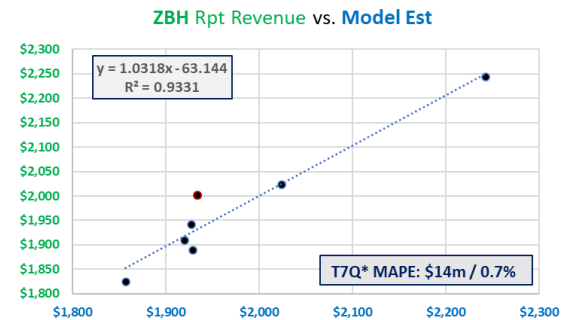


Medical devices is a billed business and observed visits to its manufacturing plants is aligned with reported volume / revenue; however, staged inventory and the complex payer system lead to a lower R2 and higher MAPE.

ZBH
Beat

Based on model and activity, there is likely upside on revenue. The compare to LY is also 260bps easier QoQ.

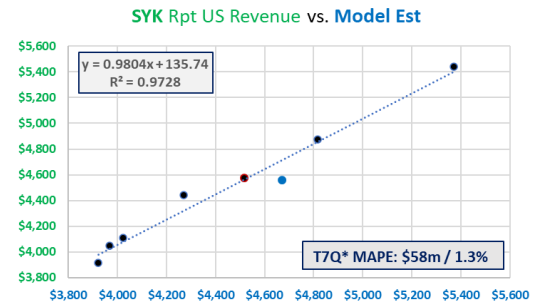
Revenue \$-millions	CQ1'26	Org %
Adj MC+Advan Model	\$2,085 - \$2,113	10.0%
Consensus (FactSet)	\$2,066	8.2%
Prior-qtr Organic Sales		10.9%
QoQ Ch		-95 bps
QoQ observed activity		510 bps



SYK
In-line

The model is roughly in-line with FactSet. The compare is slightly more difficult QoQ

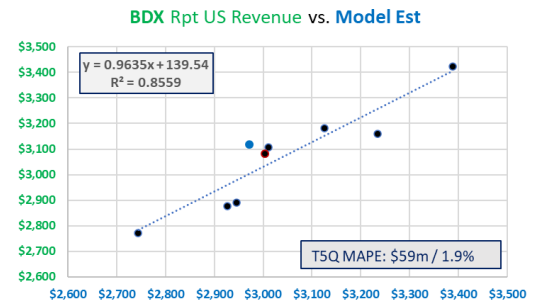
US Revenue \$-millions	CQ1'26	Org %
Adj MC+Advan Model	\$4,800 - \$4,916	9.4%
Consensus (FactSet)	\$4,849	9.2%
Prior-qtr Organic Sales		11.7%
QoQ Ch		-229 bps
QoQ observed activity		251 bps



BDX
Beat

Based on model and activity, there may be upside on revenue; however, the compare is 380bps more difficult QoQ and there was the miss at DHR's Cepheid. As such, we caution.

US Revenue \$-millions	CQ1'26	Org %
Adj MC+Advan Model	\$2,746 - \$2,864	1.0%
Consensus (FactSet)	\$2,772	-0.2%
Prior-qtr Organic Sales		2.6%
QoQ Ch		-156 bps
QoQ observed activity		144 bps



In terms of the prior Buysider previews.

DHR: Reported revenue / OSG of \$5.95B / +0.5% vs. Advan+MC estimate of \$5.94-\$6.1B / +2.9% and FactSet at \$5.99B / +1.1%. The Diagnostic division slowed -600bps QoQ due to "a lighter-than-typical Q1 respiratory season at Cepheid." The Biotech division accelerated +100bps QoQ. Life Science also came in stronger than guidance. Q1 OI was ahead. Revenue guidance for Q2 of "LSD" was soft, and in-line with our preview warning; however, management's tone was confident and cited improvements across most end-markets.

DGX: Reported revenue / OSG of \$2.90B / +9% was above Advan+MC estimate of \$2.82-\$2.9B / +7.7% and FactSet at \$2.83B / +6.7%. CFO, "I would say **test per requisition** was really the key driver. We continue to see a step-up in terms of the number of tests per requisition. This is being driven by a lot of the things that we have shared over the course of last year and this year, more advanced diagnostics testing, more early detection options and screening options, our consumer business contributing to it as well."

The MC+Advan model is Maiden Century's ML model that maps reported KPIs such as revenue, volume, admissions, nights, rentals, etc. to observed activity in the US. Advan also has CN and EU data.

We generally use FactSet as our measure of "consensus." For the FactSet US revenue we take the proportion of US to total and apply that to the FactSet total revenue estimate.

Produced by Advan's Head of Market Insights, **Thomas Paulson**. Previously, he served as Director of Research and Business Development at Placer.ai, prior to that was two decades as a buysider at AllianceBernstein, Cornerstone, and others

Disclosure: All Advan Research ("Advan") publications and website content ("Content") have been prepared in accordance with Advan's compliance and conflict management policies. Advan is unconditionally committed to the integrity, objectivity, and independence of its research. Content and any opinions expressed herein are current only as of the date published and are subject to change without notice. Although the information contained in the Content has been obtained from sources we believe to be reliable, the accuracy and completeness of such information cannot be guaranteed. Advan shall have no obligation to update or amend any information contained in the Content and the frequency of subsequent changes to the Content, if any, remain in the discretion of Advan. The Content is furnished to you for informational purposes only and on the condition that it will not form the sole basis for any investment decision. Any opinion contained herein may not be suitable for all investors or investment decisions. Each investor must make their own determination of the appropriateness of an investment in any Company referred to herein based on the tax, or other considerations applicable to such investor and its own investment strategy. By virtue of these Publications, neither Advan nor any of its employees or contributors shall be responsible for any investment decision. The Content may not be reproduced, distributed, or published without the prior consent of Advan.