Financial Outlook

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Chief Financial Officer

Edwards

Edwards has delivered strong financial performance

Edwards Financial Objectives

STRONG SALES GROWTH EXCEEDING MEDTECH SECTOR

- Sales growth fueled by successful long-term investments in R&D and advancements of breakthrough innovations
- Sustained leadership position supported by strong evidence base of value to patients and clinicians
- Addressing large, growing unmet patient needs

COVID significantly impacted 2020 financial performance

(Excludes special items; $ in millions except earnings per share)

Adjusted Item	2019 Investor Conference	October Guidance
Sales	$4,500-5,000	Year-over-year growth below plan
FX Impact on Sales	~$(40) (~1% downside to sales)	Neutral impact
Gross Profit Margin	76-77%	Year-to-date Q3: 75.6%
Earnings Per Share	$2.02-2.10 (adjusted for 3-for-1 split)	$1.85-1.95
Free Cash Flow	$1,000-1,100	Below plan

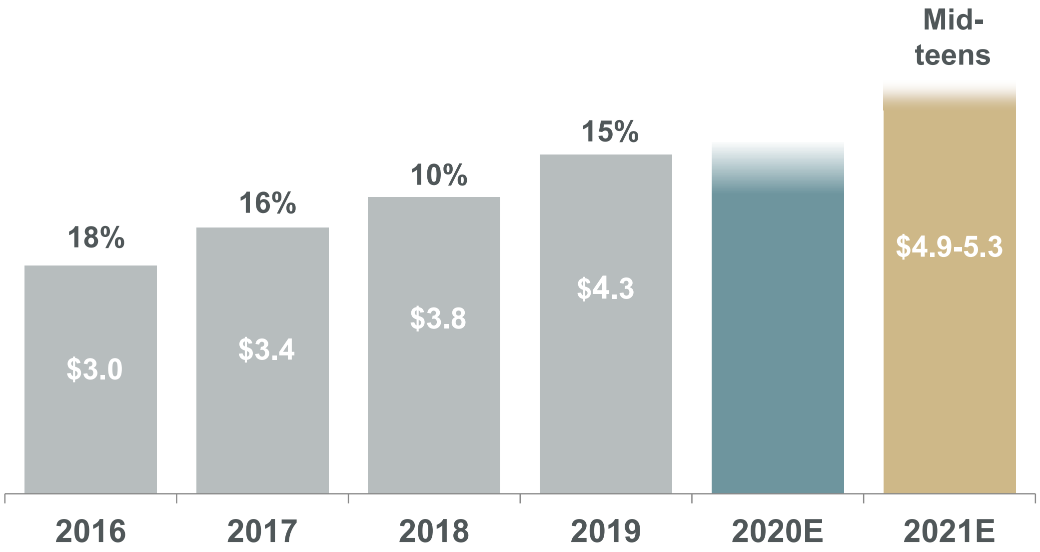
2020 Sales Guidance Comparison

Total company year-over-year Q4 growth rate trending lower than Q3 due to COVID

	2019 Investor Conference	Current Guidance
Transcatheter Aortic Valve Replacement	12-15%	Higher End (5%)-5%
Transcatheter Mitral & Tricuspid Therapies	\$50-\$70M	Around \$40M
Surgical Structural Heart	0-3%	(15%)-(5%)
Critical Care	6-9%	(5%)-0%
Total Edwards	10-12%	Q3 YTD: ~1%

Mid-teens sales growth expected in 2021

(Adjusted sales $ in billions; underlying growth rates)



2021 EXPECTATIONS

- Hospitals continue to face headwinds from COVID
- Growth in all regions with expectations for interruptions due to COVID
- FX impact expected to be approximately 1% favorable in 2021 at current rates
- Expect high variability in quarterly growth rates

2021 Sales Guidance – Product Group

($ in millions at current exchange rates)

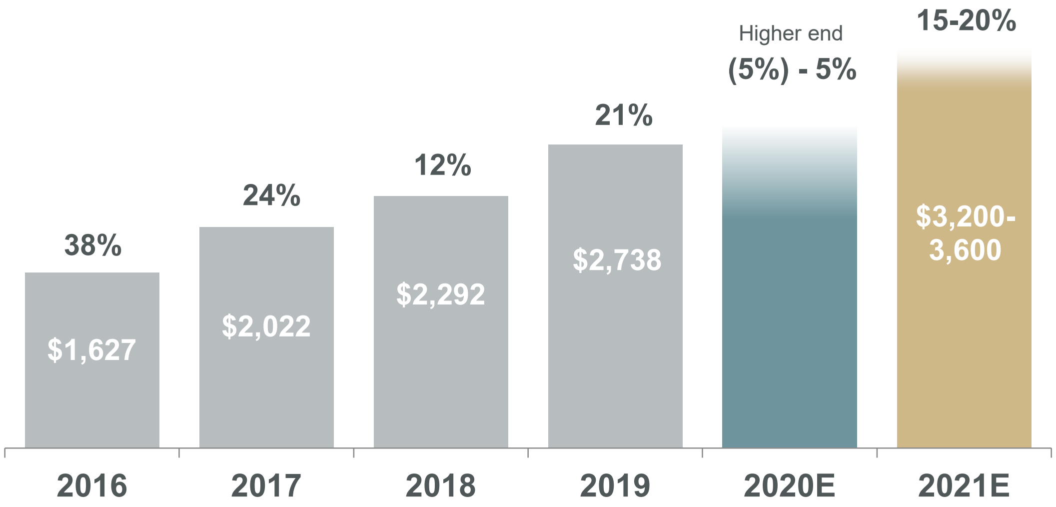
	Underlying Sales
Transcatheter Aortic Valve Replacement	$3,200-3,600 (Underlying growth 15-20%)
Transcatheter Mitral & Tricuspid Therapies	~$80 (Approximately 2x 2020)
Surgical Structural Heart	$800-900
Critical Care	$725-800
Total Edwards	$4,900-5,300 (Mid-teens underlying growth)

2021 Guidance Assumptions

- COVID continues to stress the global healthcare system
- COVID impact lessens after winter flu season
- Effective vaccine becomes widely available by mid-2021
- Hospitals continue to improve ability to treat structural heart patients

TAVR to return to double-digit sales growth in 2021

(Adjusted sales $ in millions; underlying growth rates)

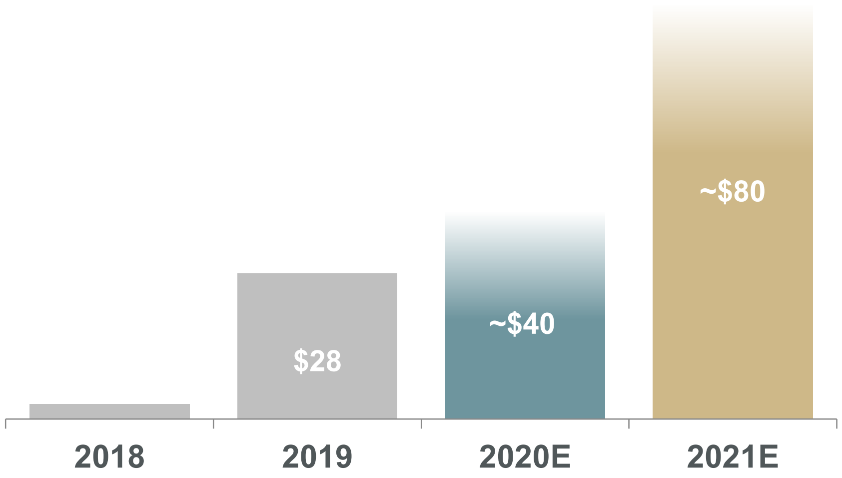


2021 HIGHLIGHTS

- Procedure growth driven by improved TAVR adoption
- EARLY TAVR enrollment complete
- FDA approval to start Moderate AS pivotal trial
- Japan low-risk approval late 2021
- Alterra approval
- SAPIEN X4 clinical trial initiated

TMTT has strong momentum going into 2021

(Adjusted sales $ in millions)

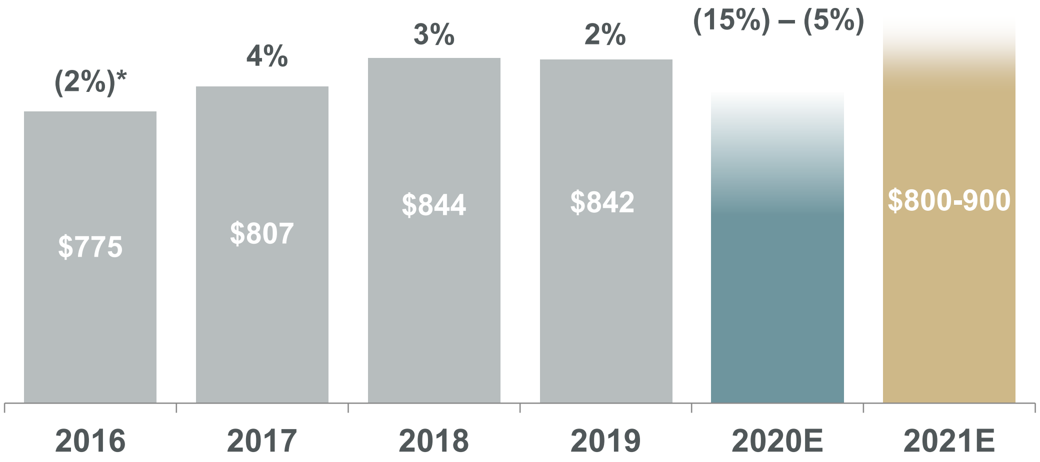


2021 HIGHLIGHTS

- Doubling 2020 global revenue led by PASCAL and PASCAL Ace for both mitral and tricuspid patients
- Enrolling 5 pivotal studies: SAPIEN M3 (ENCIRCLE); EVOQUE TR (TRISCEND II); and PASCAL (CLASP IID, IID, and IITR)
- 1st clinical experience with next generation PASCAL delivery system
- 1st clinical experience with next generation EVOQUE MR

Surgical Structural Heart brings leading innovation

(Adjusted sales $ in millions; underlying growth rates)



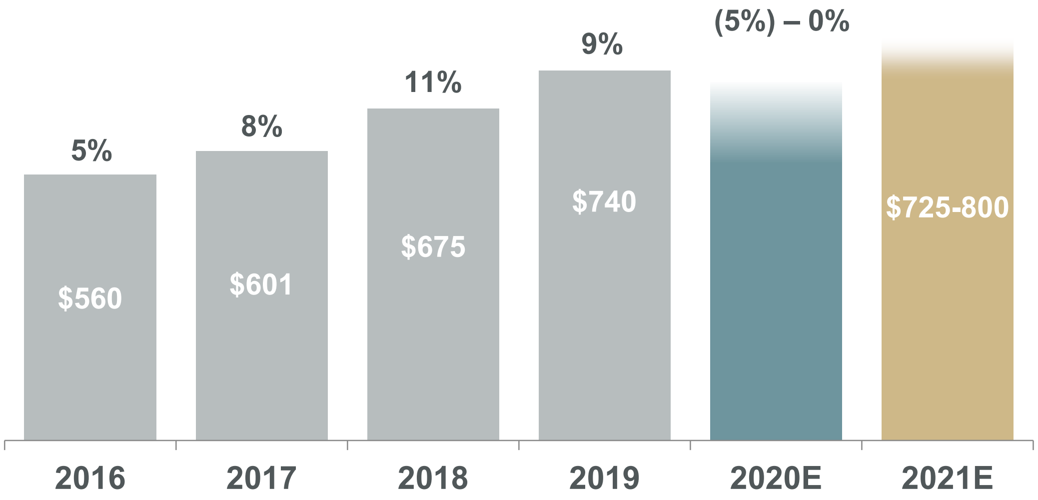
2021 HIGHLIGHTS

- Drive adoption of our RESILIA products, INSPIRIS and KONECT
- INSPIRIS China launch
- MITRIS US and Japan launch
- HARPOON U.S. pivotal trial enrolling (RESTORE)

* The PARTNER II Intermediate Risk clinical trial data.

Critical Care shifting focus to Smart Recovery

(Adjusted sales $ in millions; underlying growth rates)



2021 HIGHLIGHTS

- Drive growth with capital equipment and Smart Recovery products
- Focus on advancing Smart Recovery and improving quality of care with the expansion of HPI technology
- Viewfinder connectivity solution available in 2021

2021 Product Group Milestones

TAVR

- Procedure growth driven by improved TAVR adoption
- EARLY TAVR enrollment complete
- FDA approval to start Moderate AS pivotal trail
- Japan low-risk approval in late 2021
- Alterra approval H2 2021
- SAPIEN X4 clinical trial initiated

TMTT

- Double 2020 global revenue led by PASCAL and PASCAL Ace for both mitral and tricuspid patients
- Enrolling 5 pivotal studies
- Initial clinical experience with the next-generation PASCAL delivery system
- Initial clinical experience with the next-generation EVOQUE mitral system

Surgical Structural Heart

- RESILIA product adoption (INSPIRIS and KONECT)
- INSPIRIS China launch
- MITRIS US and Japan launch
- HARPOON U.S. pivotal trial enrolling (RESTORE)

Critical Care

- Global expansion of HPI technology
- Viewfinder connectivity solution available
- Increased clinical evidence to drive adoption

Edwards Financial Objectives

HEALTHY PROFITABILITY

- Generating strong gross profit and operating margins
- Funding growing field organization and strengthening global supply chain
- Investing aggressively for profitable organic growth
- Maintaining efficient tax structure

2021 Gross Profit Margin Outlook

	Year-over-Year	
Sales Mix	**+**	Mix benefit from TAVR growth Some lower-volume new product margins below the corporate average Modest price compression driven by volume discounts
Optimizing Global Supply Chain	**+/–**	Creating business continuity across our global manufacturing network Increasing capacity and improving efficiency Upgrading manufacturing systems across plant network Enhancing supplier network
Foreign Exchange	**–**	At current FX rates, expect modest negative impact
Net Impact	**=**	**Adjusted Gross Margin forecast to be 76-77%**

Plan to invest aggressively in 2021 for future growth despite expected COVID disruptions

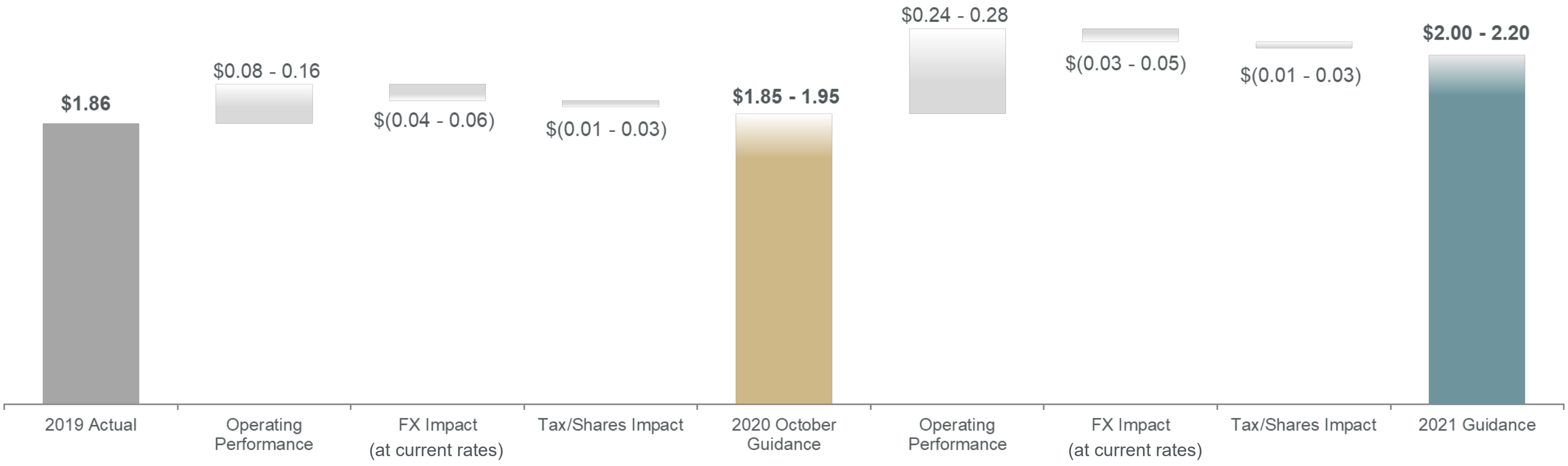
R&D

- TAVR and TMTT investments focused on developing new technologies and generating evidence to expand indications
- Enrolling 7 pivotal trials
- Approximately 1/3 of R&D investment is allocated to clinical evidence generation
- Targeted investments to grow core businesses

SG&A

- Continuing to support high-touch model for U.S. TAVR
- Ongoing build-out of commercial and clinical teams to support TMTT
- Travel resumes as COVID permits

Operating performance drives adjusted EPS growth



Edwards Financial Objectives

ROBUST CASH FLOW AND DISCIPLINED CAPITAL DEPLOYMENT

- Enables aggressive R&D investments
- Internal growth supplemented by smaller strategic acquisitions
- Investing in expanding global capacity
- Commitment to returning capital to shareholders through opportunistic share repurchase

Cash Flows and Capital Deployment

2016 - 2019

Nearly

$4B

of cash generated from operations

funded

$2.5B Share Repurchases

$0.8B CAPEX

$0.3B Upfront Acquisition Payments

2021 HIGHLIGHTS

- Continued growth results in significant cash flows that fund future internal and external opportunities
- 2021 capital expenditures expected around $350 million as capacity expansion continues
- EPS model assumes flat diluted shares outstanding of 630 million

2021 Guidance Summary

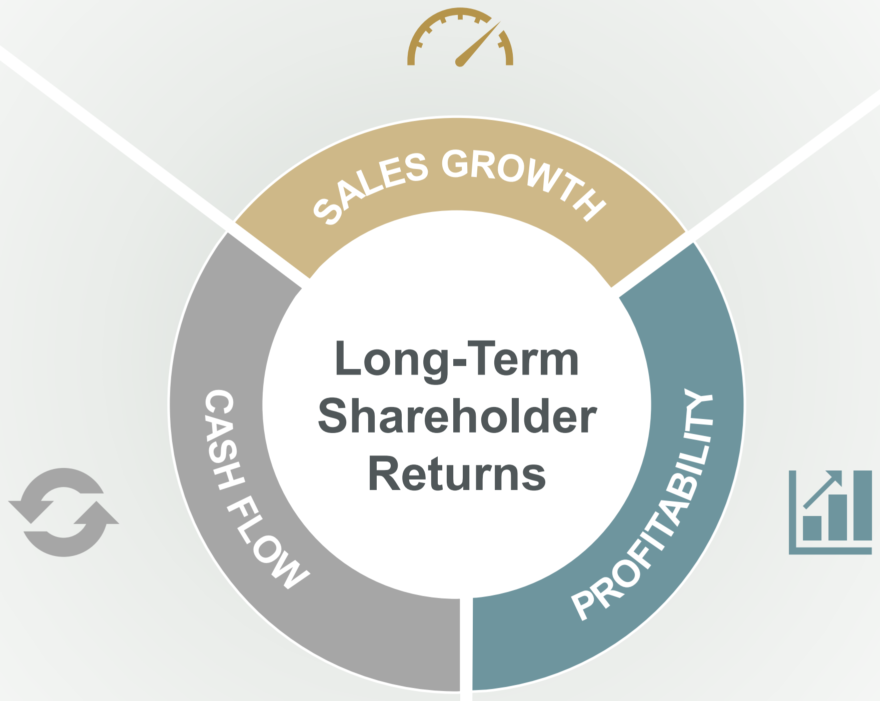
(Excludes special items; $ and shares in millions except earnings per share)

Adjusted Item	FY 2021	Adjusted Item	FY 2021
Sales	$4,900-5,300	Operating Margin	29-30%
Underlying growth	Mid-teens	Tax rate	11-15% (~5pp ETB benefit)
FX Impact on Sales	~$35 (1% upside to sales)	Earnings Per Share	$2.00-$2.20
Gross Profit Margin	76-77%	CAPEX	~$350M
SG&A % of Sales	Similar to pre-COVID	Shares Outstanding	Modeled to be flat with 2020 levels of 630 million
R&D % of Sales			

Longer-Term Guidance

Underlying Sales Growth	Innovation expected to drive organic growth that exceeds medtech sector
Gross Margin	Mix and efficiencies expected to benefit longer-term margin
R&D % of Sales	Significant investments in clinical trials to expand indications and develop new technologies
SG&A % of Sales	Disciplined focus on leveraging our scale and controlling G&A expenses, partially offset by investments to support growth initiatives
Operating Margin	Investing to gradually expand margin over time
Tax Rate %	Upward pressure and less predictability due to stock option accounting
Outstanding Shares	Routine share repurchases to offset dilution from employee shares Opportunistically reduce net shares outstanding

Edwards Financial Objectives



Edwards

Helping Patients is Our Life's Work, and *life is now*