

**MEDTRONIC PLC**  
**WORLD WIDE REVENUE**  
(Unaudited)

(in millions)	ADJUSTED							ADJUSTED							
	REPORTED		Reported Growth	CONSTANT CURRENCY <sup>(2)</sup>		REVISED <sup>(3)</sup>		Comparable Constant Currency Growth	REPORTED		Reported Growth	CONSTANT CURRENCY <sup>(2)</sup>		REVISED <sup>(3)</sup>	
	FY18 Q2	FY17 Q2		FY18 Q2	FY17 Q2	FY18 Q2 YTD	FY17 Q2 YTD		FY18 Q2 YTD	FY17 Q2 YTD		Constant Currency Growth			
<b>Cardiac &amp; Vascular Group</b>	\$ 2,773	\$ 2,584	7 %	\$ 16	\$ 2,757	\$ 2,584	7%	\$ 5,419	\$ 5,102	6 %	\$ 4	\$ 5,415	\$ 5,102	6%	
Cardiac Rhythm & Heart Failure	1,467	1,400	5	6	1,461	1,400	4	2,857	2,734	4	(1)	2,858	2,734	5	
Coronary & Structural Heart	854	753	13	8	846	753	12	1,671	1,515	10	5	1,666	1,515	10	
Aortic & Peripheral Vascular	452	431	5	2	450	431	4	891	853	4	—	891	853	4	
<b>Minimally Invasive Therapies Group<sup>(1)</sup></b>	<b>1,952</b>	<b>2,473</b>	<b>(21)</b>	<b>8</b>	<b>1,944</b>	<b>1,910</b>	<b>2</b>	<b>4,438</b>	<b>4,897</b>	<b>(9)</b>	<b>(6)</b>	<b>4,444</b>	<b>4,334</b>	<b>3</b>	
Surgical Innovations	1,334	1,271	5	8	1,326	1,271	4	2,733	2,619	4	(1)	2,734	2,619	4	
Respiratory, Gastrointestinal, & Renal	618	1,202	(49)	—	618	639	(3)	1,705	2,278	(25)	(5)	1,710	1,715	—	
<b>Restorative Therapies Group</b>	<b>1,863</b>	<b>1,826</b>	<b>2</b>	<b>4</b>	<b>1,859</b>	<b>1,826</b>	<b>2</b>	<b>3,672</b>	<b>3,598</b>	<b>2</b>	<b>(3)</b>	<b>3,675</b>	<b>3,598</b>	<b>2</b>	
Spine	659	663	(1)	—	659	663	(1)	1,308	1,308	—	(3)	1,311	1,308	—	
Brain Therapies	575	506	14	2	573	506	13	1,097	995	10	—	1,097	995	10	
Specialty Therapies	365	369	(1)	1	364	369	(1)	734	725	1	—	734	725	1	
Pain Therapies	264	288	(8)	1	263	288	(9)	533	570	(6)	—	533	570	(6)	
<b>Diabetes Group</b>	<b>462</b>	<b>462</b>	<b>—</b>	<b>7</b>	<b>455</b>	<b>462</b>	<b>(2)</b>	<b>911</b>	<b>914</b>	<b>—</b>	<b>7</b>	<b>904</b>	<b>914</b>	<b>(1)</b>	
<b>TOTAL</b>	<b>\$ 7,050</b>	<b>\$ 7,345</b>	<b>(4)%</b>	<b>\$ 35</b>	<b>\$ 7,015</b>	<b>\$ 6,782</b>	<b>3%</b>	<b>\$ 14,440</b>	<b>\$ 14,511</b>	<b>— %</b>	<b>\$ 2</b>	<b>\$ 14,438</b>	<b>\$ 13,948</b>	<b>4%</b>	

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

(1) In the second quarter of fiscal year 2018, the Company realigned its divisions within the Minimally Invasive Therapies Group, which included a movement of revenue from certain product lines within Surgical Innovations to Respiratory Gastrointestinal & Renal. As a result, second quarter fiscal year 2017 results have been recast to adjust for this realignment. Results for the first quarter of fiscal year 2017 and 2018 included within the year-to-date figures herein have not been recast to adjust for this realignment.

(2) Constant currency adjusted revenue, a non-GAAP financial measure, presents current period revenue using average exchange rates in effect during the applicable prior year period.

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the second quarter of fiscal year 2017.

**MEDTRONIC PLC**  
**U.S.<sup>(1)</sup> REVENUE**  
(Unaudited)

(in millions)	ADJUSTED					ADJUSTED				
	REPORTED			REVISED <sup>(3)</sup>		REPORTED			REVISED <sup>(3)</sup>	
	FY18 Q2	FY17 Q2	Reported Growth	FY17 Q2	Comparable Growth	FY18 Q2 YTD	FY17 Q2 YTD	Reported Growth	FY17 Q2 YTD	Growth
<b>Cardiac &amp; Vascular Group</b>	\$ 1,423	\$ 1,353	5 %	\$ 1,353	5%	\$ 2,756	\$ 2,650	4 %	\$ 2,650	4%
Cardiac Rhythm & Heart Failure	824	805	2	805	2	1,589	1,563	2	1,563	2
Coronary & Structural Heart	335	289	16	289	16	651	583	12	583	12
Aortic & Peripheral Vascular	264	259	2	259	2	516	504	2	504	2
<b>Minimally Invasive Therapies Group<sup>(2)</sup></b>	<b>795</b>	<b>1,266</b>	<b>(37)</b>	<b>834</b>	<b>(5)</b>	<b>2,040</b>	<b>2,501</b>	<b>(18)</b>	<b>2,069</b>	<b>(1)</b>
Surgical Innovations	522	531	(2)	531	(2)	1,108	1,108	—	1,108	—
Respiratory, Gastrointestinal, & Renal	273	735	(63)	303	(10)	932	1,393	(33)	961	(3)
<b>Restorative Therapies Group</b>	<b>1,258</b>	<b>1,261</b>	<b>—</b>	<b>1,261</b>	<b>—</b>	<b>2,479</b>	<b>2,468</b>	<b>—</b>	<b>2,468</b>	<b>—</b>
Spine	458	469	(2)	469	(2)	912	921	(1)	921	(1)
Brain Therapies	335	293	14	293	14	629	571	10	571	10
Specialty Therapies	274	285	(4)	285	(4)	554	559	(1)	559	(1)
Pain Therapies	191	214	(11)	214	(11)	384	417	(8)	417	(8)
<b>Diabetes Group</b>	<b>258</b>	<b>272</b>	<b>(5)</b>	<b>272</b>	<b>(5)</b>	<b>501</b>	<b>535</b>	<b>(6)</b>	<b>535</b>	<b>(6)</b>
<b>TOTAL</b>	<b>\$ 3,734</b>	<b>\$ 4,152</b>	<b>(10)%</b>	<b>\$ 3,720</b>	<b>—%</b>	<b>\$ 7,776</b>	<b>\$ 8,154</b>	<b>(5)%</b>	<b>\$ 7,722</b>	<b>1%</b>

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

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

(2) In the second quarter of fiscal year 2018, the Company realigned its divisions within the Minimally Invasive Therapies Group, which included a movement of revenue from certain product lines within Surgical Innovations to Respiratory Gastrointestinal & Renal. As a result, second quarter fiscal year 2017 results have been recast to adjust for this realignment. Results for the first quarter of fiscal year 2017 and 2018 included within the year-to-date figures herein have not been recast to adjust for this realignment.

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the second quarter of fiscal year 2017.

**MEDTRONIC PLC**  
**WORLD WIDE REVENUE: GEOGRAPHIC<sup>(1)</sup>**  
(Unaudited)

(in millions)	ADJUSTED							ADJUSTED							
	REPORTED			CONSTANT CURRENCY <sup>(2)</sup>		REVISED <sup>(3)</sup>		Comparable Constant Currency Growth	REPORTED			CONSTANT CURRENCY <sup>(2)</sup>		REVISED <sup>(3)</sup>	
	FY18 Q2	FY17 Q2	Reported Growth	Currency Impact	FY18 Q2	FY17 Q2	FY18 Q2 YTD		FY17 Q2 YTD	Reported Growth	Currency Impact	FY18 Q2 YTD	FY17 Q2 YTD	Constant Currency Growth	
U.S.	\$ 1,423	\$ 1,353	5 %	\$ —	\$ 1,423	\$ 1,353	5 %	\$ 2,756	\$ 2,650	4 %	\$ —	\$ 2,756	\$ 2,650	4 %	
Non-U.S. Developed	895	823	9	13	882	823	7	1,782	1,652	8	4	1,778	1,652	8	
Emerging Markets	455	408	12	3	452	408	11	881	800	10	—	881	800	10	
<b>Cardiac &amp; Vascular Group</b>	<b>2,773</b>	<b>2,584</b>	<b>7</b>	<b>16</b>	<b>2,757</b>	<b>2,584</b>	<b>7</b>	<b>5,419</b>	<b>5,102</b>	<b>6</b>	<b>4</b>	<b>5,415</b>	<b>5,102</b>	<b>6</b>	
U.S.	795	1,266	(37)	—	795	834	(5)	2,040	2,501	(18)	—	2,040	2,069	(1)	
Non-U.S. Developed	783	853	(8)	5	778	754	3	1,648	1,716	(4)	(8)	1,656	1,617	2	
Emerging Markets	374	354	6	3	371	322	15	750	680	10	2	748	648	15	
<b>Minimally Invasive Therapies Group</b>	<b>1,952</b>	<b>2,473</b>	<b>(21)</b>	<b>8</b>	<b>1,944</b>	<b>1,910</b>	<b>2</b>	<b>4,438</b>	<b>4,897</b>	<b>(9)</b>	<b>(6)</b>	<b>4,444</b>	<b>4,334</b>	<b>3</b>	
U.S.	1,258	1,261	—	—	1,258	1,261	—	2,479	2,468	—	—	2,479	2,468	—	
Non-U.S. Developed	394	383	3	3	391	383	2	788	767	3	(2)	790	767	3	
Emerging Markets	211	182	16	1	210	182	15	405	363	12	(1)	406	363	12	
<b>Restorative Therapies Group</b>	<b>1,863</b>	<b>1,826</b>	<b>2</b>	<b>4</b>	<b>1,859</b>	<b>1,826</b>	<b>2</b>	<b>3,672</b>	<b>3,598</b>	<b>2</b>	<b>(3)</b>	<b>3,675</b>	<b>3,598</b>	<b>2</b>	
U.S.	258	272	(5)	—	258	272	(5)	501	535	(6)	—	501	535	(6)	
Non-U.S. Developed	169	150	13	7	162	150	8	336	305	10	7	329	305	8	
Emerging Markets	35	40	(13)	—	35	40	(13)	74	74	—	—	74	74	—	
<b>Diabetes Group</b>	<b>462</b>	<b>462</b>	<b>—</b>	<b>7</b>	<b>455</b>	<b>462</b>	<b>(2)</b>	<b>911</b>	<b>914</b>	<b>—</b>	<b>7</b>	<b>904</b>	<b>914</b>	<b>(1)</b>	
U.S.	3,734	4,152	(10)	—	3,734	3,720	—	7,776	8,154	(5)	—	7,776	7,722	1	
Non-U.S. Developed	2,241	2,209	1	28	2,213	2,110	5	4,554	4,440	3	1	4,553	4,341	5	
Emerging Markets	1,075	984	9	7	1,068	952	12	2,110	1,917	10	1	2,109	1,885	12	
<b>TOTAL</b>	<b>\$ 7,050</b>	<b>\$ 7,345</b>	<b>(4)%</b>	<b>\$ 35</b>	<b>\$ 7,015</b>	<b>\$ 6,782</b>	<b>3%</b>	<b>\$ 14,440</b>	<b>\$ 14,511</b>	<b>— %</b>	<b>\$ 2</b>	<b>\$ 14,438</b>	<b>\$ 13,948</b>	<b>4%</b>	

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

(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) Constant currency adjusted revenue, a non-GAAP financial measure, presents current period revenue using average exchange rates in effect during the applicable prior year period.

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the second quarter of fiscal year 2017.

**MEDTRONIC PLC**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

(in millions, except per share data)	Three months ended		Six months ended	
	October 27, 2017	October 28, 2016	October 27, 2017	October 28, 2016
<b>Net sales</b>	\$ 7,050	\$ 7,345	\$ 14,440	\$ 14,511
<b>Costs and expenses:</b>				
Cost of products sold	2,120	2,326	4,469	4,587
Research and development expense	555	554	1,103	1,110
Selling, general, and administrative expense	2,438	2,416	4,923	4,844
Amortization of intangible assets	460	500	914	987
Restructuring charges, net	8	47	16	141
Acquisition-related items	7	28	51	80
Certain litigation charges	—	—	—	82
Divestiture-related items	67	—	114	—
Gain on sale of businesses	(697)	—	(697)	—
Special charge	80	—	80	—
Other expense, net	111	89	177	128
<b>Operating profit</b>	1,901	1,385	3,290	2,552
Interest income	(100)	(91)	(192)	(184)
Interest expense	273	264	559	536
<b>Interest expense, net</b>	173	173	367	352
<b>Income before income taxes</b>	1,728	1,212	2,923	2,200
<b>Income tax (benefit) provision</b>	(285)	101	(99)	160
<b>Net income</b>	2,013	1,111	3,022	2,040
<b>Net loss attributable to noncontrolling interests</b>	4	4	11	4
<b>Net income attributable to Medtronic</b>	\$ 2,017	\$ 1,115	\$ 3,033	\$ 2,044
<b>Basic earnings per share</b>	\$ 1.49	\$ 0.81	\$ 2.23	\$ 1.47
<b>Diluted earnings per share</b>	\$ 1.48	\$ 0.80	\$ 2.21	\$ 1.46
<b>Basic weighted average shares outstanding</b>	1,355.1	1,380.0	1,358.5	1,386.5
<b>Diluted weighted average shares outstanding</b>	1,365.8	1,392.5	1,370.8	1,400.2
Cash dividends declared per ordinary share	\$ 0.46	\$ 0.43	\$ 0.92	\$ 0.86

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

Three months ended October 27, 2017									
(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 <sup>(1)</sup>	Effective Tax Rate
<b>GAAP</b>	\$ 7,050	\$ 2,120	69.9%	\$ 1,901	27.0%	\$ 1,728	\$ 2,017	\$ 1.48	(16.5)%
Non-GAAP Adjustments: (2)									
Restructuring charges, net	—	(7)		18		18	14	0.01	22.2
Acquisition-related items	—	(11)		18		18	8	0.01	55.6
Divestiture-related items (a)	—	—		67		67	60	0.04	10.4
Gain on sale of businesses (b)	—	—		(697)		(697)	(697)	(0.51)	—
Hurricane Maria (c)	—	(17)		34		34	33	0.02	2.9
Special charge (d)	—	—		80		80	51	0.04	36.3
Amortization of intangible assets	—	—		460		460	374	0.27	18.7
Certain tax adjustments, net (e)	—	—		—		—	(404)	(0.30)	—
<b>Non-GAAP</b>	\$ 7,050	\$ 2,085	70.4%	\$ 1,881	26.7%	\$ 1,708	\$ 1,456	\$ 1.07	15.0 %
Foreign currency impact	(35)	8	(0.2)	(13)	(0.1)			(0.01)	
<b>Foreign Currency Adjusted</b>	\$ 7,015	\$ 2,093	70.2%	\$ 1,868	26.6%			\$ 1.06	

Three months ended October 28, 2016									
(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 <sup>(1)</sup>	Effective Tax Rate
<b>GAAP</b>	\$ 7,345	\$ 2,326	68.3%	\$ 1,385	18.9%	\$ 1,212	\$ 1,115	\$ 0.80	8.3 %
Non-GAAP Adjustments: (2)									
Impact of inventory step-up (f)	—	(38)		38		38	24	0.02	36.8
Restructuring charges, net	—	—		47		47	35	0.03	25.5
Acquisition-related items	—	—		28		28	2	—	92.9
Amortization of intangible assets	—	—		500		500	385	0.28	23.0
<b>Non-GAAP</b>	\$ 7,345	\$ 2,288	68.8%	\$ 1,998	27.2%	\$ 1,825	\$ 1,561	\$ 1.12	14.7 %

Year over year percent change:		Net Income	Diluted EPS
GAAP		81%	85%
Non-GAAP		(7)%	(4)%

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 benefits that management believes may or may not recur with similar materiality or impact on results in future periods.
  - (a) The transaction expenses incurred in connection with the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
  - (b) The gain on the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
  - (c) The charges represent idle facility costs, asset write-downs, and humanitarian efforts related to Hurricane Maria.
  - (d) The charge represents a commitment to fund the Medtronic Foundation.
  - (e) The net benefit primarily relates to the tax effect from the intercompany sale of intellectual property.
  - (f) Represents amortization of step-up in fair value of inventory acquired in connection with the HeartWare acquisition.

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

Six months ended October 27, 2017									
(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 <sup>(1)</sup>	Effective Tax Rate
<b>GAAP</b>	\$ 14,440	\$ 4,469	69.1%	\$ 3,290	22.8%	\$ 2,923	\$ 3,033	\$ 2.21	(3.4)%
Non-GAAP Adjustments: (2)									
Restructuring charges, net	—	(12)		32		32	26	0.02	18.8
Acquisition-related items	—	(20)		71		71	47	0.03	33.8
Divestiture-related items (a)	—	—		115		115	100	0.07	13.0
Gain on sale of businesses (b)	—	—		(697)		(697)	(697)	(0.51)	—
Hurricane Maria (c)	—	(17)		34		34	33	0.02	2.9
Special charge (d)	—	—		80		80	51	0.04	36.3
Amortization of intangible assets	—	—		914		914	748	0.55	18.2
Certain tax adjustments, net (e)	—	—		—		—	(344)	(0.25)	—
<b>Non-GAAP</b>	\$ 14,440	\$ 4,420	69.4%	\$ 3,839	26.6%	\$ 3,472	\$ 2,997	\$ 2.19	14.0 %
Foreign currency impact	(2)	5	—	27	0.2	—	—	0.01	—
<b>Foreign Currency Adjusted</b>	\$ 14,438	\$ 4,425	69.4%	\$ 3,866	26.8%	—	—	\$ 2.20	—

Six months ended October 28, 2016									
(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 <sup>(1)</sup>	Effective Tax Rate
<b>GAAP</b>	\$ 14,511	\$ 4,587	68.4%	\$ 2,552	17.6%	\$ 2,200	\$ 2,044	\$ 1.46	7.3 %
Non-GAAP Adjustments: (2)									
Impact of inventory step-up (f)	—	(38)		38		38	24	0.02	36.8
Restructuring charges, net	—	(10)		151		151	113	0.08	25.2
Certain litigation charges	—	—		82		82	52	0.04	36.6
Acquisition-related items	—	—		80		80	41	0.03	48.8
Amortization of intangible assets	—	—		987		987	761	0.54	22.9
Certain tax adjustments, net (g)	—	—		—		—	(31)	(0.02)	—
<b>Non-GAAP</b>	\$ 14,511	\$ 4,539	68.7%	\$ 3,890	26.8%	\$ 3,538	\$ 3,004	\$ 2.15	15.2 %

Year over year percent change:		Net Income	Diluted EPS
GAAP		48%	51%
Non-GAAP		—%	2%

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) 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 transaction expenses incurred in connection with the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
  - (b) The gain on the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
  - (c) The charges represent idle facility costs, asset write-downs, and humanitarian efforts related to Hurricane Maria.
  - (d) The charge represents a commitment to fund the Medtronic Foundation.
  - (e) The net benefit primarily relates to the tax effect from the intercompany sale of intellectual property, which is partially offset by the impacts from the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.

- (f) Represents amortization of step-up in fair value of inventory acquired in connection with the HeartWare acquisition.
- (g) 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.

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

Three months ended October 27, 2017							
(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 Expense, net	Other Expense, net as a Percentage of Net Sales
<b>GAAP</b>	\$ 7,050	\$ 2,438	34.6%	\$ 555	7.9%	\$ 111	1.6%
Non-GAAP Adjustments: (1)							
Restructuring charges, net	—	(3)		—		—	
Hurricane Maria	—	(2)		—		(15)	
<b>Non-GAAP</b>	7,050	2,433	34.5%	555	7.9%	96	1.4%
Foreign currency impact	(35)	(15)		(1)		(13)	
<b>Foreign currency adjusted</b>	<u>\$ 7,015</u>	<u>\$ 2,418</u>	<u>34.5%</u>	<u>\$ 554</u>	<u>7.9%</u>	<u>\$ 83</u>	<u>1.2%</u>

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

- (1) Non-GAAP adjustments relate to charges or benefits that management believes may or may not recur with similar materiality or impact on results in future periods.



**MEDTRONIC PLC**  
**ORGANIC REVENUE**  
(Unaudited)

	<u>Three months ended</u> <u>October 27, 2017</u>
Growth	(4.0)%
Foreign currency impact	(0.5)
Impact from divestiture (1)	7.9
Foreign currency adjusted	3.4
Impact from acquisitions	(0.3)
Adjusted growth	<u>3.1 %</u>

(1) Adjustment for the revenue impact of the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the second quarter of fiscal year 2017.

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

<b>(in millions)</b>	<b>Six months ended</b>	<b>Fiscal year</b>	<b>Fiscal year</b>
	<b>October 27, 2017</b>	<b>2017</b>	<b>2016</b>
<b>Net cash provided by operating activities</b>	\$ 1,644	\$ 6,880	\$ 5,218
Additions to property, plant, and equipment	(524)	(1,254)	(1,046)
<b>Free Cash Flow (1)</b>	<u>\$ 1,120</u>	<u>\$ 5,626</u>	<u>\$ 4,172</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.

**MEDTRONIC PLC**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

(in millions)	October 27, 2017	April 28, 2017
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 5,529	\$ 4,967
Investments	7,997	8,741
Accounts receivable, less allowances of \$168 and \$155, respectively	5,752	5,591
Inventories, net	3,638	3,338
Other current assets	2,246	1,865
Current assets held for sale	—	371
<b>Total current assets</b>	<b>25,162</b>	<b>24,873</b>
Property, plant, and equipment	10,115	9,691
Accumulated depreciation	(5,674)	(5,330)
<b>Property, plant, and equipment, net</b>	<b>4,441</b>	<b>4,361</b>
<b>Goodwill</b>	<b>39,077</b>	<b>38,515</b>
<b>Other intangible assets, net</b>	<b>22,625</b>	<b>23,407</b>
<b>Tax assets</b>	<b>1,749</b>	<b>1,509</b>
<b>Other assets</b>	<b>1,404</b>	<b>1,232</b>
<b>Noncurrent assets for sale</b>	<b>—</b>	<b>5,919</b>
<b>Total assets</b>	<b>\$ 94,458</b>	<b>\$ 99,816</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Current debt obligations	\$ 3,131	\$ 7,520
Accounts payable	1,718	1,731
Accrued compensation	1,502	1,860
Accrued income taxes	872	633
Other accrued expenses	3,273	2,442
Current liabilities held for sale	—	34
<b>Total current liabilities</b>	<b>10,496</b>	<b>14,220</b>
<b>Long-term debt</b>	<b>25,941</b>	<b>25,921</b>
<b>Accrued compensation and retirement benefits</b>	<b>1,475</b>	<b>1,641</b>
<b>Accrued income taxes</b>	<b>2,194</b>	<b>2,405</b>
<b>Deferred tax liabilities</b>	<b>1,841</b>	<b>2,978</b>
<b>Other liabilities</b>	<b>933</b>	<b>1,515</b>
<b>Noncurrent liabilities held for sale</b>	<b>—</b>	<b>720</b>
<b>Total liabilities</b>	<b>42,880</b>	<b>49,400</b>
<b>Commitments and contingencies</b>		
<b>Shareholders' equity:</b>		
Ordinary shares— par value \$0.0001, 2.6 billion shares authorized, 1,353,591,988 and 1,369,424,818 shares issued and outstanding, respectively	—	—
Additional paid-in capital	28,091	29,551
Retained earnings	25,438	23,356
Accumulated other comprehensive loss	(2,060)	(2,613)
<b>Total shareholders' equity</b>	<b>51,469</b>	<b>50,294</b>
Noncontrolling interests	109	122
<b>Total equity</b>	<b>51,578</b>	<b>50,416</b>
<b>Total liabilities and equity</b>	<b>\$ 94,458</b>	<b>\$ 99,816</b>

**MEDTRONIC PLC**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

(in millions)	Six months ended	
	October 27, 2017	October 28, 2016
<b>Operating Activities:</b>		
Net income	\$ 3,022	\$ 2,040
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,314	1,469
Amortization of debt premium, discount, and issuance costs	(20)	14
Acquisition-related items	(25)	(47)
Provision for doubtful accounts	20	18
Deferred income taxes	(830)	(50)
Stock-based compensation	198	190
Gain on sale of businesses	(697)	—
Other, net	4	(105)
Change in operating assets and liabilities, net of acquisitions and divestitures:		
Accounts receivable, net	(68)	(89)
Inventories, net	(273)	(187)
Accounts payable and accrued liabilities	(307)	(306)
Other operating assets and liabilities	(694)	75
<b>Net cash provided by operating activities</b>	<b>1,644</b>	<b>3,022</b>
<b>Investing Activities:</b>		
Acquisitions, net of cash acquired	(76)	(1,306)
Proceeds from sale of businesses	6,058	—
Additions to property, plant, and equipment	(524)	(598)
Purchases of investments	(1,685)	(2,110)
Sales and maturities of investments	2,354	3,625
	(2)	32
<b>Net cash provided by (used in) investing activities</b>	<b>6,125</b>	<b>(357)</b>
<b>Financing Activities:</b>		
Acquisition-related contingent consideration	(39)	(36)
Change in current debt obligations, net	(190)	1,154
Proceeds from short-term borrowings (maturities greater than 90 days)	—	4
Issuance of long-term debt	20	131
Payments on long-term debt	(4,161)	(252)
Dividends to shareholders	(1,247)	(1,192)
Issuance of ordinary shares	230	260
Repurchase of ordinary shares	(1,888)	(2,794)
Other financing activities	(2)	74
<b>Net cash used in financing activities</b>	<b>(7,277)</b>	<b>(2,651)</b>
Effect of exchange rate changes on cash and cash equivalents	70	64
<b>Net change in cash and cash equivalents</b>	<b>562</b>	<b>78</b>
Cash and cash equivalents at beginning of period	4,967	2,876
<b>Cash and cash equivalents at end of period</b>	<b>\$ 5,529</b>	<b>\$ 2,954</b>
<b>Supplemental Cash Flow Information</b>		
Cash paid for:		
Income taxes	\$ 674	\$ 258
Interest	587	559