

MEDTRONIC PLC
WORLD WIDE REVENUE⁽¹⁾
(Unaudited)

(in millions)	FOURTH QUARTER							YEAR-TO-DATE						
	REPORTED			CONSTANT CURRENCY				REPORTED			CONSTANT CURRENCY			
	FY20	FY19	Growth	Currency Impact ⁽³⁾	FY20	Growth	Organic Growth ⁽⁴⁾	FY20	FY19	Growth	Currency Impact ⁽³⁾	FY20	Growth	Organic Growth ⁽⁴⁾
Cardiac & Vascular Group	\$ 2,004	\$ 3,050	(34.3)%	\$ (47)	\$ 2,051	(32.8)%	(32.8)%	\$10,468	\$11,505	(9.0)%	\$ (162)	\$10,630	(7.6)%	(7.6)%
Cardiac Rhythm & Heart Failure	940	1,554	(39.5)	(22)	962	(38.1)	(38.1)	5,141	5,849	(12.1)	(74)	5,215	(10.8)	(10.8)
Coronary & Structural Heart	697	994	(29.9)	(18)	715	(28.1)	(28.1)	3,541	3,730	(5.1)	(65)	3,606	(3.3)	(3.3)
Aortic, Peripheral, & Venous	367	502	(26.9)	(7)	374	(25.5)	(25.5)	1,786	1,926	(7.3)	(23)	1,809	(6.1)	(6.1)
Minimally Invasive Therapies Group	1,934	2,255	(14.2)	(47)	1,981	(12.2)	(12.2)	8,352	8,478	(1.5)	(142)	8,494	0.2	0.2
Surgical Innovations	1,168	1,529	(23.6)	(31)	1,199	(21.6)	(21.6)	5,513	5,753	(4.2)	(105)	5,618	(2.3)	(2.3)
Respiratory, Gastrointestinal, & Renal	766	726	5.5	(16)	782	7.7	7.7	2,839	2,725	4.2	(37)	2,876	5.5	5.5
Restorative Therapies Group⁽²⁾	1,490	2,215	(32.7)	(21)	1,511	(31.8)	(32.5)	7,725	8,183	(5.6)	(71)	7,796	(4.7)	(5.4)
Brain Therapies	615	831	(26.0)	(11)	626	(24.7)	(24.7)	2,922	2,938	(0.5)	(35)	2,957	0.6	0.6
Spine	480	691	(30.5)	(5)	485	(29.8)	(32.0)	2,503	2,654	(5.7)	(16)	2,519	(5.1)	(7.0)
Specialty Therapies	197	351	(43.9)	(3)	200	(43.0)	(43.0)	1,193	1,307	(8.7)	(11)	1,204	(7.9)	(7.9)
Pain Therapies	198	342	(42.1)	(2)	200	(41.5)	(41.5)	1,107	1,284	(13.8)	(10)	1,117	(13.0)	(13.0)
Diabetes Group	570	626	(8.9)	(14)	584	(6.7)	(6.7)	2,368	2,391	(1.0)	(42)	2,410	0.8	0.8
TOTAL	\$ 5,998	\$ 8,146	(26.4)%	\$ (129)	\$ 6,127	(24.8)%	(25.0)%	\$28,913	\$30,557	(5.4)%	\$ (418)	\$29,331	(4.0)%	(4.2)%

(1) The data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

(2) In the first quarter of fiscal year 2020, the Company realigned its divisions within the Restorative Therapies Group, which included a movement of revenue from Transformative Solutions product lines within Specialty Therapies to a product line under Brain Therapies. As a result, fiscal year 2019 results have been recast to adjust for this realignment.

(3) The currency impact to revenue measures the change in revenue between current and prior year periods using constant exchange rates.

(4) Organic growth refers to growth calculated excluding the impact of currency and significant acquisitions (Titan Spine).

MEDTRONIC PLC
U.S.⁽¹⁾⁽²⁾ REVENUE
(Unaudited)

(in millions)	FOURTH QUARTER			YEAR-TO-DATE		
	REPORTED			REPORTED		
	FY20	FY19	Growth	FY20	FY19	Growth
Cardiac & Vascular Group	\$ 880	\$ 1,510	(41.7)%	\$ 5,062	\$ 5,750	(12.0)%
Cardiac Rhythm & Heart Failure	436	840	(48.1)	2,689	3,174	(15.3)
Coronary & Structural Heart	245	396	(38.1)	1,394	1,492	(6.6)
Aortic, Peripheral, & Venous	198	274	(27.7)	978	1,084	(9.8)
Minimally Invasive Therapies Group	763	971	(21.4)	3,532	3,630	(2.7)
Surgical Innovations	412	609	(32.3)	2,156	2,315	(6.9)
Respiratory, Gastrointestinal, & Renal	351	362	(3.0)	1,376	1,315	4.6
Restorative Therapies Group⁽³⁾	935	1,473	(36.5)	5,122	5,478	(6.5)
Brain Therapies	345	502	(31.3)	1,729	1,781	(2.9)
Spine	332	482	(31.1)	1,761	1,841	(4.3)
Specialty Therapies	127	246	(48.4)	846	927	(8.7)
Pain Therapies	131	243	(46.1)	787	929	(15.3)
Diabetes Group	274	330	(17.0)	1,204	1,336	(9.9)
TOTAL	\$ 2,852	\$ 4,284	(33.4)%	\$ 14,919	\$ 16,194	(7.9)%

(1) U.S. includes the United States and U.S. territories.

(2) The data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

(3) In the first quarter of fiscal year 2020, the Company realigned its divisions within the Restorative Therapies Group, which included a movement of revenue from Transformative Solutions product lines within Specialty Therapies to a product line under Brain Therapies. As a result, fiscal year 2019 results have been recast to adjust for this realignment.

MEDTRONIC PLC
WORLD WIDE REVENUE: GEOGRAPHIC ⁽¹⁾⁽²⁾
(Unaudited)

(in millions)	FOURTH QUARTER						YEAR-TO-DATE					
	REPORTED			Currency Impact ⁽³⁾	CONSTANT CURRENCY		REPORTED			Currency Impact ⁽³⁾	CONSTANT CURRENCY	
	FY20	FY19	Growth		FY20	Growth	FY20	FY19	Growth		FY20	Growth
U.S.	\$ 880	\$ 1,510	(41.7)%	\$ —	\$ 880	(41.7)%	\$ 5,062	\$ 5,750	(12.0)%	\$ —	\$ 5,062	(12.0)%
Non-U.S. Developed	785	1,001	(21.6)	(26)	811	(19.0)	3,519	3,767	(6.6)	(102)	3,621	(3.9)
Emerging Markets	340	539	(36.9)	(20)	360	(33.2)	1,887	1,988	(5.1)	(60)	1,947	(2.1)
Cardiac & Vascular Group	2,004	3,050	(34.3)	(47)	2,051	(32.8)	10,468	11,505	(9.0)	(162)	10,630	(7.6)
U.S.	763	971	(21.4)	—	763	(21.4)	3,532	3,630	(2.7)	—	3,532	(2.7)
Non-U.S. Developed	805	854	(5.7)	(26)	831	(2.7)	3,169	3,250	(2.5)	(84)	3,253	0.1
Emerging Markets	366	430	(14.9)	(21)	387	(10.0)	1,651	1,598	3.3	(57)	1,708	6.9
Minimally Invasive Therapies Group	1,934	2,255	(14.2)	(47)	1,981	(12.2)	8,352	8,478	(1.5)	(142)	8,494	0.2
U.S.	935	1,473	(36.5)	—	935	(36.5)	5,122	5,478	(6.5)	—	5,122	(6.5)
Non-U.S. Developed	380	484	(21.5)	(11)	391	(19.2)	1,659	1,759	(5.7)	(42)	1,701	(3.3)
Emerging Markets	175	258	(32.2)	(10)	185	(28.3)	945	946	(0.1)	(29)	974	3.0
Restorative Therapies Group	1,490	2,215	(32.7)	(21)	1,511	(31.8)	7,725	8,183	(5.6)	(71)	7,796	(4.7)
U.S.	274	330	(17.0)	—	274	(17.0)	1,204	1,336	(9.9)	—	1,204	(9.9)
Non-U.S. Developed	248	236	5.1	(10)	258	9.3	940	855	9.9	(33)	973	13.8
Emerging Markets	48	60	(20.0)	(4)	52	(13.3)	224	200	12.0	(9)	233	16.5
Diabetes Group	570	626	(8.9)	(14)	584	(6.7)	2,368	2,391	(1.0)	(42)	2,410	0.8
U.S.	2,852	4,284	(33.4)	—	2,852	(33.4)	14,919	16,194	(7.9)	—	14,919	(7.9)
Non-U.S. Developed	2,218	2,575	(13.9)	(73)	2,291	(11.0)	9,287	9,631	(3.6)	(261)	9,548	(0.9)
Emerging Markets	929	1,287	(27.8)	(55)	984	(23.5)	4,707	4,732	(0.5)	(156)	4,863	2.8
TOTAL	\$ 5,998	\$ 8,146	(26.4)%	\$ (129)	\$ 6,127	(24.8)%	\$28,913	\$30,557	(5.4)%	\$ (418)	\$ 29,331	(4.0)%

(1) U.S. includes the United States and U.S. territories. Non-U.S. developed markets include Japan, Australia, New Zealand, Korea, Canada, and the countries of Western Europe. Emerging Markets include the countries of the Middle East, Africa, Latin America, Eastern Europe, and the countries of Asia that are not included in the non-U.S. developed markets, as previously defined.

(2) The data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

(3) The currency impact to revenue measures the change in revenue between current and prior year periods using constant exchange rates.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in millions, except per share data)	Three months ended		Fiscal year ended	
	April 24, 2020	April 26, 2019	April 24, 2020	April 26, 2019
Net sales	\$ 5,998	\$ 8,146	\$ 28,913	\$ 30,557
Costs and expenses:				
Cost of products sold	2,264	2,483	9,424	9,155
Research and development expense	567	594	2,331	2,330
Selling, general, and administrative expense	2,360	2,620	10,109	10,418
Amortization of intangible assets	439	437	1,756	1,764
Restructuring charges, net	31	86	118	198
Certain litigation charges	37	—	313	166
Other operating (income) expense, net	(17)	(20)	71	258
Operating profit	317	1,946	4,791	6,268
Other non-operating income, net	(51)	(64)	(356)	(373)
Interest expense	162	718	1,092	1,444
Income before income taxes	206	1,292	4,055	5,197
Income tax (benefit) provision	(434)	110	(751)	547
Net income	640	1,182	4,806	4,650
Net (income) loss attributable to noncontrolling interests	6	(10)	(17)	(19)
Net income attributable to Medtronic	\$ 646	\$ 1,172	\$ 4,789	\$ 4,631
Basic earnings per share	\$ 0.48	\$ 0.87	\$ 3.57	\$ 3.44
Diluted earnings per share	\$ 0.48	\$ 0.87	\$ 3.54	\$ 3.41
Basic weighted average shares outstanding	1,340.6	1,340.6	1,340.7	1,346.4
Diluted weighted average shares outstanding	1,349.5	1,350.8	1,351.1	1,357.5

The data in the schedule above has been intentionally rounded to the nearest million, and therefore, the quarterly amounts may not sum to the fiscal year-to-date amounts.

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

Three months ended April 24, 2020									
(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 ⁽²⁾	Effective Tax Rate
GAAP	\$ 5,998	\$ 2,264	62.3 %	\$ 317	5.3 %	\$ 206	\$ 646	\$ 0.48	(210.7)%
Non-GAAP Adjustments:									
Restructuring and associated costs (3)	—	(38)	0.6	126	2.0	126	105	0.08	16.7
Acquisition-related items (4)	—	(2)	—	(9)	(0.2)	(9)	(12)	(0.01)	(33.3)
Certain litigation charges	—	—	—	37	0.6	37	12	0.01	67.6
(Gain)/loss on minority investments (5)	—	—	—	—	—	30	30	0.02	—
Medical device regulations (6)	—	(7)	0.1	17	0.3	17	14	0.01	17.6
Exit of businesses (7)	—	—	—	11	0.2	11	5	—	54.5
IPR&D charges (8)	—	—	—	25	0.4	25	22	0.02	12.0
Amortization of intangible assets	—	—	—	439	7.2	439	358	0.27	18.5
Certain tax adjustments, net (9)	—	—	—	—	—	—	(403)	(0.30)	—
Non-GAAP	<u>\$ 5,998</u>	<u>\$ 2,217</u>	<u>63.0 %</u>	<u>\$ 963</u>	<u>16.1 %</u>	<u>\$ 882</u>	<u>\$ 777</u>	<u>\$ 0.58</u>	<u>12.6 %</u>
Currency impact	129	54	(0.1)	(5)	(0.5)	—	—	—	—
Currency Adjusted	<u><u>\$ 6,127</u></u>	<u><u>\$ 2,271</u></u>	<u><u>62.9 %</u></u>	<u><u>\$ 958</u></u>	<u><u>15.6 %</u></u>	<u><u>—</u></u>	<u><u>\$ 0.58</u></u>	<u><u>—</u></u>	<u><u>—</u></u>
Three months ended April 26, 2019									
(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 ⁽¹⁾	Effective Tax Rate
GAAP	\$ 8,146	\$ 2,483	69.5 %	\$ 1,946	23.9 %	\$ 1,292	\$ 1,172	\$ 0.87	8.5 %
Non-GAAP Adjustments:									
Restructuring and associated costs (3)	—	(33)	0.4	151	1.8	151	125	0.09	17.2
Acquisition-related items (4)	—	(2)	—	31	0.4	31	28	0.02	9.7
(Gain)/loss on minority investments (5)	—	—	—	—	—	30	18	0.01	40.0
Debt tender premium and other charges (10)	—	—	—	(28)	(0.3)	457	344	0.25	24.7
IPR&D charges (8)	—	—	—	32	0.4	32	26	0.02	18.8
Amortization of intangible assets	—	—	—	437	5.3	437	369	0.27	15.6
Certain tax adjustments, net (11)	—	—	—	—	—	—	(5)	—	—
Non-GAAP	<u>\$ 8,146</u>	<u>\$ 2,448</u>	<u>69.9 %</u>	<u>\$ 2,569</u>	<u>31.5 %</u>	<u>\$ 2,430</u>	<u>\$ 2,077</u>	<u>\$ 1.54</u>	<u>14.1 %</u>

See description of non-GAAP financial measures at the end of the earnings press release.

- (1) The data in this schedule has been intentionally rounded to the nearest million, and therefore, the quarterly amounts may not sum to the fiscal year-to-date amounts.
- (2) The data in this schedule has been intentionally rounded to the nearest \$0.01 and, therefore, may not sum.
- (3) Associated costs include costs incurred as a direct result of the restructuring program, such as salaries for employees supporting the program and consulting expenses.
- (4) The charges primarily include costs incurred in connection with legacy-Covidien enterprise resource planning deployment activities, business combination related costs, and changes in fair value of contingent consideration.
- (5) 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.
- (6) The charges represent incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses.
- (7) The net charge relates to the exit of businesses and is primarily comprised of intangible asset impairments.
- (8) The charges are recognized in connection with the impairment of IPR&D assets.

- (9) The net benefit primarily relates to the impact of an inter-company sale of intellectual property and the release of a valuation allowance on certain net operating losses.
- (10) The charges, which include \$485 million recognized in *interest expense* and (\$28 million) recognized in *other operating (income) expense, net*, primarily relate to the early redemption of approximately \$6.4 billion of Medtronic Inc. and CIFSA senior notes.
- (11) The net benefit is primarily associated with the finalization of state income tax calculations associated with the impacts of U.S. tax reform.

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

Three months ended April 24, 2020

(in millions)	Net Sales	SG&A Expense	SG&A Expense as a % of Net Sales	R&D Expense	R&D Expense as a % of Net Sales	Other Operating (Income) Expense, net	Other Operating (Inc.)/Exp., net as a % of Net Sales	Other Non- Operating Income, net
GAAP	\$ 5,998	\$ 2,360	39.3 %	\$ 567	9.5 %	\$ (17)	(0.3)%	\$ (51)
Non-GAAP Adjustments:								
Restructuring and associated costs (2)	—	(57)	(1.0)	—	—	—	—	—
Acquisition-related items (3)	—	(37)	(0.6)	—	—	48	0.8	—
(Gain)/loss on minority investments (4)	—	—	—	—	—	—	—	(30)
Medical device regulations (5)	—	—	—	(10)	(0.2)	—	—	—
Exit of business (6)	—	—	—	—	—	(11)	(0.2)	—
IPR&D charges (7)	—	—	—	—	—	(25)	(0.4)	—
Non-GAAP	\$ 5,998	\$ 2,266	37.8 %	\$ 557	9.3 %	\$ (5)	(0.1)%	\$ (81)
Currency impact	129	38	(0.2)	2	(0.2)	40	0.7	—
Currency Adjusted	\$ 6,127	\$ 2,304	37.6 %	\$ 559	9.1 %	\$ 35	0.6 %	\$ (81)

See description of non-GAAP financial measures at the end of the earnings press release.

- (1) The data in this schedule has been intentionally rounded to the nearest million, and therefore, the quarterly amounts may not sum to the fiscal year-to-date amounts.
- (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 integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (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 medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expense.
- (6) The net charge relates to the exit of businesses and is primarily comprised of intangible asset impairments.
- (7) The charges represent acquired IPR&D recognized in connection with the impairment of IPR&D assets.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Fiscal year ended April 24, 2020									
(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 ⁽¹⁾	Effective Tax Rate
GAAP	\$28,913	\$ 9,424	67.4 %	\$ 4,791	16.6 %	\$ 4,055	\$ 4,789	\$ 3.54	(18.5)%
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(155)	0.6	441	1.5	441	372	0.28	15.6
Acquisition-related items (3)	—	(5)	—	66	0.2	66	53	0.04	19.7
Certain litigation charges	—	—	—	313	1.1	313	254	0.19	18.8
(Gain)/loss on minority investments (4)	—	—	—	—	—	19	22	0.02	(15.8)
Debt tender premium and other charges (5)	—	—	—	(7)	—	406	320	0.24	21.2
Medical device regulations (6)	—	(20)	0.1	48	0.2	48	42	0.03	12.5
Exit of businesses (7)	—	—	—	52	0.2	52	40	0.03	23.1
IPR&D charges (8)	—	—	—	25	0.1	25	22	0.02	12.0
Contribution to Medtronic Foundation	—	—	—	80	0.3	80	62	0.05	22.5
Amortization of intangible assets	—	—	—	1,756	6.1	1,756	1,472	1.09	16.2
Certain tax adjustments, net (9)	—	—	—	—	—	—	(1,242)	(0.92)	—
Non-GAAP	<u>\$28,913</u>	<u>\$ 9,244</u>	<u>68.0 %</u>	<u>\$ 7,565</u>	<u>26.2 %</u>	<u>\$ 7,261</u>	<u>\$ 6,206</u>	<u>\$ 4.59</u>	<u>14.3 %</u>
Currency impact	418	17	0.4	41	(0.3)	—	—	0.04	—
Currency Adjusted	<u>\$29,331</u>	<u>\$ 9,261</u>	<u>68.4 %</u>	<u>\$ 7,606</u>	<u>25.9 %</u>	—	—	<u>\$ 4.63</u>	—

Fiscal year ended April 26, 2019									
(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 ⁽¹⁾	Effective Tax Rate
GAAP	\$30,557	\$ 9,155	70.0 %	\$ 6,268	20.5 %	\$ 5,197	\$ 4,631	\$ 3.41	10.5 %
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(91)	0.4	407	1.3	407	341	0.25	16.2
Acquisition-related items (3)	—	(7)	—	88	0.3	88	72	0.05	18.2
Certain litigation charges	—	—	—	166	0.5	166	142	0.10	14.5
(Gain)/loss on minority investments (4)	—	—	—	—	—	(62)	(65)	(0.05)	(4.8)
Debt tender premium and other charges (10)	—	—	—	(28)	(0.1)	457	344	0.25	24.7
Exit of businesses (7)	—	—	—	149	0.5	149	118	0.09	20.8
IPR&D charges (8)	—	—	—	58	0.2	58	49	0.04	15.5
Amortization of intangible assets	—	—	—	1,764	5.8	1,764	1,497	1.10	15.1
Certain tax adjustments, net (11)	—	—	—	—	—	—	(40)	(0.03)	—
Non-GAAP	<u>\$30,557</u>	<u>\$ 9,057</u>	<u>70.4 %</u>	<u>\$ 8,872</u>	<u>29.0 %</u>	<u>\$ 8,224</u>	<u>\$ 7,089</u>	<u>\$ 5.22</u>	<u>13.6 %</u>

See description of non-GAAP financial measures contained in this release.

- (1) The data in this schedule has been intentionally rounded to the nearest \$0.01 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 costs incurred in connection with legacy-Covidien enterprise resource planning deployment activities, business combination related costs, and changes in fair value of contingent consideration.
- (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, which include \$413 million recognized in *interest expense* and (\$7 million) recognized in *other operating (income) expense, net*, primarily relates to the early redemption of approximately \$5.2 billion of debt.

- (6) The charges represent incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses.
- (7) The net charges relate to the exit of businesses and are primarily comprised of intangible asset impairments.
- (8) The charges represent acquired IPR&D in connection with asset acquisitions and charges recognized in connection with the impairment of IPR&D assets.
- (9) The net benefit primarily relates to the release of a valuation allowance on certain net operating losses, the impact of an inter-company sale of intellectual property, and the impact of tax reform in Switzerland and the United States.
- (10) The charges, which include \$485 million recognized in *interest expense* and (\$28 million) recognized in *other operating (income) expense, net*, primarily relates to the early redemption of approximately \$6.4 billion of Medtronic Inc. and CIFSA senior notes.
- (11) The net benefit is primarily associated with the finalization of state income tax calculations associated with the impacts of U.S. tax reform.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Fiscal year ended April 24, 2020

(in millions)	Net Sales	SG&A Expense	SG&A Expense as a % of Net Sales	R&D Expense	R&D Expense as a % of Net Sales	Other Operating (Income) Expense, net	Other Operating (Inc.)/Exp., net as a % of Net Sales	Other Non-Operating Income, net
GAAP	\$ 28,913	\$ 10,109	35.0 %	\$ 2,331	8.1 %	\$ 71	0.2 %	\$ (356)
Non-GAAP Adjustments:								
Restructuring and associated costs (1)	—	(168)	(0.6)	—	—	—	—	—
Acquisition-related items (2)	—	(103)	(0.4)	—	—	42	0.2	—
(Gain)/loss on minority investments (3)	—	—	—	—	—	—	—	(19)
Debt tender premium and other charges (4)	—	—	—	—	—	7	—	—
Medical device regulations (5)	—	—	—	(28)	(0.1)	—	—	—
Exit of businesses (6)	—	—	—	—	—	(52)	(0.2)	—
IPR&D charges (7)	—	—	—	—	—	(25)	(0.1)	—
Contribution to Medtronic Foundation	—	—	—	—	—	(80)	(0.3)	—
Non-GAAP	\$ 28,913	\$ 9,838	34.0 %	\$ 2,303	8.0 %	\$ (37)	(0.1)%	\$ (375)
Currency impact	418	122	—	8	(0.1)	230	0.8	—
Currency Adjusted	\$ 29,331	\$ 9,960	34.0 %	\$ 2,311	7.9 %	\$ 193	0.7 %	\$ (375)

See description of non-GAAP financial measures at the end of the earnings press release.

- (1) Associated costs include costs incurred as a direct result of the restructuring program, such as salaries for employees supporting the program and consulting expenses.
- (2) The charges primarily include costs incurred in connection with legacy-Covidien enterprise resource planning deployment activities, business combination related costs, and changes in the fair value of contingent consideration.
- (3) 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.
- (4) The charges, which include \$413 million recognized in *interest expense* and (\$7 million) recognized in *other operating (income) expense, net*, primarily relate to the early redemption of approximately \$5.2 billion of debt.
- (5) The charges represent incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses.
- (6) The net charge relates to the exit businesses and is primarily comprised of intangible asset impairments.
- (7) The charges represent acquired IPR&D in connection with asset acquisitions and charges recognized in connection with the impairment of IPR&D assets.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

(in millions)	Fiscal Year		
	2020	2019	2018
Net cash provided by operating activities	\$ 7,234	\$ 7,007	\$ 4,684
Additions to property, plant, and equipment	(1,213)	(1,134)	(1,068)
Free Cash Flow (1)	\$ 6,021	\$ 5,873	\$ 3,616

See description of non-GAAP financial measures at the end of the earnings press release.

(1) Free cash flow represents operating cash flows less property, plant, and equipment additions.

MEDTRONIC PLC
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in millions)	April 24, 2020	April 26, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,140	\$ 4,393
Investments	6,808	5,455
Accounts receivable, less allowances of \$208 and \$190, respectively	4,645	6,222
Inventories, net	4,229	3,753
Other current assets	2,209	2,144
Total current assets	22,031	21,967
Property, plant, and equipment	11,644	10,920
Accumulated depreciation	(6,816)	(6,245)
Property, plant, and equipment, net	4,828	4,675
Goodwill	39,841	39,959
Other intangible assets, net	19,063	20,560
Tax assets	2,832	1,519
Other assets	2,094	1,014
Total assets	\$ 90,689	\$ 89,694
LIABILITIES AND EQUITY		
Current liabilities:		
Current debt obligations	\$ 2,776	\$ 838
Accounts payable	1,996	1,953
Accrued compensation	2,099	2,189
Accrued income taxes	502	567
Other accrued expenses	2,993	2,925
Total current liabilities	10,366	8,472
Long-term debt	22,021	24,486
Accrued compensation and retirement benefits	1,910	1,651
Accrued income taxes	2,682	2,838
Deferred tax liabilities	1,174	1,278
Other liabilities	1,664	757
Total liabilities	39,817	39,482
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares— par value \$0.0001, 2.6 billion shares authorized, 1,341,074,724 and 1,340,697,595 shares issued and outstanding, respectively	—	—
Additional paid-in capital	26,165	26,532
Retained earnings	28,132	26,270
Accumulated other comprehensive loss	(3,560)	(2,711)
Total shareholders' equity	50,737	50,091
Noncontrolling interests	135	121
Total equity	50,872	50,212
Total liabilities and equity	\$ 90,689	\$ 89,694

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in millions)	Fiscal Year		
	2020	2019	2018
Operating Activities:			
Net income	\$ 4,806	\$ 4,650	\$ 3,095
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,663	2,659	2,644
Provision for doubtful accounts	99	78	52
Deferred income taxes	(1,315)	(304)	(919)
Stock-based compensation	297	290	344
Loss on debt extinguishment	406	457	38
Gain on sale of businesses	—	—	(697)
Investment loss	—	—	227
Other, net	217	257	73
Change in operating assets and liabilities, net of acquisitions and divestitures:			
Accounts receivable, net	1,291	(581)	(275)
Inventories, net	(577)	(274)	(192)
Accounts payable and accrued liabilities	(44)	399	65
Other operating assets and liabilities	(609)	(624)	229
Net cash provided by operating activities	7,234	7,007	4,684
Investing Activities:			
Acquisitions, net of cash acquired	(488)	(1,827)	(137)
Proceeds from sale of businesses	—	—	6,058
Additions to property, plant, and equipment	(1,213)	(1,134)	(1,068)
Purchases of investments	(11,039)	(2,532)	(3,200)
Sales and maturities of investments	9,574	4,683	4,227
Other investing activities, net	(37)	36	(22)
Net cash (used in) provided by investing activities	(3,203)	(774)	5,858
Financing Activities:			
Change in current debt obligations, net	(17)	(713)	(249)
Issuance of long-term debt	5,568	7,794	21
Payments on long-term debt	(6,110)	(7,948)	(7,370)
Dividends to shareholders	(2,894)	(2,693)	(2,494)
Issuance of ordinary shares	662	992	403
Repurchase of ordinary shares	(1,326)	(2,877)	(2,171)
Other financing activities	(81)	14	(94)
Net cash used in financing activities	(4,198)	(5,431)	(11,954)
Effect of exchange rate changes on cash and cash equivalents	(86)	(78)	114
Net change in cash and cash equivalents	(253)	724	(1,298)
Cash and cash equivalents at beginning of period	4,393	3,669	4,967
Cash and cash equivalents at end of period	\$ 4,140	\$ 4,393	\$ 3,669
Supplemental Cash Flow Information			
Cash paid for:			
Income taxes	\$ 878	\$ 1,558	\$ 2,542
Interest	643	973	1,147