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FOR IMMEDIATE RELEASE

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EDWARDS LIFESCIENCES REPORTS SECOND QUARTER RESULTS

IRVINE, Calif., July 23, 2019 — Edwards Lifesciences Corporation (NYSE: EW), the global leader in patient-focused innovations for structural heart disease and critical care monitoring, today reported financial results for the quarter ended June 30, 2019.

Second Quarter and Recent Highlights

- Sales grew 15% to \$1.1 billion; underlying¹ sales grew 14%
- TAVR sales grew 16%; underlying grew 18%
- EPS was \$1.14; adjusted EPS was \$1.38
- Announced increased 2019 sales and EPS guidance
- Strategic decision to discontinue CENTERA platform drove a \$46 million charge
- Favorable TAVR National Coverage Determination issued in June
- Expects Q3 FDA approval of the SAPIEN 3 valve for patients with low surgical risk

“We are pleased to report stronger than expected sales growth in the second quarter, which continued a long-term trend of reaching more patients with innovative therapies and creating value,” said Michael A. Mussallem, chairman and CEO. “Increased demand for TAVR therapy resulted in underlying total company sales growth of 14 percent, which also reflected strength in all four of our product lines across all regions.”

Second Quarter 2019 Results

Sales for the quarter ended June 30, 2019 were \$1.1 billion, up 15 percent over the prior year, or 14 percent on an underlying basis. Diluted earnings per share for the quarter was \$1.14, while adjusted earnings per share grew 11 percent, higher than expected, to \$1.38.

Transcatheter Aortic Valve Replacement (TAVR)

For the quarter, the company reported TAVR sales of \$678 million, an increase of 16 percent over the second quarter last year, or 18 percent on an underlying basis. Edwards grew in-line with estimated global procedure growth. Global average selling prices remained stable, and the company estimates its global competitive position was consistent with the first quarter and prior year.

“We now estimate that in the third quarter the FDA will approve the SAPIEN 3 valve and SAPIEN 3 Ultra system for patients with low surgical risk. Over time, we expect the SAPIEN 3 Ultra valve system will replace SAPIEN 3 valve globally,” said Mussallem. “Given the pending approval for patients at low surgical risk and the continued excellence and versatility of our balloon expandable platform, we made the difficult decision to discontinue the CENTERA program. While the CENTERA valve has demonstrated excellent clinical outcomes and is performing well for patients, the time and resources required to optimize deliverability as well as expanding the indications to match the SAPIEN 3 valve are significant. Going forward, we believe we best address patient needs by focusing resources on our robust pipeline of next generation balloon expandable technologies and indication expansion trials.”

Transcatheter Mitral and Tricuspid Therapies (TMTT)

Second quarter sales in TMTT were \$7 million, lifted principally by commercial sales of the PASCAL transcatheter mitral system in Europe. The company continues to invest in opportunities to treat patients suffering from tricuspid and mitral valve disease with its transcatheter therapies. Edwards remains on track to achieve its 2019 milestones, including continuing enrollment in the company’s CLASP IID Pivotal Trial, and expects to initiate three additional pivotal trials by year-end. Longer term, the company continues to estimate the global TMTT opportunity to reach \$3 billion by 2024.

Surgical Structural Heart and Critical Care

Surgical Structural Heart sales for the quarter were \$218 million, up 15 percent compared to the second quarter last year, or up two percent on an underlying basis. Growth was lifted by the sales of premium products, particularly through adoption of the INSPIRIS RESILIA aortic valve, which drove an increasing share of surgical aortic valve procedures.

Critical Care sales were \$184 million for the quarter, representing an increase of nine percent versus last year, on both a reported and underlying basis. All product categories contributed to this performance, boosted by strong growth of HemoSphere advanced monitoring platform sales in the U.S.

In April, Edwards successfully completed its acquisition of CASMED's FORE-SIGHT, a non-invasive cerebral oximetry monitoring technology.

Additional Financial Results

For the quarter, the company's adjusted gross profit margin was 76.4 percent, compared to 74.4 percent in the same period last year. This improvement was driven primarily by favorable impacts from foreign exchange rates and product mix, partially offset by investments in our global supply chain expansion.

Selling, general and administrative expenses increased 12 percent to \$308 million for the quarter, driven primarily by field personnel related expenses, including expanding the TMTT field organization in Europe, partially offset by the strengthening of the U.S. dollar.

Research and development for the second quarter increased 25 percent to \$192 million, or 18 percent of sales. This was primarily the result of significant investments in the company's innovative transcatheter structural heart programs, including an increase in clinical research.

During the quarter, the company recorded a \$46 million charge primarily comprised of inventory, related to its strategic decisions regarding its transcatheter aortic valve portfolio.

Free cash flow for the second quarter was \$277 million, defined as cash flow from operating activities of \$341 million, less capital spending of \$64 million.

Consistent with the company's plans to offset dilution from equity-based compensation, Edwards repurchased 1.4 million shares in the second quarter for \$250 million.

Cash, cash equivalents and short-term investments totaled \$934 million at June 30, 2019. Total debt was \$594 million.

Outlook

For 2019, the company now expects total sales to be between \$4.0 billion and \$4.3 billion, with underlying sales growth around the top end of its previous nine to 12 percent range. Additionally, the company raised its full year 2019 adjusted earnings per share guidance to \$5.20 to \$5.40 from \$5.10 to \$5.35.

For the third quarter 2019, the company projects total sales to be between \$1.02 billion and \$1.06 billion, and adjusted EPS of \$1.13 to \$1.23.

“We are very pleased with our strong performance in the first half of 2019. As patients and clinicians increasingly understand the significant benefits of transcatheter-based technologies, supported by the substantial body of compelling evidence, we remain as optimistic as ever about the long-term growth opportunity. Our foundation of leadership, combined with a robust technology pipeline, positions us well for continued longer-term success,” said Mussallem.

About Edwards Lifesciences

Edwards Lifesciences, based in Irvine, Calif., is the global leader in patient-focused medical innovations for structural heart disease and critical care monitoring. Driven by a passion to help patients, the company collaborates with the world’s leading clinicians and researchers to address unmet healthcare needs, working to improve patient outcomes and enhance lives. For more information, visit www.Edwards.com and follow us on Twitter @EdwardsLifesci.

Conference Call and Webcast Information

Edwards Lifesciences will be hosting a conference call today at 2:00 p.m. PT to discuss its second quarter results. To participate in the conference call, dial (877) 704-2848 or (201) 389-0893. For 72 hours following the call, an audio replay can be accessed by dialing (877) 660-6853 or (201) 612-7415 and using conference number 13691682. The call will also be available via live or archived webcast on the “Investor Relations” section of the Edwards web site at ir.edwards.com or www.edwards.com. A live stream and archived replay can also be accessed via mobile devices by downloading Edwards’ IR App for iPhone and iPad or Android.

This news release includes 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 and include, but are not limited to, statements made by Mr. Mussallem, estimates of the company’s competitive position, full year and third quarter 2019 financial guidance, statements regarding expected product approvals, clinical investments and the company’s 2019 milestones, future therapy opportunities and information in the Outlook section. 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. The company’s forward-looking statements speak only as of the date on which they are made and the company does 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 include uncertainties associated with new product approvals and therapy adoption, particularly in TAVR and TMTT; unpredictability of product launches; competitive dynamics; changes to reimbursement for the company’s products;

the company's success in developing new products and avoiding manufacturing and quality issues; the impact of currency exchange rates; the timing or results of R&D and clinical trials; unanticipated actions by the U.S. Food and Drug Administration and other regulatory agencies; unexpected litigation impacts or expenses; and other risks 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, 2018. These filings, along with important safety information about our products, may be found at edwards.com.

Edwards, Edwards Lifesciences, the stylized E logo, CASMED, CENTERA, FORE-SIGHT, Edwards SAPIEN, Edwards SAPIEN 3, Edwards SAPIEN 3 Ultra, SAPIEN 3, SAPIEN 3 Ultra, HemoSphere, INSPIRIS, INSPIRIS RESILIA, PASCAL, and RESILIA are trademarks of Edwards Lifesciences Corporation or its affiliates. All other trademarks are the property of their respective owners. This statement is made on behalf of Edwards Lifesciences Corporation and its subsidiaries.

[1] "Adjusted" amounts are non-GAAP items. Adjusted sales, or "underlying" growth rates, in this press release excludes foreign exchange fluctuations, the positive impact of transcatheter aortic valve replacement ("TAVR") stocking sales in Germany and the negative impact of de-stocking, the conversion to a consignment inventory system for surgical structural heart ("Surgical") and includes the prior year sales results of a business acquired in the current year. Adjusted earnings per share is a non-GAAP item computed on a diluted basis and in this press release excludes intellectual property litigation income and expenses, amortization of intangible assets, fair value adjustments to contingent consideration liabilities arising from acquisitions, charges associated with TAVR inventory write off and purchase of intellectual property, the conversion to a consignment inventory system for Surgical, a significant pension curtailment gain, the positive impact of TAVR stocking sales in Germany and the negative impact of de-stocking, and the impact from implementation of tax law changes and settlements. See the Non-GAAP Financial Information page and reconciliation tables below.

EDWARDS LIFESCIENCES CORPORATION
Unaudited Consolidated Statements of Operations
(in millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net sales	\$ 1,086.9	\$ 943.7	\$ 2,079.9	\$ 1,838.5
Cost of sales	304.0	246.2	535.8	479.8
Gross profit	782.9	697.5	1,544.1	1,358.7
Selling, general, and administrative expenses	308.5	274.9	588.8	530.9
Research and development expenses	191.9	154.1	363.3	297.3
Intellectual property litigation expenses	7.0	5.5	11.6	11.2
Change in fair value of contingent consideration liabilities, net	8.0	10.9	14.7	14.7
Special charge	—	—	24.0	—
Operating income	267.5	252.1	541.7	504.6
Interest income, net	(2.4)	—	(4.4)	(0.8)
Special gain	—	—	—	(7.1)
Other (income) expense, net	(1.4)	1.1	(3.2)	(2.0)
Income before provision for (benefit from) income taxes	271.3	251.0	549.3	514.5
Provision for (benefit from) income taxes	29.0	(31.7)	57.3	25.2
Net income	\$ 242.3	\$ 282.7	\$ 492.0	\$ 489.3
<u>Earnings per share:</u>				
Basic	\$ 1.16	\$ 1.35	\$ 2.37	\$ 2.33
Diluted	\$ 1.14	\$ 1.32	\$ 2.32	\$ 2.28
<u>Weighted-average common shares outstanding:</u>				
Basic	208.1	209.5	208.0	209.8
Diluted	212.1	214.0	212.1	214.5
<u>Operating statistics</u>				
As a percentage of net sales:				
Gross profit	72.0%	73.9 %	74.2%	73.9%
Selling, general, and administrative expenses	28.4%	29.1 %	28.3%	28.9%
Research and development expenses	17.7%	16.3 %	17.5%	16.2%
Operating income	24.6%	26.7 %	26.0%	27.4%
Income before provision for (benefit from) income taxes	25.0%	26.6 %	26.4%	28.0%
Net income	22.3%	30.0 %	23.7%	26.6%
Effective tax rate	10.7%	(12.6)%	10.4%	4.9%

Note: Numbers may not calculate due to rounding.

EDWARDS LIFESCIENCES CORPORATION
Unaudited Balance Sheets
(in millions)

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 726.8	\$ 714.1
Short-term investments	207.5	242.4
Accounts and other receivables, net	609.6	537.3
Inventories, net	624.9	607.0
Prepaid expenses	55.7	54.3
Other current assets	130.2	131.8
Total current assets	<u>2,354.7</u>	<u>2,286.9</u>
Long-term investments	412.9	506.3
Property, plant, and equipment, net	931.1	867.5
Operating lease right-of-use assets	71.2	—
Goodwill	1,173.9	1,112.2
Other intangible assets, net	385.6	343.2
Deferred income taxes	163.8	174.0
Other assets	80.3	33.6
Total assets	<u>\$ 5,573.5</u>	<u>\$ 5,323.7</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 673.2	\$ 876.6
Operating lease liabilities	23.8	—
Total current liabilities	<u>697.0</u>	<u>876.6</u>
Long-term debt	594.1	593.8
Contingent consideration liabilities	193.3	178.6
Taxes payable	236.7	259.4
Operating lease liabilities	50.4	—
Uncertain tax positions	139.5	124.9
Other long-term liabilities	162.2	150.0
Stockholders' equity		
Common stock	216.9	215.2
Additional paid-in capital	1,512.3	1,384.4
Retained earnings	3,186.7	2,694.7
Accumulated other comprehensive loss	(138.2)	(138.5)
Treasury stock, at cost	(1,277.4)	(1,015.4)
Total stockholders' equity	<u>3,500.3</u>	<u>3,140.4</u>
Total liabilities and stockholders' equity	<u>\$ 5,573.5</u>	<u>\$ 5,323.7</u>

EDWARDS LIFESCIENCES CORPORATION

Non-GAAP Financial Information

To supplement the consolidated financial results prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), the Company uses non-GAAP historical financial measures. Management makes adjustments to the GAAP measures for items (both charges and gains) that (a) do not reflect the core operational activities of the Company, (b) are commonly adjusted within the Company's industry to enhance comparability of the Company's financial results with those of its peer group, or (c) are inconsistent in amount or frequency between periods (albeit such items are monitored and controlled with equal diligence relative to core operations). The Company uses the term "adjusted sales" or "underlying growth rate" when referring to non-GAAP sales information, which excludes foreign exchange fluctuations, the conversion to a consignment inventory system for surgical structural heart ("Surgical"), the positive impact of transcatheter aortic valve replacement ("TAVR") stocking sales in Germany and the negative impact of de-stocking, and includes the prior year sales results of a business acquired in the current year. The Company uses the term "adjusted" to also exclude intellectual property litigation income and expenses, amortization of intangible assets, fair value adjustments to contingent consideration liabilities arising from acquisitions, the positive impact of TAVR stocking sales in Germany and the negative impact of de-stocking, the conversion to a consignment inventory system for Surgical, significant pension curtailment gains, charges associated with TAVR inventory write off and purchase of intellectual property, and the impact from implementation of tax law changes and settlements.

Fluctuations in exchange rates impact the comparative results and sales growth rates of the Company's underlying business. Management believes that excluding the impact of foreign exchange rate fluctuations from its sales growth provides investors a more useful comparison to historical financial results. The impact of foreign exchange rate fluctuations has been detailed in the "Reconciliation of Sales by Product Group and Region."

Guidance for sales and sales growth rates is provided on an "underlying basis," and projections for diluted earnings per share, net income and growth, gross profit margin, taxes, and free cash flow are also provided on a non-GAAP basis as adjusted for the items identified above due to the inherent difficulty in forecasting such items. The Company is not able to provide a reconciliation of the non-GAAP guidance to comparable GAAP measures 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.

Management considers free cash flow to be a liquidity measure which provides useful information to management and investors about the amount of cash generated by business operations, after deducting payments for capital expenditures, which can then be used for strategic opportunities or other business purposes including, among others, investing in the Company's business, making strategic acquisitions, strengthening the balance sheet, and repurchasing stock.

Management uses non-GAAP financial measures internally for strategic decision making, forecasting future results, and evaluating current performance. These non-GAAP financial measures are used in addition to, and in conjunction with, results presented in accordance with GAAP and reflect an additional way of viewing aspects of the Company's operations by investors that, when viewed with its GAAP results, provide a more complete understanding of factors and trends affecting the Company's business and facilitate comparability to historical periods.

Non-GAAP financial measures are not prepared in accordance with GAAP; therefore, the information is not necessarily comparable to other companies and should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP. A reconciliation of non-GAAP historical financial measures to the most comparable GAAP measure is provided in the tables below.

The items described below are adjustments to the GAAP financial results in the reconciliations that follow:

TAVR Inventory Write Off - The Company recorded a \$46.2 million charge, primarily comprised of the write off of inventory in response to strategic decisions regarding its TAVR portfolio.

Intellectual Property Litigation Expenses - The Company incurred intellectual property litigation expenses of \$4.6 million and \$5.7 million in the first quarter of 2019 and 2018, respectively, and \$7.0 million and \$5.5 million in the second quarter of 2019 and 2018, respectively.

Change in Fair Value of Contingent Consideration Liabilities, net - The Company recorded expenses related to changes in the fair value of its contingent consideration liabilities arising from acquisitions in the amount of \$6.7 million and \$3.8 million in the first quarter of 2019 and 2018, respectively, and \$8.0 million and \$10.9 million in the second quarter of 2019 and 2018, respectively.

Amortization of Intangible Assets - The Company recorded amortization expense related to developed technology, patents and trademarks in the amount of \$0.5 million and \$0.6 million in the first quarter of 2019 and 2018, respectively, and \$1.2 million and \$0.7 million in the second quarter of 2019 and 2018, respectively.

Purchase of Intellectual Property - The Company recorded a \$24.0 million charge in the first quarter of 2019 related to the acquisition of early-stage transcatheter intellectual property and associated clinical and regulatory experience.

Surgical Consignment Conversion - In the first and second quarters of 2018, the Company recorded a sales return reserve of \$34.7 million (\$30.8 million, net of related costs) and \$28.4 million (\$24.6 million, net of related costs), respectively, related to its conversion to a consignment inventory system for surgical heart valves.

TAVR Germany Stocking Sales - In the first quarter of 2017, the Company recorded \$61.8 million in net stocking sales (\$48.0 million, net of related costs) to customers in Germany, as these customers elected to purchase additional inventory in anticipation of a potential supply interruption resulting from intellectual property litigation. In the first quarter of 2018, these customers consumed on a net basis \$8.0 million (\$6.0 million, net of related costs) of their stocking inventory.

Pension Curtailment Gain - The Company recorded a \$7.1 million gain in the first quarter of 2018 related to the curtailment of its defined benefit plan resulting from the closure of its manufacturing plant in Switzerland.

Provision for (Benefit from) Income Taxes - During the first quarter of 2018, the Company recorded a \$24.0 million tax expense to adjust its estimated provisional amounts related to the implementation of U.S. tax law changes. During the second quarter of 2018, the Company recorded a \$36.1 million tax benefit related to the settlement of tax audits and a \$17.3 million benefit related to the reorganization of a foreign entity and adjustments to estimated provisional amounts resulting from the U.S. tax law changes. The income tax impact of the expenses and gains discussed above is based upon the items' forecasted effect upon the Company's full year effective tax rate. Adjustments to forecasted items unrelated to these expenses and gains, as well as impacts related to interim reporting, will have an effect on the income tax impact of these items in subsequent periods.

Adjusted Free Cash Flow - The Company defines free cash flow as cash flows from operating activities less capital expenditures. During the first quarter of 2019, the Company excluded from its calculation of free cash flow payments related to a litigation settlement.

EDWARDS LIFESCIENCES CORPORATION

Unaudited Reconciliation of GAAP to Non-GAAP Financial Information

(in millions, except per share and percentage data)

GAAP TO ADJUSTED RECONCILIATIONS

	Three Months Ended June 30, 2019					
	Net Sales	Gross Profit Margin	Operating Income	Net Income	Diluted EPS	Effective Tax Rate
GAAP	\$ 1,086.9	72.0%	\$ 267.5	\$ 242.3	\$ 1.14	10.7%
Non-GAAP adjustments: ^{(A) (C)}						
TAVR inventory write off	—	4.3	46.2	46.2	0.18	1.0
Intellectual property litigation expenses	—	—	7.0	7.0	0.02	0.2
Change in fair value of contingent consideration liabilities, net	—	—	8.0	8.0	0.04	(0.2)
Amortization of intangible assets	—	0.1	1.2	1.2	—	—
Purchase of intellectual property	—	—	—	—	—	0.3
Provision for (benefit from) income taxes						
Tax effect on non-GAAP adjustments ^(B)	—	—	—	(10.3)	—	—
Prior period ongoing tax impacts ^(D)	—	—	—	(0.8)	—	—
Adjusted	\$ 1,086.9	76.4%	\$ 329.9	\$ 293.6	\$ 1.38	12.0%

	Three Months Ended June 30, 2018					
	Net Sales	Gross Profit Margin	Operating Income	Net Income	Diluted EPS	Effective Tax Rate
GAAP	\$ 943.7	73.9%	\$ 252.1	\$ 282.7	\$ 1.32	(12.6)%
Non-GAAP adjustments: ^{(A) (C)}						
Surgical consignment conversion	28.4	0.4	24.6	24.6	0.09	2.7
TAVR Germany stocking sales	—	—	—	—	—	—
Intellectual property litigation expenses	—	—	5.5	5.5	0.02	0.6
Change in fair value of contingent consideration liabilities, net	—	—	10.9	10.9	0.05	0.5
Amortization of intangible assets	—	0.1	0.7	0.7	—	0.1
Provision for (benefit from) income taxes						
Tax effect on non-GAAP adjustments ^(B)	—	—	—	(6.7)	—	—
Tax audit settlements	—	—	—	(36.1)	(0.17)	12.5
Impacts from U.S. tax legislation	—	—	—	(17.3)	(0.07)	5.9
Prior period ongoing tax impacts ^(D)	—	—	—	0.1	—	—
Adjusted	\$ 972.1	74.4%	\$ 293.8	\$ 264.4	\$ 1.24	9.7 %

Six Months Ended June 30, 2019						
	Net Sales	Gross Profit Margin	Operating Income	Net Income	Diluted EPS	Effective Tax Rate
GAAP	\$ 2,079.9	74.2%	\$ 541.7	\$ 492.0	\$ 2.32	10.4%
Non-GAAP adjustments: ^{(A)(C)}						
TAVR inventory write off	—	2.2	46.2	46.2	0.18	0.6
Intellectual property litigation expenses	—	—	11.6	11.6	0.04	0.1
Change in fair value of contingent consideration liabilities, net	—	—	14.7	14.7	0.07	(0.1)
Amortization of intangible assets	—	0.1	1.7	1.7	0.01	—
Impairment of long-lived assets	—	—	24.0	24.0	0.09	0.3
Provision for (benefit from) income taxes						
Tax effect on non-GAAP adjustments ^(B)	—	—	—	(15.3)	—	—
Prior period ongoing tax impacts ^(D)	—	—	—	(0.8)	—	—
Adjusted	\$ 2,079.9	76.5%	\$ 639.9	\$ 574.1	2.71	11.3%

Six Months Ended June 30, 2018						
	Net Sales	Gross Profit Margin	Operating Income	Net Income	Diluted EPS	Effective Tax Rate
GAAP	\$ 1,838.5	73.9%	\$ 504.6	\$ 489.3	\$ 2.28	4.9%
Non-GAAP adjustments: ^{(A)(C)}						
SHV consignment conversion	63.1	0.5	55.4	55.4	0.21	1.1
TAVR Germany stocking sales	8.0	—	6.0	6.0	0.02	0.2
Intellectual property litigation expenses	—	—	11.2	11.2	0.04	0.3
Change in fair value of contingent consideration liabilities, net	—	—	14.7	14.7	0.07	—
Amortization of intangible assets	—	—	1.3	1.3	0.01	—
Pension curtailment gain	—	—	—	(7.1)	(0.03)	—
Provision for (benefit from) income taxes						
Tax effect on non-GAAP adjustments ^(B)	—	—	—	(13.9)	—	—
Tax audit settlements	—	—	—	(36.1)	(0.17)	6.2
Impacts from U.S. tax legislation	—	—	—	6.7	0.03	(1.2)
Prior period ongoing tax impacts ^(D)	—	—	—	0.1	—	—
Adjusted	\$ 1,909.6	74.4%	\$ 593.2	\$ 527.6	2.46	11.5%

^(A) See description of non-GAAP adjustments on the "Non-GAAP Financial Information" page.

^(B) The tax effect on non-GAAP adjustments is calculated based upon the impact of the relevant tax jurisdictions' statutory tax rates on the Company's estimated annual effective tax rate, or discrete rate in the quarter, as applicable. The tax effect on the TAVR Germany stocking sales adjustment is calculated using the global effective tax rate.

^(C) All amounts are tax effected, calculated based upon the impact of the relevant tax jurisdictions' statutory tax rates on the Company's estimated annual effective tax rate, or discrete rate in the quarter, as applicable.

RECONCILIATION OF SALES BY PRODUCT GROUP AND REGION

Sales by Product Group (QTD)	2Q 2019	2Q 2018	Change	GAAP Growth Rate*	2018 Adjusted				2Q 2018 Adjusted Sales	Underlying Growth Rate *
					CASMED Acquisition	Surgical Consignment Conversion	Germany Stocking	FX Impact		
Transcatheter Aortic Valve Replacement	\$ 677.7	\$ 584.0	\$ 93.7	16.0 %	\$ —	\$ —	\$ —	\$ (10.6)	\$ 573.4	18.2 %
Transcatheter Mitral and Tricuspid Therapies	7.0	0.9	6.1	NM	—	—	—	—	0.9	NM
Surgical Structural Heart	217.8	190.3	27.5	14.5 %	—	28.4	—	(5.4)	213.3	2.1 %
Critical Care	184.4	168.5	15.9	9.4 %	4.2	—	—	(3.9)	168.8	9.2 %
Critical Care excluding CASMED	179.6	168.5	11.1	6.5 %	—	—	—	(3.8)	164.7	9.0 %
CASMED	4.8	—	4.8	NM	4.2	—	—	(0.1)	4.1	15.9 %
Total	\$ 1,086.9	\$ 943.7	\$ 143.2	15.2 %	\$ 4.2	\$ 28.4	\$ —	\$ (19.9)	\$ 956.4	13.6 %
Total Sales excluding CASMED	\$ 1,082.1	\$ 943.7	\$ 138.4	14.7 %	\$ —	\$ 28.4	\$ —	\$ (19.8)	\$ 952.3	13.6 %

Sales by Product Group (YTD)	YTD 2Q 2019	YTD 2Q 2018	Change	GAAP Growth Rate*	2018 Adjusted				YTD 2Q 2018 Adjusted Sales	Underlying Growth Rate *
					CASMED Acquisition	Surgical Consignment Conversion	Germany Stocking	FX Impact		
Transcatheter Aortic Valve Replacement	\$ 1,275.4	\$ 1,135.1	\$ 140.3	12.4 %	\$ —	\$ —	\$ 8.0	\$ (25.3)	\$ 1,117.8	14.1 %
Transcatheter Mitral and Tricuspid Therapies	11.3	1.4	9.9	NM	—	—	—	—	1.4	NM
Surgical Structural Heart	432.5	369.8	62.7	17.0 %	—	63.1	—	(12.2)	420.7	2.8 %
Critical Care	360.7	332.2	28.5	8.6 %	4.2	—	—	(8.5)	327.9	10.0 %
Critical Care excluding CASMED	355.9	332.2	23.7	7.1 %	—	—	—	(8.4)	323.8	9.9 %
CASMED	4.8	—	4.8	NM	4.2	—	—	(0.1)	4.1	15.9 %
Total	\$ 2,079.9	\$ 1,838.5	\$ 241.4	13.1 %	\$ 4.2	\$ 63.1	\$ 8.0	\$ (46.0)	\$ 1,867.8	11.4 %
Total Sales excluding CASMED	\$ 2,075.1	\$ 1,838.5	\$ 236.6	12.9 %	\$ —	\$ 63.1	\$ 8.0	\$ (45.9)	\$ 1,863.7	11.3 %

Sales by Region (QTD)	2Q 2019	2Q 2018	Change	GAAP Growth Rate*	2018 Adjusted				2Q 2018 Adjusted Sales	Underlying Growth Rate *
					CASMED Acquisition	Surgical Consignment Conversion	Germany Stocking	FX Impact		
United States	\$ 624.9	\$ 512.1	\$ 112.8	22.0 %	\$ 3.5	\$ 28.4	\$ —	\$ —	\$ 544.0	14.8 %
Europe	241.7	228.0	13.7	6.0 %	0.4	—	—	(12.7)	215.7	12.0 %
Japan	113.1	102.6	10.5	10.1 %	—	—	—	(1.3)	101.3	11.6 %
Rest of World	107.2	101.0	6.2	6.3 %	0.3	—	—	(5.9)	95.4	12.4 %
International	462.0	431.6	30.4	7.1 %	0.7	—	—	(19.9)	412.4	12.0 %
Total	\$ 1,086.9	\$ 943.7	\$ 143.2	15.2 %	\$ 4.2	\$ 28.4	\$ —	\$ (19.9)	\$ 956.4	13.6 %

Sales by Region (YTD)	YTD 2Q 2019	YTD 2Q 2018	Change	GAAP Growth Rate*	2018 Adjusted				YTD 2Q 2018 Adjusted Sales	Underlying Growth Rate *
					CASMED Acquisition	Surgical Consignment Conversion	Germany Stocking	FX Impact		
United States	\$ 1,187.7	\$ 991.6	\$ 196.1	19.8 %	\$ 3.5	\$ 63.1	\$ —	\$ —	\$ 1,058.2	12.2 %
Europe	476.4	458.0	18.4	4.0 %	0.4	—	8.0	(30.6)	435.8	9.3 %
Japan	211.5	195.3	16.2	8.2 %	—	—	—	(3.6)	191.7	10.3 %
Rest of World	204.3	193.6	10.7	5.6 %	0.3	—	—	(11.8)	182.1	12.2 %
International	892.2	846.9	45.3	5.4 %	0.7	—	8.0	(46.0)	809.6	10.2 %
Total	\$ 2,079.9	\$ 1,838.5	\$ 241.4	13.1 %	\$ 4.2	\$ 63.1	\$ 8.0	\$ (46.0)	\$ 1,867.8	11.4 %

* Numbers may not calculate due to rounding.

NM - Not meaningful