FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements. They are based on current assumptions and expectations that involve uncertainties or risks. These uncertainties and risks include, but are not limited to, those described in the filings we make with the U.S. Securities and Exchange Commission (SEC). Actual results may differ materially from anticipated results. Forward-looking statements are made as of today's date, and we undertake no duty to update them or any of the information contained in this presentation.

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Medtronic management believes that non-GAAP financial measures provide information useful to investors in understanding the company’s underlying operational performance and trends and to facilitate comparisons with the performance of other companies in the med tech industry. 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 EPS projections exclude the impact of foreign currency fluctuations and 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, we believe 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.
DIABETES GROUP
KEY THEMES & WHY YOU SHOULD CARE

• Strong legacy & brand ... **highest share position** in almost a decade
• In many ways, just getting started
• **Above corporate average growth** potential fueled by:
  - Sensor pull-through & conversion of MDI in core pump BU
  - Launch of stand-alone CGM targeting $1B+ category growing 30%
• **Sustainability of growth** driven by:
  - High differentiation and profitability we’ve dramatically improved
  - Innovation in decision support & patient engagement
  - Outcomes focus – in products & go-to-market
GROWTH IN A CHALLENGING YEAR

FY18 REVENUE

- US: +7%
- Non-US Dev: +11%
- EM: +12%
- Diabetes: +9%

HSD growth driven by 28% growth in CGM and full supply in second half

A very challenging year
- Internal & external pressures
- Flat revenues in 1st half

Yet ...

✓ Crossed $2B threshold for 1st time
✓ Achieved record revenues
✓ Grew 9%
Emerging Technologies

Multiple Daily Injection Solutions (MDIS)
Non-Intensive Diabetes Therapies (NDT)

Disease / IPU Focused

Administrator Focus

Advanced Insulin Management (AIM)

Diabetes Group

Group

Division

Product Line

Insulin pump therapy systems
Integrated CGM
Consumables & accessories
Diabetes mgmt. programs & services

Standalone CGM
Injection port
Diabetes mgmt. programs & services

Professional CGM

Diabetes mgmt. programs & services
EXPANDING BEYOND A TYPE 1 PUMP COMPANY

DISEASE STATE
REGIMEN
PREVALENCE

TYPE 2
DIET & EXERCISE 60MM
ORALS 110MM
BASAL 20MM
PREMIX 15MM

TYPE 1
MDI 20MM
PUMPS 1.1MM
EXPANDING BEYOND A TYPE 1 PUMP COMPANY

DISEASE STATE

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PREVALENCE

TYPE 2

DIET & EXERCISE 60MM

ORALS 110MM

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AIM

▪ Pumps & CGM
▪ ~70% global share
▪ 8% WW penetration

~$3.5B category

2018 Investor Day | 8
EXPANDING BEYOND A TYPE 1 PUMP COMPANY

DISEASE STATE
REGIMEN
PREVALENCE

DIET & EXERCISE 60MM  ORALS 110MM  BASAL 20MM  PREMIX 15MM  MDI 20MM  PUMPS 1.1MM

MDIS
▪ Personal CGM
▪ <5% share
▪ ~20% penetrated

AIM
▪ Pumps & CGM
▪ ~70% global share
▪ 8% WW penetration

~$1B category  ~$3.5B category
EXPANDING BEYOND A TYPE 1 PUMP COMPANY

**DISEASE STATE**

- **DIET & EXERCISE 60MM**
- **ORALS 110MM**
- **BASAL 20MM**
- **PREMIX 15MM**
- **MDI 20MM**
- **PUMPS 1.1MM**

**TYPE 2**

- **NDT**
  - Diagnostic & intermittent CGM
  - ~50% share
  - ~1% penetration
  - ~$0.1B category

- **MDIS**
  - Personal CGM
  - <5% share
  - ~20% penetrated
  - ~$1B category

- **AIM**
  - Pumps & CGM
  - ~70% global share
  - 8% WW penetration
  - ~$3.5B category

**TYPE 1**

- **MDIS**
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  - ~20% penetrated
  - ~$1B category

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  - ~70% global share
  - 8% WW penetration
  - ~$3.5B category
<table>
<thead>
<tr>
<th>DISEASE STATE</th>
<th>REGIMEN</th>
<th>PREVALENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>TYPE 1</td>
<td>PUMPS</td>
<td>1.1MM</td>
</tr>
<tr>
<td>TYPE 2</td>
<td>ORALS</td>
<td>110MM</td>
</tr>
<tr>
<td>TYPE 2</td>
<td>BASAL</td>
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<tr>
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<td>PREMIX</td>
<td>15MM</td>
</tr>
<tr>
<td>TYPE 1</td>
<td>MDI</td>
<td>20MM</td>
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### NDT
- Diagnostic & intermittent CGM
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- Pumps & CGM
- ~70% global share
- 8% WW penetration

- ~$3.5B category

---

Patient engagement solutions
Value-based offerings and contracting
Clinic offerings and patient management services
AIM
Advanced Insulin Management

- Patients Served: T1D & T2D on pumps
- Call point: Endocrinologists
- Solutions: Insulin pump therapy, consumables & accessories

GOAL
Artificial Pancreas as standard of care

PUMPS
1.1MM

Core business
- Pumps & CGM
- ~70% global share
- 8% penetrated
REVOLUTIONARY MINIMED™ 670G FEATURING SMARTGUARD™

Outstanding performance since launch *

+10% US SHARE GAIN

100K SYSTEMS SHIPPED

EMEA LAUNCH IN FY19

Uncontested outcomes ... 2.6M patient days

71% TIME IN RANGE

0.3% TIME IN HYPO

10.5% SENSOR MARD

MiniMed™ 670G available in US only

* FY18 YOY, US IIM Pump/CGM
## DISRUPTIVE CLOSED LOOP ECOSYSTEM

<table>
<thead>
<tr>
<th>LAUNCHED</th>
<th>NEAR</th>
<th>LONG</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ALGORITHM</strong></td>
<td><strong>SENSOR</strong></td>
<td><strong>USABILITY</strong></td>
</tr>
<tr>
<td>MM670G System</td>
<td>Guardian Sensor 3</td>
<td>CareLink</td>
</tr>
<tr>
<td>Outcomes</td>
<td>Arm labeling</td>
<td>Web-based data mgmt.</td>
</tr>
<tr>
<td>Peds indication</td>
<td>9% MARD</td>
<td></td>
</tr>
<tr>
<td><strong>PROJECT HARMONY</strong></td>
<td><strong>PROJECT HARMONY</strong></td>
<td><strong>PROJECT HARMONY</strong></td>
</tr>
<tr>
<td><strong>Advanced HCL</strong></td>
<td><strong>Project Harmony</strong></td>
<td><strong>CareLink</strong></td>
</tr>
<tr>
<td>&gt;80% TIR goal</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>PERSONALIZED CL</strong></td>
<td><strong>Project Unity</strong></td>
<td><strong>Project Duo</strong></td>
</tr>
<tr>
<td><strong>Advanced adaptation</strong></td>
<td><strong>Miniaturization, no cals, 10-14 d wear, disposable</strong></td>
<td><strong>Integrated canula &amp; sensor</strong></td>
</tr>
<tr>
<td>&gt;85% TIR goal</td>
<td></td>
<td></td>
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</tbody>
</table>

### GOALS

**LIMITED PATIENT INTERACTION**

**WEAR & FORGET**

**SIMPLE & DISCREET**

**DIFFERENTIATED OUTCOMES**

---

Note: future concepts; not investigational nor commercially available
AIM GROWTH DRIVERS

AIM Growth Drivers

**CGM attachment from full system sale** as installed base renews
**Converting MDI** patients to pump patients

**CGM Attachment***

~35% CGM attach % in installed base
~65% CGM attach % as patients renew

*which drives*
annual per patient revenue from ~$5K → $8K

~1 out of 3 patients use CGM
~2 out of 3 patients use CGM

CGM drives growth opportunity & annuity $s as installed base converts

**MDI Conversions**

~70% MDT share of pump patients
~8% Pump penetration of WW MDI patients

*which adds*
annual per patient revenue of ~$8K

670G can fuel conversion of MDI to Pumps

* US data
## COMPETITIVE LANDSCAPE

<table>
<thead>
<tr>
<th>Year</th>
<th>US Landscape &amp; Pump Share %</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>67%</td>
</tr>
<tr>
<td>2013</td>
<td>64%</td>
</tr>
<tr>
<td>2014</td>
<td>62%</td>
</tr>
<tr>
<td>2015</td>
<td>64%</td>
</tr>
<tr>
<td>2016</td>
<td>59%</td>
</tr>
<tr>
<td>2017</td>
<td>63%</td>
</tr>
<tr>
<td>2018</td>
<td>73%</td>
</tr>
</tbody>
</table>

### Therapy Innovation
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Low Cost Manufacturing @ Scale
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Service & Support Infrastructure
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Payer Relationships
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Value-Based & Outcomes Contracting
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Global Footprint
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**

### Large, Revenue Generating Installed Base
- **Medtronic**
- **TANDEM**
- **Roche**
- **Deltec®**
EXPANDING FROM PUMPS & SENSORS TO DIABETES MANAGEMENT

**MDIS**

*Multiple Daily Injection Solutions*

- **Patients Served:** T1D & T2D on multiple daily injections
- **Call point:** Insulin prescribing PCPs/GPs & Endos
- **Solutions:** Standalone CGM, injection port

**GOAL**

Smart, connected solutions that empower patients & help drive outcomes

**MDIS**

- **Adjacent category**
  - Personal CGM
  - <5% share
  - ~20% penetrated

**MDIS Solutions**

- ✓ Therapy Innovation
- ✓ Decision Support
- ✓ Patient Engagement
Expanding Access
- First stand-alone CGM launched
- 20MM MDI patients globally

Empowering Patients with Smarter Tools
- Predictive alerts + Sugar.IQ Insights
- No dedicated receiver ... 12 month transmitter
- Arm indication ... enhanced accuracy (9.1% MARD)

Designed to Help Improve Outcomes
- ↑↑ time in range
- ↓↓ hypo / hyperglycemia frequency
Real-world European CareLink data* for Guardian Connect showed:

- **Low events averted 60% of the time**
  
- **High events averted 39% of the time**

when patients used predictive alerts

---

1. Compared to 39% without alerts
2. Compared to 10% without alerts
* Data for presentation purposes only
**SUGAR.IQ DIABETES ASSISTANT**
*THE SMART CGM SOLUTION*

**Insights** reveal hidden patterns at actionable moments

**AI-Based Assistant** continually analyzes multiple data sources

**INSULIN INSIGHTS**
- After you take insulin injections between 3–6 PM, you tend to spend more time above target. That’s something to watch out for.

**FOOD INSIGHTS**
- I see that you tend to go low after logging Cinnamon Bagels. Worth discussing with your doctor or dietician during your next visit.

**Glycemic Assist** lets patients track glucose response to new foods and routines

**My Data** tracks time in range and other key metrics
Your history suggests that insulin injections between 3–6 PM can lead to more time below target. That’s something to watch out for.
Looking back...

I see that you tend to go low after logging Cinnamon Bagels. Worth discussing with your doctor or dietician during your next visit.

Was this helpful?
SUGAR.IQ DIABETES ASSISTANT

GLYCEMIC ASSIST

Following 7 items

Chicken Tacos
Servings: 2, Carbs: 40g
Update: April 24, 2016, 12:00 PM

BLT Sandwich
Updated: April 19, 2016, 1:00 PM

Fettuccine Alfredo
Updated: April 19, 2016, 7:04 PM

Waffles
Updated: April 5, 2016, 8:18 AM
PATIENT ENGAGEMENT PROGRAM

Patient Engagement Program
- Earn Points for Time in Range
- More time = more points

Gamification to Encourage Health Outcomes
- Clinical and economic benefits for health systems
- Potential employer opportunity
### BUILDING A COMPLETE ECOSYSTEM FOR MDI PATIENTS

<table>
<thead>
<tr>
<th>Launched</th>
<th>Near</th>
<th>Long</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SENSOR</strong></td>
<td><strong>Project Harmony</strong></td>
<td><strong>Project Unity</strong></td>
</tr>
<tr>
<td>Guardian Connect + Guardian Sensor 3</td>
<td>Adaptive calibrations &amp; non-adjunctive</td>
<td>Smaller, no cals, 10-14d, disposable</td>
</tr>
<tr>
<td>Arm label, 9% MARD</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>360°-DATA</strong></td>
<td><strong>Automated Capture</strong></td>
<td><strong>Contextual</strong></td>
</tr>
<tr>
<td>Patient Logging</td>
<td>Insulin dose capture + advanced food logging</td>
<td>Fully automated based on contextual signals</td>
</tr>
<tr>
<td>Multiple in-app tools meals, activity, insulin</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>INSIGHTS</strong></td>
<td><strong>Glucose Prediction</strong></td>
<td><strong>Therapy Guidance</strong></td>
</tr>
<tr>
<td>Sugar.IQ (US)</td>
<td>AI-based 4 hour forecast ~90% accuracy</td>
<td>AI-based meal and correction bolus</td>
</tr>
<tr>
<td>Actionable glucose insights</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>ECOSYSTEM</strong></td>
<td><strong>Patient Care Plans</strong></td>
<td><strong>Population Management</strong></td>
</tr>
<tr>
<td>Physician</td>
<td>Interactive HCP+patient for remote therapy optimization</td>
<td>Population-level management tools</td>
</tr>
<tr>
<td>Web-based data mgmt.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**GOALS**
- Comfortable & Reliable
- Patient View: 360°
- Linked Ecosystem & Optimized outcomes

**Note:** future concepts; not investigational nor commercially available
MDIS ... A NEW SOURCE OF GROWTH FOR MEDTRONIC DIABETES

Standalone CGM penetration accelerating ...

Today

Rapid penetration
Driven by Developed Markets

$1B CGM sales

Competitor A

Competitor B

Tomorrow

MDT benefits from growing CGM penetration

$2B CGM sales

Medtronic

Competitor A

Competitor B

Medtronic well-positioned to drive growth

Differentiate with Insights

Coaching & Patient support

Help Improve Outcomes
THERAPY INNOVATION PIPELINE
MEDTRONIC DIABETES GROUP

INVESTING FOR FUTURE GROWTH

<table>
<thead>
<tr>
<th>LAUNCHED AND DRIVING CURRENT GROWTH</th>
<th>FY19 / FY20</th>
<th>BEYOND</th>
</tr>
</thead>
<tbody>
<tr>
<td>MM670G Mio Advanced</td>
<td>BLE Connectivity Harmony MM620G</td>
<td>Auto Bolusing</td>
</tr>
<tr>
<td>Sugar.IQ w/ Insights Guardians Connect</td>
<td>Sugar.IQ Hypo Prediction Sugar.IQ Dosing Assistant</td>
<td>Improved Sensors</td>
</tr>
<tr>
<td>Medtronic iPro</td>
<td>Intelligent Therapy Recommendations Personalized Guidance</td>
<td>Glucose Prediction</td>
</tr>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Note: investigational device only
Note: Future concepts; not investigational nor commercially available

AI
Combination set with extended wear
Personalization through AI & Cloud

MDIS
Improved Sensors
Glucose Prediction

NDT
Real Time Coaching
Medtronic Envision Real Time
OUR VALUE PROPOSITION ACROSS ALL BUSINESSES

Therapy Innovation + Decision Support + Patient Engagement + VBHC Contracting
DIABETES GROUP
CONSISTENT, SUSTAINABLE, GROWTH ABOVE CORPORATE AVERAGE

GROWTH DRIVERS

Closed Loop as Standard-of-Care
Increased CGM attachment rates;
Drive MDI conversions; International expansion

Launched Stand-Alone CGM
Smart CGM system
focused on outcomes

Expansion into Type 2
Increase diagnostic CGM
glucose as a vital sign in the management of T2

Globalization & Enterprise Excellence
Clinics & care management expansion globally
Leverage MDT Footprint for CGM & Customer Care

CATEGORY SALES

MARKET CAGR

~$3.5B ~10%

~$1B ~26%

~$0.1B ~70%

1. FY18 market estimates
2. FY17-FY22 growth estimates