

Medtronic

Engineering the extraordinary

2023 Wells Fargo Healthcare Conference

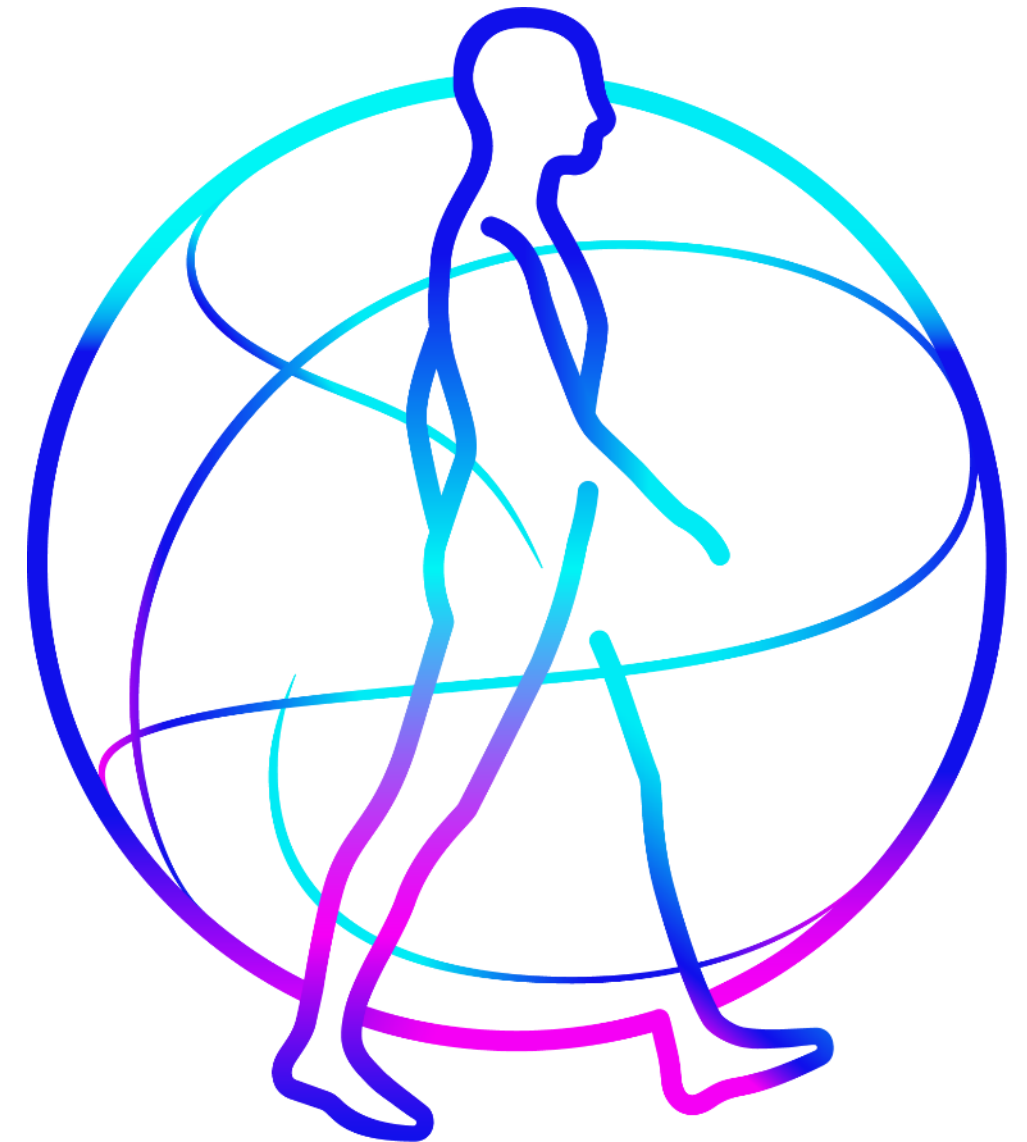
Boston • September 6, 2023

Note: This deck replaces a prior version that had
an inadvertent error on Slide 9

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Forward-looking statements

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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 significant acquisitions or divestitures. Forward-looking diluted non-GAAP EPS guidance also excludes other 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, the company believes 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.

Financial comparisons

References to results increasing, decreasing, or remaining flat are in comparison to the same period in the prior fiscal year. References to organic revenue growth exclude the impact of significant acquisitions or divestitures and currency. Unless stated otherwise, quarterly and annual rates and ranges are given on an organic basis. References to sequential revenue changes are made on an "as reported" basis. Unless stated otherwise, all references to share gains or losses are as of the most recently completed calendar quarter, on a revenue basis, and in comparison to the same period in the prior year.

Executing to deliver durable growth and value creation in medical technology

Building momentum; encouraged by recent performance



Focusing on large, higher growth opportunities in profitable markets

Delivering mid-single digit organic revenue growth, driven by strong positions and meaningful investments in many high-growth MedTech markets, combined with a durable base of profitable, cash-generating secular growth businesses



Bringing cutting-edge medical innovation to market

MiniMed™ 780G system, Inceptiv™ closed-loop spinal cord stim, Aurora EV-ICD™, Affera™ mapping & ablation system, and Hugo™ robotic-assisted surgery system are evolutionary product cycles poised to alter market dynamics



Exercising decisive capital allocation and portfolio management

Growing R&D with disproportionate investment to high, secular growth opportunities while divesting non-core assets; completed divestiture of Renal Care Solutions to Mozarc Medical and target separation of PMRI in H1 FY25



Comprehensive transformation taking hold; making scale count

Changes to our operating model and incentives are translating to improved operating health and financial performance; executing strategies to realize scale across global operations, technology platforms, and sales to large customers



Committed to delivering strong shareholder returns

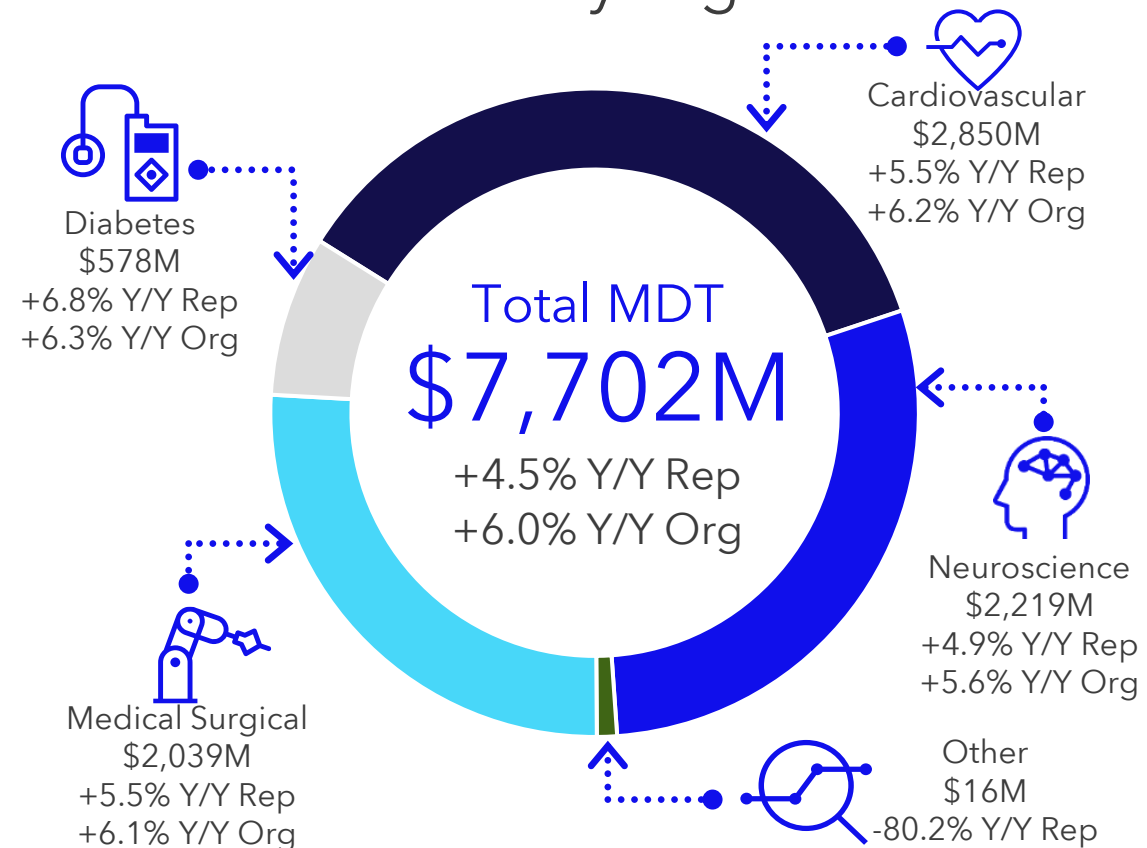
Recent results consistent with performance-driven culture; thoughtful expense management partially mitigating known earnings headwinds (inflation, FX and tax); maintaining a strong balance sheet and growing our dividend

Q1 FY24 highlights & financial summary

Key Messages

- 
Broad-based performance generated results ahead of expectations
 Accelerating organic growth of 6.0% benefitted from continued procedure volume recovery, supply chain improvements, and innovative product launches; EPS of \$1.20 reflected successful efforts to mitigate macro-headwinds
- 
Attractive mix of secular growth businesses amplified by HSD geographic strength
 - Combined HSD growth for Established Market Leaders: Cardiac Rhythm Management, Spine & Surgical
 - Continued momentum in Highest Growth OUs, particularly Structural Heart & OUS Diabetes, boosting confidence to top-line durability
 - Notable contributions from Synergistic businesses including Aortic, ENT, Cardiac Surgery & Neuromod
 - Breadth of geographic strength: HSD growth in Non-U.S. Developed & Emerging Markets; MSD in U.S.
- 
Fundamentals benefitting from end markets and ongoing transformation
 Comprehensive transformation taking hold - upgrading capabilities, heightened accountability, streamlined portfolio and decisive capital allocation; all designed to deliver durable growth
- 
Raising FY24 guidance
 Encouraged by Q1 performance and added visibility of new growth drivers. Raising FY24 guidance: organic revenue growth 4.5%; EPS \$5.08 - \$5.16, a 7 cent raise at the midpoint
- 
Confident in delivering durable revenue growth and shareholder value
 Focused on delivering our pipeline, decisively allocating capital and improving our operational health as part of our commitment to a performance-driven culture

Revenue¹ by segment



	GAAP	Non-GAAP	Cash flow from operations YTD
Diluted EPS	\$0.59	\$1.20	\$0.9B
Y/Y %	-16%	+6%	Free cash flow ² YTD
CC Y/Y %	N/A	+13%	\$0.5B

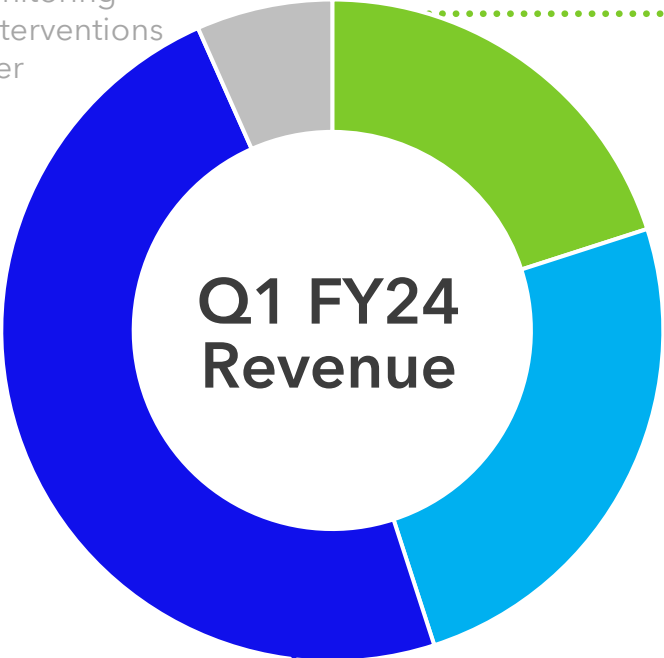
1) Data has been intentionally rounded to the nearest million and, therefore, may not sum.
 2) Operating cash flows less property, plant, and equipment additions.

Combined portfolio is increasingly well-positioned to deliver growth

Confidence to deliver long-term mid-single digit organic revenue growth in-line with end markets

ANNOUNCED DIVESTITURES

- Patient Monitoring
- Respiratory Interventions
- Other



Q1 FY24 Revenue

HIGHEST GROWTH

- Structural Heart | Neurovascular | Diabetes
- Cardiac Ablation Solutions | Surgical Robotics

SYNERGISTIC

- Aortic | Cardiac Surgery | Coronary
- Peripheral Vascular | Endoscopy
- Pelvic Health | ENT | Neuromodulation

ESTABLISHED MARKET LEADERS

- Cardiac Rhythm Management | Surgical
- Cranial & Spinal Technologies

Pre-COVID MDT Growth

Market Outlook

Share Position

10%+
Average

HSD+
Average

#1-3
Most 1-2 position

3-4%
Average

MSD
Range: LSD to LDD

#1-2
#1 in majority

3-4%
Average

3-4%
Average

#1-2
Current position

On the path to durable organic revenue growth

Focusing on large, higher growth opportunities in profitable markets

Highest Growth
Accretive to corporate average

Structural Heart

Neurovascular

Diabetes

Cardiac Ablation Solutions

Surgical Robotics

Combining leading therapy innovation with Data, AI and Customer Solutions to establish defensible competitive advantages in attractive surgery and chronic disease markets

Established Market Leaders
~50% of MDT revenue

Cardiac Rhythm Management

Cranial & Spinal Technologies

Surgical

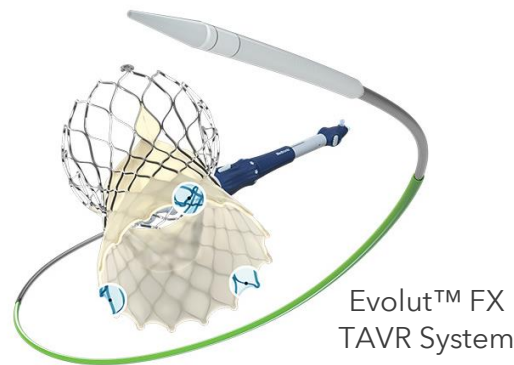
Meaningful positions in secular, fast-growth MedTech markets



 Accelerate innovation-driven growth

- **Investing disproportionately in high growth markets** to capture share and expand therapies
- **Leveraging AI and data analytics** to complement and build out our offerings
- **Creating defensible ecosystems** leveraging commercial scale, portfolio breadth and technology

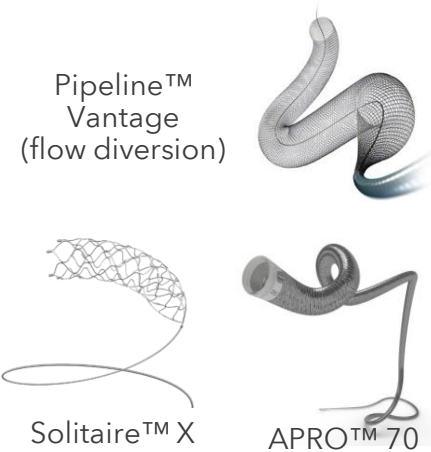
Structural Heart



Evolut™ FX TAVR System

Evolut™ FX launched in U.S. and Japan; growth fueled by continued innovation and class-leading long-term performance vs SAVR. **Multiple programs to expand into Tricuspid and Mitral markets.**

Neurovascular



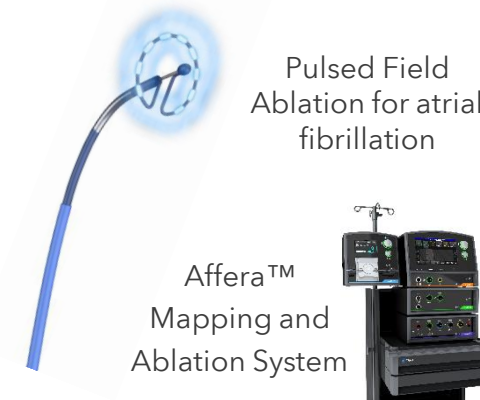
Continued focus on innovation within both the acute ischemic and hemorrhagic stroke spaces; **Expanding adoption of combination therapy** to improve procedure outcomes

Diabetes



High-teens non-U.S. Developed growth; U.S. turnaround underway with low-30s pump growth; increasing CGM attach rate adds confidence for return to market growth; EOFlow remains on track for H2 CY23 close

Cardiac Ablation Solutions



Elevating competitive position in a HSD growth market with addition of Affera™ mapping system, Sphere-9™ focal mapping and PF/RF ablation catheter; on path to be among 1st PFA single-shot catheters in the U.S. with PulseSelect™

Surgical Robotics



Expanding geographies and specialty indications, most recently General Surgery in Japan. Activated new sites in Expand URO U.S. pivotal trial, which continues to progress as planned. **Multi-billion market growing mid-teens.**

Strong, established leadership positions in largest businesses

New innovation driving advantages in durable growth businesses

Cardiac Rhythm Management

- Winning share with Micra™ family of leadless pacemakers, conduction system pacing in the transvenous space, and TYRX™ absorbable antibacterial envelopes
- Initiating Aurora EV-ICD™ Western Europe limited market release; ~\$300M market today growing to \$1B
- ICD replacement headwinds subsiding; seeing benefit of new implant growth



Micra™ AV2 and VR2



Aurora EV-ICD™



TYRX™

Cranial & Spinal Technologies

- Expanding footprint of Aible™ Spinal Ecosystem; continued pull-through of latest generation implants and biologics
- HSD Spine & Biologics WW growth reflects continuation of U.S. core spine share gain
- Solid Neurosurgery growth with HSD and LDD growth in StealthStation™ and Mazor™, respectively



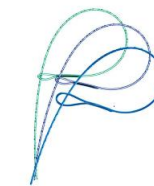
Aible™ Spinal Surgical Suite



CD Horizon™ ModuLeX™ 5.5 spinal system

Surgical

- HSD growth led by product availability for Advanced Surgical Technologies and sustained V-Loc™ barbed sutures growth
- Particular strength in Advanced Energy on continued geographic expansion of LigaSure™ XP and cordless Sonicision™ 7



V-Loc™ Barbed Suture



LigaSure™ Maryland



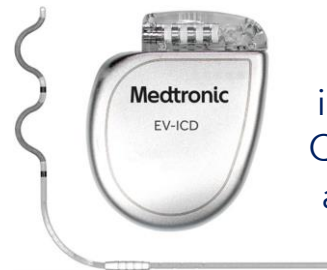
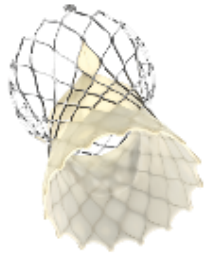
Sonicision™ 7mm curved jaw

Meaningful progress on several near-term growth drivers

Continued advancements and disruptions to fuel long-term growth and share gain/recapture across our Portfolios

Cardiovascular

Evolut™ FX TAVR System
Industry-leading hemodynamics, durability & deliverability



Aurora EV-ICD™
initiating W.E. LMR in Q2FY24; filed for FDA approval in Q1'FY23

PulseSelect™
Pulse Field Ablation (PFA) for anatomical (single-shot) treatment filed PMA for FDA approval



Affera™ Mapping & Ablation System
PFA with Map/Nav and Sphere 9™ focal catheter; LMR in Europe

Medical Surgical



Hugo™ RAS System
Activated new sites for Expand URO U.S. pivotal trial, progressing to plan



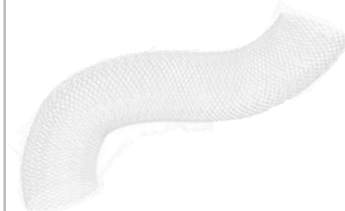
LigaSure™ XP Maryland jaw vessel sealer/divider with nano-coating in LCR in W.E. & U.S.



Sonicision™ 7mm
cordless ultrasonic device; global expansion continues with launches in CEMA, Japan, & Korea

Neuroscience

Aible™
Market-leading ecosystem of enabling technology with best-in-class spinal implants



Pipeline™ Shield
available in both Flex and Vantage flow diverters

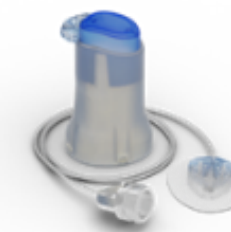
Percept™ PC & SenSight™ Lead System
Driving new U.S. implant growth



Inceptiv™ SCS
Closed Loop (ECAPS); CE Mark approval Q2FY24; submitted for FDA approval

Diabetes

MiniMed™ 780G system with Guardian™ 4 Sensor
Rapid U.S. adoption (>50% 770G U.S. installed base upgrading/placing orders); global CGM attach rate rising



Medtronic Extended infusion set
Global rollout of 7-day wear continues; 27 markets (+4 in Q1FY24)



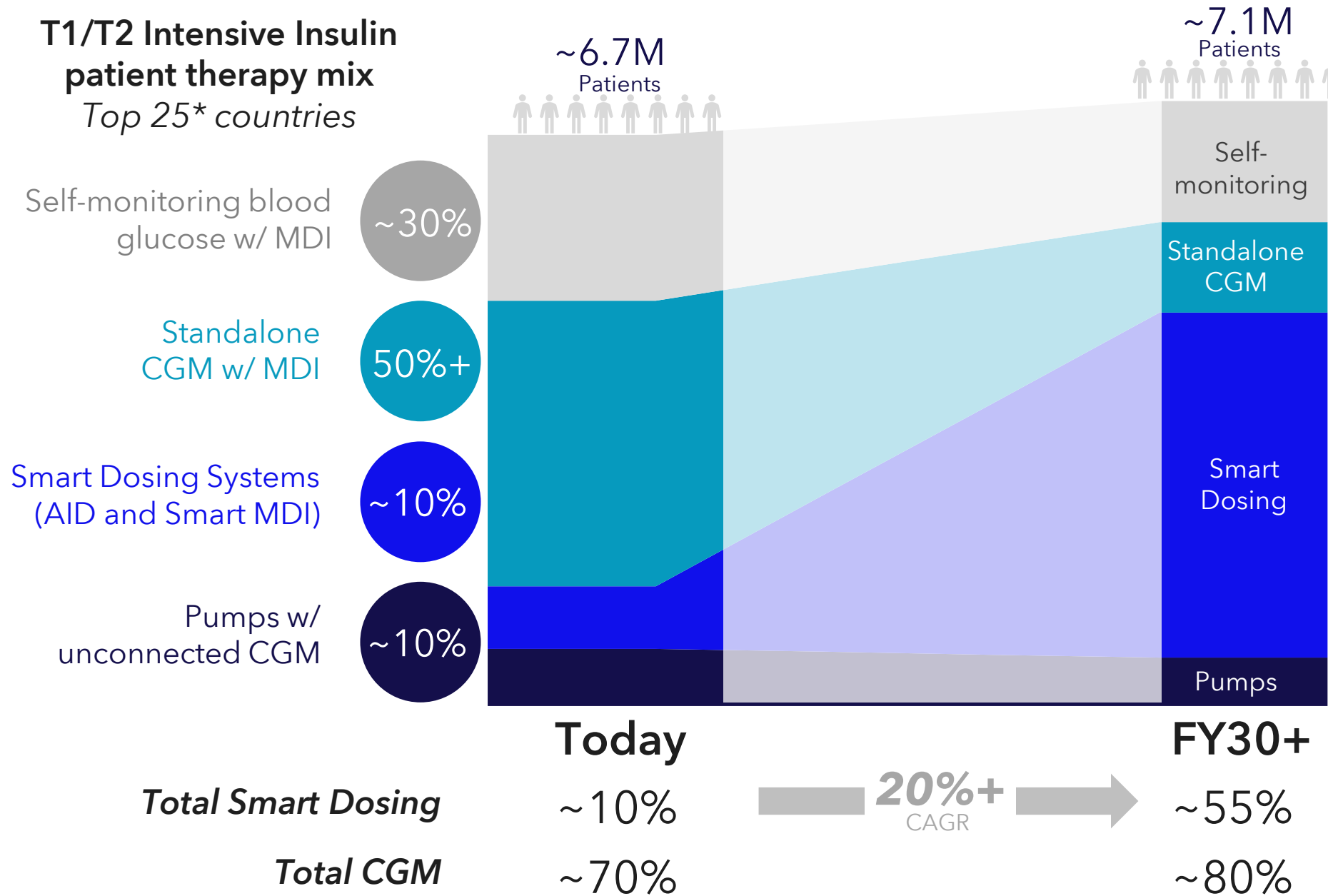
Simplera™
CGM Sensor (standalone) submitted for approval: CE Mark Q1FY23 & FDA Q3FY23

MiniMed™ 780G + Simplera CGM
Completed enrollment for Adults (Q1 FY24) and expect to complete for Pediatrics in Q2 FY24

Diabetes poised for growth as Smart Dosing overtakes current therapies

Pipeline positioned to deliver leading options for Intensive Insulin patient population

T1/T2 Intensive Insulin patient therapy mix
Top 25* countries



Differentiated near-mid term pipeline with leading customer service positions
Medtronic to regain market leadership



MiniMed™ 780G AHCL + Simplera CGM



Simplera CGM + InPen



8-Series Pump AHCL + Next Gen CGM



Patch Pump + Next Gen CGM

*T1 and T2 Intensive Insulin population only; includes top global developed markets by health expenditure per capita; predominantly comprised of US, Western Europe, Canada, Japan, Australia, and Korea

Guidance and assumptions through FY24

Encouraged by procedure recovery, improved product availability, and innovative products launches

- All segments roughly in-line with the corporate average; Diabetes will ramp through the year
- Q2 guidance and implied H2 FY24 outlook consistent with further acceleration on a Y/Y comp-adjusted basis
- Organic growth excludes FX² and sales from Other³

Revenue¹

	Guidance	FX ²	Reported Range
Q2 FY24	+4.0% to +4.5%	+\$85M to \$135M	\$7.90 to \$7.99B
FY24	+4.5%	Neutral	\$32.1 to \$32.2B

- Inflation, FX, interest, & tax impacting earnings power in FY24; Prioritizing R&D investments; meaningful expense management to partially mitigate headwinds

EPS

	Guidance	FX ²	Constant Currency
Q2 FY24	\$1.16 to \$1.20	(~6%)	(-5%) to (-2%)
FY24	\$5.08 to \$5.16	(~6%)	+2% to +3%

Note: EPS guidance does not include any charges or gains that would be reported as non-GAAP adjustments to earnings during the fiscal year

1) FY23 reported revenue of \$31,227 less IP Agreement of \$265M and less Other of \$300M, adjusted FY23 revenue at \$30,662M

2) While FX rates are fluid, assumptions above are based on rates as of August 2023

3) Other includes Mozarc Medical and Cardinal Health Manufacturing Agreements

Exercising decisive capital allocation

Prioritizing innovation-driven growth investments while delivering consistent dividend returns to shareholders

Investments for Growth	<p>Research & Development Target R&D growth at/above revenue growth</p>	<p>5% CAGR</p> <p>FY20: \$2.3B FY23: \$2.7B</p>	<p>Minority investments, strategic partnerships, & incubators Add to traditional investment</p> <p>CATHWORKS™ half moon medical</p> <p>Blackstone</p> <p>\$1.6B invested as of Q1 FY24 → 80+ companies</p>
	<p>Smart M&A Focus on tuck-in M&A; with heightened focus on market selection</p>	<p>10 Acquisitions since FY21 >\$4.0B in total consideration since FY21</p> <p>AFFERA ACUTUS MEDICAL (Left-heart access portfolio) EOFLOW</p>	
Return to Shareholders	<p>Dividend & Share Repurchase Target minimum of 50% of Free Cash Flow returned to shareholders annually; prioritizing dividends</p>	<p>FY23</p> <p>\$4.0B Net share repurchases & dividends 86% of Free Cash Flow</p>	<p>46 Years of dividend increases</p> <p>Member of S&P 500 Dividend Aristocrats</p> <p>\$4.0B shares repurchased since FY21</p>

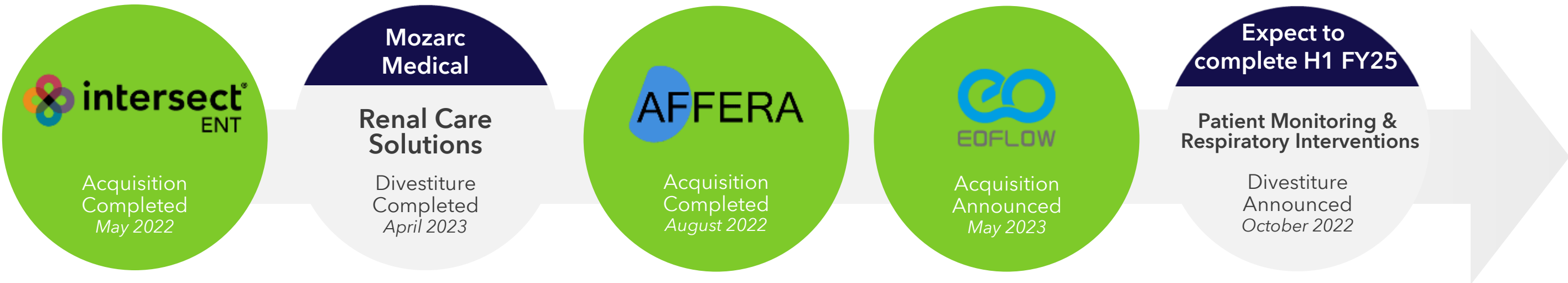
Ongoing portfolio management to drive durable growth in attractive markets

Cadence of moves to streamline the company and prioritize our investments where we can benefit from our scale

Additions:
Tuck-ins with heightened attention to market selection

Subtractions:
Streamlining businesses

Higher growth with added scale benefits



Early proof point:
Cardiac Ablation Solutions

Using additions to create scale in high-growth market



Arctic Front™
Cryoblation



DiamondTemp™
RF catheter



PulseSelect™
PFA catheter



ACUTUS
MEDICAL
Left-heart
access portfolio



AFFERA
Affera™ Mapping
and Ablation System

Aggressive transformation underway; addressing root causes

Reducing complexity, enhancing capabilities, and improving capital allocation

Root Cause

Decisive Action

Expected Benefits

Structure & culture

Reduce complexity and enhance culture

- ✓ Eliminated Group and Region structures
- ✓ Empowered business leaders with P&L responsibility
- ✓ Added new, external leaders in multiple businesses & functions
- ✓ Implemented new performance-based incentive system

Durable revenue

- Consistent execution
- Supply chain resiliency
 - Higher WAMGR

Market selection

Improve capital allocation

- ✓ Operational Committee ensuring prioritized investments
- ✓ Divested Renal Care Solutions to Mozarc Medical joint venture w/ DaVita; Announced Patient Monitoring & Respiratory Interventions separation
- ✓ Expanding into high-growth markets; Intersect ENT, Affera, & EOFlow acquisitions

Profitable growth

- Realize benefits of Scale

Quality & operations challenges

Enhance capabilities

- ✓ Deployed Design for Reliability and Manufacturability (DRM) enterprise-wide
- ✓ Centralized global operations and brought in industry leading talent
- ✓ Employing integrated business planning to improve supply chain mgmt
- ✓ Implementing new IT systems and digitization to drive efficiencies

Drive shareholder value

Attracting and re-deploying top talent to drive change

Bringing outside-in thinking, new skills and capabilities, and diverse perspectives to our already talented leadership team

Operations & Quality



Greg Smith
EVP, Global Operations & Supply Chain
Previous: Walmart & Goodyear



Scott Cundy
SVP, Chief Quality Officer
Previous: Danaher, Medtronic



Ken Verhulst
SVP, Global Manufacturing
Previous: Keurig Dr. Pepper, GE, Ingersoll Rand



Valerie Finarty
VP, Ops Transformation
Previous: GE Healthcare, Hill-Rom

Businesses



Harry "Skip" Kiil
President, Cranial & Spinal Technologies
Previous: Smith & Nephew, NuVasive



Mike Marinaro
EVP & President, Surgical & Endoscopy
Previous: Medtronic - Cardiac Rhythm Management



Que Dallara
EVP & President, Diabetes
Previous: CEO of Honeywell Connected Enterprise



Dr. Kweli Thompson
President, Cardiac Rhythm Management
Previous: Medtronic - Cardiac Resynchronization and Defib. Solutions

Functions



Ken Washington
Chief Technology and Innovation Officer
Previous: Amazon, Ford Motor Company, Lockheed Martin



Rashmi Kumar
SVP, Chief Information Officer
Previous: Hewlett Packard Enterprise, McKesson



Bob Hopkins
SVP, Head of Global Strategy
Previous: Bank of America Merrill Lynch

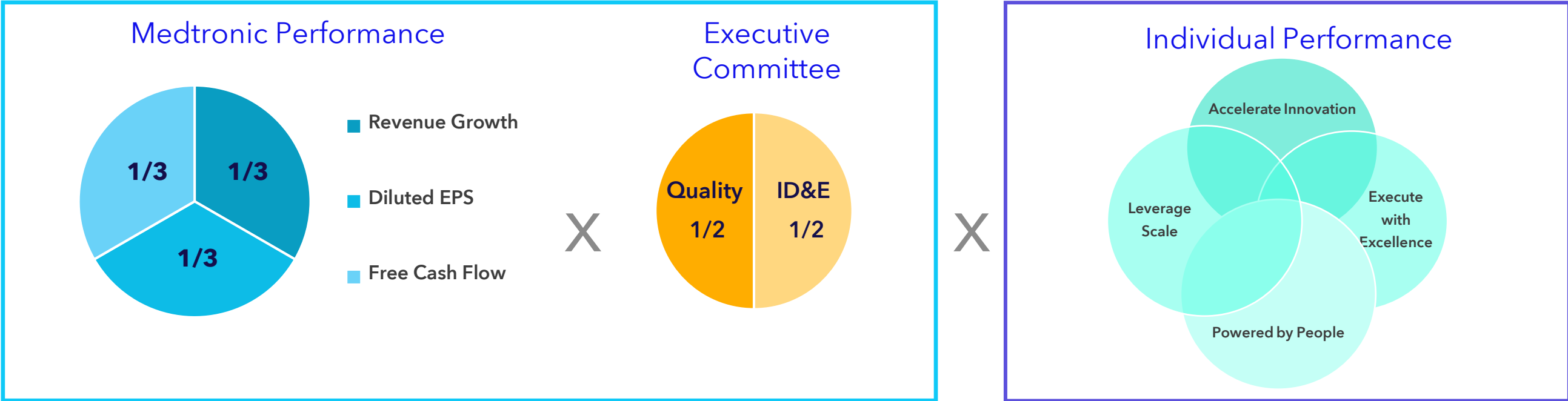


Gary Corona
SVP, Global Financial Planning and Analysis
Previous: General Mills

Rewards that drive strategic priorities and create shareholder value

Annual incentives continue to reinforce the importance of financial performance, quality, and ID&E

FY24 Executive Committee Annual Incentive Plan



Annual Incentive Plan performance metrics and plan construct substantially similar to last year with select updates to align with competitive market practices

- EPS remains a strategically important metric in the overall incentive plan design
- Weighting of the EPS metric has increased for the funding of the payout pool; represents 1/3 of the Medtronic scorecard (previously 1/4)
- Market Share continues to be emphasized at Operating Unit levels where measurement is more impactful to deliver on enterprise goals

Turning our scale into an advantage

Continuous improvement mindset geared toward leveraging scale and long-term competitive advantages

Leveraging our scale in
3 key areas

Global Operations &
Supply Chain

Technology
development

Sales to healthcare
systems

Purpose-built
to leverage
global scale

- ✓ Consolidated 9 supply chain and 4 manufacturing organizations down to 1 each
- ✓ Implementing one operating system across 67 global sites; improve transparency and decision-making
- ✓ Maturing new Sales Inventory & Operations Planning (SIOP) to mitigate supplier risks

Capture
efficiencies
across
sites

- ✓ Shaping future manufacturing capacity and footprint strategy
- ✓ Manufacturing - one best way across all sites with standardized planning & key metric reporting
- ✓ Implementing integrated global planning system across supply, demand and materials requirement

Strategic
supplier
management

- ✓ Strengthening relations and visibility with current suppliers down to Tier 2-3
- ✓ Executing Phase I of supplier consolidation with RFQs including planned investment to ensure aligned incentives across our network
- ✓ Building in recurring cost-down savings to offset inflation headwinds

Reduce backorders : Stabilize, then grow margins : Drive competitive advantages

Reinvest efficiencies in R&D

Build transformational capabilities

Harnessing AI to develop and deliver personalized care at scale

Turning data, AI, and automation into action by tailoring therapies in real-time, all guided by ethical use principals

GI Genius™ intelligent endoscopy with AI

- Employs AI to aid the detection of colorectal polyps during colonoscopy, potentially helping to prevent colorectal cancer; significantly decreases the miss rate (2x) of colorectal polyps and adenomas¹
- Strategic collaboration with NVIDIA and Cosmo Pharmaceuticals allowing 3rd party developers to train and validate AI models that will run as apps on the GI Genius platform



UNID™ Adaptive Spine intelligence

- Software-based designs of patient-specific fusion rods employing concierge spinal measurements, predictive post-operative alignment, and surgeon strategy. Enables a feedback loop for surgeons by tracking long-term radiologic and patient-reported outcomes.



LINQ™ insertable cardiac monitor with AccuRhythm™ AI

- Long-term heart monitoring that includes AI-enabled algorithms to reduce burden and increase insights for patients, physicians and hospital system



¹ Gastroenterology, March 15, 2022; <https://doi.org/10.1053/j.gastro.2022.03.007>

Sustainability

Long-range objectives & targets



For more information,
visit [Medtronic.com](https://www.medtronic.com)
2021 ESG Investor Briefing
2022 Integrated
Performance Report
2022 Global Inclusion,
Diversity & Equity Report



Patient Safety & Product Quality

10%

Reduction in aggregate product complaint rate for identified product families by FY25 vs. FY20

Access & Innovation

20%

MDT revenue from products and therapies released in the prior 36 months by FY25

85M

Patients served annually by FY25

Inclusion, Diversity & Equity

45%

Global management positions held by women by FY26

30%

U.S. management positions held by ethnically diverse talent by FY26

Climate Stewardship

50%

Reduction in greenhouse gas omission intensity by FY25

50%

Sourced energy from renewable and alternative sources by FY25

Carbon Neutral

In our operations by FY30

Net Zero Emissions

By 2045

Product Stewardship

25%

Reduction in packaging waste for targeted high-volume products by FY25 vs. FY21

35%

Reduction in paper associated with Instructions for Use (IFUs) by FY27 vs. FY21

Sustainability recognition

Leading in engagement, citizenship and innovation



DiversityInc

#2 in Diversity Top 50, #2 for Mentorship, #7 for Supplier Diversity, #5 for ESG, #1 for Top company for executive women, #1 for Latino executives, #4 for Asian American executives



2022 Great Place To Work® And Fortune Magazine #12 Worlds Best Workplaces™



Great Place to Work® certified awarded to Medtronic in Australia, Greater China, Spain, and 20 other countries



Human Rights Campaign 100% Corporate Equality Index Human Rights Campaign - Best Places to Work for LGBTQ+ in South America - Medtronic Chile



Dow Jones Sustainability Index DJSI World Index for 2 consecutive years DJSI North American Index for 15 consecutive years



Top Employers Institute certified Awarded to Medtronic in the U.K., Egypt, South Africa, and 6 other countries



Ethisphere One of the 2023 Worlds Most Ethical Companies®



2022 Disability:IN and the American Association of People with Disabilities Disability Equality Index® Best Places to Work™ – 100% Score 6th consecutive year with top score



2022 Hispanic Association on Corporate Responsibility Corporate Inclusion Index Medtronic received 5-star awards across all four pillars – Employment, Philanthropy, Procurement, and Governance – one of only two companies to do so in 2022



3BL Media Placed 41st on 2022 100 Best Corporate Citizens for 6 consecutive years

Named one of America's 2022 Best Employers for Veterans by Forbes

Forbes America's Best Employers for Veterans 2022



Glassdoor Best Places to Work 2022



Just Capital Named one of America's Most JUST Companies by JUST Capital



2022 India's Best Workplaces for Women Medtronic Engineering and Innovation Centre in Hyderabad



IR Magazine 2023 Best IR Website; Runner-up for Best IR in Healthcare

Executing to deliver durable growth and value creation in medical technology

Building momentum; encouraged by recent performance



- Assembling a **sustainable, innovation-driven growth engine** driven by execution, evolutionary product cycles, and improved underlying market and supply fundamentals
- Executing a **comprehensive transformation** to reduce complexity, enhance capabilities, and improve capital allocation; working to turn our **scale into an advantage**
- Expecting this to ensure long-term **durable growth** and **shareholder value creation**

Q1 FY24 GAAP to non-GAAP reconciliations

MEDTRONIC PLC GAAP TO NON-GAAP RECONCILIATIONS⁽¹⁾ (Unaudited)

	Three months ended July 28, 2023								
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income Before Income Taxes	Net Income attributable to Medtronic	Diluted EPS	Effective Tax Rate
GAAP	\$ 7,702	\$ 2,628	65.9 %	\$ 1,268	16.5 %	\$ 1,196	\$ 791	\$ 0.59	33.4 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	429	5.6	429	364	0.27	15.2
Restructuring and associated costs (2)	—	(16)	0.2	91	1.2	91	76	0.06	16.5
Acquisition and divestiture-related items (3)	—	(6)	0.1	50	0.6	50	46	0.03	6.0
Certain litigation charges	—	—	—	40	0.5	40	31	0.02	22.5
(Gain)/loss on minority investments (4)	—	—	—	—	—	64	64	0.05	—
Medical device regulations (5)	—	(21)	0.3	31	0.4	31	25	0.02	22.6
Certain tax adjustments, net (6)	—	—	—	—	—	—	198	0.15	—
Non-GAAP	\$ 7,702	\$ 2,586	66.4 %	\$ 1,909	24.8 %	\$ 1,902	\$ 1,596	\$ 1.20	15.8 %
Currency impact	47	(1)	0.2	122	1.4	—	—	0.08	—
Currency Adjusted	\$ 7,749	\$ 2,585	66.6 %	\$ 2,031	26.2 %	—	—	\$ 1.28	—

	Three months ended July 29, 2022								
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income Before Income Taxes	Net Income attributable to Medtronic	Diluted EPS	Effective Tax Rate
GAAP	\$ 7,371	\$ 2,516	65.9 %	\$ 1,125	15.3 %	\$ 1,044	\$ 929	\$ 0.70	10.7 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	423	5.7	423	359	0.27	15.4
Restructuring and associated costs (2)	—	(20)	0.3	76	1.0	76	60	0.04	21.1
Acquisition and divestiture-related items (3)	—	(11)	0.1	109	1.5	109	102	0.08	6.4
(Gain)/loss on minority investments (4)	—	—	—	—	—	(4)	(4)	—	—
Medical device regulations (5)	—	(18)	0.2	32	0.4	32	26	0.02	18.8
Debt redemption premium and other charges (7)	—	—	—	—	—	53	42	0.03	20.8
Certain tax adjustments, net (8)	—	—	—	—	—	—	(13)	(0.01)	—
Non-GAAP	\$ 7,371	\$ 2,467	66.5 %	\$ 1,765	23.9 %	\$ 1,734	\$ 1,502	\$ 1.13	13.3 %

See description of non-GAAP financial measures contained in the press release dated August 22, 2023.

- (1) The data in this schedule has been intentionally rounded to the nearest million or \$0.01 for EPS figures, and, therefore, may not sum.
- (2) Associated costs include costs incurred as a direct result of the restructuring program, such as salaries for employees supporting the program and consulting expenses.
- (3) The charges primarily include business combination costs, changes in fair value of contingent consideration, and charges related to the impending separation of the Patient Monitoring and Respiratory Interventions businesses within our Medical Surgical Portfolio. The prior year included non-cash pre-tax impairments, primarily related to goodwill, as a result of the April 1, 2023 sale of half of the Company's Renal Care Solutions (RCS) business.
- (4) We exclude unrealized and realized gains and losses on our minority investments as we do not believe that these components of income or expense have a direct correlation to our ongoing or future business operations.
- (5) The charges represent incremental costs of complying with the new European Union (E.U.) medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses. We consider these costs to be duplicative of previously incurred costs and/or one-time costs, which are limited to a specific time period.
- (6) The charge relates to an income tax reserve adjustment associated with the June 1, 2023 Israeli Central-Lod District Court decision in Medtronic Ventor Technologies Ltd v. Kfar Saba Assessing Office and amortization of previously established deferred tax assets from intercompany intellectual property transactions.
- (7) The charges relate to the early redemption of approximately \$2.3 billion of debt and were recorded within *interest expense, net* within the consolidated statements of income.
- (8) The net benefit is due to a valuation allowance release associated with certain carryover attributes as a result of the RCS transaction listed above in (3) partially offset by the amortization of previously established deferred tax assets from intercompany intellectual property transactions.