Edwards Lifesciences

The Leader in the Science of Heart Valves and Hemodynamic Monitoring
Use of Non-GAAP Measures

• Unless otherwise indicated, all figures are GAAP financial measures.

• The Company uses the term “underlying” when referring to non-GAAP sales information, which excludes discontinued and acquired products, foreign exchange fluctuations and THV sales return reserves, and “excluding special items” to also exclude gains and losses from special items such as significant investments, litigation, and business development transactions.

• A reconciliation of non-GAAP historical financial measures to the most comparable GAAP measure is available at http://ir.edwards.com/results.cfm.

• The Company is not able to provide a reconciliation of future projections that exclude special items to expected reported results due to the unknown effect, timing and potential significance of special charges or gains, and management’s inability to forecast charges associated with future transactions and initiatives.
Cautionary Statement

Presentations and comments made today by the management of Edwards Lifesciences Corporation will include 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. These forward-looking statements can sometimes be identified by the use of words such as “may,” “will,” “should,” “anticipate,” “believe,” “plan,” “project,” “estimate,” “expect,” “intend,” “guidance,” “outlook,” “optimistic,” “aspire,” “confident” or other forms of these words or similar expressions. These may include, but are not limited to, the company’s financial goals or expectations for 2014 and beyond (including sales, gross profit, earnings per share and its key components, free cash flow, and other financial expectations, such as several of these measures expressed as percentages); expectations for new products, indications and technologies (including the timing and results of clinical trials and regulatory approvals, and reimbursement coverage); industry growth projections, forecasted trends in patient treatment and demographics; timing and impact of competitor product introductions; potential upsides and strategies for the company’s new and existing products; and the impact of foreign exchange, litigation and special items on the company’s results.

Forward-looking statements are based on estimates and assumptions made by management of the company and are believed to be reasonable, though they are inherently uncertain and difficult to predict. Our forward-looking statements speak only as of the date on which they are made and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement. If the Company does update or correct one or more of these statements, investors and others should not conclude that the company will make additional updates or corrections.

Forward-looking statements involve risks and uncertainties that could cause actual results or experience to differ materially from that expressed or implied by the forward-looking statements. Factors that could cause actual results or experience to differ materially from that expressed or implied by the forward looking statements are detailed in the company’s filings with the Securities and Exchange Commission including its Annual Report on Form 10-K for the year ended December 31, 2013.
Edwards is Differentiated by its Focused Innovation Strategy

- Focused innovation is Edwards’ competitive strength
- Innovation likely rewarded for underserved valve disease and critical care patients
- Executing an innovation strategy can drive outsized sales growth
Focus on our Leadership Positions Offers a Competitive Advantage

Global HVT Industry

- Driving the transformation of valve treatment

Global HDM Industry

- Trusted source for managing the critically ill

Best-in-class products build lasting customer loyalty

* 2013 estimated sales: Heart Valve Therapy (HVT) includes surgical and transcatheter replacement and repair products; Hemodynamic Monitoring (HDM) includes pulmonary artery catheters and pressure monitoring products
Strong Outlook for Surgical Heart Valve Therapy

- Patient trends and innovation expected to drive global surgical procedural CAGR of 3%-6% through 2019
  - Aging global populations
  - Expanding tissue valve segment
  - Emerging markets
  - High-value products
- Extending leadership through innovation
  - EDWARDS INTUITY Elite and improved MIS procedures
  - GLX advanced tissue platform
  - Long-term evidence
  - Targeting improved options for younger patients

The EDWARDS INTUITY valve system and GLX are investigational and not available for commercial sale in the U.S.

6/4/14
Clinical Experience With EDWARDS INTUITY Increases Our Confidence

• Edwards’ INTUITY platform can benefit physicians, hospitals and patients

Anticipated Benefits
• Simplified MIS
• Reduced complications
• Improved procedural efficiency
• Differentiated procedural outcomes

• 2014 developments
  – Formal reimbursement in Germany
  – OUS commercial launch
  – Anticipate completion of U.S. trial enrollment
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Transcatheter Heart Valves
Edwards is Well-Positioned to Compete in Today’s TAVR Market

• SAPIEN platform has the most robust clinical data
  – 4 NEJM publications
  – Low 30-day mortality
  – Low permanent pacemaker rates

• Global opportunity continues to be strong
  – Large opportunity in U.S.
  – EU remains large and growing
  – Japan launch underway

• Investing aggressively to extend leadership

• Conversions to our next generation platforms expected to be rapid and seamless
Global TAVR Expected to Reach Approximately $2.5 - $3.0B by 2019

The U.S. has developed slower than originally projected, but the long-term opportunity is unchanged.
Longer-Term, TAVR Could Expand Dramatically

- Only the sickest patients qualify today
  - A successful PARTNER II trial and continued durability of clinical results would expand this treatment

- Longer-term, moderate and low-risk patients may seek their treatment
  - Younger patients are often undiagnosed or postpone treatment
  - Skills, techniques, and devices are improving rapidly
  - TAVR outcomes, attractive cost profile, rapid recovery, and QoL benefits would encourage earlier treatment
Japan Opportunity is Attractive

- Edwards’ Japan launch is progressing in measured fashion due to gated site credentialing process
  - Medical societies certifying new sites
  - Estimated certification capacity is approximately 4 sites per month

- Japan national reimbursement is ~$46K USD

- Industry characteristics appear favorable to other regions
  - PCI/CABG ratio 3x that in U.S. → preference toward less invasive procedures
  - AVR is undertreated → room for TAVR to grow
  - Larger percentage of population over 80 years compared to U.S.

Opportunity expected to reach $300M-$400M by 2019
Edwards’ THV Pipeline Enables Durable Leadership

<table>
<thead>
<tr>
<th>SAPIEN 3</th>
<th>CENTERA</th>
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</thead>
<tbody>
<tr>
<td>Transformation Potential</td>
<td>A Cutting-Edge Self-Expanding Platform</td>
</tr>
<tr>
<td>• Designed to further reduce paravalvular leaks</td>
<td>• Motorized delivery system for stable deployment</td>
</tr>
<tr>
<td>• Lower profile valve delivered through a 14 Fr eSheath</td>
<td>• Repositionable, single-operator use</td>
</tr>
<tr>
<td>• Discrete valve that anchors in the annulus</td>
<td>• Delivered through a 14 Fr eSheath</td>
</tr>
<tr>
<td>• Treated bovine pericardial tissue leaflets</td>
<td>• Discrete valve that anchors in the annulus</td>
</tr>
<tr>
<td>• Dramatically reduced profile for the transapical approach (18 Fr)</td>
<td>• GLX treated bovine pericardial leaflets</td>
</tr>
</tbody>
</table>

The Edwards SAPIEN 3 valve system is not available for commercial sale in the U.S. The Edwards CENTERA valve system is an investigational device and not available for commercial sale.
Edwards’ Growth Expected to Increase After 2014

2014

• 20-30% global TAVR industry growth

• New EW platforms
  – SAPIEN XT in Japan
  – SAPIEN XT in U.S.
  – SAPIEN 3 in Europe

• Competition
  – 2 competitors launch in Europe
  – New competitive entry in U.S.
  – Competitive clinical trials

2015 ——> 2019

• 15-20% global TAVR industry growth
  – Global TAVR market development
  – Improving hospital economics
  – Expanded indications

• New EW platforms
  – SAPIEN 3, CENTERA, next generation technologies

• Competition
  – No third U.S. competitor for 3+ years
  – Europe & Japan – more new entries

Edwards’ pipeline enables durable leadership
Edwards is Well Positioned to Lead in Mitral Valve Disease Treatment

- Legacy of pioneering in the treatment of mitral valve disease
- Extensive experience with surgeons and cardiologists on transcatheter innovations
- Expertise in a full range of complex tissue valve, repair and delivery system technologies
- Significant long term investments with dedicated teams pursuing multiple platforms
- Fortis FIH experience has begun
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Critical Care
Edwards’ Critical Care Portfolio is Positioned for Growth

• A portfolio of solutions to extend leadership in a global industry with an estimated 3-6% CAGR through 2019
  – Enhanced Surgical Recovery (ESR) represents an underpenetrated opportunity proven to improve patient outcomes and hospital metrics
  – ClearSight noninvasive platform expands benefits of ESR to lower acuity patients
  – Gold standard hemodynamic and vascular products benefit millions of patients per year globally

• GlucoClear has breakout potential by addressing need for better glycemic control in the OR and ICU

6/4/14 ClearSight and GlucoClear are not available for commercial sale in the U.S.
A Large Opportunity Exists to Reduce Complications from Surgery

Redesigned Finger Cuff and Wrist Unit
Improved Ease-of-Use

Integration with EV1000 Monitor
Leverage Installed Base

Advanced Technology Screens
Improved Setup and Interpretation

Edwards is the Leader in the Underpenetrated Enhanced Surgical Recovery Opportunity

Unpenetrated $580M
Penetrated $120M

Edwards 80%

Size of ESR Opportunity 2012
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Innovation Fuels Long-Term Growth
Edwards’ Growth Primarily Fueled by Innovation

• Multiple THV growth opportunities
  – Expanded indications and device innovations
  – New interventional platforms including mitral

• Transformation of Valve Surgery
  – MIS platforms potential to become standard of care
  – Innovative options for younger patients

• Critical Care expansion
  – Non-invasive technology increases penetration
  – GlucoClear remains a significant opportunity

• Expansion in emerging markets
Q1 Results Signal Robust Start to 2014

- Total underlying* sales grew 7.8%
  - Global underlying* THV sales grew 14%
  - OUS underlying* THV sales grew 33%
- Several new product launches underway
  - SAPIEN 3 in Europe stimulated procedure growth
  - Rollout of SAPIEN XT in Japan on track
- Repurchased ~4.4 million shares
- Strong free cash flow of $125 million
- Maintained full-year guidance
- Implemented accounting change for litigation costs to increase visibility

* Excludes impacts from foreign currency and special items
Maintaining Focus on Driving Longer Term Revenue in a Challenging 2014

• New THV competition
  – Early competitive entry in the U.S. with uncertain timing of FDA approvals
  – Two new strategic competitors in Europe

• Aggressive response to THV competition
  – Rapid upgrade to new technologies at current prices pressures gross margin
  – Increasing customer facing investment

• Expected solid performance in core businesses
# Growth Expected to Lift Following Near-Term Competitive Entries

<table>
<thead>
<tr>
<th></th>
<th>2014E</th>
<th>2015+</th>
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</thead>
<tbody>
<tr>
<td>Total Net Sales Growth*</td>
<td>1% - 10%</td>
<td>Growth above industry average</td>
</tr>
<tr>
<td>Gross Profit Margin**</td>
<td>~73%</td>
<td>Expect improvement</td>
</tr>
<tr>
<td>EPS**</td>
<td>a range around $3.10</td>
<td>SG&amp;A leverage enhances growth</td>
</tr>
<tr>
<td>Free Cash Flow**</td>
<td>$325- $425M</td>
<td>Strong cash flow</td>
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* Net sales growth is underlying. ** Excludes special items. Includes the medical device excise tax.
Edwards Participates in Global Fields with Long Term Growth Prospects

**THV**

2013E: ~$1.1B  
2019E: $2.5-3.0B  
2014-2019E CAGR: 15-20%

**HVT**

2013E: ~$1.7B  
2019E: $2.0-2.5B  
2014-2019E CAGR: 3-6%

**CC**

2013E: ~$0.7B  
2019E: ~$1.0B  
2014-2019E CAGR: 3-6%

TMVR and Glucose are Upside Opportunities
Multiple Opportunities for Upside

- New structural heart and glucose innovations
- Clinical evidence further distinguished from competitors
- Earlier approvals of new products
- Potential for greater operating leverage
- Strong cash flow enables strategic flexibility
- Transcatheter mitral valve leadership