

MEDTRONIC PLC
WORLD WIDE REVENUE
(Unaudited)

(in millions)	FOURTH QUARTER						YEAR-TO-DATE					
	REPORTED			Currency Impact ⁽²⁾	CONSTANT CURRENCY		REPORTED			Currency Impact ⁽²⁾	COMPARABLE CONSTANT CURRENCY	
	FY19	FY18	Growth		FY19	Growth	FY19	FY18	Growth		Revised FY18 ⁽³⁾	Growth
Cardiac & Vascular Group	\$ 3,050	\$ 3,135	(2.7)%	\$ (120)	\$ 3,170	1.1%	\$11,505	\$11,354	1.3%	\$ (182)	\$ 11,354	2.9%
Cardiac Rhythm & Heart Failure	1,554	1,633	(4.8)	(56)	1,610	(1.4)	5,849	5,947	(1.6)	(81)	5,947	(0.3)
Coronary & Structural Heart	994	1,005	(1.1)	(47)	1,041	3.6	3,730	3,562	4.7	(76)	3,562	6.9
Aortic, Peripheral & Venous	502	497	1.0	(17)	519	4.4	1,926	1,845	4.4	(25)	1,845	5.7
Minimally Invasive Therapies Group ⁽¹⁾	2,255	2,237	0.8	(96)	2,351	5.1	8,478	8,716	(2.7)	(164)	8,166	5.8
Surgical Innovations	1,529	1,513	1.1	(72)	1,601	5.8	5,753	5,630	2.2	(125)	5,537	6.2
Respiratory, Gastrointestinal, & Renal	726	724	0.3	(24)	750	3.6	2,725	3,086	(11.7)	(39)	2,629	5.1
Restorative Therapies Group	2,215	2,127	4.1	(50)	2,265	6.5	8,183	7,743	5.7	(73)	7,743	6.6
Spine	691	699	(1.1)	(13)	704	0.7	2,654	2,668	(0.5)	(18)	2,668	0.1
Brain Therapies	737	672	9.7	(21)	758	12.8	2,604	2,354	10.6	(34)	2,354	12.1
Specialty Therapies	445	424	5.0	(8)	453	6.8	1,641	1,556	5.5	(11)	1,556	6.2
Pain Therapies	342	332	3.0	(8)	350	5.4	1,284	1,165	10.2	(10)	1,165	11.1
Diabetes Group	626	645	(2.9)	(23)	649	0.6	2,391	2,140	11.7	(36)	2,140	13.4
TOTAL	\$ 8,146	\$ 8,144	— %	\$ (289)	\$ 8,435	3.6%	\$30,557	\$29,953	2.0%	\$ (455)	\$ 29,403	5.5%

(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, first quarter fiscal year 2018 results in the year-to-date figures have been recast to adjust for this alignment.

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

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the first quarter of fiscal year 2018.

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

(in millions)	FOURTH QUARTER			YEAR-TO-DATE				
	REPORTED			REPORTED			COMPARABLE	
	FY19	FY18	Growth	FY19	FY18	Growth	Revised FY18 ⁽³⁾	Growth
Cardiac & Vascular Group	\$ 1,510	\$ 1,530	(1.3)%	\$ 5,750	\$ 5,681	1.2%	\$ 5,681	1.2%
Cardiac Rhythm & Heart Failure	840	877	(4.2)	3,174	3,272	(3.0)	3,272	(3.0)
Coronary & Structural Heart	396	382	3.7	1,492	1,368	9.1	1,368	9.1
Aortic, Peripheral & Venous	274	271	1.1	1,084	1,041	4.1	1,041	4.1
Minimally Invasive Therapies Group⁽²⁾	971	902	7.6	3,630	3,804	(4.6)	3,463	4.8
Surgical Innovations	609	577	5.5	2,315	2,245	3.1	2,222	4.2
Respiratory, Gastrointestinal, & Renal	362	325	11.4	1,315	1,559	(15.7)	1,241	6.0
Restorative Therapies Group	1,473	1,385	6.4	5,478	5,164	6.1	5,164	6.1
Spine	482	477	1.0	1,841	1,849	(0.4)	1,849	(0.4)
Brain Therapies	419	370	13.2	1,484	1,323	12.2	1,323	12.2
Specialty Therapies	329	306	7.5	1,224	1,160	5.5	1,160	5.5
Pain Therapies	243	232	4.7	929	832	11.7	832	11.7
Diabetes Group	330	370	(10.8)	1,336	1,226	9.0	1,226	9.0
TOTAL	\$ 4,284	\$ 4,187	2.3 %	\$ 16,194	\$ 15,875	2.0%	\$ 15,534	4.2%

(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, first quarter fiscal year 2018 results in the year-to-date figures have been recast to adjust for this alignment.

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the first quarter of fiscal year 2018.

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

(in millions)	FOURTH QUARTER						YEAR-TO-DATE					
	REPORTED			Currency Impact ⁽²⁾	CONSTANT CURRENCY		REPORTED			Currency Impact ⁽²⁾	COMPARABLE CONSTANT CURRENCY	
	FY19	FY18	Growth		FY19	Growth	FY19	FY18	Growth		Revised FY18 ⁽³⁾	Growth
U.S.	\$ 1,510	\$ 1,530	(1.3)%	\$ —	\$ 1,510	(1.3)%	\$ 5,750	\$ 5,681	1.2%	\$ —	\$ 5,681	1.2%
Non-U.S. Developed	1,001	1,074	(6.8)	(76)	1,077	0.3	3,767	3,790	(0.6)	(79)	3,790	1.5
Emerging Markets	539	531	1.5	(44)	583	9.8	1,988	1,883	5.6	(103)	1,883	11.0
Cardiac & Vascular Group	3,050	3,135	(2.7)	(120)	3,170	1.1	11,505	11,354	1.3	(182)	11,354	2.9
U.S.	971	902	7.6	—	971	7.6	3,630	3,804	(4.6)	—	3,394	7.0
Non-U.S. Developed	854	923	(7.5)	(60)	914	(1.0)	3,250	3,378	(3.8)	(66)	3,267	1.5
Emerging Markets	430	412	4.4	(36)	466	13.1	1,598	1,534	4.2	(98)	1,505	12.7
Minimally Invasive Therapies Group	2,255	2,237	0.8	(96)	2,351	5.1	8,478	8,716	(2.7)	(164)	8,166	5.8
U.S.	1,473	1,385	6.4	—	1,473	6.4	5,478	5,164	6.1	—	5,164	6.1
Non-U.S. Developed	484	503	(3.8)	(34)	518	3.0	1,759	1,720	2.3	(38)	1,720	4.5
Emerging Markets	258	239	7.9	(16)	274	14.6	946	859	10.1	(35)	859	14.2
Restorative Therapies Group	2,215	2,127	4.1	(50)	2,265	6.5	8,183	7,743	5.7	(73)	7,743	6.6
U.S.	330	370	(10.8)	—	330	(10.8)	1,336	1,226	9.0	—	1,226	9.0
Non-U.S. Developed	236	218	8.3	(18)	254	16.5	855	739	15.7	(22)	739	18.7
Emerging Markets	60	57	5.3	(5)	65	14.0	200	175	14.3	(14)	175	22.3
Diabetes Group	626	645	(2.9)	(23)	649	0.6	2,391	2,140	11.7	(36)	2,140	13.4
U.S.	4,284	4,187	2.3	—	4,284	2.3	16,194	15,875	2.0	—	15,465	4.7
Non-U.S. Developed	2,575	2,718	(5.3)	(188)	2,763	1.7	9,631	9,627	—	(205)	9,516	3.4
Emerging Markets	1,287	1,239	3.9	(101)	1,388	12.0	4,732	4,451	6.3	(250)	4,422	12.7
TOTAL	\$ 8,146	\$ 8,144	—%	\$ (289)	\$ 8,435	3.6%	\$30,557	\$29,953	2.0%	\$ (455)	\$ 29,403	5.5%

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

(3) Revised revenue excludes revenue related to the divested Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses for the first quarter of fiscal year 2018.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in millions, except per share data)	Three months ended		Fiscal year ended	
	April 26, 2019	April 27, 2018	April 26, 2019	April 27, 2018
Net sales	\$ 8,146	\$ 8,144	\$ 30,557	\$ 29,953
Costs and expenses:				
Cost of products sold	2,483	2,398	9,155	9,067
Research and development expense	594	592	2,330	2,256
Selling, general, and administrative expense	2,620	2,596	10,418	10,238
Amortization of intangible assets	437	448	1,764	1,823
Restructuring charges, net	86	7	198	30
Certain litigation charges	—	—	166	61
Gain on sale of businesses	—	—	—	(697)
Other operating (income) expense, net	(20)	175	258	535
Operating profit	1,946	1,928	6,268	6,640
Other non-operating income, net	(64)	(114)	(373)	(181)
Interest expense	718	317	1,444	1,146
Income before income taxes	1,292	1,725	5,197	5,675
Income tax provision	110	260	547	2,580
Net income	1,182	1,465	4,650	3,095
Net (income) loss attributable to noncontrolling interests	(10)	(5)	(19)	9
Net income attributable to Medtronic	\$ 1,172	\$ 1,460	\$ 4,631	\$ 3,104
Basic earnings per share	\$ 0.87	\$ 1.08	\$ 3.44	\$ 2.29
Diluted earnings per share	\$ 0.87	\$ 1.07	\$ 3.41	\$ 2.27
Basic weighted average shares outstanding	1,340.6	1,354.9	1,346.4	1,356.7
Diluted weighted average shares outstanding	1,350.8	1,366.0	1,357.5	1,368.2

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

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 (2)	—	(33)	0.4	151	1.8	151	125	0.09	17.2
Acquisition-related items (3)	—	(2)	—	31	0.4	31	28	0.02	9.7
(Gain)/loss on minority investments (4)	—	—	—	—	—	30	18	0.01	40.0
Debt tender premium and other charges (5)	—	—	—	(28)	(0.3)	457	344	0.25	24.7
IPR&D charges (6)	—	—	—	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 (7)	—	—	—	—	—	—	(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>
Currency impact	289	49	0.5	9	(0.9)	—	—	0.01	—
Currency Adjusted	<u><u>\$ 8,435</u></u>	<u><u>\$ 2,497</u></u>	<u><u>70.4 %</u></u>	<u><u>\$ 2,578</u></u>	<u><u>30.6 %</u></u>	—	—	<u><u>\$ 1.55</u></u>	—

Three months ended April 27, 2018									
(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	\$ 8,144	\$ 2,398	70.6 %	\$ 1,928	23.7 %	\$ 1,725	\$ 1,460	\$ 1.07	15.1%
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(15)	0.2	45	0.6	45	35	0.03	22.2
Acquisition-related items (3)	—	(4)	—	31	0.4	31	24	0.02	22.6
Debt redemption premium (8)	—	—	—	—	—	38	26	0.02	31.6
Amortization of intangible assets	—	—	—	448	5.4	448	367	0.27	18.1
Certain tax adjustments, net (9)	—	—	—	—	—	—	30	0.02	—
Non-GAAP	<u>\$ 8,144</u>	<u>\$ 2,379</u>	<u>70.8 %</u>	<u>\$ 2,452</u>	<u>30.1 %</u>	<u>\$ 2,287</u>	<u>\$ 1,942</u>	<u>\$ 1.42</u>	<u>14.9%</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 \$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 integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (4) Effective in fiscal year 2019, 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 net charge, which includes \$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.
- (6) The charges represent acquired IPR&D in connection with asset acquisitions and charges recognized in connection with the impairment of IPR&D assets.
- (7) The net benefit is primarily associated with the finalization of state income tax calculations associated with the impacts of U.S. tax reform.
- (8) The charge, included within *interest expense* in our consolidated statements of income, was recognized in connection with the early redemption of approximately \$1.2 billion of Medtronic, Inc. senior notes.

- (9) The net charge primarily relates to the impact of U.S. tax reform and the tax cost associated with an internal reorganization, partially offset by the tax effects from the intercompany sale of intellectual property and the impacts from the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Three months ended April 26, 2019								
(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	\$ 8,146	\$ 2,620	32.2%	\$ 594	7.3%	\$ (20)	(0.2)%	\$ (64)
Non-GAAP Adjustments:								
Restructuring and associated costs (1)	—	(32)	(0.4)	—	—	—	—	—
Acquisition-related items (2)	—	(23)	(0.3)	—	—	(6)	(0.1)	—
(Gain)/loss on minority investments (3)	—	—	—	—	—	—	—	(30)
Debt tender premium and other charges (4)	—	—	—	—	—	28	0.3	—
IPR&D charges (5)	—	—	—	—	—	(32)	(0.4)	—
Non-GAAP	\$ 8,146	\$ 2,565	31.5%	\$ 594	7.3%	\$ (30)	(0.4)%	\$ (94)
Currency impact	289	86	(0.1)	5	(0.2)	140	1.7	—
Currency Adjusted	<u>\$ 8,435</u>	<u>\$ 2,651</u>	<u>31.4%</u>	<u>\$ 599</u>	<u>7.1%</u>	<u>\$ 110</u>	<u>1.3 %</u>	<u>\$ (94)</u>

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 integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (3) Effective in fiscal year 2019, 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 net charge, which includes \$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.
- (5) 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)

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 (5)	—	—	—	(28)	(0.1)	457	344	0.25	24.7
IPR&D charges (6)	—	—	—	58	0.2	58	49	0.04	15.5
Exit of businesses (7)	—	—	—	149	0.5	149	118	0.09	20.8
Amortization of intangible assets	—	—	—	1,764	5.8	1,764	1,497	1.10	15.1
Certain tax adjustments, net (8)	—	—	—	—	—	—	(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>
Currency impact	455	181	(0.2)	(108)	(0.7)	—	—	(0.07)	—
Currency Adjusted	<u>\$ 31,012</u>	<u>\$ 9,238</u>	<u>70.2%</u>	<u>\$ 8,764</u>	<u>28.3%</u>	—	—	<u>\$ 5.15</u>	—

Fiscal year ended April 27, 2018									
(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	\$ 29,953	\$ 9,067	69.7%	\$ 6,640	22.2%	\$ 5,675	\$ 3,104	\$ 2.27	45.5%
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(40)	0.1	107	0.4	107	87	0.06	18.7
Acquisition-related items (9)	—	(28)	0.1	115	0.4	132	90	0.07	31.8
Debt redemption premium (10)	—	—	—	—	—	38	26	0.02	31.6
Divestiture-related items (11)	—	—	—	115	0.4	115	103	0.08	10.4
Certain litigation charges	—	—	—	61	0.2	61	53	0.04	13.1
Investment loss (12)	—	—	—	—	—	227	228	0.17	(0.4)
IPR&D charges (13)	—	—	—	46	0.2	46	41	0.03	10.9
Gain on sale of businesses (14)	—	—	—	(697)	(2.3)	(697)	(697)	(0.51)	—
Hurricane Maria (15)	—	(17)	0.1	34	0.1	34	33	0.02	2.9
Contribution to Medtronic Foundation	—	—	—	80	0.3	80	54	0.04	32.5
Amortization of intangible assets	—	—	—	1,823	5.9	1,823	1,501	1.10	17.7
Certain tax adjustments, net (16)	—	—	—	—	—	—	1,907	1.39	—
Non-GAAP	<u>\$ 29,953</u>	<u>\$ 8,982</u>	<u>70.0%</u>	<u>\$ 8,324</u>	<u>27.8%</u>	<u>\$ 7,641</u>	<u>\$ 6,530</u>	<u>\$ 4.77</u>	<u>14.7%</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 include unvested stock option payouts and investment banker and other transaction fees, along with integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (4) Effective in fiscal year 2019, 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 net charge, which includes \$485 million recognized in *interest expense* and (\$28 million) recognized in *other operating expense, net*, primarily relates to the early redemption of approximately \$6.4 billion of Medtronic Inc. and CIFSA senior notes.

- (6) The charges represent acquired IPR&D in connection with asset acquisitions and charges recognized in connection with the impairment of IPR&D assets.
- (7) The net charge relates to business exits and is primarily comprised of intangible asset impairments.
- (8) The net benefit relates to the impacts of U.S. tax reform, along with intercompany legal entity restructuring, and the finalization of certain income tax aspects of the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses within the Minimally Invasive Therapies Group on July 29, 2017.
- (9) The charges primarily include integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (10) The charge, included within *interest expense* in our consolidated statements of income, was recognized in connection with the early redemption of approximately \$1.2 billion of Medtronic Inc. senior notes.
- (11) The transaction expenses incurred in connection with the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
- (12) The charge was recognized in connection with the impairment of certain cost and equity method investments.
- (13) The charge was recognized in connection with the impairment of IPR&D assets.
- (14) The gain on the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
- (15) The charges represent idle facility costs, asset write-downs, and humanitarian efforts related to Hurricane Maria.
- (16) The net charge primarily relates to the impact of U.S. tax reform, inclusive of the transition tax, remeasurement of deferred tax assets and liabilities, and the decrease in the U.S. statutory tax rate. Additionally, the net charge includes the impacts from the divestiture of our Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses, and the net tax cost associated with an internal reorganization, which were partially offset by the tax effects from the intercompany sale of intellectual property.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Fiscal year ended April 26, 2019								
(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 Expense, net	Other Operating Expense, net as a % of Net Sales	Other Non-Operating Income, net
GAAP	\$ 30,557	\$ 10,418	34.1%	\$ 2,330	7.6%	\$ 258	0.8%	\$ (373)
Non-GAAP Adjustments:								
Restructuring and associated costs (1)	—	(118)	(0.4)	—	—	—	—	—
Acquisition-related items (2)	—	(143)	(0.5)	—	—	62	0.3	—
(Gain)/loss on minority investments (3)	—	—	—	—	—	—	—	62
Debt tender premium and other costs (4)	—	—	—	—	—	28	0.1	—
IPR&D charges (5)	—	—	—	—	—	(58)	(0.2)	—
Exit of businesses (6)	—	—	—	—	—	(149)	(0.5)	—
Non-GAAP	<u>\$ 30,557</u>	<u>\$ 10,157</u>	<u>33.2%</u>	<u>\$ 2,330</u>	<u>7.6%</u>	<u>\$ 141</u>	<u>0.5%</u>	<u>\$ (311)</u>
Currency impact	455	148	—	5	(0.1)	229	0.7	—
Currency Adjusted	<u>\$ 31,012</u>	<u>\$ 10,305</u>	<u>33.2%</u>	<u>\$ 2,335</u>	<u>7.5%</u>	<u>\$ 370</u>	<u>1.2%</u>	<u>\$ (311)</u>

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 include invested stock option payouts and investment banker and other transaction fees, along with integration-related costs incurred in connection with the Covidien acquisition and changes in the fair value of contingent consideration.
- (3) Effective in fiscal year 2019, 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 net charge, which includes \$485 million recognized in *interest expense* and (\$28 million) recognized in *other operating expense, net*, primarily relates to the early redemption of approximately \$6.4 billion of Medtronic Inc. and CIFSA senior notes.
- (5) The charges represent acquired IPR&D in connection with asset acquisitions and charges recognized in connection with the impairment of IPR&D assets.
- (6) The net charge relates to business exits and is primarily comprised of intangible asset impairments.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

(in millions)	Fiscal Year		
	2019	2018	2017
Net cash provided by operating activities	\$ 7,007	\$ 4,684	\$ 6,880
Additions to property, plant, and equipment	(1,134)	(1,068)	(1,254)
Free Cash Flow (1)	<u>\$ 5,873</u>	<u>\$ 3,616</u>	<u>\$ 5,626</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)	April 26, 2019	April 27, 2018
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 4,393	\$ 3,669
Investments	5,455	7,558
Accounts receivable, less allowances of \$190 and \$193, respectively	6,222	5,987
Inventories, net	3,753	3,579
Other current assets	2,144	2,187
Total current assets	21,967	22,980
Property, plant, and equipment	10,920	10,259
Accumulated depreciation	(6,245)	(5,655)
Property, plant, and equipment, net	4,675	4,604
Goodwill	39,959	39,543
Other intangible assets, net	20,560	21,723
Tax assets	1,519	1,465
Other assets	1,014	1,078
Total assets	\$ 89,694	\$ 91,393
<u>LIABILITIES AND EQUITY</u>		
Current liabilities:		
Current debt obligations	\$ 838	\$ 2,058
Accounts payable	1,953	1,628
Accrued compensation	2,189	1,988
Accrued income taxes	567	979
Other accrued expenses	2,925	3,431
Total current liabilities	8,472	10,084
Long-term debt	24,486	23,699
Accrued compensation and retirement benefits	1,651	1,425
Accrued income taxes	2,838	3,051
Deferred tax liabilities	1,278	1,423
Other liabilities	757	889
Total liabilities	39,482	40,571
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares— par value \$0.0001, 2.6 billion shares authorized, 1,340,697,595 and 1,354,218,154 shares issued and outstanding, respectively	—	—
Additional paid-in capital	26,532	28,127
Retained earnings	26,270	24,379
Accumulated other comprehensive loss	(2,711)	(1,786)
Total shareholders' equity	50,091	50,720
Noncontrolling interests	121	102
Total equity	50,212	50,822
Total liabilities and equity	\$ 89,694	\$ 91,393

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in millions)	Fiscal Year		
	2019	2018	2017
Operating Activities:			
Net income	\$ 4,650	\$ 3,095	\$ 4,024
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,659	2,644	2,917
Provision for doubtful accounts	78	52	39
Deferred income taxes	(304)	(919)	(459)
Stock-based compensation	290	344	348
Loss on debt extinguishment	457	38	—
Gain on sale of businesses	—	(697)	—
Investment loss	—	227	—
Other, net	257	73	(128)
Change in operating assets and liabilities, net of acquisitions and divestitures:			
Accounts receivable, net	(581)	(275)	(75)
Inventories, net	(274)	(192)	(227)
Accounts payable and accrued liabilities	399	65	356
Other operating assets and liabilities	(624)	229	85
Net cash provided by operating activities	7,007	4,684	6,880
Investing Activities:			
Acquisitions, net of cash acquired	(1,827)	(137)	(1,324)
Proceeds from sale of businesses	—	6,058	—
Additions to property, plant, and equipment	(1,134)	(1,068)	(1,254)
Purchases of investments	(2,532)	(3,200)	(4,371)
Sales and maturities of investments	4,683	4,227	5,356
Other investing activities, net	36	(22)	22
Net cash (used in) provided by investing activities	(774)	5,858	(1,571)
Financing Activities:			
Change in current debt obligations, net	(713)	(249)	906
Issuance of long-term debt	7,794	21	2,140
Payments on long-term debt	(7,948)	(7,370)	(863)
Dividends to shareholders	(2,693)	(2,494)	(2,376)
Issuance of ordinary shares	992	403	428
Repurchase of ordinary shares	(2,877)	(2,171)	(3,544)
Other financing activities	14	(94)	26
Net cash used in financing activities	(5,431)	(11,954)	(3,283)
Effect of exchange rate changes on cash and cash equivalents	(78)	114	65
Net change in cash and cash equivalents	724	(1,298)	2,091
Cash and cash equivalents at beginning of period	3,669	4,967	2,876
Cash and cash equivalents at end of period	\$ 4,393	\$ 3,669	\$ 4,967
Supplemental Cash Flow Information			
Cash paid for:			
Income taxes	\$ 1,588	\$ 2,542	\$ 1,029
Interest	973	1,147	1,134