Continuing the momentum to deliver improved performance

Robert Cascella
Chief Business Leader Diagnosis & Treatment
Key takeaways

• Diagnosis & Treatment strategy is aligned with the Quadruple Aim
• Gaining strong traction with **new, differentiated solutions of systems, smart devices, software and services**

• Growing market share and profitability:
  – Image-Guided Therapy: **Growing leadership in cardiovascular and broadening in new applications**
  – Ultrasound: **Strong value creation via growth** in the core and attractive adjacencies
  – Diagnostic Imaging: **Gaining markets share and delivering on productivity to improve profitability**
  – Investing in Radiology, Cardiology and Oncology solutions to deliver superior value for customers and patients

• Raised growth target to deliver **5-7% sales growth, Adj. EBITA margin of 14-16%** by 2020

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1 Improved health outcomes, patient experience, staff satisfaction and lower cost of care
**Leading positions in Diagnosis & Treatment portfolio**

<table>
<thead>
<tr>
<th>Image-Guided Therapy</th>
<th>Ultrasound</th>
<th>Diagnostic Imaging</th>
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<tbody>
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<td>EUR 2.0 billion sales</td>
<td>EUR 1.5 billion sales</td>
<td>EUR 3.4 billion sales</td>
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Deep integration with informatics and AI to drive productivity, diagnostic confidence and intelligent workflows

- #1 global player in cath labs
- #1 global player in IVUS and physiology
- #1 global player in cardiology
- #2 global player overall
- #3 global player

40% recurring revenues coming from services, devices and software

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1 Part of Healthcare Informatics in Connected Care & Health Informatics and Digital Pathology in Other
Addressing attractive, minimally invasive surgery space – Strong traction with unique Image-Guided Therapy portfolio

> 40% market share in cath labs systems and gaining more with new applications

Azurion drives +300 bps market share gain

On track to improve profitability of the acquired device businesses to double-digit

High-single-digit growth and high-teens profitability targeted by 2020 for Image-Guided Therapy business

Double-digit OIT growth LTM Q3 2018
Image-Guided Therapy: Unique suite of innovative procedural solutions to support the right therapy delivery in real-time

Azurion combined with IntelliSpace Cardiology
Seamless workflow in the cath lab enabling 20% more patients

Entering into attractive electrophysiology market
Breakthrough EPD imaging and navigation technology

Instant wave-Free Ratio—Proven (iFR)
More cost-effective and better for patient than fractional flow reserve (FFR)
Significant value creation via growth in Ultrasound CV, GI, POC and OB/GYN

- Expanding leadership in cardio vascular through industry-leading apps to drive efficiency and diagnostic quality
- OB/GYN gaining share with advanced applications in women's health
- Double-digit OIT growth LTM Q3 2018
- Gaining market share
- Maintaining market-leading margins
Ultrasound: Industry-leading, tailored applications and sharper imaging drive growth in the core and adjacencies

**Tailored applications**
Tailored applications, faster data processing, sharper imaging, robust automated quantification, improved workflow

**Photo-realistic imaging**
Superior diagnostic capabilities with photo-realistic imaging and improved workflow

**Portable ultrasound**
Exceptional portable ultrasound from your smart device with integrated tele-ultrasound solution
Diagnostic Imaging gaining market share and improving profitability

Our strategy is delivering value built around innovation, customer-centricity, and productivity

Investing in advanced solutions for precision diagnosis

+120 bps market share gain with strengthened go-to-market

70% portfolio renewed with deep integration with informatics

Double-digit OIT growth across modalities LTM Q3 2018

Picture: IntelliSpace Portal for seamless workflow
Diagnostic Imaging: Intelligent, AI-enabled applications combined with successful innovations in our systems platforms

MR Compressed SENSE
Application enabling 50% faster scanning

IntelliSpace Portal
Suite of applications enabling seamless workflow

Oncology Informatics
Deeper insights, confident path to treatment

MR Blue Seal magnet
Helium-free operations, lightweight Ambition 1.5T MR

Vereos PET-CT
Industry-leading, diagnostic confidence

CT - Access, Incisive, IQon
First-time-right superior images
IntelliSpace provides intelligent workflows, insights to enhance productivity and diagnostic confidence – less clicks, less time

- Right image acquisition with intelligent support
- Right image interpretation with informatics and AI
- Right operational insights with informatics

1 31% faster work with fewer mouse clicks; 77% time savings in the manual time to results
New, innovative digital pathology and computational pathology

- Leadership with pathology lab chains worldwide
- Computational pathology enabling accurate, reliable tumor estimation powered by Deep Learning
- Tele-pathology addressing global staff shortage
Integrating data across modalities to come to precision diagnosis and deliver on the Quadruple Aim

Integrating patient data
Radiology, pathology, genomics and longitudinal data

Oncology informatics with AI-enhanced decision support and treatment selection for tumor boards
Addressing variation in clinical pathways to improve outcomes and reduce over-/under-diagnosis, treatment and cost of care

1 Part of Healthcare Informatics in Connected Care & Health Informatics and Digital Pathology in Other; 2 Initial studies show that implementation of Dana-Farber clinical pathways supported by real-time decision support and post-treatment data integration results in significant lower cost of care with no compromise in or even better survival rates
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