

MEDTRONIC PLC
WORLD WIDE REVENUE
(Unaudited)

(in millions)	FIRST QUARTER AS REPORTED			FIRST QUARTER CONSTANT CURRENCY ADJUSTED			
	FY17 Q1	FY16 Q1	Reported Growth (1)	FY17 Q1	FY16 Q1	Currency Impact on Growth	Constant Currency Growth (1)(2)
Cardiac & Vascular Group	\$ 2,518	\$ 2,571	(2)%	\$ 2,518	\$ 2,571	(7)	(2)%
Cardiac Rhythm & Heart Failure	1,334	1,369	(3)	1,334	1,369	1	(3)
Coronary & Structural Heart	762	788	(3)	762	788	(8)	(2)
Aortic & Peripheral Vascular (3)	422	414	2	422	414	—	2
Minimally Invasive Therapies Group	2,424	2,456	(1)	2,424	2,456	2	(1)
Surgical Solutions	1,348	1,352	—	1,348	1,352	(2)	—
Patient Monitoring & Recovery	1,076	1,104	(3)	1,076	1,104	4	(3)
Restorative Therapies Group (3)	1,772	1,802	(2)	1,772	1,802	—	(2)
Spine	645	685	(6)	645	685	—	(6)
Brain Therapies	489	462	6	489	462	—	6
Specialty Therapies	356	346	3	356	346	—	3
Pain Therapies	282	309	(9)	282	309	—	(9)
Diabetes Group	452	445	2	452	445	(2)	2
TOTAL	\$ 7,166	\$ 7,274	(1)%	\$ 7,166	\$ 7,274	(7)	(1)%

(1) Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate the impact of the extra week, the Company estimates that the extra week impact on revenue was approximately \$450 million.

(2) Constant currency growth, a non-GAAP financial measure, measures the change in revenue between current and prior year periods using average exchange rates in effect during the applicable prior year period. See description of non-GAAP financial measures at the end of the earnings press release.

(3) In fiscal year 2017, the Company realigned its divisions within the Restorative Therapies Group, which included a movement of revenue from certain product lines in Restorative Therapies Group to Cardiac & Vascular Group's Aortic & Peripheral Vascular division. As a result, fiscal year 2016 results have been recast to adjust for this realignment.

MEDTRONIC PLC
U.S. REVENUE
(Unaudited)

(in millions)	FIRST QUARTER AS REPORTED		
	FY17 Q1	FY16 Q1	Reported Growth (1)
Cardiac & Vascular Group	\$ 1,297	\$ 1,356	(4)%
Cardiac Rhythm & Heart Failure	758	786	(4)
Coronary & Structural Heart	294	328	(10)
Aortic & Peripheral Vascular (2)	245	242	1
Minimally Invasive Therapies Group	1,235	1,292	(4)
Surgical Solutions	577	587	(2)
Patient Monitoring & Recovery	658	705	(7)
Restorative Therapies Group (2)	1,207	1,220	(1)
Spine	452	462	(2)
Brain Therapies	278	264	5
Specialty Therapies	274	264	4
Pain Therapies	203	230	(12)
Diabetes Group	263	274	(4)
TOTAL	\$ 4,002	\$ 4,142	(3)%

(1) Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate the impact of the extra week, the Company estimates that the extra week impact on revenue was approximately \$450 million.

(2) In fiscal year 2017, the Company realigned its divisions within the Restorative Therapies Group, which included a movement of revenue from certain product lines in Restorative Therapies Group to Cardiac & Vascular Group's Aortic & Peripheral Vascular division. As a result, fiscal year 2016 results have been recast to adjust for this realignment.

MEDTRONIC PLC
WORLD WIDE REVENUE: GEOGRAPHIC
(Unaudited)

(in millions)	FIRST QUARTER AS REPORTED			FIRST QUARTER CONSTANT CURRENCY ADJUSTED			
	FY17 Q1	FY16 Q1	Reported Growth (1)	FY17 Q1	FY16 Q1	Currency Impact on Growth	Constant Currency Growth (1)(2)
U.S.	\$ 1,297	\$ 1,356	(4)%	\$ 1,297	\$ 1,356	\$ —	(4)%
Non-U.S. Developed	829	830	—	829	830	15	(2)
Emerging Markets	392	385	2	392	385	(22)	8
Cardiac & Vascular Group (3)	2,518	2,571	(2)	2,518	2,571	(7)	(2)
U.S.	1,235	1,292	(4)	1,235	1,292	—	(4)
Non-U.S. Developed	863	841	3	863	841	22	—
Emerging Markets	326	323	1	326	323	(20)	7
Minimally Invasive Therapies Group	2,424	2,456	(1)	2,424	2,456	2	(1)
U.S.	1,207	1,220	(1)	1,207	1,220	—	(1)
Non-U.S. Developed	384	386	(1)	384	386	9	(3)
Emerging Markets	181	196	(8)	181	196	(9)	(3)
Restorative Therapies Group (3)	1,772	1,802	(2)	1,772	1,802	—	(2)
U.S.	263	274	(4)	263	274	—	(4)
Non-U.S. Developed	155	140	11	155	140	—	11
Emerging Markets	34	31	10	34	31	(2)	16
Diabetes Group	452	445	2	452	445	(2)	2
U.S.	4,002	4,142	(3)	4,002	4,142	—	(3)
Non-U.S. Developed	2,231	2,197	2	2,231	2,197	46	(1)
Emerging Markets	933	935	—	933	935	(53)	5
TOTAL	\$ 7,166	\$ 7,274	(1)%	\$ 7,166	\$ 7,274	\$ (7)	(1)%

(1) Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate the impact of the extra week, the Company estimates that the extra week impact on revenue was approximately \$450 million.

(2) Constant currency growth, a non-GAAP financial measure, measures the change in revenue between current and prior year periods using average exchange rates in effect during the applicable prior year period. See description of non-GAAP financial measures at the end of the earnings press release.

(3) In fiscal year 2017, the Company realigned its divisions within the Restorative Therapies Group, which included a movement of revenue from certain product lines in Restorative Therapies Group to Cardiac & Vascular Group's Aortic & Peripheral Vascular division. As a result, fiscal year 2016 results have been recast to adjust for this realignment.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in millions, except per share data)	Three months ended	
	July 29, 2016	July 31, 2015
Net sales	\$ 7,166	\$ 7,274
Costs and expenses:		
Cost of products sold	2,261	2,456
Research and development expense	556	558
Selling, general, and administrative expense	2,428	2,449
Restructuring charges, net	94	67
Certain litigation charges	82	—
Acquisition-related items	52	71
Amortization of intangible assets	487	481
Other expense, net	39	61
Operating profit	1,167	1,131
Interest income	(93)	(115)
Interest expense	272	306
Interest expense, net	179	191
Income from operations before income taxes	988	940
Provision for income taxes	59	120
Net income	\$ 929	\$ 820
Basic earnings per share	\$ 0.67	\$ 0.58
Diluted earnings per share	\$ 0.66	\$ 0.57
Basic weighted average shares outstanding	1,392.2	1,418.1
Diluted weighted average shares outstanding	1,407.1	1,436.4
Cash dividends declared per ordinary share	\$ 0.43	\$ 0.38

MEDTRONIC PLC
NET INCOME AND DILUTED EPS GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Three months ended July 29, 2016									
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income from Operations Before Income Taxes	Net Income	Diluted EPS ⁽¹⁾	Effective Tax Rate
GAAP	\$ 7,166	\$ 2,261	68.4%	\$ 1,167	16.3%	\$ 988	\$ 929	\$ 0.66	6.0%
Non-GAAP Adjustments: (2)									
Restructuring charges, net	—	(10)		104		104	79	0.06	24.0
Certain litigation charges	—	—		82		82	52	0.04	36.6
Acquisition-related items	—	—		52		52	39	0.03	25.0
Amortization of intangible assets	—	—		487		487	376	0.27	22.8
Certain tax adjustments (a)	—	—		—		—	(31)	(0.02)	—
Non-GAAP	\$ 7,166	\$ 2,251	68.6%	\$ 1,892	26.4%	\$ 1,713	\$ 1,444	\$ 1.03	15.7%
Foreign currency impact	7	(19)	0.3	70	1.0			0.04	
Constant Currency Adjusted	\$ 7,173	\$ 2,232	68.9%	\$ 1,962	27.4%			\$ 1.07	

Three months ended July 31, 2015									
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income from Operations Before Income Taxes	Net Income	Diluted EPS	Effective Tax Rate
GAAP	\$ 7,274	\$ 2,456	66.2%	\$ 1,131	15.5%	\$ 940	\$ 820	\$ 0.57	12.8%
Non-GAAP Adjustments: (2)									
Impact of inventory step-up (b)	—	(226)		226		226	165	0.11	27.0
Restructuring charges, net	—	—		67		67	52	0.04	22.4
Acquisition-related items	—	—		71		71	53	0.04	25.4
Amortization of intangible assets	—	—		481		481	372	0.26	22.7
Non-GAAP	\$ 7,274	\$ 2,230	69.3%	\$ 1,976	27.2%	\$ 1,785	\$ 1,462	\$ 1.02	18.1%

	Net Income	Diluted EPS
Year over year percent change:		
GAAP	13%	16%
Non-GAAP	(1)%	1%
Adjusted Non-GAAP		5%

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 \$0.01 and, therefore, may not sum.
- (2) Non-GAAP adjustments relate to charges or gains that management believes may or may not recur with similar materiality or impact on results in future periods.
 - (a) The net benefit in certain tax adjustments relates to the resolution of various tax positions from prior years and other certain tax charges recorded in connection with the redemption of an intercompany minority interest.
 - (b) Represents amortization of step-up in fair value of inventory acquired in connection with the Covidien acquisition.

MEDTRONIC PLC
RECONCILIATION OF OPERATING CASH FLOW TO FREE CASH FLOW
(Unaudited)

(in millions)	Three months ended July 29, 2016
Net cash provided by operating activities	1,550
Additions to property, plant, and equipment	(330)
Free Cash Flow (1)(2)	<u>\$ 1,220</u>

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.
- (2) There were no adjustments to free cash flow for the three months ended July 29, 2016. As a result, free cash flow is synonymous with adjusted free cash flow.

MEDTRONIC PLC
 FIRST QUARTER SELLING, GENERAL, AND ADMINISTRATIVE EXPENSE (SG&A), RESEARCH AND
 DEVELOPMENT EXPENSE (R&D), AND OTHER (INCOME) EXPENSE, NET ON A CONSTANT CURRENCY BASIS
 (Unaudited)

Three months ended July 29, 2016

(in millions)	Net Sales	SG&A Expense	SG&A Expense as a Percentage of Net Sales	R&D Expense	R&D Expense as a Percentage of Net Sales	Other (Income) Expense, net	Other (Income) Expense, net as a Percentage of Net Sales
As reported	\$ 7,166	\$ 2,428	33.9%	\$ 556	7.8%	\$ 39	0.5 %
Foreign currency impact	7	11		—		(55)	
Constant currency adjusted	\$ 7,173	\$ 2,439	34.0%	\$ 556	7.8%	\$ (16)	(0.2)%

MEDTRONIC PLC
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in millions)	July 29, 2016	April 29, 2016
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,060	\$ 2,876
Investments	9,750	9,758
Accounts receivable, less allowances of \$161 and \$161, respectively	5,357	5,562
Inventories	3,580	3,473
Other current assets	1,751	1,931
Total current assets	23,498	23,600
Property, plant, and equipment, net	4,814	4,841
Goodwill	41,309	41,500
Other intangible assets, net	26,437	26,899
Tax assets	1,232	1,383
Other assets	1,311	1,421
Total assets	\$ 98,601	\$ 99,644
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Current debt obligations	\$ 1,947	\$ 993
Accounts payable	1,615	1,709
Accrued compensation	1,205	1,712
Accrued income taxes	645	566
Other accrued expenses	2,484	2,185
Total current liabilities	7,896	7,165
Long-term debt	30,124	30,109
Accrued compensation and retirement benefits	1,770	1,759
Accrued income taxes	2,344	2,903
Deferred tax liabilities	3,790	3,729
Other liabilities	1,785	1,916
Total liabilities	47,709	47,581
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares — par value \$0.0001	—	—
Retained earnings	52,848	53,931
Accumulated other comprehensive loss	(2,024)	(1,868)
Total shareholders' equity	50,824	52,063
Noncontrolling interests	\$ 68	\$ —
Total equity	\$ 50,892	\$ 52,063
Total liabilities and equity	\$ 98,601	\$ 99,644

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in millions)	Three months ended	
	July 29, 2016	July 31, 2015
Operating Activities:		
Net income	\$ 929	\$ 820
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	737	701
Amortization of debt discount and issuance costs	7	7
Acquisition-related items	(5)	232
Provision for doubtful accounts	9	10
Deferred income taxes	32	(159)
Stock-based compensation	79	96
Other, net	(85)	(39)
Change in operating assets and liabilities, net of acquisitions:		
Accounts receivable, net	196	279
Inventories	(101)	(207)
Accounts payable and accrued liabilities	(361)	(424)
Other operating assets and liabilities	50	(408)
Certain litigation charges	82	—
Certain litigation payments	(19)	(92)
Net cash provided by operating activities	1,550	816
Investing Activities:		
Acquisitions, net of cash acquired	(12)	(179)
Additions to property, plant, and equipment	(330)	(224)
Purchases of investments	(1,044)	(1,851)
Sales and maturities of investments	1,104	1,266
Other investing activities, net	(2)	2
Net cash used in investing activities	(284)	(986)
Financing Activities:		
Acquisition-related contingent consideration	(11)	(3)
Change in current debt obligations, net	926	429
Issuance of long-term debt	33	—
Payments on long-term debt	(17)	(1,004)
Dividends to shareholders	(599)	(538)
Issuance of ordinary shares	214	98
Repurchase of ordinary shares	(1,763)	(750)
Other financing activities	57	24
Net cash used in financing activities	(1,160)	(1,744)
Effect of exchange rate changes on cash and cash equivalents	78	50
Net change in cash and cash equivalents	184	(1,864)
Cash and cash equivalents at beginning of period	2,876	4,843
Cash and cash equivalents at end of period	\$ 3,060	\$ 2,979
Supplemental Cash Flow Information		
Cash paid for:		
Income taxes	\$ 115	\$ 636
Interest	68	76