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IR Presentation

Based on Quarterly Results
Ended 09/30/07

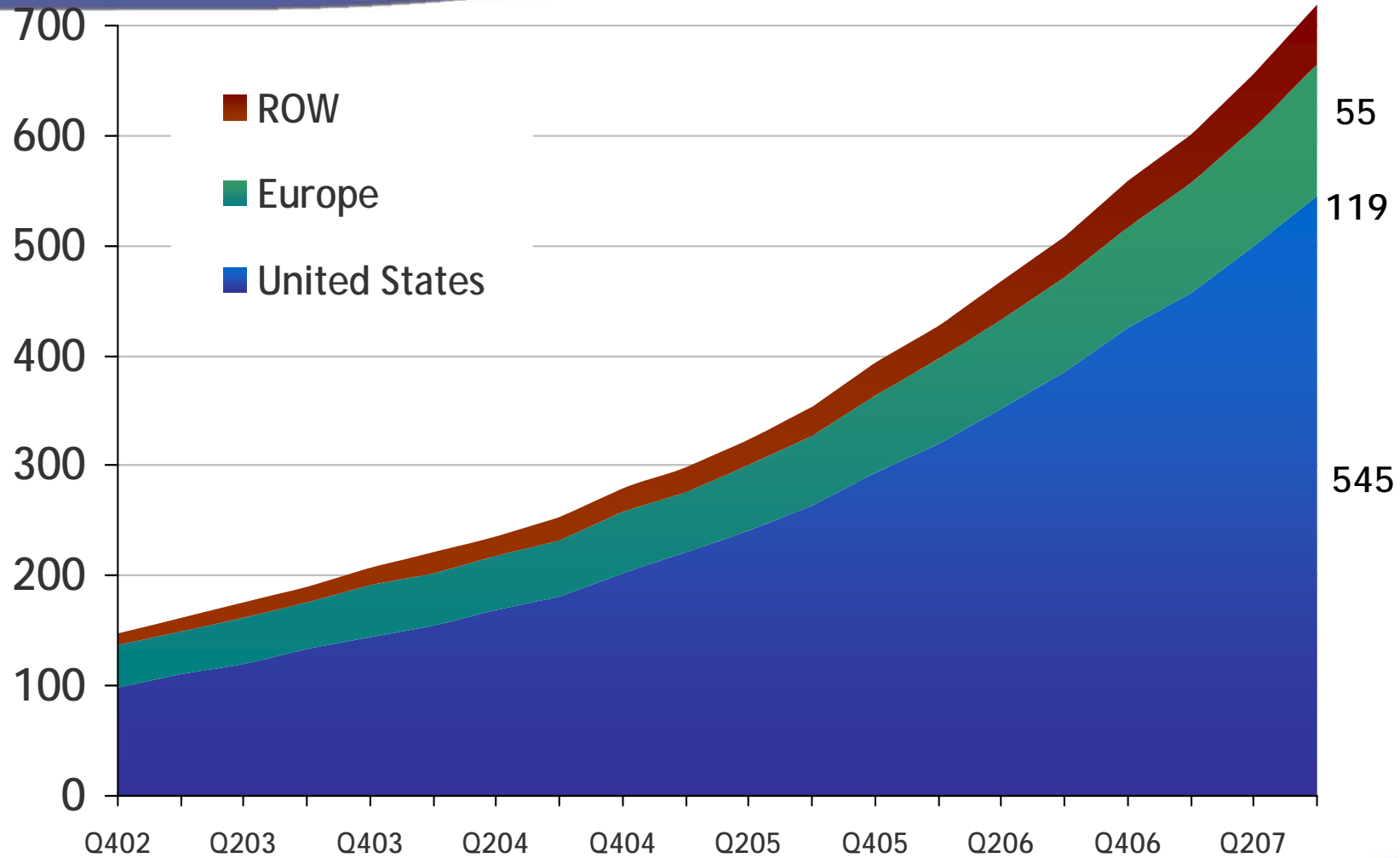
Forward Looking Statement

These slides accompany an oral presentation by Intuitive Surgical, Inc., which contains forward-looking statements. Actual results may differ materially from those expressed or implied as a result of certain risks and uncertainties. These risks and uncertainties are described in detail in the Company's Securities and Exchange Commission filings.

Corporate Overview

- Founded in 1995, IPO 2000
- 2006 revenue \$373M, up 64% from 2005
- 2007 YTD results:
 - Revenue \$411M, up 58% from 2006
 - Operating profit \$133M, up 85% from 2006
- 719 *da Vinci*[®] System base as of 09/30/07
 - 545 United States
 - 119 Europe
 - 55 Rest of World
- FDA Clearances - Laparoscopic, Thoracoscopic, Prostatectomy, Cardiotomy, Revascularization, Urology, Gynecology, Pediatric
- Target Markets- Urology, Gynecology, Cardiothoracic, General Surgery

da Vinci System Installed Base



Based on Q3 Results ended 9/30/07

Recurring Revenue Model



da Vinci[®] Surgical System

2007 YTD ASP = \$1.30 Million

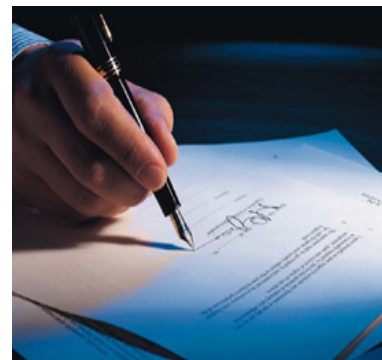
2007 YTD Rev = \$216M



Instruments & Accessories

\$1500-\$2000 per procedure

2007 YTD Rev = \$136M



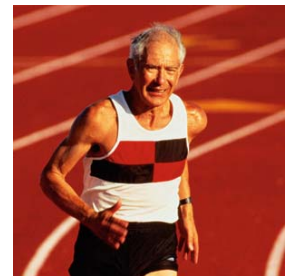
Annual Service Agreement

2007 YTD ASP = \$130K

2007 YTD Rev = \$60M

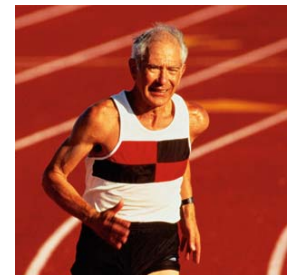
Adoption of *da Vinci*[®] Surgery is Driven by Patient Value

$$\text{Patient Value} = \frac{\text{Efficacy}}{\text{Invasiveness}}$$



Target Procedures

- *da Vinci*[®] Prostatectomy - dVP
- *da Vinci*[®] Hysterectomy - dVH
- *da Vinci*[®] Mitral Valve Repair
- *da Vinci*[®] Revascularization
- *da Vinci*[®] Gastric Bypass



Reported Clinical Benefits of dVP Versus Open

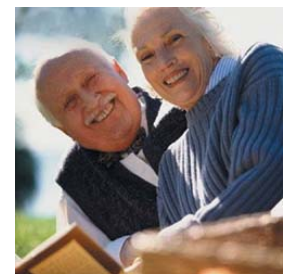
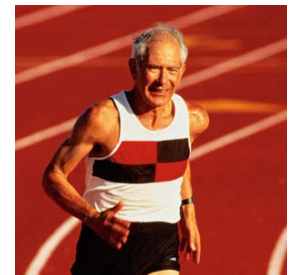
- Improved cancer control¹
- Increased continence²
- Enhanced sexual potency³
- Reduced pain³
- Reduced blood loss⁴

¹VR Patel. Urology Centers, Vestavia Hills, USA. Histopathologic Outcomes and Short Term PSA Data after Robotic Radical Prostatectomy. 500 Patients. Moderated Poster Session MP27, Wednesday, August 24, 2005. 23rd World Congress on Endourology and SWL 21st Basic Research Symposium August 23-26, 2005, Amsterdam, The Netherlands. J Endourol. 2005 Aug.; 19, Supplement 1: A135.

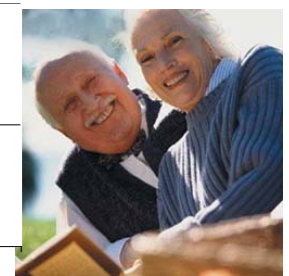
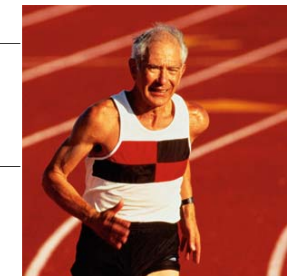
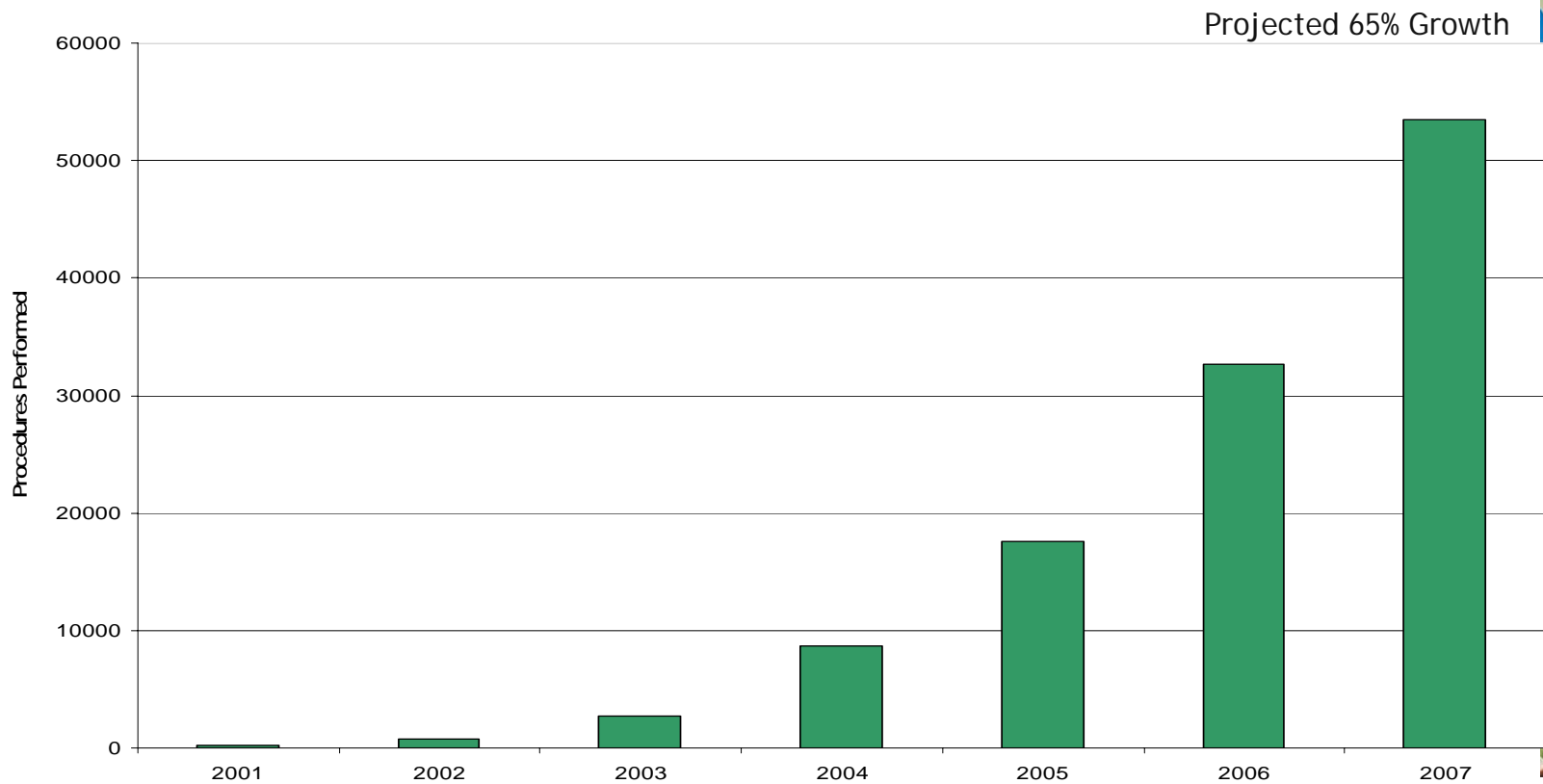
² T Ahlering. Continence: The UC Irvine Experience. Presented at UC Irvine's 2006 ART (Advanced Robotic Techniques) of Prostatectomy Symposium, January 5, 2006, Anaheim, California

³ Menon M, Kaul S, Bhandari A, Shrivastava A, Tewari A, Hemal A. Potency following robotic radical prostatectomy: a questionnaire based analysis of outcomes after conventional nerve sparing and prostatic fascia sparing techniques. J Urol. 2005 Dec;174(6):2291-6, discussion 2296. p. 2293 fig. 2.

^{3, 4} Menon M, Tewari A, Peabody JO, Shrivastava A, Kaul S, Bhandari A, Hemal AK. Vattikuti Institute prostatectomy, a technique of robotic radical prostatectomy for management of localized carcinoma of the prostate: experience of over 1100 cases. Urol Clin North Am. 2004 Nov;31(4):701-17. Review.



Worldwide dVP Procedure Growth*



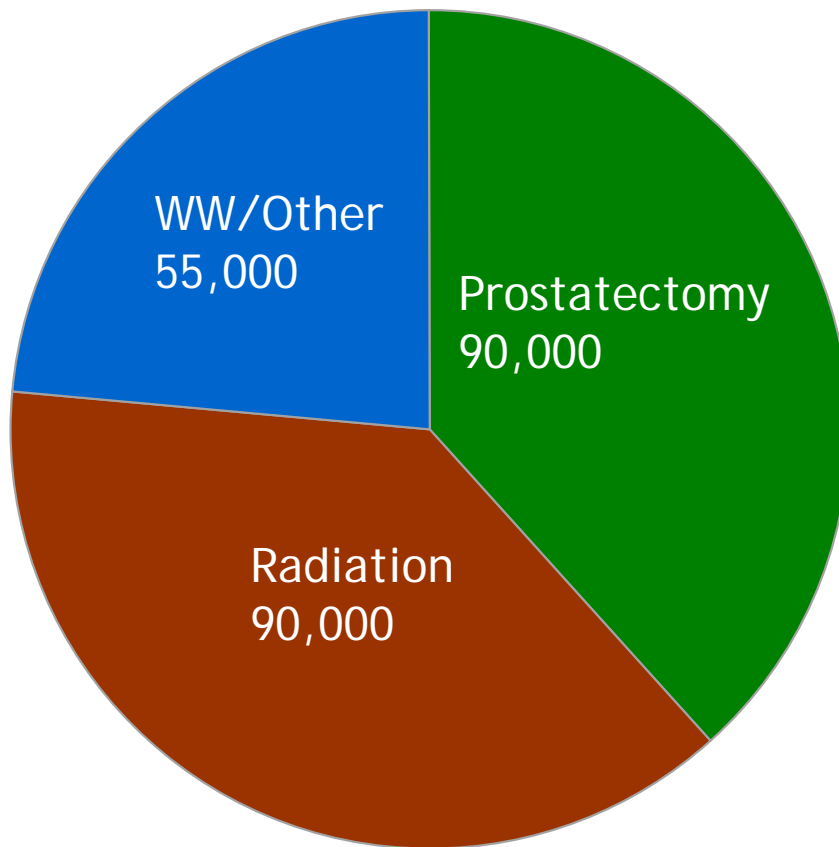
* Figures based on Company estimates and reflect guidance provided in Q3 2007 earnings call.

Based on Q3 Results ended 9/30/07

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dVP Market Potential*

2006 Estimated US Cases of Prostate Cancer: 235,000



US Target Market (120K dVPs)

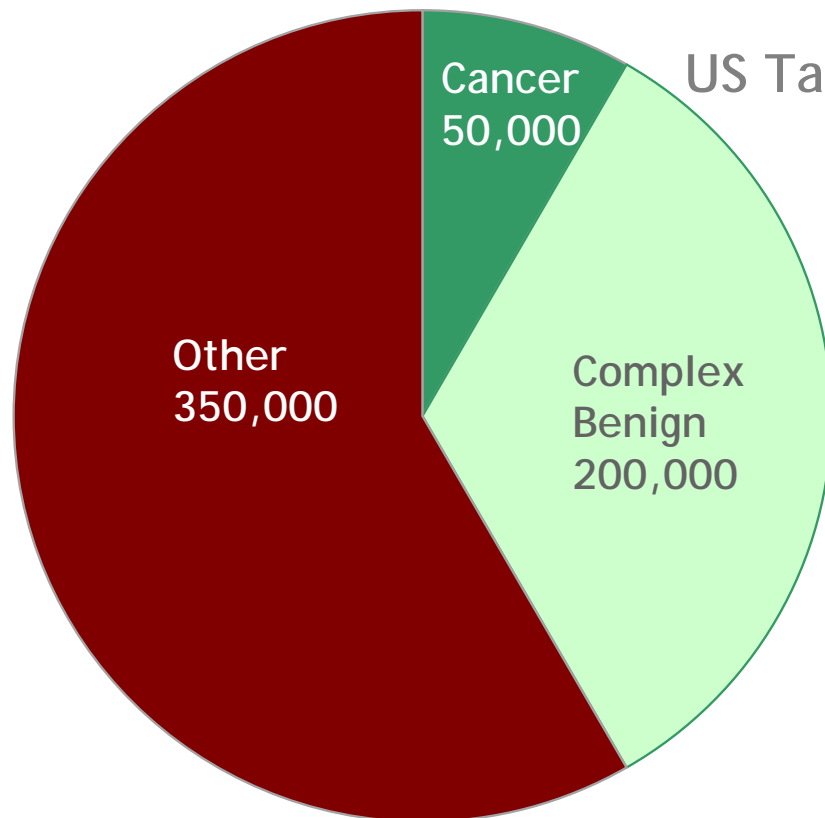
Inst & Acc.	\$210M
Service	\$130M
Systems	<u>\$186M</u>
	\$526M

*Based on Company estimates

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da Vinci[®] Hysterectomy Potential*

2006 Estimated US Hysterectomies: 600,000



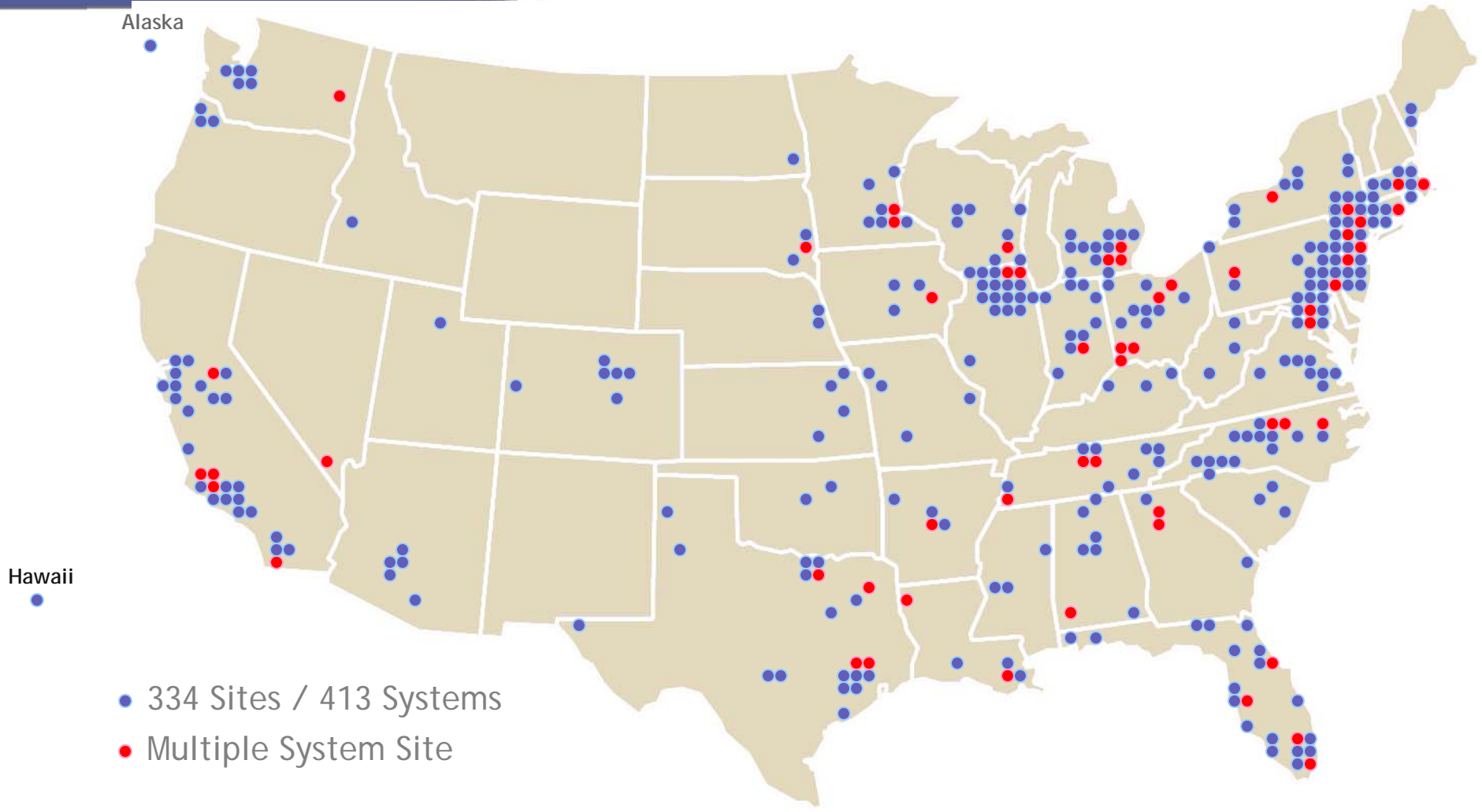
US Target Market (250K dVHs)

Inst & Acc.	\$437M
Service	\$260M
Systems	<u>\$371M</u>
	\$1,068M



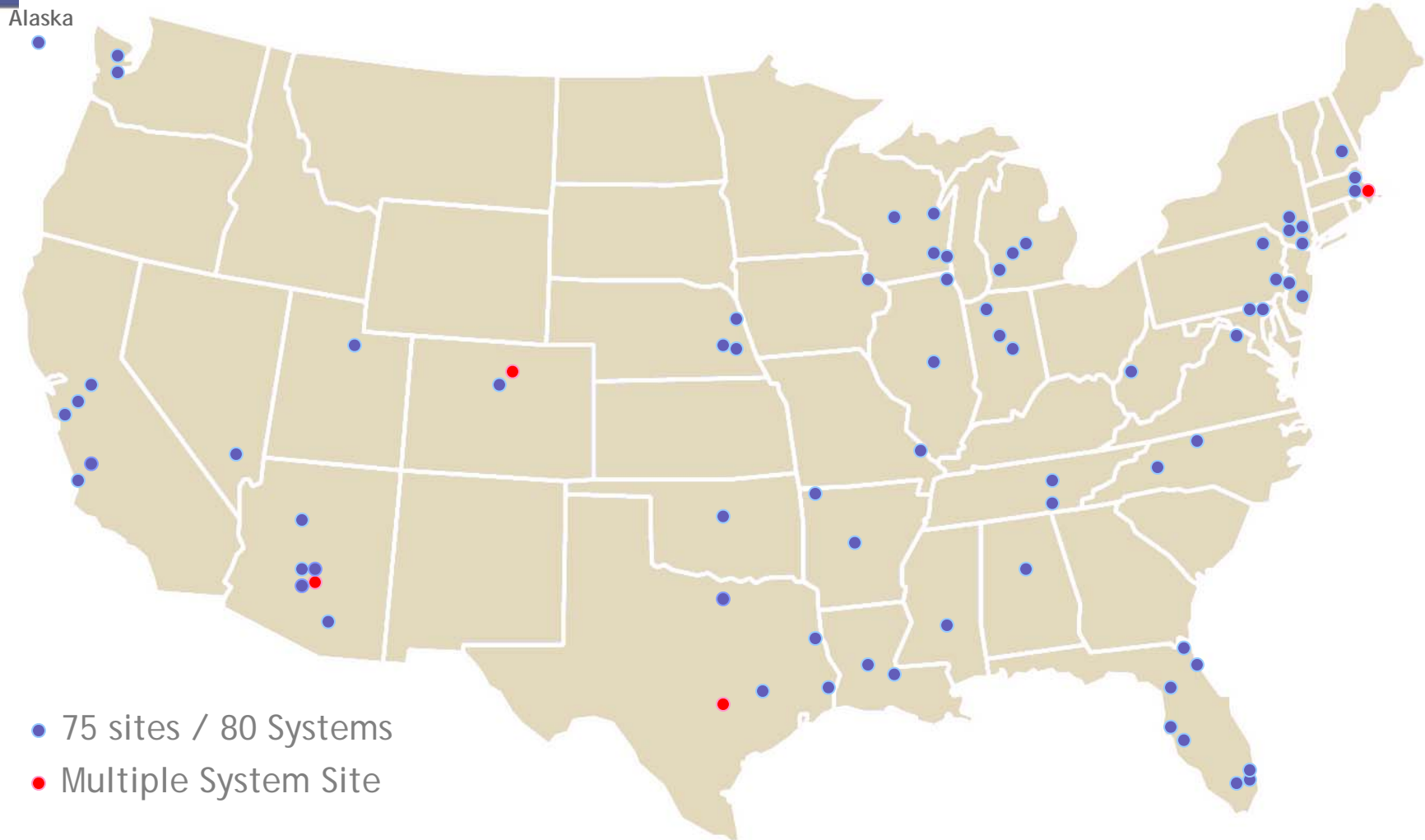
*Based on Company estimates

da Vinci[®] System Target Market - Tier 1 Hospitals 1000 Hospitals > 325 Beds



Based on Q3 Results ended 9/30/07

da Vinci[®] System Target Market - Tier 2 Hospitals 1000 Hospitals 200-325 Beds



Based on Q3 Results ended 9/30/07

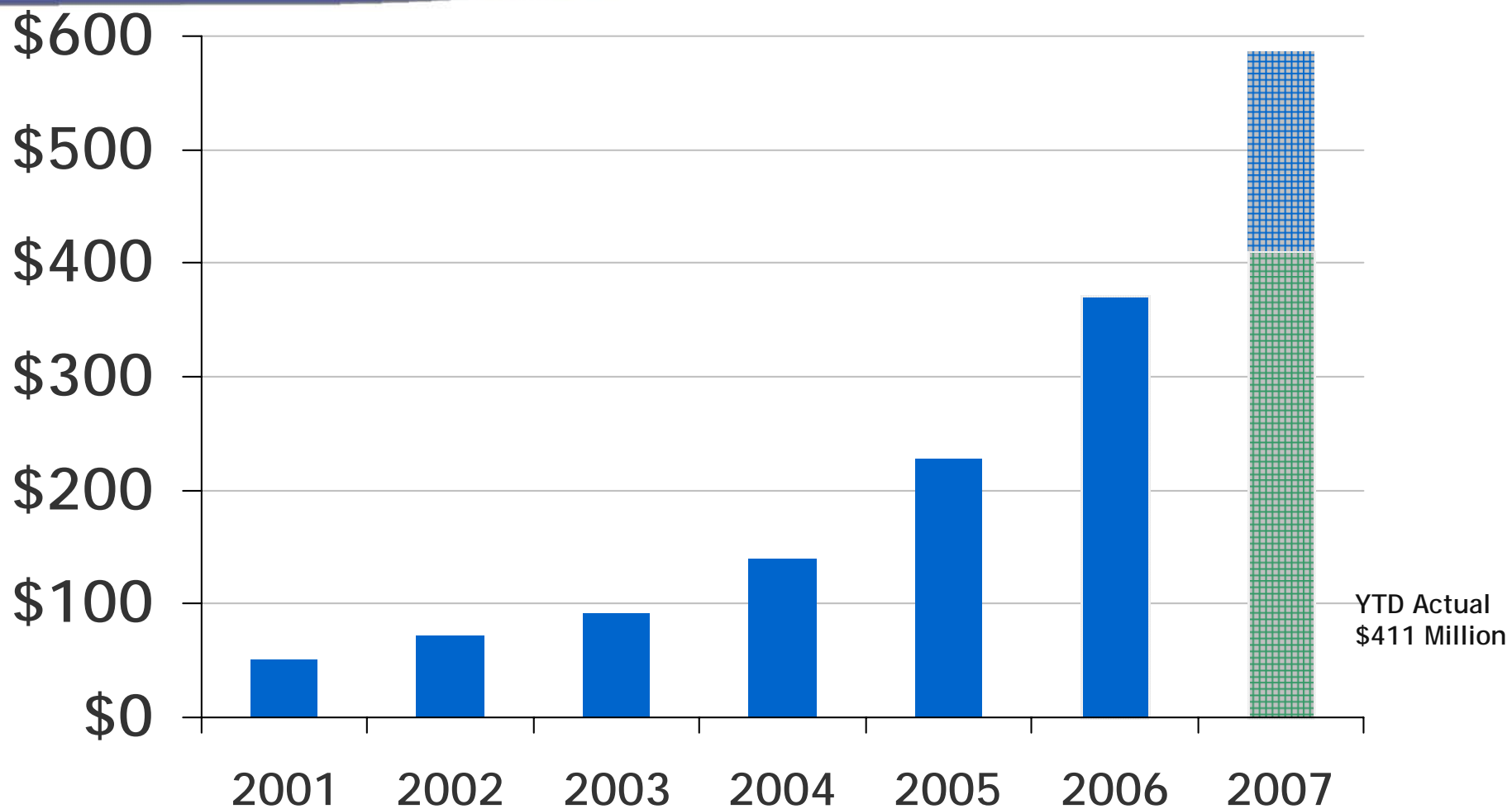
da Vinci[®] Surgery Recurring Revenue Potential

US Centers (Tier 1) - Top 1000	1,000
Systems per Top Center	<u>x 3</u>
Subtotal	3,000
US Centers (Tier 2) - Next 1000	<u>1,000</u>
Total US Systems	4,000
International	<u>2,000</u>
Total WW Systems	6,000

X Recurring Revenue/System \$568K

**Total Annual Recurring Revenue
Potential - \$3.4 Billion**

Revenue Trend (\$M)



Consensus



Based on Q3 Results ended 9/30/07

Income Statement Trend (\$M)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>YTD 2007</u>
Sales	\$91.7	\$138.8	\$227.3	\$372.7	\$411.4
Gross Profit %	48.0%	63.4%	67.6%	66.5%	67.8%
SG&A Expense	39.7	49.0	67.4	110.7	113.0
R&D Expense	16.2	17.8	17.4	29.8	32.7
Operating Income	(11.9)	21.2	68.8	107.4	133.4
Operating Margin%	13%	15.3%	30.3%	28.8%	32.4%
FAS 123R Expense*	N/A	N/A	N/A	\$25.3	\$26.2

* Total FAS123R stock compensation expense included in the above operating results

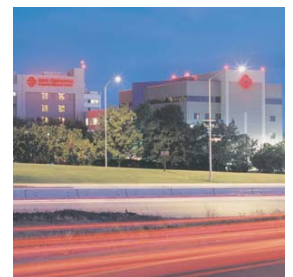
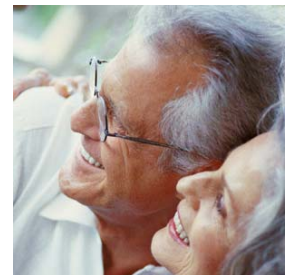
2007 Forecast

As communicated during Q3 2007 Earnings Call (GAAP Basis)

■ Revenue Growth	
■ Overall	55-58%
■ Instrument/Accessory	70-75%
■ System	48-52%
■ Service/Training	52%
■ Gross Profit Percentage	68%
■ Operating Expense Growth	45-47%
■ R&D Expense Growth	55-60%
■ SG&A Expense Growth	41-45%
■ Income Tax Rate	39%
■ FAS 123R pre-tax impact	\$35-36 Million
■ dVP Procedure Growth	>65%
■ dVH Procedure Growth	>175%

Corporate Assets

- Exclusive rights to over 450 U.S. and foreign patents
- 719 *da Vinci*[®] System base
- 230 field sales and support team
- Training Centers worldwide
- \$533 million Cash
- FDA Clearances – Laparoscopic, Thoracoscopic, Prostatectomy, Cardiotomy, Revascularization, Urology, Gynecology, Pediatric



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Thank You

