

STRYKER

Kevin A. Lobo,
Chairman and Chief Executive Officer

FORWARD LOOKING STATEMENT

Certain statements made in the presentation may contain information that includes or is based on forward-looking statements within the meaning of the federal securities law that are subject to various risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in such statements. Such factors include, but are not limited to: weakening of economic conditions that could adversely affect the level of demand for our products; pricing pressures generally, including cost-containment measures that could adversely affect the price of or demand for our products; changes in foreign exchange markets; legislative and regulatory actions; unanticipated issues arising in connection with clinical studies and otherwise that affect U.S. Food and Drug Administration approval of new products; changes in reimbursement levels from third-party payors; a significant increase in product liability claims; the ultimate total cost with respect to the Rejuvenate and ABG II matter; the impact of investigative and legal proceedings and compliance risks; resolution of tax audits; the impact of the federal legislation to reform the United States healthcare system; changes in financial markets; changes in the competitive environment; our ability to integrate acquisitions; and our ability to realize anticipated cost savings as a result of workforce reductions and other restructuring activities. Additional information concerning these and other factors is contained in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

MISSION



TOGETHER WITH OUR CUSTOMERS,
WE ARE DRIVEN
TO MAKE HEALTHCARE BETTER.

VALUES



INTEGRITY

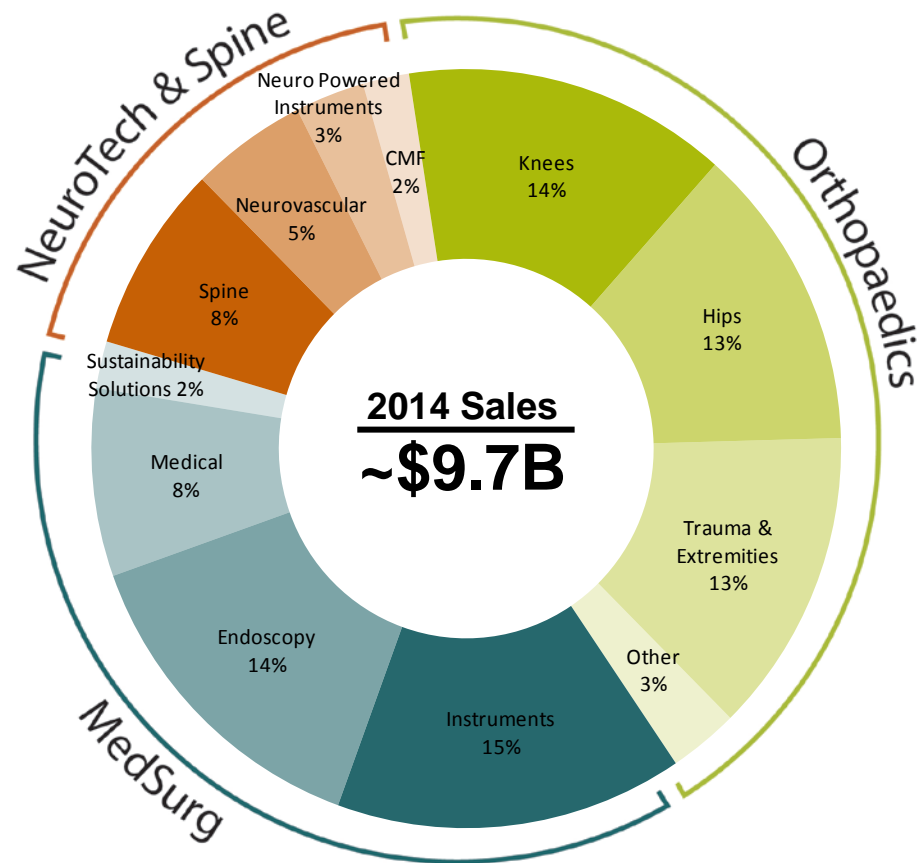
ACCOUNTABILITY

PEOPLE

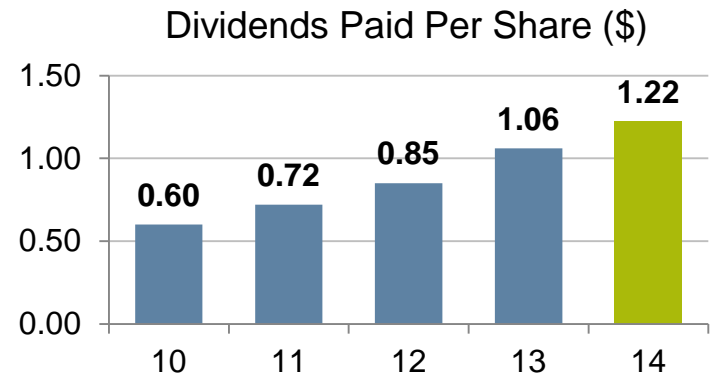
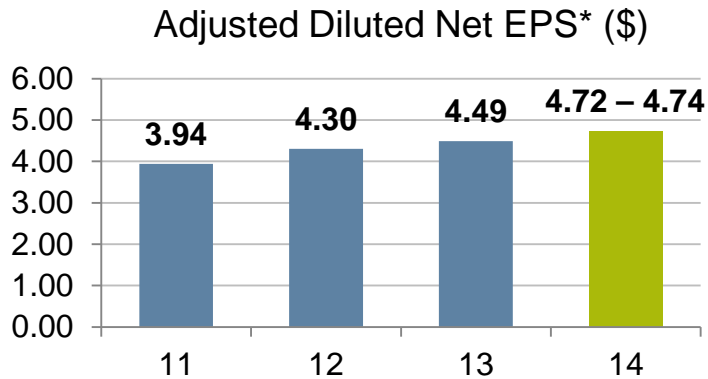
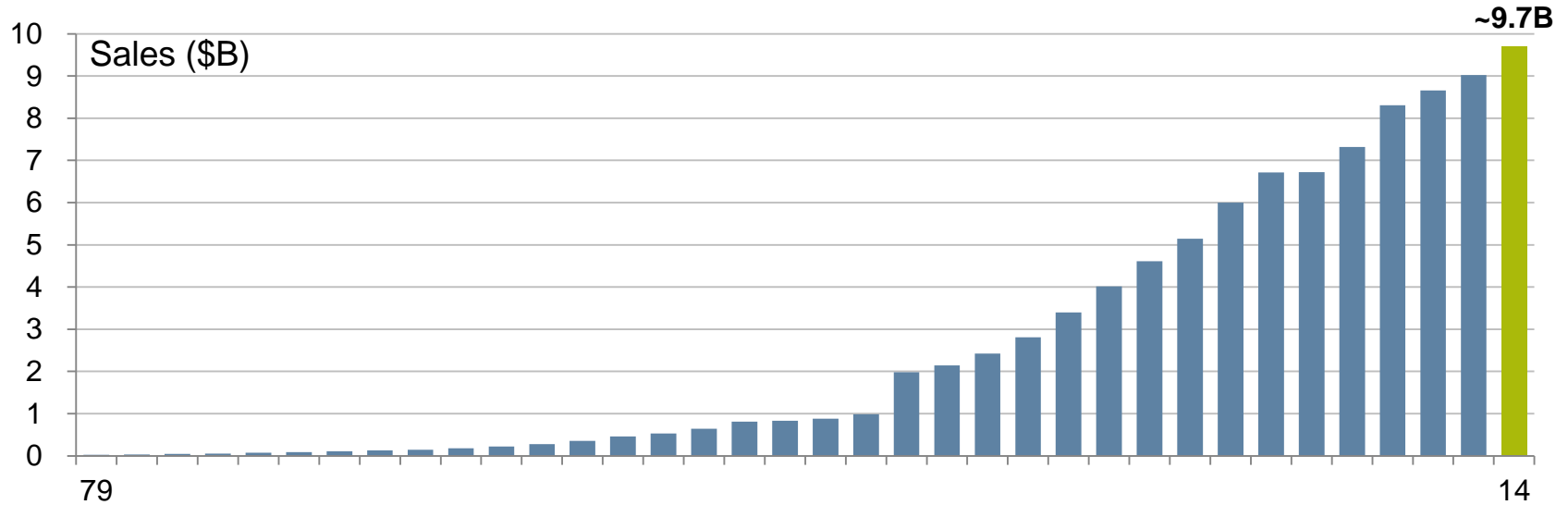
PERFORMANCE

GLOBAL MEDTECH LEADER

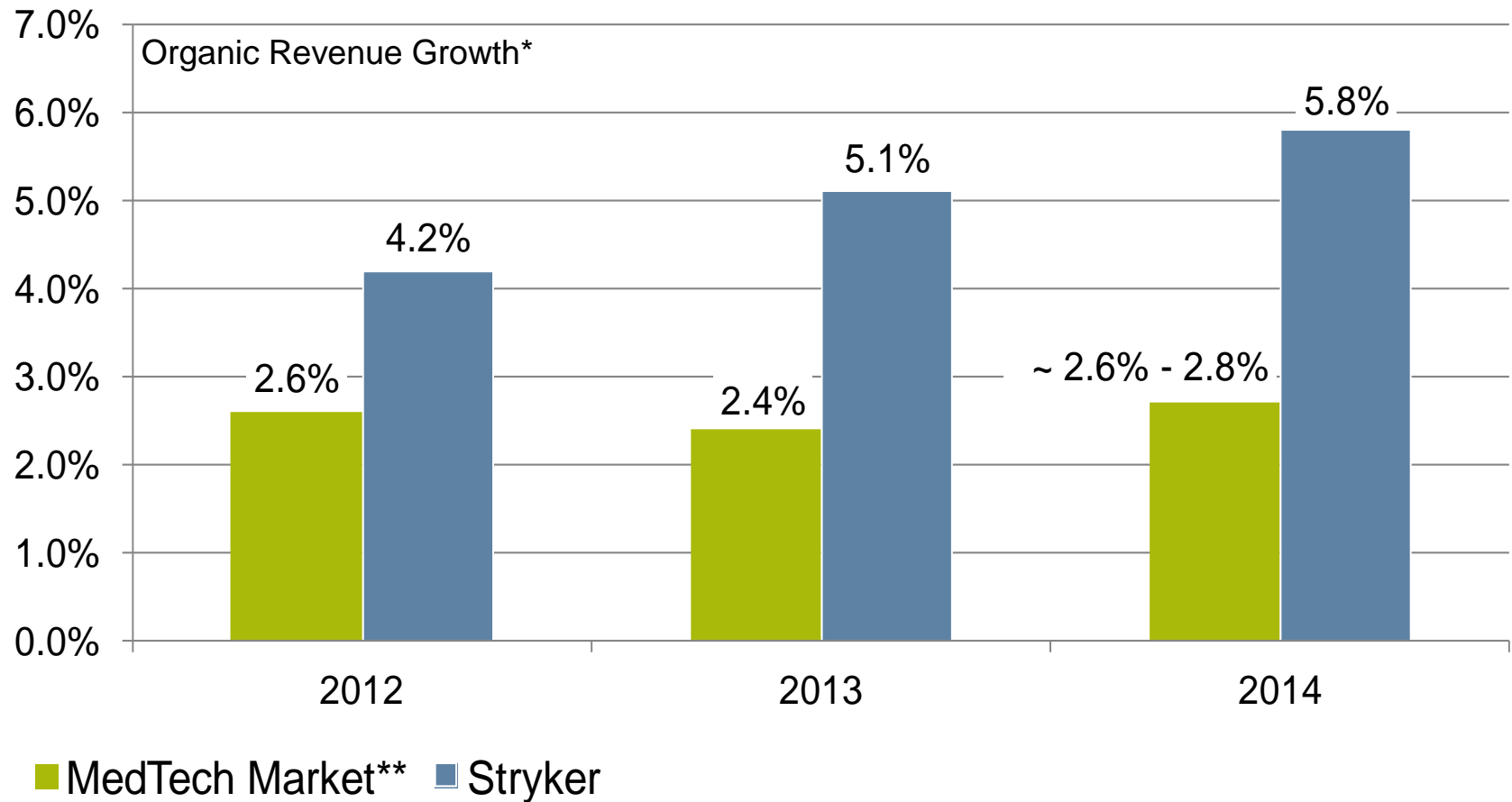
- Pursuing global market leadership in three segments
- Growing through business unit specialization



HISTORY OF PERFORMANCE



GROWTH AT THE HIGH END OF MEDTECH



* Organic revenue growth removes the impact of changes in foreign currency exchange rates, divestitures and the first twelve months of acquisition sales that affect the comparability and trend of sales.

**MedTech market growth is based on Company research of 20 companies

ORTHOPAEDICS KEY GROWTH DRIVERS

- Drive market adoption of robotic arm assisted surgery
- Expand portfolio and specialty selling teams in high growth segments
- Drive Power Brands
- Geographic expansion with the Trans-Atlantic operating model

DRIVING DIFFERENTIATION



RIO SYSTEM PLACEMENTS

4Q13	1Q14	2Q14	3Q14	4Q14
13*	2	6	8	20

* 5 sold after acquisition closed on December 17th

2015 PORTFOLIO EXPANSION

- Cementless uni knee limited release
- Total Knee 510(k) submitted and pending
- Hip Power Brands
- X3 poly bearings

IMPROVED OUTCOMES

- Procedure advancement
- Improved patient experience
- Implant innovation

MEDSURG

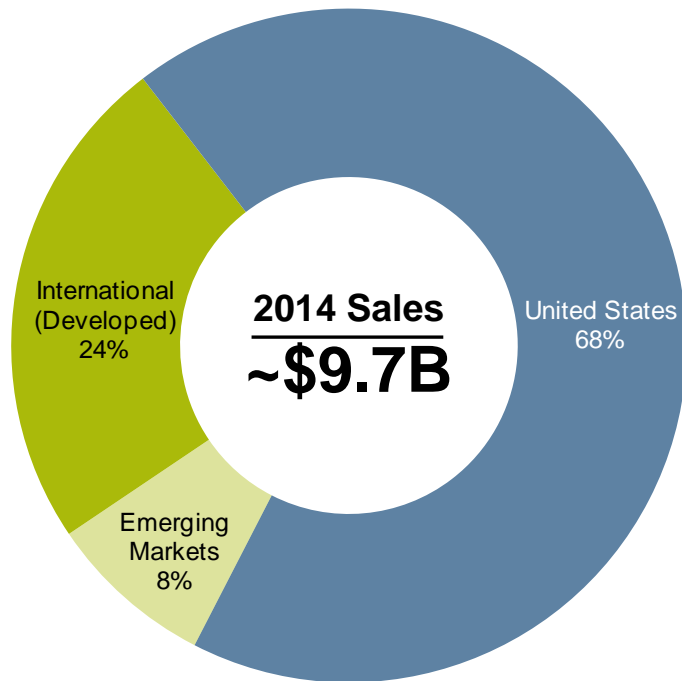
KEY GROWTH DRIVERS

- Ramping of key acquisitions (Berchtold, Pivot, SurgiCount, and CHG Hospital Beds)
- Execution of Trans-Atlantic operating model
- Continue momentum of our reprocessing business
- Continue market expansion of Neptune Waste Management System

NEUROTECH & SPINE KEY GROWTH DRIVERS

- Ischemic market expansion aided by recent positive clinicals
- Leverage cross-divisional strength to gain share
- Expand sales force in key business units & geographies
- Spine portfolio development focused on growth segments and premium products

ACCELERATING GLOBAL GROWTH



- Strong U.S. performance
- Build on European momentum with the Trans-Atlantic operating model
- Trauson expanding outside of China

FOCUSED ON INNOVATION

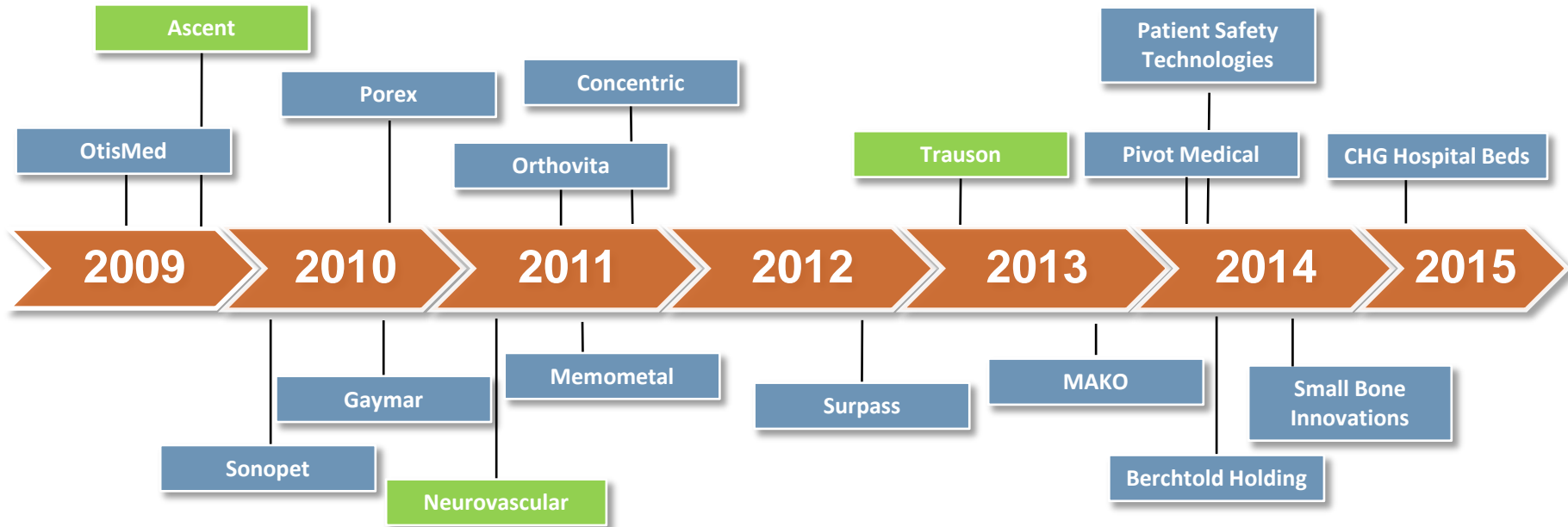
- Demonstrating commitment to internal innovation
- Driving innovation with products and services
- Focused on improved outcomes & delivering greater cost savings/efficiencies



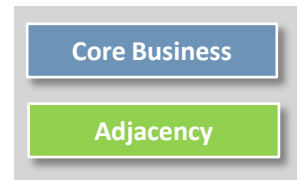
OPERATING LEVERAGE INITIATIVES

- Amplify the GQ&O cost reduction program
- Reduce inventories through product rationalization
- Drive SG&A savings via Shared Services
- Simplify and rationalize our Information Technology footprint

CONTINUED STRENGTH THROUGH M&A



- Targeting core and key adjacent markets
- Accelerate our top line, drive innovation



BALANCE SHEET STRENGTH

(\$ MILLIONS)	9/30/2014
Cash & Short-Term Investments	4,677
Net Cash*	715
Shareholders' Equity	8,624
Net Cash / Shareholders' Equity	8%

- Approximately 2/3 of cash held outside the United States at 9/30/2014
- Planned cash repatriation of ~\$2B USD, most of which will occur in the back half of 2015

CAPITAL DEPLOYMENT

- **M&A to drive sales growth and innovation**

Focused on driving sales growth in core and adjacent markets

Guidelines: - generally to exceed cost of capital by year
- target 12.5% + IRR

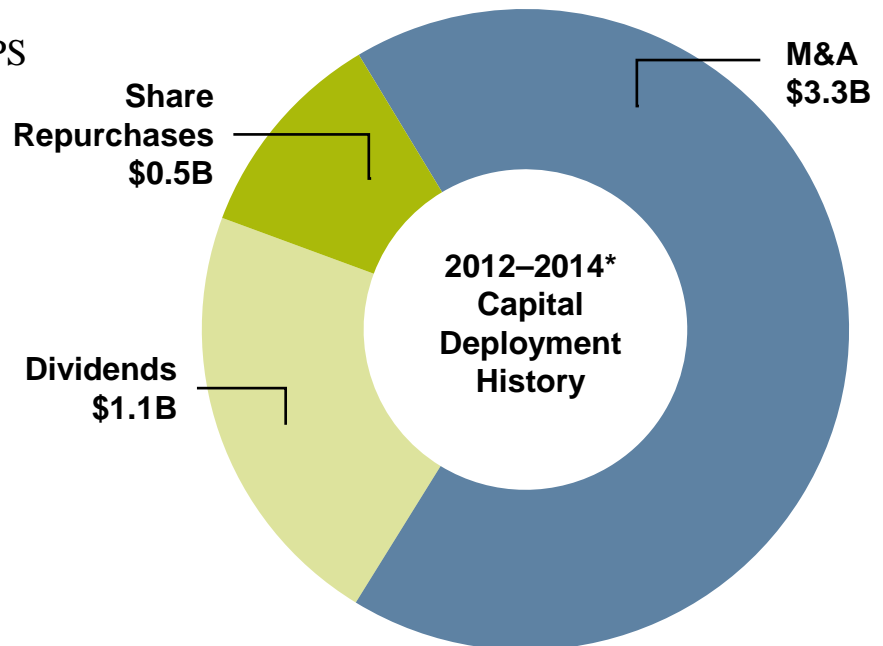
- **Dividend growth**

Dividend CAGR of 20% since 2010

Committed to increasing the dividend at or above EPS

- **Share repurchases**

Residual share buybacks over time
impacted by M&A timing



2014 Preliminary Results

FY2014

+ 5.8% Organic sales growth

\$4.72 – 4.74 Adjusted diluted net earnings per share

FY2015 FX Outlook

~\$0.20 Negative impact to 2015 Adjusted
EPS, if rates stay at current levels

This has nearly doubled since the \$0.10
to \$0.12 estimate at the end of Q3, 2014

STRYKER ADVANTAGE

- Strength in key hospital segments
- Focused on innovation
- Accelerating global growth
- Opportunities to drive meaningful operational leverage
- Balance sheet strength

STRYKER

Appendix

NON-GAAP FINANCIAL MEASURES

We supplement the reporting of our financial information determined under accounting principles generally accepted in the United States (GAAP) with certain non-GAAP financial measures, including percentage sales growth in constant currency; percentage organic sales growth; adjusted gross profit; cost of sales excluding specified items; adjusted selling, general and administrative expenses; adjusted intangible amortization; adjusted operating income; adjusted effective income tax rate; adjusted net earnings; and adjusted diluted net earnings per share (EPS). We believe that these non-GAAP measures provide meaningful information to assist investors and shareholders in understanding our financial results and assessing our prospects for future performance. Management believes percentage sales growth in constant currency and the other adjusted measures described above are important indicators of our operations because they exclude items that may not be indicative of or are unrelated to our core operating results and provide a baseline for analyzing trends in our underlying businesses. Management uses these non-GAAP financial measures for reviewing the operating results of reportable business segments and analyzing potential future business trends in connection with our budget process and bases certain management incentive compensation on these non-GAAP financial measures.

To measure percentage sales growth in constant currency, we remove the impact of changes in foreign currency exchange rates that affect the comparability and trend of sales. Percentage sales growth in constant currency is calculated by translating current year results at prior year average foreign currency exchange rates. To measure percentage organic sales growth, we remove the impact of changes in foreign currency exchange rates and acquisitions that affect the comparability and trend of sales. Percentage organic sales growth is calculated by translating current year results at prior year average foreign currency exchange rates excluding the impact of acquisitions.

To measure earnings performance on a consistent and comparable basis, we exclude certain items that affect the comparability of operating results and the trend of earnings. These adjustments are irregular in timing, may not be indicative of our past and future performance and are therefore excluded to allow investors to better understand underlying operating trends.

Adjustments may include, but are not limited to, the following:

- Acquisition and integration related costs. These adjustments include costs related to integrating recently acquired businesses and specific costs related to the consummation of the acquisition process.
- Amortization of intangible assets. These adjustments represent the periodic amortization expense related to purchased intangible assets.
- Restructuring and related charges. These adjustments include costs associated with focused workforce reductions and other restructuring activities.
- Rejuvenate and recall matters. These adjustments are our best estimate of the minimum of the range of probable loss to resolve certain product recalls, including the recall of Rejuvenate / ABG II modular-neck hip stems and certain matters pertaining to the recall of the Neptune Waste Management System.
- Regulatory and legal matters. These adjustments represent our best estimate of the minimum of the range of probable loss to resolve certain regulatory matters and other legal settlements.
- Tax matters. These adjustments represent certain discrete tax items and adjustments to interest expense related to the settlement of certain tax matters.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These adjusted financial measures should not be considered in isolation or as a substitute for reported sales growth, gross profit, cost of sales, selling, general and administrative expenses, intangible amortization, operating income, effective income tax rate, net earnings and diluted net earnings per share, the most directly comparable GAAP financial measures. These non-GAAP financial measures are an additional way of viewing aspects of our operations that, when viewed with our GAAP results and the reconciliations to corresponding GAAP financial measures at the end of the discussion of Results of Operations below, provide a more complete understanding of our business. We strongly encourage investors and shareholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

RECONCILIATION OF GAAP TO NON-GAAP RESULTS

(Per Share Amounts)	2011	2012	2013	2014	
				Range	
Diluted Net Earnings per Share	\$3.45	\$3.39	\$2.63	\$1.28	\$1.37
Acquisition and integration related charges	0.37	0.09	0.19	0.17	0.17
Amortization of intangible assets	0.22	0.23	0.26	0.35	0.35
Restructuring and related charges	0.16	0.15	0.12	0.21	0.21
Regulatory and legal matters	-	0.09	0.17	-	-
Rejuvenate and recall matters	-	0.35	1.20	1.69	1.62
Donation	-	-	0.04	-	-
Tax matters	(0.26)	-	(0.12)	1.02	1.02
Adjusted Diluted Net Earnings per Share	\$3.94	\$4.30	\$4.49	\$4.72	\$4.74