %	27 %
Less: Impact of foreign currency fluctuations	— %	(1) %
<b>Net sales growth, operational</b>	<b>16 %</b>	<b>28 %</b>

Coronary therapies net sales growth 2022 vs 2021	12 Months Ended 12/31/2022
Net sales growth, as reported	— %
Less: Impact of foreign currency fluctuations	(7) %
<b>Net sales growth, operational</b>	<b>7 %</b>

Electrophysiology International net sales growth 2022 vs 2021	Three Months Ended 12/31/2022
Net sales growth, as reported	30 %
Less: Impact of foreign currency fluctuations	(15) %
<b>Net sales growth, operational</b>	<b>45 %</b>
Less: Impact of recent acquisitions/divestitures	5 %
<b>Net sales growth, organic</b>	<b>40 %</b>



# Appendix C - Additional Non-GAAP Reconciliations

SCS net sales growth 2022 vs 2021		Three Months Ended 12/31/2022
Net sales growth, as reported		2 %
Less: Impact of foreign currency fluctuations		(2) %
Net sales growth, operational		<u>4 %</u>

Single Use Imaging net sales growth 2022 vs 2021		12 Months Ended 12/31/2022
Net sales growth, as reported		25 %
Less: Impact of foreign currency fluctuations		(5) %
Net sales growth, operational		<u>30 %</u>

AXIOS™ net sales growth 2022 vs 2021		12 Months Ended 12/31/2022
Net sales growth, as reported		20 %
Less: Impact of foreign currency fluctuations		(5) %
Net sales growth, operational		<u>25 %</u>



# Q4 2022 vs. Q4 2021 Restated Net Sales

## New Segment Presentation

Boston  
Scientific

(in millions)	Q4 2022	Q4 2021	As Reported Basis	Less: Impact of Foreign Currency Fluctuations	Operational Basis	Less: Impact of Recent Acquisitions / Divestitures	Organic Basis
ENDOSCOPY	\$ 571	\$ 558	2.4 %	(5.1) %	7.4 %	— %	7.4 %
UROLOGY	477	441	8.2 %	(3.6) %	11.8 %	— %	11.8 %
NEUROMODULATION	249	244	2.1 %	(2.8) %	4.9 %	— %	4.9 %
<b>MEDSURG</b>	<b>1,297</b>	<b>1,243</b>	<b>4.4 %</b>	<b>(4.1) %</b>	<b>8.5 %</b>	<b>— %</b>	<b>8.5 %</b>
ICTx	561	575	(2.4) %	(7.6) %	5.2 %	— %	5.2 %
WATCHMAN	280	233	20.5 %	(1.4) %	21.9 %	— %	21.9 %
CARDIAC RHYTHM MANAGEMENT	521	514	1.3 %	(4.5) %	5.8 %	— %	5.8 %
ELECTROPHYSIOLOGY	167	100	66.7 %	(9.8) %	76.4 %	51.4 %	25.1 %
CARDIOLOGY	1,529	1,422	7.5 %	(5.6) %	13.2 %	3.6 %	9.6 %
PERIPHERAL INTERVENTIONS	476	462	3.0 %	(5.8) %	8.8 %	— %	8.8 %
<b>CARDIOVASCULAR</b>	<b>2,005</b>	<b>1,884</b>	<b>6.4 %</b>	<b>(5.7) %</b>	<b>12.1 %</b>	<b>2.7 %</b>	<b>9.4 %</b>
	<b>3,302</b>	<b>3,127</b>	<b>5.6 %</b>	<b>(5.0) %</b>	<b>10.7 %</b>	<b>1.6 %</b>	<b>9.0 %</b>
<b>OTHER<sup>†</sup></b>	<b>(60)</b>	<b>—</b>	<b>(100.0) %</b>	<b>— %</b>	<b>(100.0) %</b>	<b>— %</b>	<b>(100.0) %</b>
<b>WORLDWIDE NET SALES</b>	<b>\$ 3,242</b>	<b>\$ 3,127</b>	<b>3.7 %</b>	<b>(5.0) %</b>	<b>8.7 %</b>	<b>1.6 %</b>	<b>7.1 %</b>



# FY 2022 vs. FY 2021 Restated Net Sales

## New Segment Presentation

(in millions)	FY 2022	FY 2021	As Reported Basis	Less: Impact of Foreign Currency Fluctuations	Operational Basis	Less: Impact of Recent Acquisitions / Divestitures	Organic Basis
ENDOSCOPY	\$ 2,221	\$ 2,141	3.7 %	(4.4) %	8.1 %	— %	8.1 %
UROLOGY	1,773	1,583	12.0 %	(2.9) %	14.9 %	5.3 %	9.7 %
NEUROMODULATION	917	909	0.9 %	(2.6) %	3.5 %	— %	3.5 %
<b>MEDSURG</b>	<b>4,911</b>	<b>4,633</b>	<b>6.0 %</b>	<b>(3.5) %</b>	<b>9.5 %</b>	<b>1.8 %</b>	<b>7.7 %</b>
ICTx	2,228	2,209	0.9 %	(6.6) %	7.5 %	— %	7.5 %
WATCHMAN	1,019	829	22.9 %	(1.1) %	24.0 %	— %	24.0 %
CARDIAC RHYTHM MANAGEMENT	2,100	2,019	4.0 %	(4.3) %	8.3 %	1.6 %	6.7 %
ELECTROPHYSIOLOGY	585	365	60.2 %	(8.7) %	68.9 %	51.1 %	17.8 %
CARDIOLOGY	5,932	5,422	9.4 %	(5.1) %	14.5 %	4.0 %	10.4 %
PERIPHERAL INTERVENTIONS	1,899	1,820	4.4 %	(4.8) %	9.1 %	— %	9.1 %
<b>CARDIOVASCULAR</b>	<b>7,831</b>	<b>7,242</b>	<b>8.1 %</b>	<b>(5.0) %</b>	<b>13.1 %</b>	<b>3.0 %</b>	<b>10.1 %</b>
	<b>12,742</b>	<b>11,875</b>	<b>7.3 %</b>	<b>(4.4) %</b>	<b>11.7 %</b>	<b>2.5 %</b>	<b>9.2 %</b>
<b>OTHER<sup>†</sup></b>	<b>(60)</b>	<b>13</b>	<b>(+100) %</b>	<b>— %</b>	<b>(+100) %</b>	<b>— %</b>	<b>(+100) %</b>
<b>WORLDWIDE NET SALES</b>	<b>\$ 12,682</b>	<b>\$ 11,888</b>	<b>6.7 %</b>	<b>(4.4) %</b>	<b>11.1 %</b>	<b>2.4 %</b>	<b>8.7 %</b>



# Q4 2021 vs. Q4 2020 Restated Net Sales

## New Segment Presentation

Boston  
Scientific

(in millions)	Q4 2021	Q4 2020	As Reported Basis	Less: Impact of Foreign Currency Fluctuations	Operational Basis	Less: Impact of Recent Acquisitions / Divestitures	Organic Basis
ENDOSCOPY	\$ 558	\$ 515	8.3 %	(1.5) %	9.8 %	— %	9.8 %
UROLOGY	441	376	17.2 %	(0.8) %	18.0 %	9.2 %	8.7 %
NEUROMODULATION	244	232	5.2 %	(0.6) %	5.8 %	— %	5.8 %
<b>MEDSURG</b>	<b>1,243</b>	<b>1,123</b>	<b>10.6 %</b>	<b>(1.1) %</b>	<b>11.7 %</b>	<b>3.1 %</b>	<b>8.6 %</b>
ICTx	575	520	10.7 %	(2.1) %	12.8 %	— %	12.8 %
WATCHMAN	233	65	257.9 %	(0.5) %	258.4 %	— %	258.4 %
CARDIAC RHYTHM MANAGEMENT	514	451	14.0 %	(1.5) %	15.5 %	11.0 %	4.5 %
ELECTROPHYSIOLOGY	100	85	18.1 %	(2.8) %	20.9 %	5.3 %	15.6 %
CARDIOLOGY	1,422	1,120	27.0 %	(1.8) %	28.7 %	4.8 %	23.9 %
PERIPHERAL INTERVENTIONS	462	429	7.6 %	(1.4) %	9.0 %	— %	9.0 %
<b>CARDIOVASCULAR</b>	<b>1,884</b>	<b>1,549</b>	<b>21.6 %</b>	<b>(1.7) %</b>	<b>23.3 %</b>	<b>3.5 %</b>	<b>19.8 %</b>
	<b>3,127</b>	<b>2,673</b>	<b>17.0 %</b>	<b>(1.4) %</b>	<b>18.4 %</b>	<b>3.3 %</b>	<b>15.1 %</b>
<b>OTHER<sup>†</sup></b>	<b>—</b>	<b>36</b>	<b>(100.0) %</b>	<b>— %</b>	<b>(100.0) %</b>	<b>— %</b>	<b>(100.0) %</b>
<b>WORLDWIDE NET SALES</b>	<b>\$ 3,127</b>	<b>\$ 2,708</b>	<b>15.4 %</b>	<b>(1.4) %</b>	<b>16.9 %</b>	<b>1.8 %</b>	<b>15.1 %</b>



# FY 2021 vs. FY 2020 Restated Net Sales

## New Segment Presentation

(in millions)	FY 2021	FY 2020	As Reported Basis	Less: Impact of Foreign Currency Fluctuations	Operational Basis	Less: Impact of Recent Acquisitions / Divestitures	Organic Basis
ENDOSCOPY	\$ 2,141	\$ 1,780	20.3 %	1.3 %	18.9 %	— %	18.9 %
UROLOGY	1,583	1,286	23.1 %	1.0 %	22.1 %	2.8 %	19.2 %
NEUROMODULATION	909	761	19.5 %	0.9 %	18.6 %	— %	18.6 %
<b>MEDSURG</b>	<b>4,633</b>	<b>3,827</b>	<b>21.0 %</b>	<b>1.1 %</b>	<b>19.9 %</b>	<b>1.0 %</b>	<b>18.9 %</b>
ICTx	2,209	1,975	11.8 %	1.6 %	10.3 %	— %	10.3 %
WATCHMAN	829	324	156.0 %	1.1 %	154.9 %	— %	154.9 %
CARDIAC RHYTHM MANAGEMENT	2,019	1,704	18.5 %	1.4 %	17.1 %	9.5 %	7.7 %
ELECTROPHYSIOLOGY	365	287	27.4 %	1.6 %	25.8 %	2.3 %	23.5 %
CARDIOLOGY	5,422	4,290	26.4 %	1.5 %	25.0 %	3.9 %	21.0 %
PERIPHERAL INTERVENTIONS	1,820	1,577	15.4 %	1.2 %	14.2 %	— %	14.2 %
<b>CARDIOVASCULAR</b>	<b>7,242</b>	<b>5,866</b>	<b>23.4 %</b>	<b>1.4 %</b>	<b>22.1 %</b>	<b>2.9 %</b>	<b>19.2 %</b>
	<b>11,875</b>	<b>9,694</b>	<b>22.5 %</b>	<b>1.3 %</b>	<b>21.2 %</b>	<b>2.1 %</b>	<b>19.1 %</b>
<b>OTHER<sup>†</sup></b>	<b>13</b>	<b>219</b>	<b>(93.9)%</b>	<b>0.1 %</b>	<b>(94.0)%</b>	<b>(49.6)%</b>	<b>(44.4)%</b>
<b>WORLDWIDE NET SALES</b>	<b>\$ 11,888</b>	<b>\$ 9,913</b>	<b>19.9 %</b>	<b>1.3 %</b>	<b>18.7 %</b>	<b>(0.3)%</b>	<b>18.9 %</b>



# BSX: Acronym Reference Guide

AF	Atrial Fibrillation
CMM	Conventional Medical Management
CRM	Cardiac Rhythm Management
DAPT	Dual Antiplatelet Therapy
DCB	Drug Coated Balloon
DJSI	Dow Jones Sustainability Index
ESG	Environmental, Social, Governance
ICTx	Interventional Cardiology Therapies
IDE	Investigational Device Exemption
ISR	In-Stent Restenosis
PVL	Paravalvular Leak
PCR	Percutaneous Cardiovascular Interventions
PMDA	Pharmaceuticals and Medical Devices Agency
SBTi	Science-based Targets Initiative
SCS	Spinal Cord Stimulation
SFA	Superficial Femoral Artery
SVD	Small Vessel Disease
VBP	Volume-based Procurement
VIVA	Vascular InterVentional Advances Conference