

MEDTRONIC

DIABETES GROUP

AMERICAN DIABETES
ASSOCIATION (ADA) 2019

INVESTOR BRIEFING

SAN FRANCISCO, CA

JUNE 9, 2019

Medtronic
Further, Together

RYAN WEISPFENNING

VICE PRESIDENT

INVESTOR RELATIONS

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements. They are based on current assumptions and expectations that involve uncertainties or risks. These uncertainties and risks include, but are not limited to, those described in the filings we make with the U.S. Securities and Exchange Commission (SEC). Actual results may differ materially from anticipated results. Forward-looking statements are made as of today's date, and we undertake no duty to update them or any of the information contained in this presentation.

Non-GAAP Financial Measures

Certain information in this presentation includes calculations or figures that have been prepared internally and have not been reviewed or audited by our independent registered public accounting firm. Use of different methods for preparing, calculating or presenting information may lead to differences and such differences may be material. This presentation contains financial measures and guidance which are considered "non-GAAP" financial measures under applicable SEC rules and regulations. Medtronic management believes that non-GAAP financial measures provide information useful to investors in understanding the company's underlying operational performance and trends and to facilitate comparisons with the performance of other companies in the med tech industry. Medtronic calculates forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, forward-looking organic revenue growth guidance excludes the impact of foreign currency fluctuations, as well as material acquisitions or divestitures. Forward-looking diluted non-GAAP EPS projections exclude potential charges or gains that would be recorded as non-GAAP adjustments to earnings during the fiscal year. Medtronic does not attempt to provide reconciliations of forward-looking non-GAAP EPS guidance to projected GAAP EPS guidance, because the combined impact and timing of recognition of these potential charges or gains is inherently uncertain and difficult to predict, and is unavailable without unreasonable efforts. In addition, we believe such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance. GAAP to non-GAAP reconciliations are provided on our website and can be accessed at <http://investorrelations.medtronic.com> and found attached.

Financial Comparisons

References to organic revenue growth exclude the impact of material acquisitions, divestitures, and currency. References to constant currency exclude the impact of currency. Unless stated otherwise, quarterly revenue rates and ranges are given on a constant currency basis.

AGENDA

1

Omar Ishrak

Welcome

2

Hooman Hakami

Performance and Outlook

3

Ali Dianaty

MiniMed™ 670G Update
Product Pipeline

4

Hooman Hakami

Closing

5

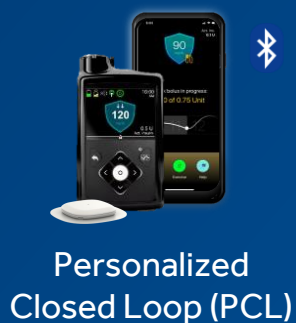
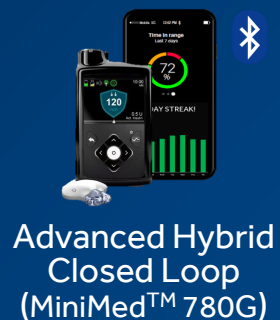
Q&A

OMAR ISHRAK

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

STRONG GLOBAL FRANCHISE WITH MARKET LEADING PIPELINE

DIABETES



- **CONFIDENT** in FY20 growth outlook
- International launch of MiniMed™ 670G still **EARLY INNINGS**, expect double-digit growth in FY20
- Installed base renewals in FY20 to support US business, with **GROWTH ACCELERATING AS PIPELINE KICKS IN** later in fiscal year and into FY21
- **PIPELINE IS ROBUST** in both Closed Loop and CGM
 - Expect to **EXTEND OUR TECHNOLOGICAL LEADERSHIP** in Closed Loop Systems with launch of MiniMed™ 780G and PCL over next 24 months
 - Expect to **CLOSE THE GAP** with rapid advancements in CGM pipeline

HOOMAN HAKAMI

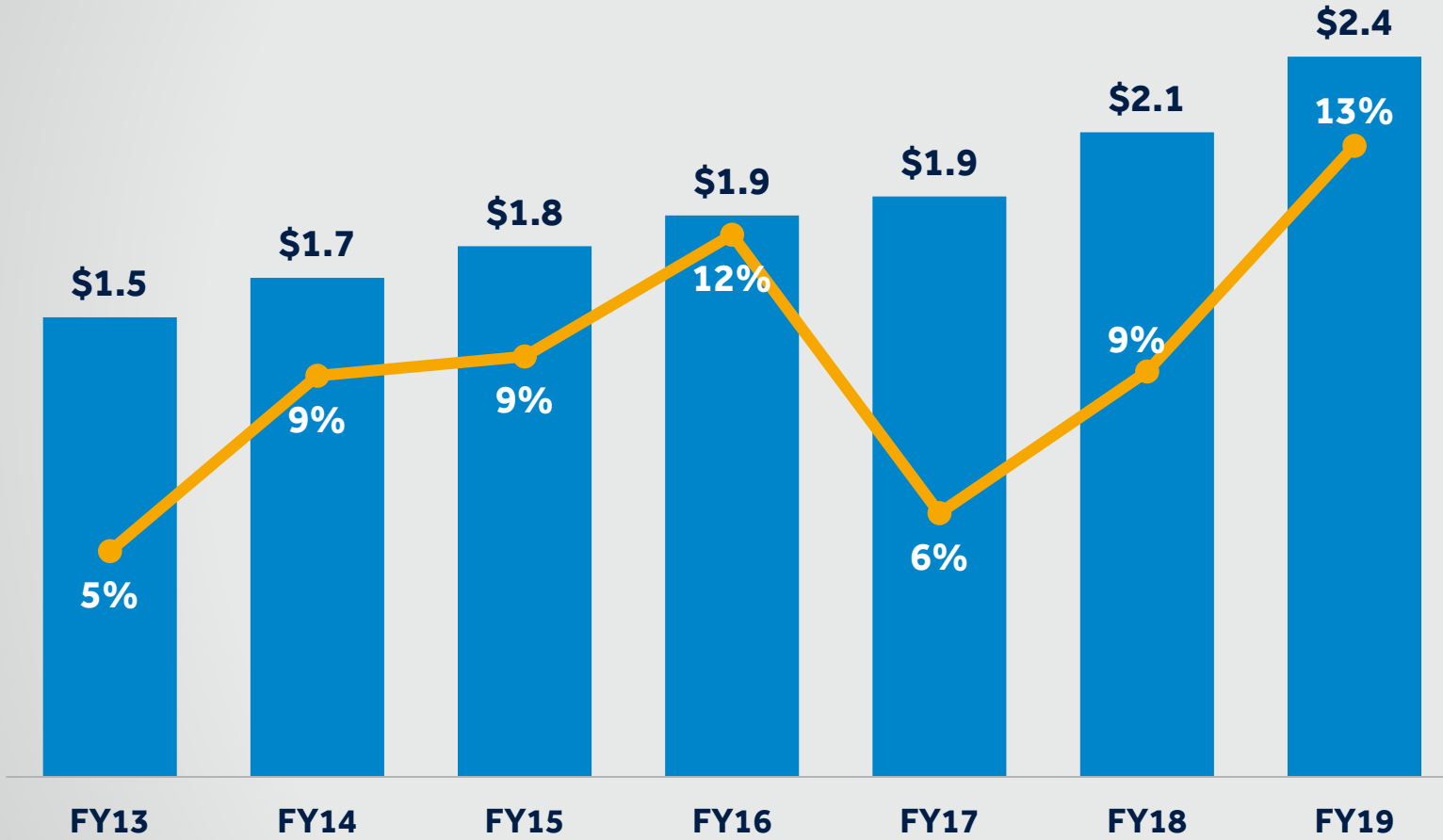
EVP AND GROUP PRESIDENT
DIABETES GROUP

PERFORMANCE AND OUTLOOK

DIABETES STRONG ORGANIC GROWTH

Revenue (\$B)

CCW Revenue Growth (%)¹



EXITING FY19 WITH...

Highest Annual Revenue

\$2.4B

Global Pump² Market Share

62%

Strong WW Installed Base Growth

MSD

Stand-alone CGM Momentum

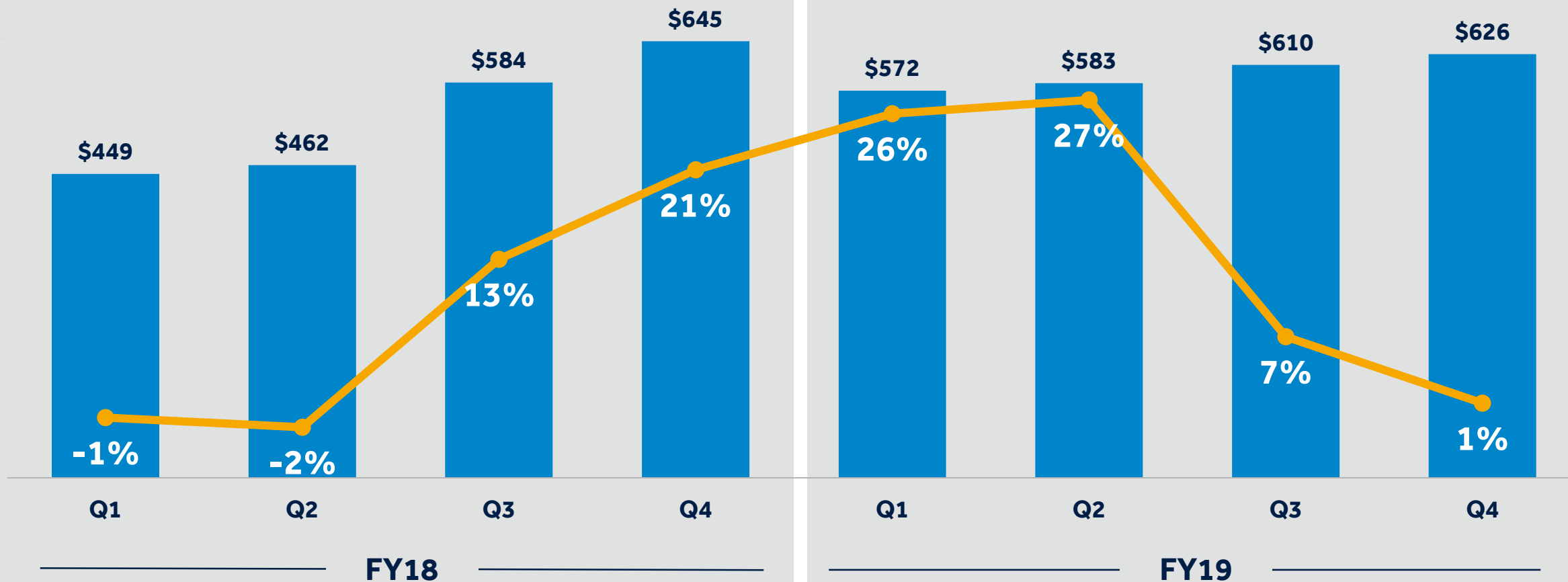
Triple Digit Growth

1. Constant currency, constant week Y/Y growth. FY17 baseline adjusted to exclude Q1 FY16 extra week.
2. Includes Insulin Delivery (Durable Pumps, Consumables & Other, and Patch Pumps) and Integrated CGMs.

QUARTER TO QUARTER VOLATILITY HAS MADE IT HARD TO MODEL

Revenue (\$M)

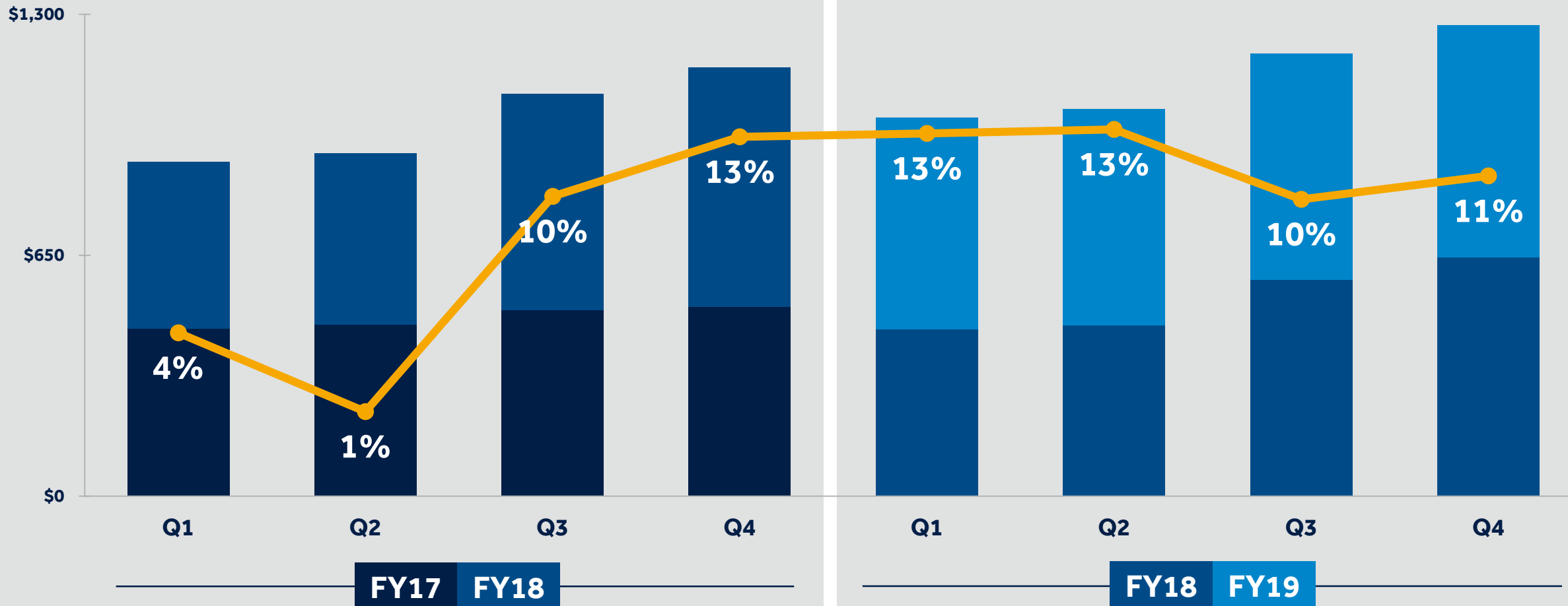
Organic Revenue Growth (%)



MORE CONSISTENT GROWTH ON A TWO-YEAR STACKED BASIS

2-Yr Stacked Revenue (\$M)

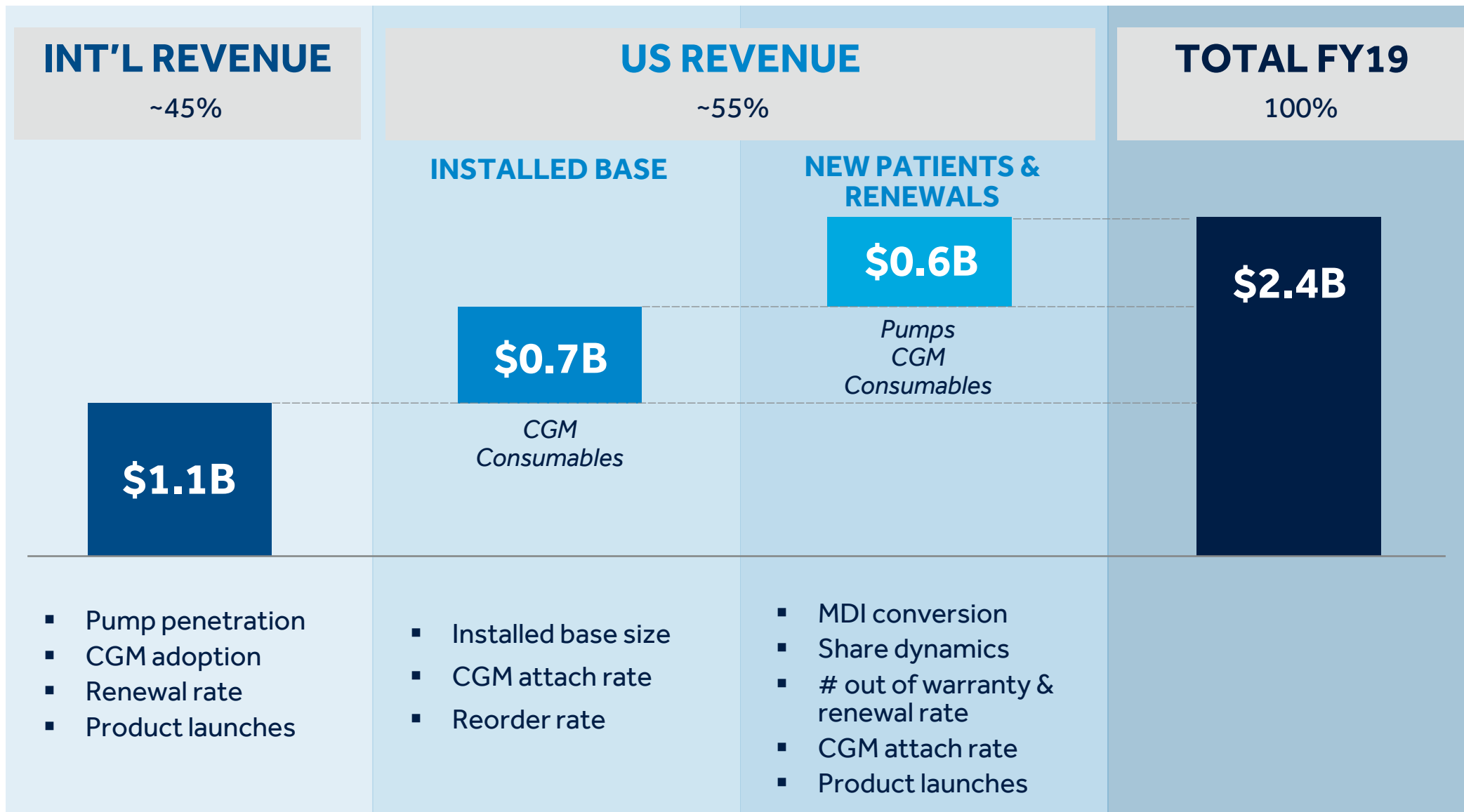
2-Yr Average CCW Revenue Growth (%)¹



1. Constant currency, constant week Y/Y growth. FY17 baseline adjusted to exclude Q1 FY16 extra week. Average 2 year growth rate.

TO UNDERSTAND OUTLOOK, LET'S PEEL BACK ELEMENTS OF OUR BUSINESS

REVENUE SOURCES MIX



TO UNDERSTAND OUTLOOK, LET'S PEEL BACK ELEMENTS OF OUR BUSINESS

REVENUE SOURCES MIX



REVENUE DRIVERS

- Pump penetration
- CGM adoption
- Renewal rate
- Product launches

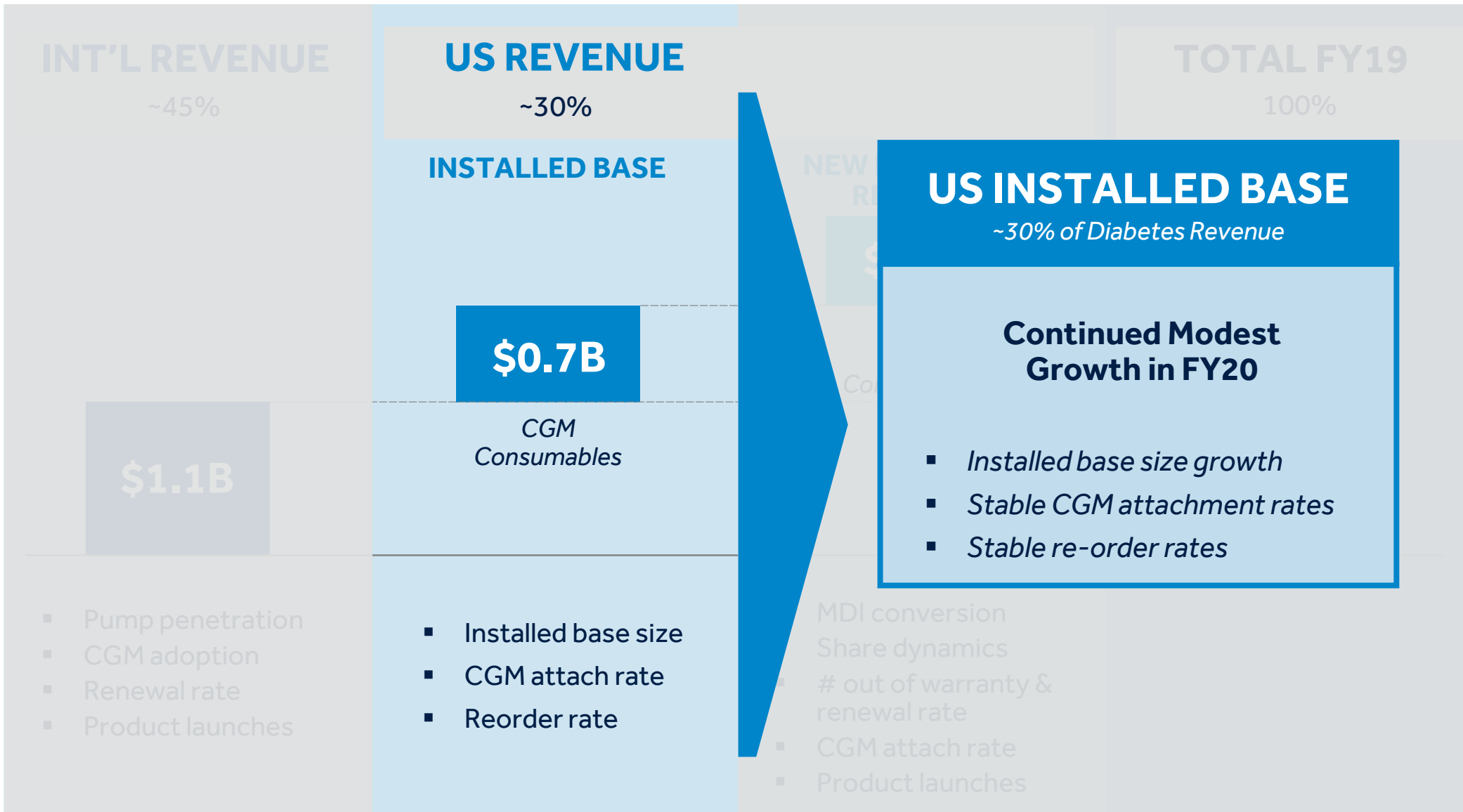
- Installed base size
- CGM attach rate
- Reorder rate

- MDI conversion
- Share dynamics
- # out of warranty & renewal rate
- CGM attach rate
- Product launches

1. Constant currency Y/Y growth.

TO UNDERSTAND OUTLOOK, LET'S PEEL BACK ELEMENTS OF OUR BUSINESS

REVENUE SOURCES MIX



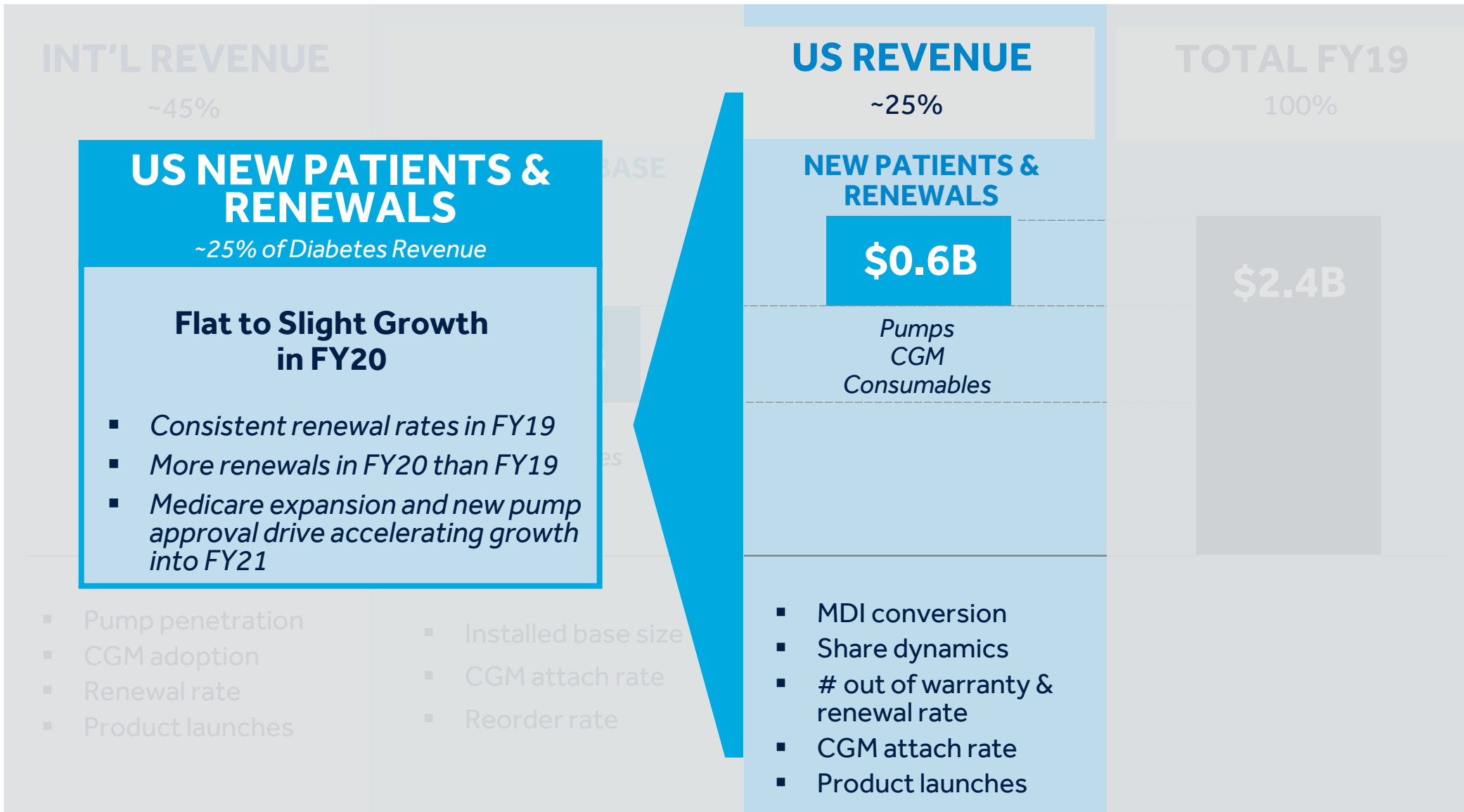
REVENUE DRIVERS

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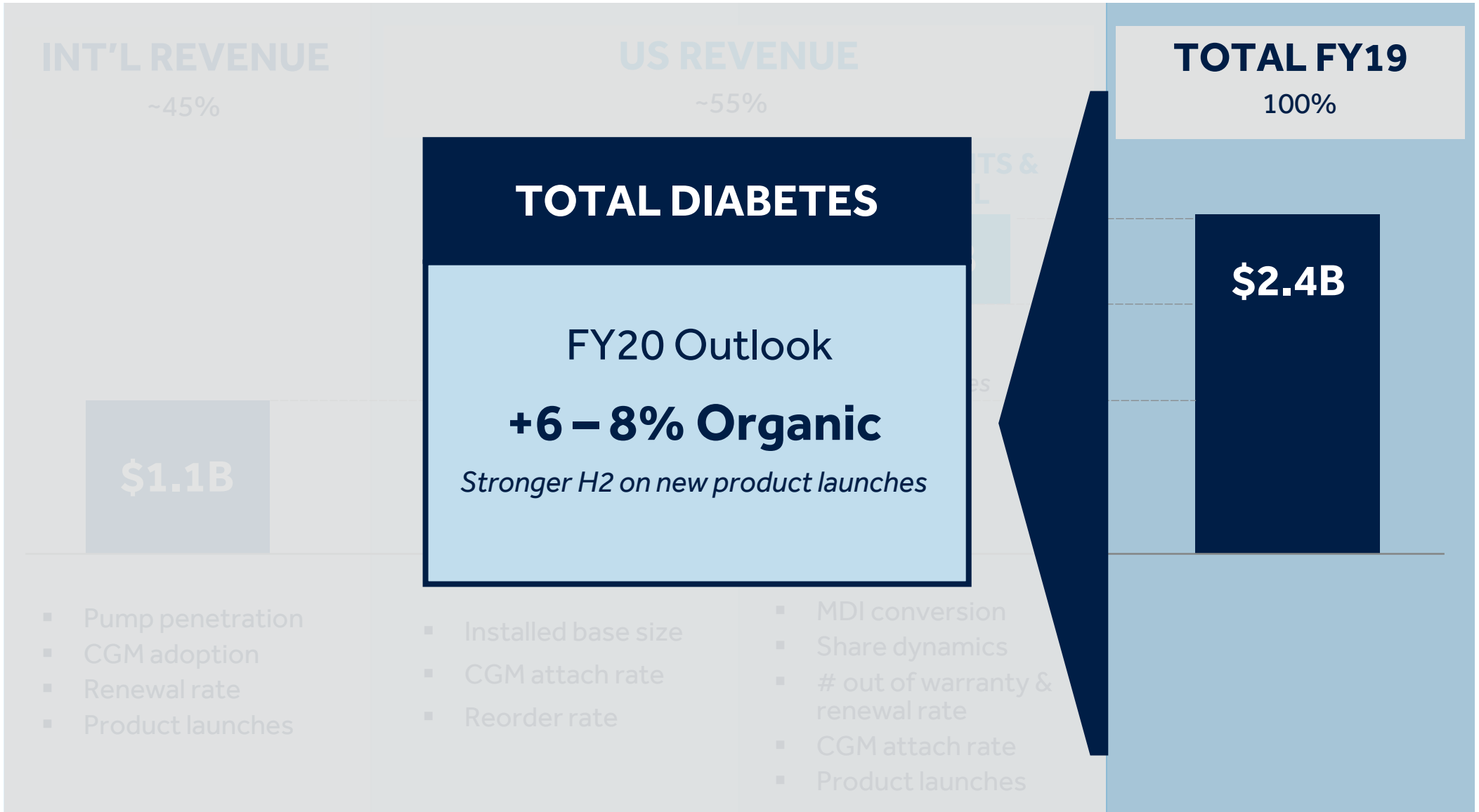


REVENUE DRIVERS

- Pump penetration
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- Product launches

CONFIDENT IN FY20 GROWTH OUTLOOK

REVENUE SOURCES MIX



REVENUE DRIVERS

MINIMED™ 670G SET THE BAR... MINIMED™ 780G AND PCL AIM TO RAISE THE BAR

Building on data & learnings from MiniMed™ 670G
with **pipeline technology**

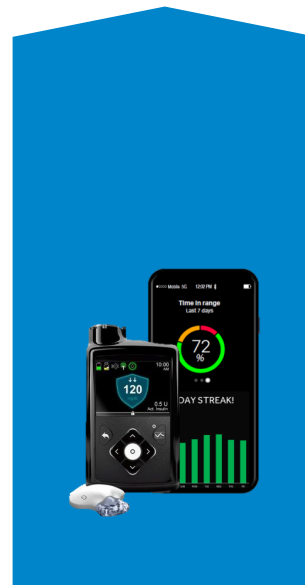
Goal: TIR >85%

Goal: TIR >80%

72%



MiniMed™ 670G^{1,2}



Advanced Hybrid
Closed Loop
(MiniMed™ 780G)



Personalized
Closed Loop (PCL)

1. Garg SK et al. *Diab Tech Ther.* 2017;19(3):1-9. 2. Bergenstal RM et al. *JAMA.* 2016;316(13):1407-1408.

ALI DIANATY

VP RESEARCH & DEVELOPMENT
DIABETES GROUP

MINIMED™ 670G UPDATE

MINIMED™ 670G: UPDATE

REAL WORLD OUTCOMES AND LIFE TESTED

MINIMED™ 670G SYSTEM



REAL WORLD OUTCOMES

+8M

Patient Days¹

+2.0

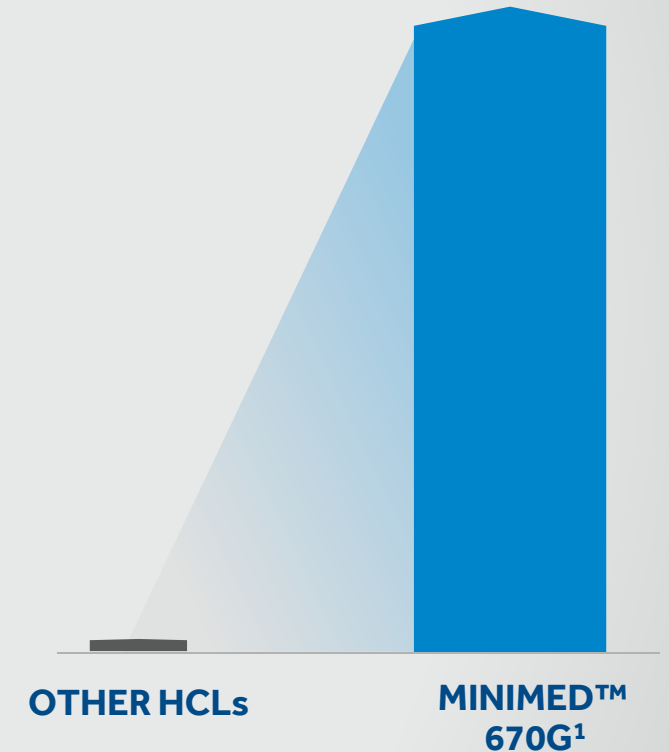
Years in Market

71%

Average Time in Range¹

PATIENTS

180,000+

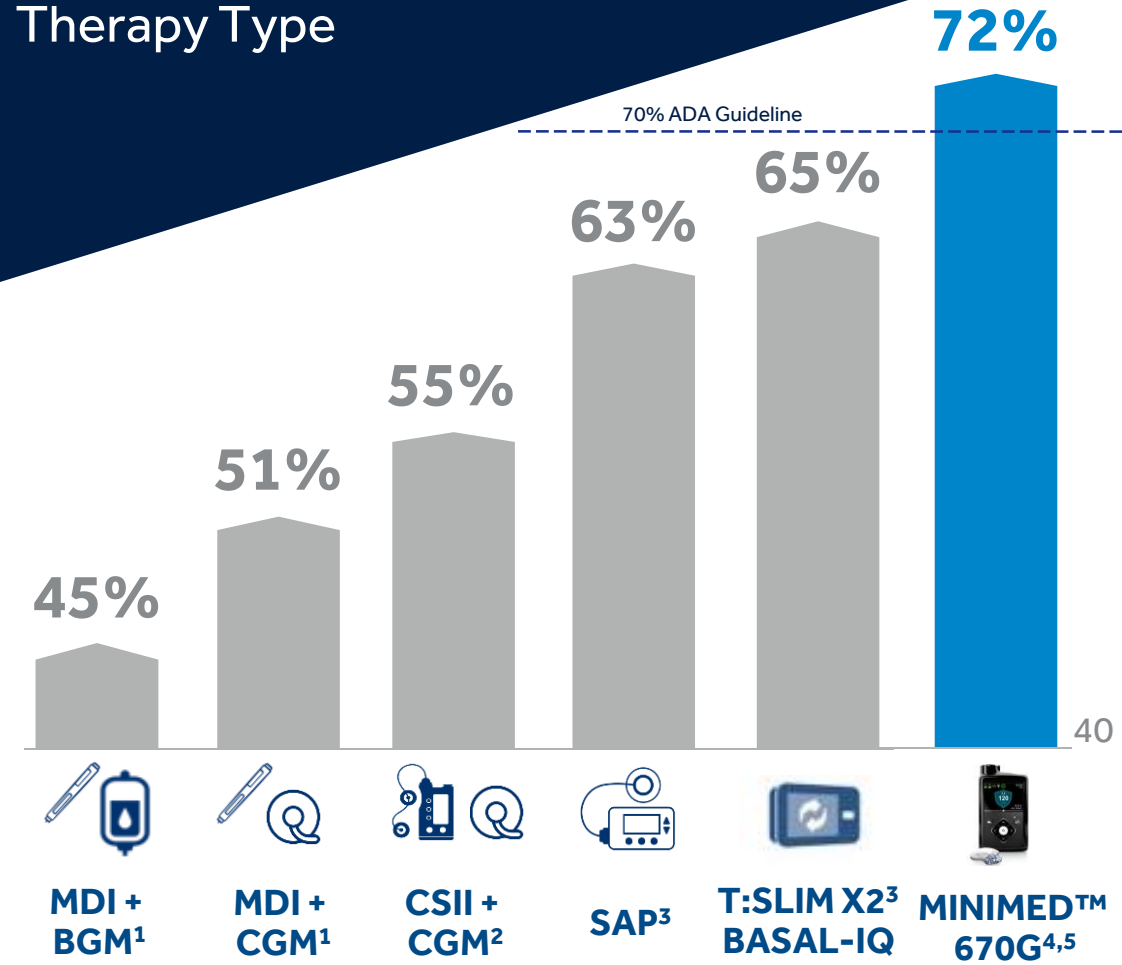


1. US MiniMed 670G system users from CareLink™ Personal data is from March 17, 2017 to May 9, 2019 and CareLink™ System data is from March 17, 2017 to March 1, 2019. Users= 119,274; Patient days: 7,984,915.

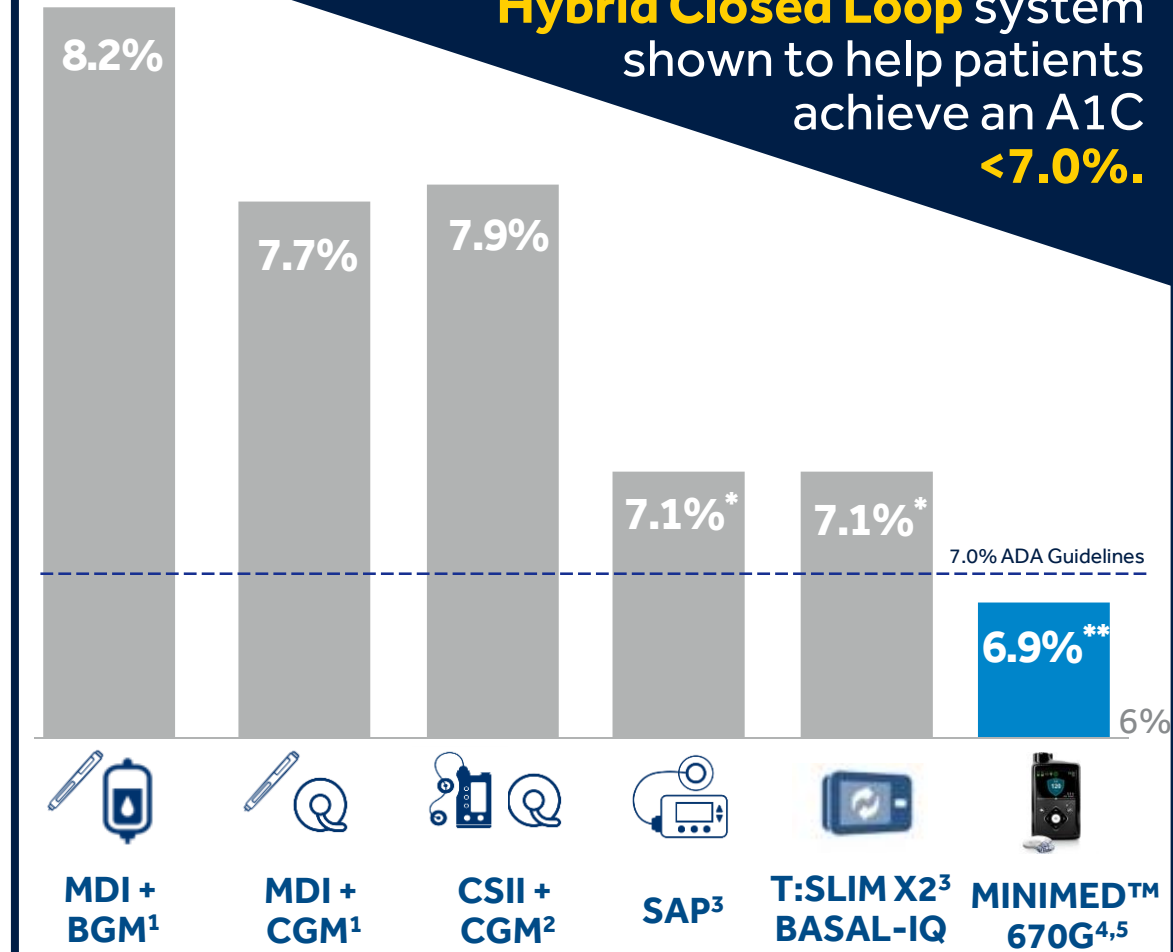
MINIMED™ 670G: ONLY HCL SYSTEM WITH RESULTS SURPASSING ADA GUIDELINES

HIGHER TIME-IN-RANGE LEADS TO LOWER A1C

Time-In-Range by Therapy Type



MiniMed™ 670G is the **only Hybrid Closed Loop** system shown to help patients achieve an A1C **<7.0%**.



1. Beck RW, et al. *JAMA*. 2017;317(4):371-378. 2. Beck RW, et al. *Lancet*. 2017;5:700-708. 3. Forlenza GP, et al. *Diabetes Care*. 2018;41:2155-2161. 4. Garg SK et al. *Diab Tech Ther*. 2017;19(3):1-9. 5. Bergenstal RM et al. *JAMA*. 2016;316(13):1407-1408. *Estimated A1C based on reported mean glucose values at end of study 159mg/dL and 154mg/dL. Calculated using JAEB <https://www.jaeb.org/gmi/>. **Due to inherent study limitations, caution is advised when attempting to extrapolate these results to new patients. There could be significant differences.

ENHANCED TRANSMITTER MAKING A POSITIVE IMPACT

PATIENTS RESPONDING WITH CONFIDENCE AND IMPROVED EXPERIENCE

BACKGROUND

- Initial launch of **Guardian™ Link 3 transmitter** included an additional layer of protection
- Sometimes created additional requests for BG (blood glucose) entry and **exited users out of Auto Mode**

ENHANCEMENT

- Software enhancement** reduces repeated BG requests without compromising safety
- Approved by FDA and began shipping to patients in **November 2018**
- New patients receiving enhanced transmitter
- Finish upgrading existing MiniMed™ 670G patients by end of June

RESULTS

ROBUST IN-FIELD PERFORMANCE

INCREASED TIME IN AUTO MODE

30 Days Before vs.
30 Days After
Enhanced Transmitter

76.6%

85.1%

Before

After

Time in Auto Mode
30 Day Care Link Data¹

Translates to

**+2 Hours
Each Day**

in Auto Mode

**+60 Hours
Each Month**

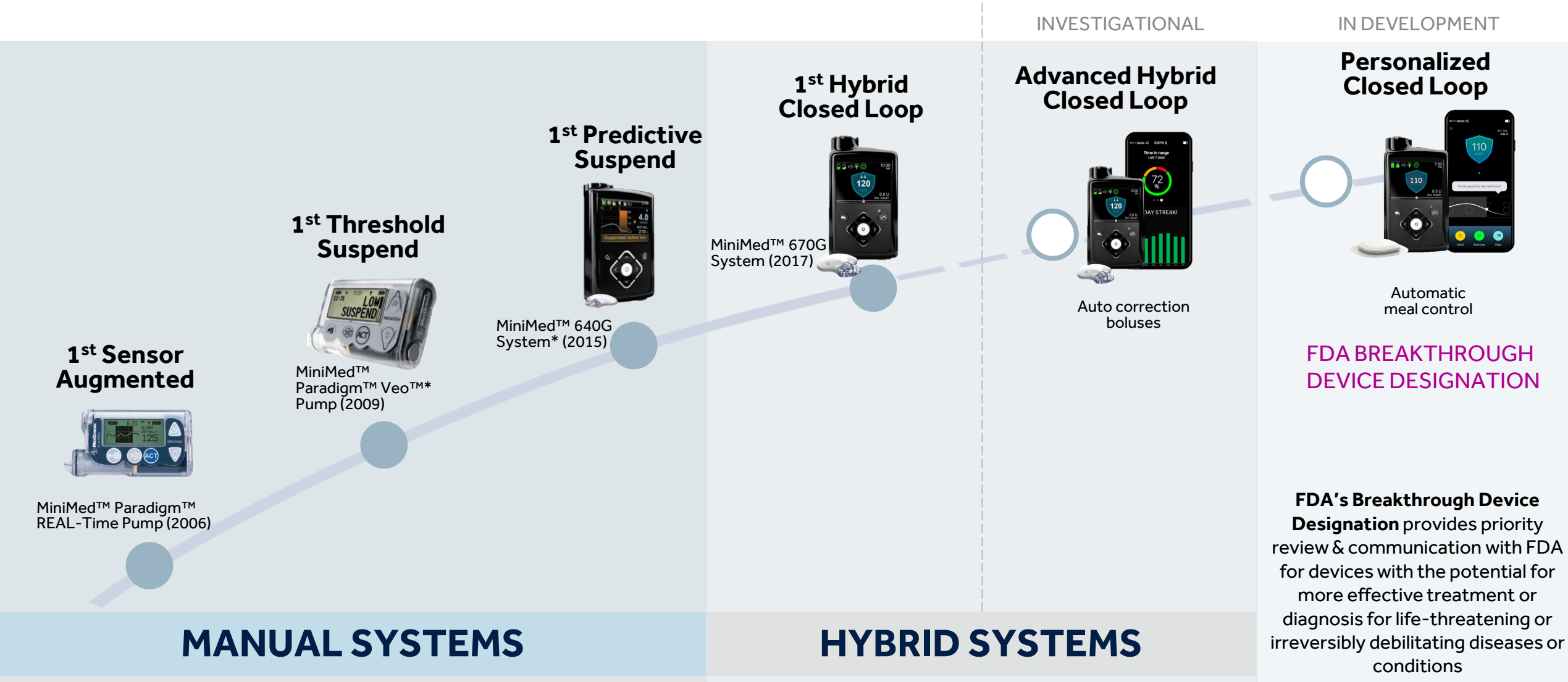
in Auto Mode

**+30 Days
Each Year**

in Auto Mode

1. Data is taken from voluntary CareLink Uploads (as of March 1, 2019). Data collected 30 days before and after occurrence of new transmitter ID. At least 7 days of data required for old & new transmitter. BG Loop definition: AM exit following 3+ SI failures and/or 3+ BG requests within 100 min (n=2,419 users).

MEDTRONIC IS PIONEERING THE FUTURE OF CLOSED LOOP THERAPIES



* System has CE Mark; System not approved in the US

NOT ALL CLOSED LOOP SYSTEMS WILL BE CREATED EQUAL

**BLOOD
GLUCOSE
TARGET**

To what glucose level does the algorithm manage the patient?

**TIME IN
AUTO MODE**

What % of time does the algorithm automatically deliver insulin?

**MEAL
HANDLING**

Does the system require the patient to manually enter their meals and carbs?

NOT ALL CLOSED LOOP SYSTEMS WILL BE CREATED EQUAL

BLOOD GLUCOSE TARGET

CURRENT

MiniMed™ 670G



Algorithm targets **120 mg/dL** night and day

Customer Feedback¹

120 is high??? jeez

Like · Reply · 2y



Perhaps if I want to suffer from major organ damage. I have read plenty of studies that would tell me no one at medtronic has diabetes or you would NEVER say 120 is acceptable.

Like · Reply · 2y



Again why does this device say 120? Let's get the blood glucose value down to 100 at least.

Like · Reply · 2y



120 as a minimum is a virtual guarantee for diabetic complications.

Like · Reply · 2y



I am on hold. A target of 120 is way too high for me. I eat low carb, and that would be going backwards! Hopefully in the next year or so?

Like · Reply · 2y



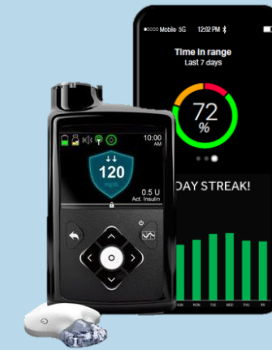
120 is ridiculous! 20 points higher than normal non diabetic blood sugar. Count me out!

Like · Reply · 2y



FUTURE

Advanced Hybrid Closed Loop (MiniMed™ 780G)



Algorithm targets **100 mg/dL** night and day

1. Customer feedback from Facebook comments.

NOT ALL CLOSED LOOP SYSTEMS WILL BE CREATED EQUAL

TIME IN AUTO MODE

CURRENT

MiniMed™ 670G



Average time in Auto Mode:
85%¹

FUTURE

Advanced Hybrid Closed Loop (MiniMed™ 780G)



Average time in Auto Mode:
99%

1. Data is taken from voluntary CareLink Uploads (as of March 1, 2019). Data collected 30 days before and after occurrence of new transmitter ID . At least 7 days of data required for old & new transmitter . BG Loop definition: AM exit following 3+ SI failures and/or 3+ BG requests within 100 min (n=2,419 users).

NOT ALL CLOSED LOOP SYSTEMS WILL BE CREATED EQUAL

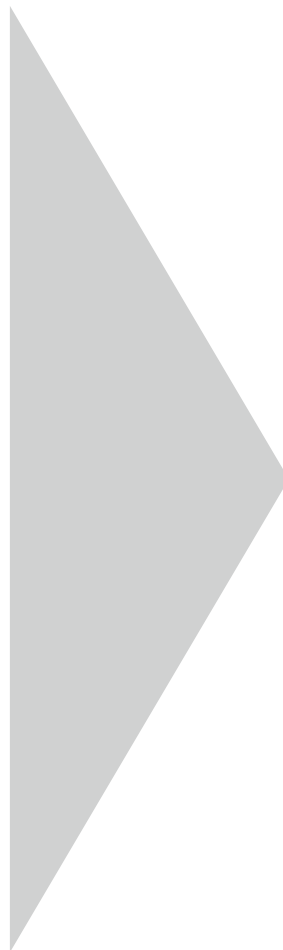
MEAL HANDLING

CURRENT

MiniMed™ 670G

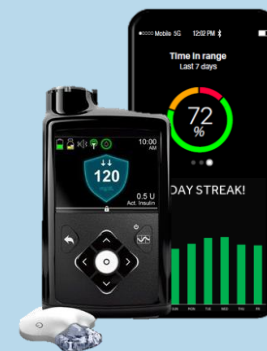


Meal Handling:
Manually enter meals & carbs



FUTURE

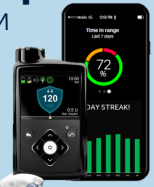

Advanced Hybrid Closed Loop (MiniMed™ 780G)



Meal Handling:
Automatically handles missed meals &
Simplifies bolus handling

COMPARING MINIMED™ 780G AND TANDEM'S T:SLIM X2™ WITH CONTROL-IQ™

MiniMed™ 780G aims to be a **differentiated** system, delivering **unsurpassed glucose control**

	Time in Range (TIR)	Blood Glucose Target	Avg. Time in Auto Mode/Closed Loop	Automated Meal Handling	Auto Correction Bolus	Ease of Optimization	Waterproof	Software Upgrades	Alerts to Caregivers
Advanced Hybrid Closed Loop (MiniMed™ 780G) 	>80% TIR Goal	100 mg/dL night and day	99%	Yes	Up to 12 times per hour	2 Easy Settings	Yes	Wireless / Over the Air	Full system
t:slim X2™ with Control-IQ™ Technology 	Mid-70's TIR¹	Night and day ranges up to 120 mg/dL & 160 mg/dL , respectively ²	91%³	No⁴	Up to 1 time per hour⁴	5 For day & night³	No	Wired	CGM only⁵

1. As noted on TNDM's Q1 FY19 Earnings Call. 2. A Sweet Life. Tandem's Control-IQ Explained. https://asweetlife.org/tandems-control-iq-explained/?fbclid=IwAR2t19STouD_ey2johco3XW0KmrJSZ9E3VjONDmYiE9YuGzir2LgSK6cIGY. 3. ATTD 2019 Conference Presentation – Berlin, Germany. 4. DTM 2017. Kovatchev, Boris P. Artificial Pancreas – Recent Innovations in Algorithms. 5. Tandem Diabetes Website. <https://www.tandemdiabetes.com/products/t-slim-x2-insulin-pump>.

T: Slim X2 and Control-IQ are trademarks of Tandem Diabetes Care, Inc.

PERSONALIZED CLOSE LOOP (PCL)

GAME CHANGING CAPABILITIES IN A CLOSED LOOP SYSTEM



Personalized Closed Loop System

- Personalized Therapy Adaptation
- Meal & Activity Prediction . . . No More Carb Counting
- >85% Time in Range Goal

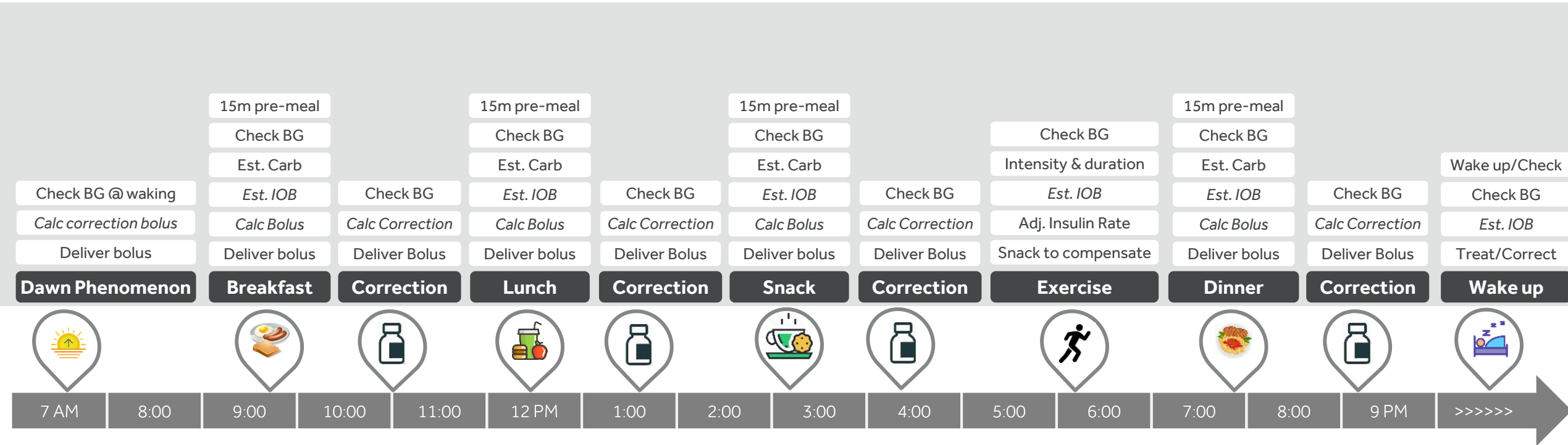
- Smartphone Control
- 100% Auto Mode Capable
- FDA Breakthrough Device Designation
- Highly Differentiated Technology

Anticipated FDA Submission:

H2 FY21

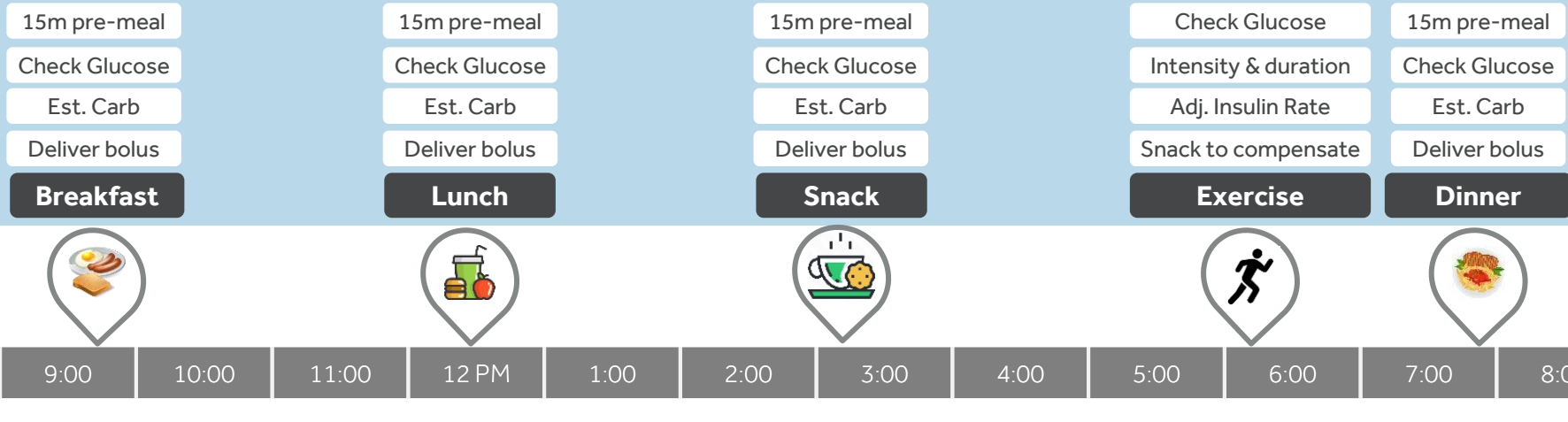
TODAY

T1D PATIENT'S DAY CONSTRAINED BY PHYSICAL & MENTAL WORK

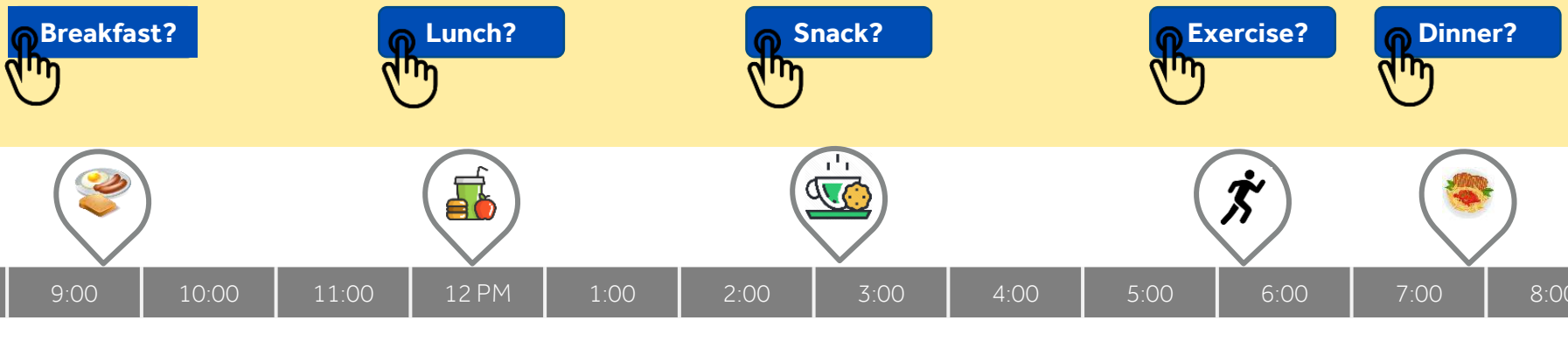


SIMPLIFYING THESE TASKS ASSOCIATED W/ MEALS, ACTIVITY, AND VARIATIONS DUE TO PHYSIOLOGY CAN SIGNIFICANTLY IMPROVE PATIENTS' QUALITY OF LIFE

ADVANCED HYBRID CLOSED LOOP (MINIMED™ 780G)



PERSONALIZED CLOSED LOOP (PCL)



GOAL: CHANGE PATIENT'S LIFE TO A SINGLE-CLICK WHILE ADAPTING TO SCHEDULE & PHYSIOLOGY

NUTRINO: ENABLING PERSONALIZED CLOSED LOOP

UNMATCHED CAPABILITES IN MEAL TIME & FOOD PREDICTION

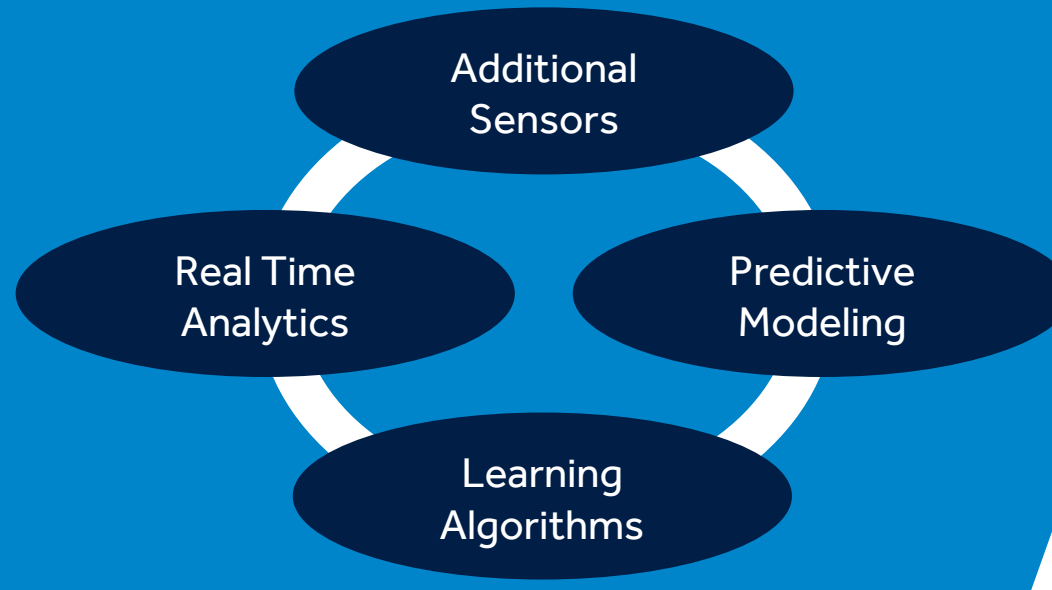


NUTRINO ACQUISITION

ACCURATELY PREDICTING MEALS

- Acquired Nutrino Nov. 2018
- Deep Technology Expertise:
 - Nutrition Science
 - Food Analysis System
 - Comprehensive Food Database
 - Artificial Intelligence (AI)-Driven Personalized Insights

Differentiated System to Minimize Carb Counting Errors



Personalized Closed Loop System

OUR NEAR-TERM CGM PIPELINE

CLOSING THE GAP TO COMPETITION

ACCURACY

Guardian® Sensor 3

MARD Rate: **9%**¹



Dexcom G6®

MARD Rate: **9%**²



BURDEN REDUCTION

NON-ADJUNCTIVE

Guardian® Sensor 3

- Eliminates meal-time fingersicks
- Allows for Medicare Expansion

Submitting
to FDA:

Q1 FY20

CALIBRATIONS

Zeus Sensor³

- 95% reduction in fingersticks⁴
- Meets iCGM criteria
- Initiated Pivotal Trial

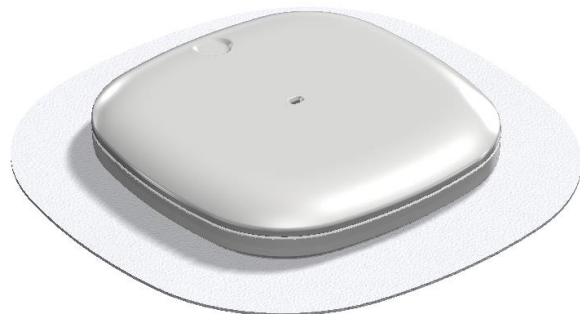
Anticipated
FDA Submission:

H1 FY21

1. MiniMed™ 670G system Summary of Safety and Effectiveness Data. Upper arm wear MARD; 9.1% with 2 calibrations per day and 8.7% with 3-4 calibrations per day 2. Dexcom G6®. 9.0% MARD without calibration. <http://www.dexcom.com> 3. Project Zeus, next generation Guardian sensor. 4. Comparison vs. Guardian® Sensor 3 currently in market.

OUR BIG LEAP FORWARD: SYNERGY

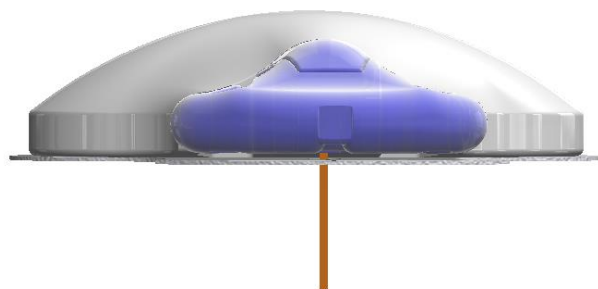
Synergy Sensor



Synergy

VS

Guardian[®] Sensor 3










- Disposable Design
- 50% Volume Reduction
- Easy 3-Step Insertion
- No Over-tape
- Calibration: Day 1 Only

Anticipated FDA
Submission:

H2 FY21







SMART CGM ROADMAP

	TODAY	FY20	FY21	FY22
Sensor	 <p>Guardian Sensor 7 days, 2 cal/day</p>	 <p>GS3 Non-adjunctive</p>	 <p>Zeus Day 1 cal</p>	 <p>Synergy Disposable</p>
Algorithms	 <p>Sugar.IQ + IQ.Cast Prediction</p> <ul style="list-style-type: none"> • Predictive Alerts • Advanced Hypo Prediction • Insights & meal/daily management 	 <p>Sugar.IQ + Smart Guide</p> <ul style="list-style-type: none"> • Basic SG based dosing guide • Predictive Trace & advising • HCP Settings Optimizer 	 <p>Virtual Optimizer</p> <ul style="list-style-type: none"> • Personalized dosing • Cognitive Advisor (meal, activity, etc.) 	

HOOUMAN HAKAMI

EVP AND GROUP PRESIDENT
DIABETES GROUP

PIPELINE HIGHLIGHTS: THE NEXT 24 MONTHS

	TODAY	Next 12 Months	Next 24 Months	
PUMPS	<p>MiniMed™ 670G System</p>  <ul style="list-style-type: none"> ▪ Basal correct with 85% avg. time in auto mode¹ ▪ Target: 120 mg/dL ▪ 71% Time in Range² 	<p>Advanced Hybrid Closed Loop (MiniMed™ 780G)</p>  <ul style="list-style-type: none"> ▪ Bolus auto-correct with 99% avg. time in auto mode ▪ Target: 100 mg/dL ▪ >80% Time in Range Goal 	<p>Personalized Closed Loop</p>  <ul style="list-style-type: none"> ▪ FDA Breakthrough Device Designation ▪ Personalized control with real-time therapy & meal handling ▪ >85% Time in Range Goal 	
	SENSORS	<p>Guardian® Sensor 3</p>  <ul style="list-style-type: none"> ▪ Two calibrations per day ▪ MARD Rate: 9%³ 	<p>Guardian® Sensor 3 Non-Adjunctive</p>  <ul style="list-style-type: none"> ▪ Allows for Medicare Expansion 	<p>Zeus Sensor⁴</p>  <ul style="list-style-type: none"> ▪ Reduced calibrations ▪ iCGM

Delivering **IMPROVED OUTCOMES** with **REDUCED BURDEN**

1. Data is taken from voluntary CareLink Uploads (as of March 1st 2019). Data collected 30 days before and after occurrence of new transmitter ID. At least 7 days of data required for old & new transmitter. BG Loop definition: AM exit following 3+ SI failures and/or 3+ BG requests within 100 min (n=2,419 users). 2. US MiniMed 670G system users from CareLink™ Personal data is from March 17, 2017 to May 9, 2019 and CareLink™ System data is from March 17, 2017 to March 1, 2019. Users= 119,274; Patient days: 7,984,915. 3. MiniMed™ 670G system Summary of Safety and Effectiveness Data. Upper arm wear MARD; 9.1% with 2 calibrations per day and 8.7% with 3-4 calibrations per day. 4. Project Zeus, next generation Guardian sensor.

Q&A

Moderated by

RYAN WEISPFENNING

VP, Investor Relations

PANELISTS

Hooman Hakami

EVP and Group President,
Diabetes Group

Ali Dianaty

VP Research & Development
Diabetes Group

Alejandro Galindo

VP Advanced Insulin Management
Diabetes Group

Robert Vigersky

Chief Medical Officer
Diabetes Group

Mike Weinstein

Sr VP, Strategy

REVENUE SCHEDULE

MEDTRONIC PLC
RECONCILIATION OF DIABETES GROUP WORLDWIDE REPORTED
REVENUE GROWTH TO CONSTANT CURRENCY, CONSTANT WEEK REVENUE GROWTH
(Unaudited)

(in millions)	Total Diabetes Revenue	Reported Growth	Currency Impact on Growth	Constant Currency, Constant Week Growth
FY19	\$ 2,391	12%	\$ (36)	13%
FY18	2,140	11	47	9
FY17 ⁽¹⁾	1,927	3	(13)	Mid-single Digits
FY16	1,864	6	(101)	12
FY15	1,762	6	(43)	9
FY14	1,657	9	1	9
FY13	1,526	3	(26)	5
Q4 FY19	626	(3)	(23)	1
Q3 FY19	610	4	(12)	7
Q2 FY19	583	26	(6)	27
Q1 FY19	572	27	5	26
Q4 FY18	645	26	24	21
Q3 FY18	584	17	16	13
Q2 FY18	462	—	7	(2)
Q1 FY18	449	(1)	—	(1)
Q4 FY17	512	3	(4)	4
Q3 FY17	501	6	(5)	7
Q2 FY17	462	3	(1)	3
Q1 FY17 ⁽¹⁾	452	2	(2)	High-single Digits

- (1) Due to the 52/53 week fiscal year calendar, the Company had an additional selling week in the first quarter of fiscal year 2016. Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate an exact impact from the extra week, the Company estimates that it benefited consolidated reported growth in fiscal year 2016 by approximately \$450 million. The Company estimates that, adjusting for the extra week, constant currency revenue growth for the Diabetes group was in the mid-single digits for fiscal year 2017 and in the high-single digits for the first quarter of fiscal year 2017.