

Intuitive Surgical, Inc. (ISRG, Buy, \$571 PT)

Dv5 vs. Xi Launch Metrics Compared - Vol. 2

WHAT YOU SHOULD KNOW: We previously published a note ([here](#)) 3 quarters into the Dv5 launch comparing Dv5 launch metrics to Xi's launch metrics. Now, 6 quarters in, where do these metrics sit and what kind of launch trajectory is Dv5 on relative to our prior analysis? We think this provides helpful context especially as the competitive landscape becomes more crowded. As of 2Q25, the Dv5 installed base stands at 689 units, ~2x that of Xi in its first 6 quarters. 82% of US placements in 2Q25 were Dv5 units and >100k procedures have been completed. Utilization of Dv5 units are estimated to be below the broader installed base (~70%), but we believe this is simply a byproduct of more rapid system growth early in the launch. As system growth moderates, utilization per system should pick up and trend in line with the broader installed base. We walk through the math below.

- **Street estimates for Systems through FY27:** Consensus US System estimates call for 976, 1113, and 1251 in FY25, FY26, and FY27 for an implied CAGR of ~13.2%. Consensus WW System units are estimated at 1698, 1899, and 2112 for an implied CAGR of ~11.5%.
- **Based on 6 quarters of launch, Dv5 is tracking to 821 units in 2025, implying 230 units in 3Q25 and 263 units in 4Q25.** This estimate is based on a formula of $y = 33x - 0.66$ where x is the number of quarters since launch and y equals total units. This is the estimated logarithmic formula for Dv5 unit growth through 6 quarters. We note though that this growth trajectory has come down (not surprisingly) relative to our prior formula of $y = 51x - 39.3$. **We also note that implied total US units in 3Q and 4Q should be higher than Cons. estimates if ~84% of units are Dv5.** The math suggests total system units in 3Q and 4Q to be ~274 and ~313 vs. the Street's ~248 and ~308.
- **How does the Dv5 trajectory compare to the Xi launch?** Dv5's total installed base stands at ~2x that of Xi after 6 quarters and this is almost entirely within the US. We note that 2 months after Xi was cleared by the FDA in 2014, Xi picked up CE Mark. Dv5 was cleared in March 2024 but did not pick up CE Mark until July 2025 (>1 year after US clearance) so it's possible that Dv5 could see outsized growth from a European launch although mgmt. have called for it to be 'measured'.
- **Where does utilization stand?** Dv5's utilization has come down the last few quarters due to high unit placements coupled with steady procedure adoption. Unit growth should/will moderate (law of larger numbers) coupled with utilization per system steadily picking up as procedure growth remains steady. For comparative purposes, we estimate procedures per system (across the entire installed base globally) was ~76.3x in 2Q25 whereas Dv5 specifically stood at ~52.2 procedures per system, ~68% of total utilization. By 4Q26 we estimate Dv5 utilization to hover around ~72.8 procedures per system, ~0.5 procedures per system more than our global installed base utilization metric of ~72.3 procedures per system in 4Q26. Essentially we see a glide path for Dv5 utilization to pick up and grow more closely in line with the broader installed base (if not slightly ahead).
- **Valuation:** Our ISRG rating is Buy. Our \$571 PT is based on 62x our 12-24 month EPS estimate of \$9.21. ISRG shares have carried a premium for many years relative to peers. The 62x multiple is below ISRG's 1-year average and is justified in the context of a robust new product cycle in Dv5, steady procedure growth, and improving scale. Risks are discussed below.

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Company Data

Closing Price	\$447.23
Price Target	\$571.00
Market Cap (M)	\$163,060.06
Enterprise Value (M)	\$183,147.63
Shares Out (M)	364.60
Avg Daily Vol-3 Months (M)	2.17

Revisions

	Previous	Current
Rating	Buy	Buy
Price Target	\$571.00	\$571.00
FY25E REV	9,716.43	9,716.43
FY26E REV	10,950.30	10,950.30
FY25E EPS	8.01	8.01
FY26E EPS	8.74	8.74

Revenue (M)

FY Dec	2024A	2025E	2026E
Q1	1,890.60	2,253.40A	2,568.16
Q2	2,009.90	2,440.00A	2,741.32
Q3	2,038.10	2,362.59	2,677.84
Q4	2,413.50	2,660.44	2,962.98
FY REV	8,352.10	9,716.43	10,950.30

Diluted EPS (Adjusted)

FY Dec	2024A	2025E	2026E
Q1	1.50	1.81A	2.00
Q2	1.78	2.19A	2.13
Q3	1.84	1.85	2.09
Q4	2.21	2.15	2.52
FY EPS	7.33	8.01	8.74

Source: FactSet, BTIG Estimates and Company Documents reported as \$ currency.

FY = Fiscal Year CY = Calendar Year

Investment Thesis

We like the long-term potential of robotic surgery. We see ISRG as the clear leader in the space with a growing ecosystem around its robotic systems and strong operating leverage in outer years. We think COVID has put a spotlight on computer-aided surgery given the benefits afforded to clinical outcomes, which should help continue to drive adoption over time. With a new DV5 system in the early launch phase, we believe investors will want to own shares as the broader launch picks up momentum even as the competition is growing (but still trails behind). These dynamics are offset by some margin compression in FY25 due to tariff dynamics but over time should improve as DV5 reaches scale and new components of Instruments & Accessories are rolled out.

Upcoming Catalysts

- 1Q26 - Broad availability of Force Feedback instrumentation for DV5
- 1H26 - Closing of transaction establishing direct presence in several European countries
- Throughout - Continued OUS approvals for DV5
- Throughout - Ion reimbursement in Europe
- Throughout - Continued OUS approvals for Ion
- Throughout - Continued manufacturing facility expansion in Germany, Bulgaria, and Mexico

Base Case Assumptions: \$571 Price Target

With guidance calling for 15.5%-17% procedural growth, we model procedures growth of 16.2% in FY25, with revenue of \$9.716B (+16.3 Y/Y). Operating expenses are expected to increase between 10%-14% Y/Y, landing adj. EPS at \$8.01 in FY25.

Upside Scenario

- Accelerated procedure growth
- More controlled operating expenses
- Improved economy and capex environment
- Growing SP & Ion utilization and indications

Downside Scenario

- Slowdown in procedure growth
- Stronger uptake of GLP-1s and the impact on bariatric surgery
- Higher operating expenses
- Slump in the economy and capex environment

Price Performance



Company Description

Intuitive Surgical, Inc., headquartered in Sunnyvale, California, is the pioneer and a global technology leader in robotic-assisted, minimally invasive surgery. Intuitive develops, manufactures and markets the Da Vinci surgical system. The company strives to make surgery more effective, less invasive and easier on surgeons, patients and their families.

Dv5 launch progress: As of 2Q25, ISRG placed 180 Dv5 systems (178 in the US, 2 OUS) equating to ~82% of US placements and bringing the installed base to 689 systems WW. ISRG highlighted customers have completed over 100,000 cases on Dv5, equating to ~52.2 procedures per system in the most recent quarter (BTIG estimate). Dv5 was cleared in March 2024 and did not pick up CE Mark until July 2025, >1 year after the US clearance. We note that Dv5 also has clearance in Japan (as of 2Q25).

Figure 1: Dv5 Estimated Launch

	Dv5											
	1Q24 A	2Q24 A	3Q24 A	4Q24 A	1Q25 A	2Q25 A	3Q25 E	4Q25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E
Total System Sales	313	341	379	493	367	395	410	510	403	440	435	519
Y/Y Growth	0.3%	3.0%	21.5%	18.8%	17.3%	15.8%	8.2%	3.4%	9.8%	11.4%	6.1%	1.8%
Trade Ins	32	25	43	130	80	96	28	42	20	25	28	42
Total Install Base	8,887	9,203	9,539	9,902	10,189	10,488	11,019	11,487	11,870	12,285	12,692	13,169
Y/Y Growth	14.2%	14.4%	15.1%	15.1%	14.7%	14.0%	15.5%	16.0%	16.5%	17.1%	15.2%	14.6%
Total Procedures	636,201	674,311	652,137	717,315	744,318	789,027	754,468	825,829	842,350	890,123	851,544	934,560
Y/Y Growth	13.7%	14.3%	16.1%	18.0%	17.0%	17.0%	15.7%	15.1%	13.2%	12.8%	12.9%	13.2%
Dv5 Units Placed	8	70	110	174	147	180	230	263	296	362	395	428
Y/Y Growth					1737.5%	157.1%	109.4%	51.3%	101.6%	101.3%	71.6%	62.7%
% Total System Sales	2.6%	20.5%	29.0%	35.3%	40.1%	45.6%	56.2%	51.6%	73.5%	82.4%	90.9%	82.5%
Dv5 Install Base	8	78	188	362	509	689	919	1,183	1,479	1,841	2,237	2,665
Y/Y Growth	0.1%	0.8%	2.0%	3.7%	5.0%	6.8%	8.8%	10.7%	12.9%	15.5%	18.8%	21.7%
% Total Install Base						783.3%	389.0%	226.7%	190.6%	167.3%	143.3%	125.3%
Dv5 Procedures	2,000	10,000	32,000	32,000	36,000	54,000	75,000	100,000	127,000	159,000	194,000	
Y/Y Growth					1700.0%	440.0%	134.4%	212.5%	252.8%	194.4%	158.7%	
% Total Procedures	0.3%	1.5%	4.5%	4.3%	4.6%	7.2%	9.1%	11.9%	14.3%	18.7%	20.8%	
Procedures per Dv5 Installed Base		53.2	88.4	62.9	52.2	58.7	63.4	67.6	69.0	71.1	72.8	

Source: BTIG Research, company filings

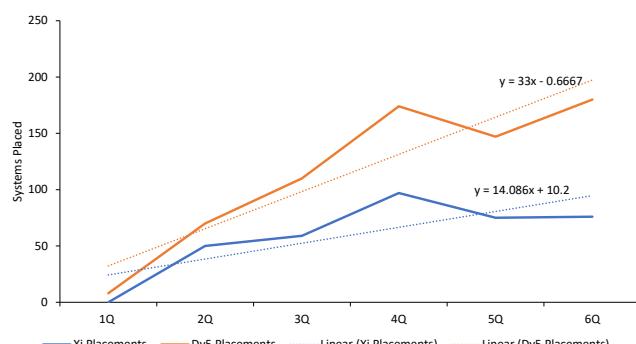
Figure 2: Xi Actual Launch

	Xi											
	1Q14 A	2Q14 A	3Q14 A	4Q14 A	1Q15 A	2Q15 A	3Q15 A	4Q15 A	1Q16 A	2Q16 A	3Q16 A	4Q16 A
Total System Sales	87	96	111	137	99	118	117	158	110	130	134	163
Y/Y Growth	-47.0%	-32.9%	8.8%	-0.7%	13.8%	22.9%	5.4%	15.3%	11.1%	10.2%	14.5%	3.2%
Total Install Base	3039	3102	3174	3266	3317	3398	3477	3597	3660	3745	3803	3919
Y/Y Growth	12.1%	10.8%	10.6%	10.1%	9.1%	9.5%	9.5%	10.1%	10.3%	10.2%	9.4%	9.0%
Total Procedures	134,230	143,950	138,728	153,083	151,956	163,432	159,513	176,355	178,072	189,609	181,293	202,750
Y/Y Growth	6.8%	9.3%	9.5%	9.9%	13.2%	13.5%	15.0%	15.2%	17.2%	16.0%	13.7%	15.0%
Xi Placements	50	59	97	75	76	90	114	85	98	101	122	
Y/Y Growth					51.0%	52.7%	17.3%	12.6%	29.1%	11.6%	7.5%	
% Total System Sales		52.1%	53.2%	70.8%	76.0%	64.0%	77.0%	72.0%	77.0%	75.0%	75.0%	75.0%
Xi Install Base	50	109	206	281	357	447	561	645	743	843	966	
Y/Y Growth	0.0%	1.6%	3.4%	6.3%	8.5%	10.5%	12.9%	15.6%	17.6%	19.8%	22.2%	24.6%
% Total Install Base												

Source: BTIG Research, company filings

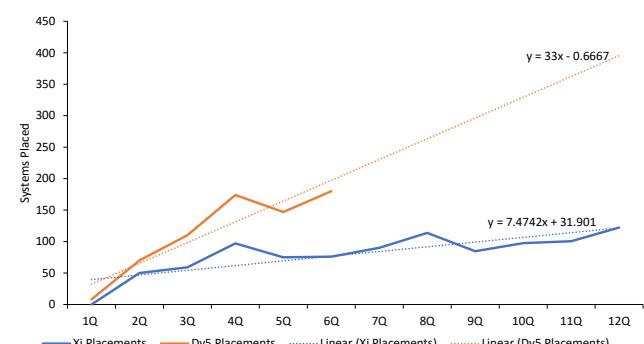
Figure 3 shows the Xi launch relative to the Dv5 launch through the first 6 quarters. Xi's first quarter of launch was not disclosed, and we assume Xi starts at zero in 1Q14. Even if Xi started at a number similar to Dv5 (such as 8 units in the first quarter), the pace at which Dv5 is ramping is almost 2x that of Xi. As we've noted in the past, ISRG's manufacturing capacity and scale are factors in its ability to grow at a more rapid pace. We also note that demand for robotics is higher today than it was in 2014. All of which are factors when comparing the two launch trajectories.

Figure 3: Xi vs. Dv5 Launch Trajectory Through 6 Quarters



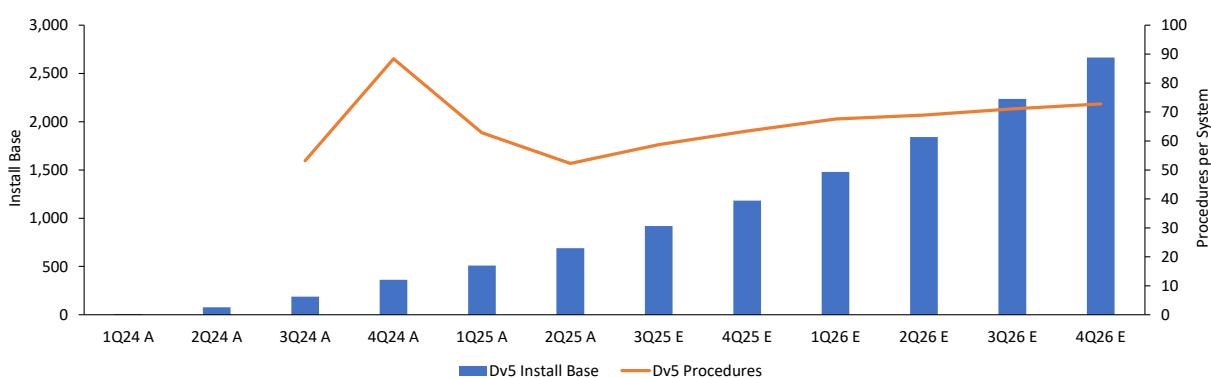
Source: BTIG Research

Figure 4: Xi vs. Dv5 Placement Trajectory



Source: BTIG Research

Figure 5: Dv5 Installed Base and Procedures per System



Source: BTIG Research

ISRG Income Statement	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Dec-26	Dec-27
\$ millions	FY23 A	1Q24 A	2Q24 A	3Q24 A	4Q24 A	FY24 A	1Q25 A	2Q25 A	3Q25 E	4Q25 E	FY25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E	FY26 E	FY27 E
Total Revenue	7124.1	1890.6	2009.9	2038.1	2413.5	8352.1	2253.4	2440.0	2362.6	2660.4	9716.4	2568.2	2741.3	2677.8	2963.0	10950.3	12170.4
y/y growth	14.5%	11.5%	14.5%	16.9%	25.2%	17.2%	19.2%	21.4%	15.9%	10.2%	16.3%	14.0%	12.3%	13.3%	11.4%	12.7%	11.1%
Cost of sales	2394.6	645.2	637.2	664.2	771.3	2717.9	795.7	822.1	811.1	898.8	3327.7	879.3	928.0	900.7	929.0	3637.1	3981.2
Gross Profit	4729.5	1245.4	1372.7	1373.9	1642.2	5634.2	1457.7	1617.9	1551.5	1761.6	6388.7	1688.9	1813.3	1777.1	2034.0	7313.2	8189.1
SG&A	1963.9	491.5	525.3	510.6	612.6	2140.0	563.4	561.2	590.6	651.8	2367.1	629.2	671.6	658.7	728.9	2688.5	2948.4
R&D	998.8	284.5	280.1	286.0	294.7	1145.3	316.2	313.3	319.0	324.6	1273.0	344.1	364.6	358.8	343.7	1411.3	1559.8
Total Operating Expenses	2962.7	776.0	805.4	796.6	907.3	3285.3	879.6	874.5	909.6	976.4	3640.1	973.3	1036.2	1017.6	1072.6	4099.7	4508.2
EBIT	1766.8	469.4	567.3	577.3	734.9	2348.9	578.1	743.4	641.9	785.2	2748.6	715.5	777.1	759.5	961.4	3213.5	3680.9
Interest and other income	192.1	69.1	87.2	93.7	74.9	324.9	90.4	88.7	98.0	98.0	375.1	95.0	95.0	95.0	95.0	380.0	380.0
Pretax Income	1958.9	538.5	654.5	671.0	809.8	2673.8	668.5	832.1	739.9	883.2	3123.7	810.5	872.1	854.5	1056.4	3593.5	4060.9
Income taxes (benefit)	141.6	-8.9	123.0	100.4	121.8	336.3	-35.2	167.9	166.5	198.7	497.9	182.4	196.2	192.3	237.7	808.5	913.7
Noncontrolling interest	19.3	2.5	4.6	5.5	2.3	14.9	5.3	5.8	0.0	0.0	11.1	0.0	0.0	0.0	0.0	0.0	0.0
Net Income (loss)	1798.0	544.9	526.9	565.1	685.7	2322.6	698.4	658.4	573.4	684.5	2614.7	628.2	675.9	662.3	818.7	2785.0	3147.2
GAAP EPS	\$5.03	\$1.51	\$1.46	\$1.56	\$1.88	\$6.41	\$1.92	\$1.81	\$1.57	\$1.88	\$7.18	\$1.72	\$1.85	\$1.82	\$2.24	\$7.64	\$8.62
Diluted Shares Outstanding	357.4	360.5	361.0	362.7	363.9	362.0	364.6	364.1	364.2	364.3	364.3	364.4	364.5	364.6	364.7	364.6	365.0
Adjustments	243.5	-3.8	114.1	104.0	119.0	333.3	-36.9	139.5	100.0	100.0	302.6	100.0	100.0	100.0	100.0	400.0	400.0
Adjusted Net Income	2041.5	541.1	641.0	669.1	804.7	2655.9	661.5	797.9	673.4	784.5	2917.3	728.2	775.9	762.3	918.7	3185.0	3547.2
ISRG Adjusted EPS	\$5.71	\$1.50	\$1.78	\$1.84	\$2.21	\$7.33	\$1.81	\$2.19	\$1.85	\$2.15	\$8.01	\$2.00	\$2.13	\$2.09	\$2.52	\$8.74	\$9.72
EBIT	1766.8	469.4	567.3	577.3	734.9	2348.9	578.1	743.4	641.9	785.2	2748.6	715.5	777.1	759.5	961.4	3213.5	3680.9
D&A	421.8	109.3	111.8	116.2	124.7	462.0	140.9	123.4	126.6	129.0	519.8	140.9	123.4	126.6	129.0	519.8	514.1
EBITDA	2188.6	578.7	679.1	693.5	859.6	2810.9	719.0	866.8	768.5	914.2	3268.5	856.4	900.5	886.1	1090.4	3733.3	4195.1
Margins	FY23 A	1Q24 A	2Q24 A	3Q24 A	4Q24 A	FY24 A	1Q25 A	2Q25 A	3Q25 E	4Q25 E	FY25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E	FY26 E	FY27 E
Gross Profit	66.4%	65.9%	68.3%	67.4%	68.0%	67.5%	64.7%	66.3%	65.7%	66.2%	65.8%	65.8%	66.1%	66.4%	68.6%	66.8%	67.3%
EBIT	24.8%	24.8%	28.2%	28.3%	30.4%	28.1%	25.7%	30.5%	27.2%	29.5%	28.3%	27.9%	28.3%	28.4%	32.4%	29.3%	30.2%
EBITDA	30.7%	30.6%	33.8%	34.0%	35.6%	33.7%	31.9%	35.5%	32.5%	34.4%	33.6%	33.3%	32.8%	33.1%	36.8%	34.1%	34.5%
Pretax Income	27.5%	28.5%	32.6%	32.9%	33.6%	32.0%	29.7%	34.1%	31.3%	33.2%	32.1%	31.6%	31.8%	31.9%	35.7%	32.8%	33.4%
Net Income	25.2%	28.8%	26.2%	27.7%	28.4%	27.8%	31.0%	27.0%	24.3%	25.7%	26.9%	24.5%	24.7%	24.7%	27.6%	25.4%	25.9%
Expenses	FY23 A	1Q24 A	2Q24 A	3Q24 A	4Q24 A	FY24 A	1Q25 A	2Q25 A	3Q25 E	4Q25 E	FY25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E	FY26 E	FY27 E
COGS as a % of revenue	33.6%	34.1%	31.7%	32.6%	32.0%	32.5%	35.3%	33.7%	34.3%	33.8%	34.2%	34.2%	33.9%	33.6%	31.4%	33.2%	32.7%
SG&A as a % of revenue	27.6%	26.0%	26.1%	25.1%	25.4%	25.6%	25.0%	23.0%	25.0%	24.5%	24.4%	24.5%	24.5%	24.6%	24.6%	24.6%	24.2%
R&D as a % of revenue	14.0%	15.0%	13.9%	14.0%	12.2%	13.7%	14.0%	12.8%	13.5%	12.2%	13.1%	13.4%	13.3%	13.4%	11.6%	12.9%	12.8%
Total Operating Expenses	41.6%	41.0%	40.1%	39.1%	37.6%	39.3%	39.0%	35.8%	38.5%	36.7%	37.5%	37.9%	37.8%	38.0%	36.2%	37.4%	37.0%
Tax Expense (income)	7.2%	-1.7%	18.8%	15.0%	15.0%	12.6%	-5.3%	20.2%	22.5%	22.5%	15.9%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%
EPS Growth	37.7%	51.4%	23.9%	34.3%	11.3%	27.5%	26.7%	23.9%	1.1%	-0.3%	11.9%	-10.0%	2.5%	15.4%	19.5%	6.4%	12.9%
Adj. EPS Growth	21.9%	22.3%	25.1%	26.1%	38.1%	28.4%	20.9%	23.4%	0.2%	-2.6%	9.2%	10.1%	-2.9%	13.1%	17.0%	9.1%	11.3%

Source: BTIG Research and company filings

ISRG Revenue Model	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Dec-26	Dec-27
	FY23 A	1Q24 A	2Q24 A	3Q24 A	4Q24 A	FY24 A	1Q25 A	2Q25 A	3Q25 E	4Q25 E	FY25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E	FY26 E	FY27 E
\$ millions																	
da Vinci System Sales																	
U.S.	666	148	149	219	284	800	204	216	250	320	990	230	240	255	320	1045	1085
Europe	309	84	71	65	89	309	88	73	70	90	321	75	80	80	95	330	350
Japan	151	20	41	39	43	143	10	15	30	35	90	28	30	30	34	122	162
Rest of World	244	61	80	56	77	274	65	91	60	65	281	70	90	70	70	300	320
Total System Sales	1,370	313	341	379	493	1,526	367	395	410	510	1,682	403	440	435	519	1,797	1,917
y/y growth	8.4%	0.3%	3.0%	21.5%	18.8%	11.4%	17.3%	15.8%	8.2%	3.4%	10.2%	9.8%	11.4%	6.1%	1.8%	6.8%	6.7%
ASP (\$M)	\$1.23	\$1.34	\$1.31	\$1.17	\$1.33	\$1.29	\$1.42	\$1.45	\$1.30	\$1.30	\$1.36	\$1.30	\$1.34	\$1.34	\$1.32	\$1.33	\$1.35
ASP Realized (inc. stocking, \$M)	\$1.42	\$1.39	\$1.44	\$1.51		\$1.45	\$1.62	\$1.50									
Total System Revenue (\$M)	1679.7	418.2	448.2	445.0	654.6	1,966.0	522.7	574.7	533.0	663.0	2,293.4	523.9	589.6	582.9	685.1	2,381.5	2,578.8
y/y growth	0.0%	-2.2%	14.1%	17.3%	36.3%	17.0%	25.0%	28.2%	19.8%	1.3%	16.7%	0.2%	2.6%	9.4%	3.3%	3.8%	8.3%
da Vinci Installed Base																	
da Vincis in the U.S.	4,276	4,392	4,516	4,692	4,846	4,846	4,970	5,090	5,312	5,590	5,590	5,800	6,015	6,242	6,520	6,520	7,490
da Vincis in Europe	2099	2183	2254	2319	2408	2408	2496	2569	2639	2729	2729	2804	2884	2964	3059	3059	3409
da Vincis in Japan	938	958	999	1038	1081	1081	1091	1106	1136	1171	1171	1199	1229	1259	1293	1293	1455
da Vincis in ROW	1442	1503	1583	1639	1716	1716	1781	1872	1932	1997	1997	2067	2157	2227	2297	2297	2617
Total Installed Base	8,606	8,887	9,203	9,539	9,902	9,902	10,189	10,488	11,019	11,487	11,487	11,870	12,285	12,692	13,169	13,169	14,971
y/y growth	14.1%	14.2%	14.4%	15.1%	15.1%	15.1%	14.7%	14.0%	15.5%	16.0%	16.0%	16.5%	17.1%	15.2%	14.6%	14.6%	13.7%
seq. growth	3.3%	3.6%	3.7%	3.8%		2.9%	2.9%	5.1%	4.2%			3.3%	3.5%	3.3%	3.8%		
seq. procedure growth	4.6%	6.0%	-3.3%	10.0%		3.8%	6.0%	-4.4%	9.5%			2.0%	5.7%	-4.3%	9.7%		
Procedures/Installed Base	72.7x	74.6x	69.6x	73.8x		74.1x	76.3x	70.6x	73.4x			72.1x	73.7x	68.2x	72.3x		
Trade Ins	301	32	25	43	130	230	80	96	28	42	246	20	25	28	42	115	115
Instrument/Procedure Revenue																	
Total Worldwide Procedures	2,285,988	636,201	674,311	652,137	717,315	2,679,963	744,318	789,027	754,468	825,829	3,113,642	842,350	890,123	851,544	934,560	3,518,577	3,938,477
y/y growth	21.9%	15.8%	17.0%	18.1%	18.0%	17.2%	17.0%	17.0%	15.7%	15.1%	16.2%	13.2%	12.8%	12.9%	13.2%	13.0%	11.9%
Multisite	2,204,109	616,359	652,721	629,397	693,774	2,592,252	723,484	766,358	731,212	801,753	3,022,807	821,041	866,939	827,759	909,934	3,425,673	3,842,609
y/y growth	22.3%	16.2%	17.4%	18.6%	18.2%	17.6%	17.4%	17.4%	16.2%	15.6%	16.6%	13.5%	13.1%	13.2%	13.5%	13.3%	12.2%
Single Site	81,879	19,841	21,590	22,740	23,541	87,712	20,833	22,669	23,256	24,077	90,835	21,309	23,184	23,785	24,626	92,904	95,868
y/y growth	10.4%	4.1%	5.0%	7.7%	11.3%	7.1%	5.0%	5.0%	2.3%	2.3%	3.6%	2.3%	2.3%	2.3%	2.3%	2.3%	3.2%
Multisite ASP	1,800	1,764	1,787	1,873	1,881	1,826	1,777	1,808	1,826	1,826	1,810	1,845	1,845	1,845	1,845	1,845	1,835
Single Site ASP	760	760	760	760	760	760	760	760	760	760	760	760	760	760	760	760	760
Blended ASP	1,763	1,733	1,754	1,834	1,844	1,793	1,749	1,778	1,793	1,795	1,779	1,817	1,816	1,814	1,816	1,816	1,809
Reported ASP	1,813	1,780	1,800	1,800	1,860	1,810	1,780	1,800									
Stocking Revenue (per system)	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	
Stocking Revenue (\$M)	246.6	56.3	61.4	68.2	88.7	274.7	66.1	71.1	73.8	91.8	302.8	72.5	79.2	78.3	93.4	323.5	345.1
Total Instrument Revenue (\$M)	4276.6	1158.9	1244.4	1264.2	1411.5	5079.0	1367.7	1474.1	1426.9	1574.4	5843.1	1603.2	1696.0	1623.3	1790.6	6713.1	7470.6
y/y growth	21.6%	17.6%	15.7%	18.0%	23.4%	18.8%	18.0%	18.5%	12.9%	11.5%	15.0%	17.2%	15.1%	13.8%	13.7%	14.9%	11.3%
Adjusted Utilization	284.2x	72.7x	74.6x	69.6x	73.8x	290.7x	74.1x	76.3x	70.6x	73.4x	294.5x	72.1x	73.7x	68.2x	72.3x	286.3x	280.7x
Realized Revenue/Procedure (inc. stocking)	1,871	1,822	1,845	1,939	1,968	1,895	1,838	1,868	1,891	1,906	1,877	1,903	1,905	1,906	1,916	1,908	1,897
y/y growth	-0.3%	1.6%	-1.1%	-0.1%	4.6%	1.3%	0.9%	1.2%	-2.4%	-3.1%	-1.0%	3.6%	2.0%	0.8%	0.5%	1.7%	-0.6%
Service and Training Revenue																	
Installed Base for Service	8,285	8,606	8,887	9,203	9,539	9,539	9,902	10,189	10,488	11,019	11,019	11,487	11,870	12,285	12,692	12,692	14,464
Revs. per System	\$35.2	\$36.4	\$35.7	\$35.7	\$36.4	\$34.3	\$36.7	\$38.4	\$38.4	\$38.4	\$35.8	\$38.4	\$38.4	\$38.4	\$38.4	\$36.6	\$36.7
Service and Training Revenue (\$M)	1167.8	313.5	317.3	328.9	347.4	1307.1	363.0	391.2	402.7	423.1	1579.9	441.0	455.7	471.7	487.3	1855.8	2121.0
y/y growth	14.0%	10.7%	10.4%	12.3%	14.1%	11.9%	15.8%	23.3%	22.4%	21.8%	20.9%	21.5%	16.5%	17.1%	15.2%	17.5%	14.3%
Total Revenue (\$M)	7124.1	1890.6	2009.9	2038.1	2413.5	8352.1	2253.4	2440.0	2362.6	2660.4	9716.4	2568.2	2741.3	2677.8	2963.0	10950.3	12170.4
y/y growth	14.5%	11.5%	14.5%	16.9%	25.2%	17.2%	19.2%	21.4%	15.9%	10.2%	16.3%	14.0%	12.3%	13.3%	11.4%	12.7%	11.1%
Product Gross Profit (\$M)																	
Product GP	3914.5	1022.7	1153.2	1153.8	1402.2	4731.9	1219.7	1362.6	1270.0	1465.5	5317.8	1378.4	1492.5	1445.0	1690.9	6006.8	6687.5
Product Rev % of Sales	65.7%	64.8%	68.1%	67.5%	67.9%	67.2%	64.5%	66.5%	64.8%	65.5%	65.4%	64.8%	65.3%	65.5%	68.3%	66.0%	66.5%
Service Gross Profit (\$M)	83.6%	83.4%	84.2%	83.9%	85.6%	84.4%	83.9%	84.0%	83.0%	84.1%	83.7%	82.8%	83.4%	82.4%	83.6%	83.1%	82.6%
Service GP	815.0	222.7	219.5	220.1	240.0	902.3	238.0	255.3	281.5	296.1	1070.9	310.5	320.8	332.1	343.1	1306.4	1501.7
Service Rev % of Sales	14.9%	71.0%	69.2%	66.9%	69.1%	69.0%	65.6%	65.3%	69.9%	70.0%	67.8%	70.4%	70.4%	70.4%	70.4%	70.4%	70.8%
	16.4%	16.6%	15.8%	16.1%	14.4%	15.6%	16.1%	16.0%	17.0%	15.9%	16.3%	17.2%	16.6%	17.6%	16.4%	16.9%	17.4%

Source: BTIG Research and company filings

ISRG Procedure Breakdown	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Dec-26	FY26 E	FY27 E
	FY23 A	Q124 A	Q224 A	Q324 A	4Q24 A	FY24 A	Q125 A	Q225 A	Q325 E	4Q25 E	FY25 E	Q126 E	Q226 E	Q326 E	4Q26 E	FY26 E		
U.S. Procedures (estimated):																		
GYN																		
dVH	286,758	75,837	71,430	76,221	81,180	304,668	80,388	75,001	80,032	85,239	320,660	84,005	78,376	83,634	89,075	335,090	348,494	
y/y growth	9.9%	5.7%	6.8%	6.8%	5.8%	6.2%	6.0%	5.0%	5.0%	5.0%	5.2%	4.5%	4.5%	4.5%	4.5%	4.5%	4.0%	
Benign	211,215	57,199	51,715	56,156	58,776	223,845	60,631	54,300	58,963	61,715	235,609	63,359	56,744	61,617	64,492	246,212	256,060	
y/y growth	11.0%	5.5%	6.5%	6.5%	5.5%	6.0%	6.0%	5.0%	5.0%	5.0%	5.3%	4.5%	4.5%	4.5%	4.5%	4.0%	4.0%	
(Multi site)	203,575	55,315	49,770	54,120	56,619	215,823	58,653	52,258	56,826	59,450	227,186	61,282	54,600	59,372	62,113	237,367	246,773	
y/y growth	11.2%	5.5%	6.6%	6.6%	5.5%	6.0%	6.0%	5.0%	5.0%	5.0%	5.3%	4.5%	4.5%	4.5%	4.5%	4.5%	4.0%	
(Single site)	7,640	1,884	1,945	2,036	2,158	8,022	1,978	2,042	2,138	2,265	8,423	2,077	2,144	2,245	2,379	8,845	9,287	
Malignant	75,543	18,639	19,715	20,066	22,404	80,823	19,757	20,701	21,069	23,524	85,051	20,646	21,633	22,017	24,582	88,878	92,433	
y/y growth	6.9%	6.5%	7.5%	7.5%	6.5%	7.0%	6.0%	5.0%	5.0%	5.0%	5.2%	4.5%	4.5%	4.5%	4.5%	4.5%	4.0%	
SCP	49,408	12,152	12,865	12,115	15,054	52,186	12,881	13,508	12,721	15,882	54,992	13,461	14,116	13,268	16,565	57,409	59,705	
y/y growth	6.1%	5.0%	6.0%	6.0%	5.5%	5.6%	6.0%	5.0%	5.0%	5.5%	5.4%	4.5%	4.5%	4.3%	4.4%	4.0%	4.0%	
Myomectomy	23,720	5,611	6,357	6,002	6,521	24,490	5,807	6,516	6,182	6,716	25,221	5,952	6,679	6,336	6,884	25,851	26,368	
y/y growth	4.0%	3.0%	4.0%	3.5%	2.5%	3.2%	3.5%	2.5%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.0%	2.0%	
Other Gynecology	10,944	2,697	2,984	2,799	2,902	11,383	2,832	3,104	2,911	3,018	11,865	2,946	3,228	3,027	3,139	12,340	12,833	
y/y growth	5.0%	4.0%	5.0%	3.5%	4.0%	5.0%	4.0%	4.0%	4.0%	4.0%	4.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
Total Gynecology	370,831	96,298	93,636	97,137	105,656	392,727	101,909	98,129	101,845	110,855	412,738	106,364	102,399	106,265	115,662	430,690	447,401	
y/y growth	8.8%	5.4%	6.4%	6.4%	5.5%	5.9%	5.8%	4.8%	4.8%	4.9%	5.1%	4.4%	4.4%	4.3%	4.3%	4.3%	3.9%	
Urology																		
dVP	108,672	27,326	27,527	27,951	31,583	114,387	28,692	28,628	29,069	32,847	119,236	29,754	29,630	30,086	34,062	123,532	127,832	
y/y growth	6.8%	5.0%	5.5%	5.5%	5.3%	5.3%	5.0%	4.0%	4.0%	4.0%	4.2%	3.7%	3.5%	3.5%	3.7%	3.6%	3.5%	
Nephrectomy	41,242	10,722	10,857	10,398	11,430	43,408	11,259	11,291	10,814	11,888	45,251	11,675	11,709	11,214	12,327	46,925	48,333	
y/y growth	5.6%	5.0%	5.0%	5.5%	5.5%	5.3%	5.0%	4.0%	4.0%	4.0%	4.2%	3.7%	3.7%	3.7%	3.7%	3.0%	3.0%	
Bladder	17,109	4,840	4,937	4,077	4,110	17,964	5,082	5,085	4,261	4,295	18,723	5,260	5,263	4,431	4,467	19,421	20,092	
y/y growth	5.8%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	4.0%	4.5%	4.5%	4.2%	3.5%	3.5%	4.0%	4.0%	3.7%	3.5%	
Other Urology	5,537	1,396	1,574	1,561	1,251	5,782	1,466	1,621	1,294	5,997	1,524	1,686	1,665	1,333	6,208	6,426		
y/y growth	5.4%	5.0%	5.0%	3.8%	3.8%	4.4%	5.0%	3.0%	3.5%	3.5%	3.7%	4.0%	4.0%	3.0%	3.0%	3.5%	3.5%	
Total Urology	172,560	44,284	44,895	43,987	48,374	181,541	46,498	46,626	45,759	50,323	189,207	48,213	48,288	47,396	52,189	196,086	202,684	
y/y growth	6.4%	5.0%	5.0%	5.4%	5.4%	5.2%	5.0%	3.9%	4.0%	4.0%	4.2%	3.7%	3.6%	3.6%	3.7%	3.6%	3.4%	
General Surgery Including ENT, Cardiac, and Vascular																		
Colorectal	93,011	26,084	25,000	27,059	27,436	105,579	28,953	27,500	29,494	29,906	115,853	31,559	29,975	32,149	32,597	126,280	136,382	
y/y growth	12.8%	13.0%	13.0%	13.0%	15.0%	13.5%	11.0%	10.0%	9.0%	9.0%	9.7%	9.0%	9.0%	9.0%	9.0%	9.0%	8.0%	
Gastric	4,760	1,281	1,180	1,222	1,325	5,009	1,333	1,227	1,271	1,378	5,209	1,388	1,276	1,322	1,434	5,417	5,634	
y/y growth	8.4%	5.0%	6.0%	5.0%	5.0%	5.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
Liver	3,085	772	745	772	956	3,246	803	775	803	995	3,376	835	806	835	1,034	3,511	3,651	
y/y growth	7.1%	5.0%	6.0%	5.0%	5.0%	5.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
Pancreas	2,426	627	592	599	736	2,553	658	621	629	773	2,681	691	652	660	812	2,815	2,956	
y/y growth	7.1%	5.0%	6.0%	5.0%	5.0%	5.2%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
Obesity	8,811	2,830	2,134	2,135	2,290	9,389	3,113	2,348	2,349	2,519	10,328	3,393	2,559	2,560	2,745	11,258	12,271	
y/y growth	8.0%	8.0%	8.0%	8.0%	8.0%	6.6%	10.0%	10.0%	10.0%	10.0%	10.0%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
Lung	23,189	5,922	6,304	6,138	7,145	25,508	6,514	7,060	6,751	7,859	28,185	7,100	7,696	7,359	8,567	30,722	33,487	
y/y growth	12.6%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	12.0%	10.0%	10.0%	10.5%	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%	
Thyroid	575	129	168	149	152	598	134	174	154	158	622	140	181	161	165	646	672	
y/y growth	5.2%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	
CABG	1,067	241	288	269	279	1,078	244	291	272	281	1,088	246	294	274	284	1,099	1,110	
y/y growth	1.5%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
Cardiac Valve	2,408	561	568	618	589	2,336	561	568	589	2,336	561	568	618	589	2,336	2,336	2,336	
y/y growth	-0.8%	-3.0%	-3.0%	-3.0%	-3.0%	-3.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Cholecystectomy	84,362	20,406	22,324	23,527	24,299	90,556	21,426	23,440	23,998	24,785	93,649	21,855	23,909	24,478	25,281	95,522	98,388	
y/y growth	11.0%	8.0%	12.0%	7.3%	5.0%	5.0%	2.0%	2.0%	3.4%	3.4%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%	
(Multi site)	10,123	2,449	2,679	2,823	2,916	10,867	2,571	2,813	2,880	2,974	11,238	2,623	2,869	2,937	3,034	11,463	11,807	
y/y growth	11.0%	4.0%	5.0%	8.0%	12.0%	7.3%	5.0%	5.0%	2.0%	2.0%	3.4%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%	
(Single site)	74,239	17,957	19,643	20,704	21,383	79,690	18,855	20,627	21,118	21,811	82,411	19,232	21,040	21,540	22,247	84,060	86,581	
y/y growth	11.0%	4.0%	5.0%	8.0%	12.0%	7.3%	5.0%	5.0%	2.0%	2.0%	3.4%	2.0%	2.0%	2.0%	2.0%	2.0%	3.0%	
Transoral	8,515	2,116	1,883	2,524	3,283	9,806	2,327	2,071	2,777	3,611	10,787	2,560	2,278	3,054	3,972	11,865	13,170	
y/y growth	20.8%	15.0%	15.0%	15.0%	15.5%	15.2%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	11.0%	
Other Surgery (inc hernia)	753,901	203,759	233,945	265,961	233,810	937,475	244,510	283,541	327,133	287,586	1,142,770	295,412	334,579	386,016	345,103	1,359,111	1,589,339	
y/y growth	32.1%	22.0%	21.5%	24.0%	30.0%	24.3%	20.0%	21.2%	23.0%	23.0%	21.9%	20.0%	18.0%	18.0%	20.0%	18.9%	16.9%	
Total General Surgery	986,110	264,729	295,131	330,973	302,301	1,193,134	310,578	349,618	396,248	360,441	1,416,885	363,740	404,774	459,486	422,583	1,650,584	1,899,398	
y/y growth	26.6%	18.7%	18.7%	21.0%	25.5%	21.0%	17.3%	18.5%	19.7%	19.2%	18.8%	17.1%	15.8%	16.0%	17.2%	16.5%	15.1%	
Total U.S. Procedures	1,529,500	405,311	<															



MEDICAL TECHNOLOGY EQUITY RESEARCH

ISRG Procedure Bulldout	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Dec-26	Dec-27	
	FY23 A	1Q24 A	2Q24 E	3Q24 A	4Q24 A	FY24 A	1Q25 A	2Q25 E	3Q25 E	4Q25 E	FY25 E	1Q26 E	2Q26 E	3Q26 E	4Q26 E	FY26 E	FY27 E
OUS Procedures (estimated):																	
DvP/Urology	381,827	115,014	124,542	102,552	128,620	470,728	146,068	155,677	122,037	153,058	576,840	165,056	175,915	137,902	172,956	651,829	730,049
y/y growth	27.4%	20.0%	24.0%	28.0%	22.0%	23.3%	27.0%	25.0%	19.0%	19.0%	22.5%	13.0%	13.0%	13.0%	13.0%	13.0%	12.0%
(EU + ROW)	330,927	102,514	111,842	89,852	115,620	419,828	133,568	142,677	109,337	140,058	525,640	152,556	163,215	125,202	159,956	600,929	679,149
y/y growth	32.4%	23.0%	27.5%	33.3%	25.1%	26.9%	30.3%	27.6%	21.7%	21.1%	25.2%	14.2%	14.4%	14.5%	14.2%	14.3%	13.0%
(Japan)	50,900	12,500	12,700	12,700	13,000	50,900	12,500	13,000	12,700	13,000	51,200	12,500	12,700	12,700	13,000	50,900	50,900
y/y growth	2.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	0.6%	0.0%	-2.3%	0.0%	0.0%	-0.6%	0.0%
Gastric in Japan	14,441	4,285	4,165	4,827	5,158	18,435	5,356	5,207	5,744	6,138	22,445	6,320	6,248	6,893	7,304	26,765	31,384
y/y growth	21.0%	30.0%	30.0%	30.0%	22.0%	27.7%	25.0%	25.0%	19.0%	19.0%	21.8%	18.0%	20.0%	20.0%	19.0%	19.2%	17.3%
Other	360,219	111,591	111,942	72,661	127,205	423,399	133,909	133,771	82,834	145,014	495,527	152,656	152,499	93,602	163,866	562,622	627,562
y/y growth	27.6%	19.0%	20.0%	18.0%	14.0%	17.5%	20.0%	19.5%	14.0%	14.0%	17.0%	14.0%	14.0%	13.0%	13.0%	13.5%	11.5%
(EU + ROW)	306,219	100,091	99,942	60,661	115,405	376,099	119,909	121,771	70,834	132,514	445,027	139,656	139,499	80,602	150,366	510,122	571,062
y/y growth	30.7%	25.5%	26.1%	22.4%	18.3%	22.8%	19.8%	21.8%	16.8%	14.8%	18.3%	16.5%	14.6%	13.8%	13.5%	14.6%	11.9%
(Japan)	54,000	11,500	12,000	12,000	11,800	47,300	14,000	12,000	12,000	12,500	50,500	13,000	13,000	13,000	13,500	52,500	56,500
y/y growth	12.5%	-17.9%	-14.3%	0.0%	-15.7%	-12.4%	21.7%	0.0%	0.0%	5.9%	6.8%	-7.1%	8.3%	8.3%	8.0%	4.0%	7.6%
Total International Procedures	756,488	230,890	240,649	180,040	260,983	912,562	285,333	294,654	210,615	304,210	1,094,812	324,033	334,662	238,397	344,126	1,241,217	1,388,995
y/y growth	27.4%	19.7%	22.2%	23.8%	18.0%	20.6%	23.6%	22.4%	17.0%	16.6%	20.0%	13.6%	13.6%	13.2%	13.1%	13.4%	11.9%
Total Worldwide Procedures	2,285,988	636,201	674,311	652,137	717,315	2,679,963	744,318	789,027	754,468	825,829	3,113,642	842,350	890,123	851,544	934,560	3,518,577	3,938,477
y/y growth	21.9%	15.8%	17.0%	18.1%	18.0%	17.2%	17.0%	17.0%	15.7%	15.1%	16.2%	13.2%	12.8%	12.9%	13.2%	13.0%	11.9%
seq. growth	4.6%	6.0%	-3.3%	10.0%			3.8%	6.0%	-4.4%	9.5%		2.0%	5.7%	-4.3%	9.7%		

Source: BTIG Research and company filings



BTIG Covered Companies Mentioned in this Report

Intuitive Surgical, Inc. (ISRG, Buy, \$571 PT; Closing Price: \$447.23)

Appendix: Analyst Certification and Other Important Disclosures

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I, Ryan Zimmerman, hereby certify that the views about the companies and securities discussed in this report are accurately expressed and that I have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report.

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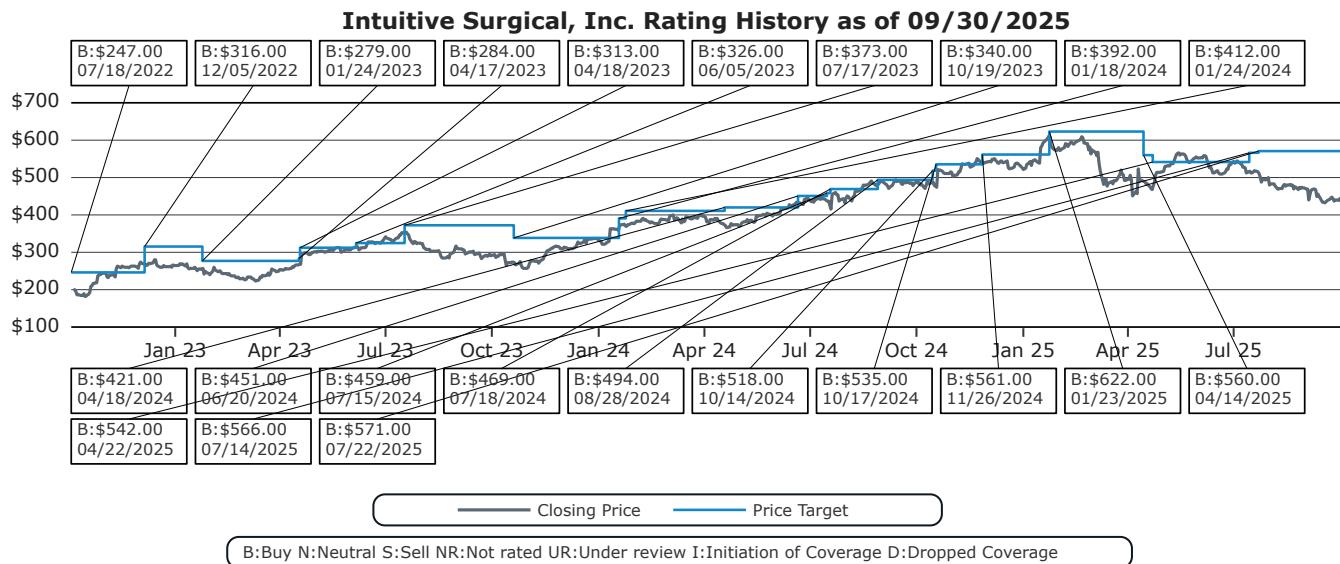
Company Valuation and Risk Disclosures

Intuitive Surgical, Inc. (ISRG, Buy, \$571 PT)

Valuation: Our ISRG rating is Buy. Our \$571 PT is based on 62x our 12-24 month EPS estimate of \$9.21. ISRG shares have carried a premium for many years relative to peers. The 62x multiple is below ISRG's 1-year average and is justified in the context of a robust new product cycle in Dv5, steady procedure growth, and improving scale.

Risks: Risks to our rating and PT include competition, a more challenging procedural environment, a more challenging capital purchasing environment, limited system sales due to a slowing trade-in cycle, buy-side expectations, increasing/decreasing

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Company-Specific Regulatory Disclosures

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Other Disclosures

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