

MEDTRONIC PLC
WORLD WIDE REVENUE: GEOGRAPHIC - FY18
(Unaudited)

(in millions)	FOURTH QUARTER						FISCAL YEAR					
	REPORTED			Currency Impact ⁽²⁾	COMPARABLE CONSTANT CURRENCY		REPORTED			Currency Impact ⁽²⁾	COMPARABLE CONSTANT CURRENCY	
	FY18	FY17	Growth		Revised ⁽³⁾ FY17	Growth	FY18	FY17	Growth		Revised ⁽³⁾ FY17	Growth
U.S.	\$ 1,530	\$ 1,484	3%	\$ 0	\$ 1,484	3%	\$ 5,681	\$ 5,454	4%	\$ 0	\$ 5,454	4%
Non-U.S. Developed	1,074	926	16	110	926	4	3,790	3,393	12	177	3,393	6
Emerging Markets	531	438	21	24	438	16	1,883	1,651	14	38	1,651	12
Cardiac & Vascular Group	3,135	2,848	10	134	2,848	5	11,354	10,498	8	215	10,498	6
U.S.	902	1,314	(31)	0	887	2	3,804	5,049	(25)	0	3,781	1
Non-U.S. Developed	923	921	—	85	816	3	3,378	3,479	(3)	122	3,178	2
Emerging Markets	412	370	11	15	337	18	1,534	1,391	10	25	1,296	16
Minimally Invasive Therapies Group	2,237	2,605	(14)	100	2,040	5	8,716	9,919	(12)	147	8,255	4
U.S.	1,385	1,302	6	0	1,302	6	5,164	5,012	3	0	5,012	3
Non-U.S. Developed	503	437	15	46	437	5	1,720	1,588	8	68	1,588	4
Emerging Markets	239	212	13	11	212	8	859	766	12	17	766	10
Restorative Therapies Group	2,127	1,951	9	57	1,951	6	7,743	7,366	5	85	7,366	4
U.S.	370	303	22	0	303	22	1,226	1,148	7	0	1,148	7
Non-U.S. Developed	218	168	30	22	168	17	739	625	18	44	625	11
Emerging Markets	57	41	39	2	41	34	175	154	14	3	154	12
Diabetes Group	645	512	26	24	512	21	2,140	1,927	11	47	1,927	9
U.S.	4,187	4,403	(5)	0	3,976	5	15,875	16,663	(5)	0	15,395	3
Non-U.S. Developed	2,718	2,452	11	263	2,347	5	9,627	9,085	6	411	8,784	5
Emerging Markets	1,239	1,061	17	52	1,028	15	4,451	3,962	12	83	3,867	13
TOTAL	\$ 8,144	\$ 7,916	3%	\$ 315	\$ 7,351	7%	\$ 29,953	\$ 29,710	1%	\$ 494	\$ 28,046	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 second, third, and fourth quarters of fiscal year 2017.

MEDTRONIC PLC
RECONCILIATION OF WORLDWIDE REPORTED REVENUE GROWTH TO NON-GAAP REVENUE GROWTH
(Unaudited)

(in millions)	Revenue	Reported Growth	Currency Impact on Growth	Impact of Divestitures ⁽¹⁾	Impact of Extra Week ⁽²⁾	Impact of Acquisitions ⁽³⁾	Non-GAAP Revenue Growth
FY18	\$ 29,953	1%	(2)%	6%	—%	—%	5%
FY17	\$ 29,710	3	—	—	2	(1)	4

- (1) Represents management's best estimate to exclude the impact of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency divestiture to Cardinal Health, as disclosed in the Form 8-K issued on May 15, 2018, for the second, third, and fourth quarters of fiscal year 2017.
- (2) Due to the 52/53 week fiscal year calendar, the Company had an additional selling week in the first quarter of fiscal year 2016. Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate an exact impact from the extra week, the Company estimates that it benefited consolidated reported growth in fiscal year 2016 by approximately \$450 million.
- (3) Represents management's best estimate to exclude the impact of acquisitions.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

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	\$ 9,055	69.8%	\$ 6,651	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	—	(28)	0.1	132	0.4	132	90	0.07	31.8
Debt redemption premium (3)	—	—	—	—	—	38	26	0.02	31.6
Divestiture-related items (4)	—	—	—	115	0.4	115	103	0.08	10.4
Certain litigation charges	—	—	—	61	0.2	61	53	0.04	13.1
Investment loss (5)	—	—	—	—	—	227	228	0.17	(0.4)
IPR&D impairment	—	—	—	46	0.1	46	41	0.03	10.9
Gain on sale of businesses (6)	—	—	—	(697)	(2.3)	(697)	(697)	(0.51)	—
Hurricane Maria (7)	—	(17)	0.1	34	0.1	34	33	0.02	2.9
Special charge (8)	—	—	—	80	0.3	80	54	0.04	32.5
Amortization of intangible assets	—	—	—	1,823	6.1	1,823	1,501	1.10	17.7
Certain tax adjustments, net (9)	—	—	—	—	—	—	1,907	1.39	—
Non-GAAP	<u>\$ 29,953</u>	<u>\$ 8,970</u>	<u>70.1%</u>	<u>\$ 8,352</u>	<u>27.9%</u>	<u>\$ 7,641</u>	<u>\$ 6,530</u>	<u>\$ 4.77</u>	<u>14.7 %</u>
Currency impact	(494)	(148)	—	75	0.7	—	—	0.04	—
Currency Adjusted	<u>\$ 29,459</u>	<u>\$ 8,822</u>	<u>70.1%</u>	<u>\$ 8,427</u>	<u>28.6%</u>	—	—	<u>\$ 4.81</u>	—

Fiscal year ended April 28, 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 ⁽¹⁾	Effective Tax Rate
GAAP	\$ 29,710	\$ 9,291	68.7%	\$ 5,330	17.9%	\$ 4,602	\$ 4,028	\$ 2.89	12.6 %
Non-GAAP Adjustments:									
Impact of inventory step-up (10)	—	(38)	0.1	38	0.1	38	24	0.02	36.8
Special charge (8)	—	—	—	100	0.3	100	63	0.05	37.0
Restructuring charges, net	—	(10)	—	373	1.3	373	272	0.20	27.1
Certain litigation charges	—	—	—	300	1.0	300	190	0.14	36.7
Acquisition-related items	—	(10)	—	230	0.8	230	156	0.11	32.2
Amortization of intangible assets	—	—	—	1,980	6.7	1,980	1,460	1.05	26.3
Certain tax adjustments, net (11)	—	—	—	—	—	—	202	0.15	—
Non-GAAP	<u>\$ 29,710</u>	<u>\$ 9,233</u>	<u>68.8%</u>	<u>\$ 8,351</u>	<u>28.1%</u>	<u>\$ 7,623</u>	<u>\$ 6,395</u>	<u>\$ 4.60</u>	<u>16.2 %</u>

Year over year percent change:	Diluted EPS
GAAP	(21)%
Non-GAAP	4
Constant Currency Non-GAAP	5
Adjusted Non-GAAP (12)	9

- (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 charge, included within *interest expense, net* in our consolidated statements of income, was recognized in connection with the early redemption of approximately \$1.2 billion of Medtronic Inc. senior notes.

- (4) The transaction expenses incurred in connection with the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
- (5) The charge was recognized in connection with the impairment of certain cost and equity method investments.
- (6) The gain on the divestiture of our Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses.
- (7) The charges represent idle facility costs, asset write-downs, and humanitarian efforts related to Hurricane Maria.
- (8) The charge represents a contribution to the Medtronic Foundation.
- (9) 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 the 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.
- (10) The charge represents the amortization of the step-up in fair value of inventory acquired in connection with the HeartWare acquisition.
- (11) The net charge primarily relates to the tax effect from the recognition of the outside basis of certain subsidiaries which were included in the divestiture of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency businesses completed during the second quarter of fiscal year 2018, along with certain tax charges recorded in connection with the redemption of an intercompany minority interest, and the resolution of various tax matters from prior periods.
- (12) The growth rates referenced utilize the revised baselines for FY18 financial results, which represent management's best estimate to exclude the impact of the Patient Care, Deep Vein Thrombosis, and Nutritional Insufficiency divestiture to Cardinal Health, as disclosed in the Form 8-K issued on May 15, 2018.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

Fiscal year ended April 28, 2017									
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income Before Provision for Income Taxes	Net Income attributable to Medtronic	Diluted EPS ⁽¹⁾	Effective Tax Rate
GAAP	\$ 29,710	\$ 9,291	68.7%	\$ 5,330	17.9%	\$ 4,602	\$ 4,028	\$ 2.89	12.6%
Non-GAAP Adjustments: (2)									
Impact of inventory step-up (a)	—	(38)		38		38	24	0.02	36.8
Special charge (b)	—	—		100		100	63	0.05	37.0
Restructuring charges, net	—	(10)		373		373	272	0.20	27.1
Certain litigation charges	—	—		300		300	190	0.14	36.7
Acquisition-related items (c)	—	(10)		230		230	156	0.11	32.2
Amortization of intangible assets	—	—		1,980		1,980	1,460	1.05	26.3
Certain tax adjustments, net (d)	—	—		—		—	202	0.15	—
Non-GAAP	\$ 29,710	\$ 9,233	68.9%	\$ 8,351	28.1%	\$ 7,623	\$ 6,395	\$ 4.60	16.2%
Foreign currency impact	34	(65)	0.3	289	0.9			0.17	
Constant Currency Adjusted	\$ 29,744	\$ 9,168	69.2%	\$ 8,640	29.0%			\$ 4.77	

Fiscal year ended April 29, 2016									
(in millions, except per share data)	Net Sales	Cost of Products Sold	Gross Margin Percent	Operating Profit	Operating Profit Percent	Income Before Provision for Income	Net Income attributable to Medtronic	Diluted EPS ⁽¹⁾	Effective Tax Rate
GAAP	\$ 28,833	\$ 9,142	68.3%	\$ 5,291	18.4%	\$ 4,336	\$ 3,538	\$ 2.48	18.4%
Non-GAAP Adjustments: (2)									
Impact of inventory step-up (e)	—	(226)		226		226	165	0.12	27.0
Special charge (f)	—	—		70		70	44	0.03	37.1
Restructuring charges, net	—	(9)		299		299	221	0.15	26.1
Certain litigation charges	—	—		26		26	17	0.01	34.6
Acquisition-related items	—	—		283		283	212	0.15	25.1
Amortization of intangible assets	—	—		1,931		1,931	1,467	1.03	24.0
Loss on previously held forward starting interest rate swaps	—	—		—		45	29	0.02	35.6
Debt tender premium	—	—		—		183	118	0.08	35.5
Certain tax adjustments, net (g)	—	—		—		—	417	0.29	—
Non-GAAP	\$ 28,833	\$ 8,907	69.1%	\$ 8,126	28.2%	\$ 7,399	\$ 6,228	\$ 4.37	15.8%

Year over year percent change:	Diluted EPS
GAAP	17%
Non-GAAP	5
Constant Currency Non-GAAP	9
Adjusted Non-GAAP (3)	8

- (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) Represents amortization of step-up in fair value of inventory acquired in connection with the HeartWare acquisition.
- (b) The charge represents a contribution to the Medtronic Foundation.

- (c) Integration-related costs incurred in connection with the Covidien acquisition, and charges incurred in connection with the pending divestiture of a portion of our Patient Monitoring & Recovery division to Cardinal Health.
 - (d) The net charge primarily relates to the tax effect from the recognition of the outside basis difference of certain subsidiaries which are included in the expected divestiture of a portion of our Patient Monitoring & Recovery division to Cardinal Health, certain tax charges recorded in connection with the redemption of an intercompany minority interest, and the resolution of various tax matters from prior periods.
 - (e) Represents amortization of step-up in fair value of inventory acquired in connection with the Covidien acquisition.
 - (f) The impairment of a debt investment.
 - (g) Primarily relates to U.S. income tax expense resulting from the Company's completion of an internal reorganization of the ownership of certain legacy Covidien businesses that reduced the cash and investments held by Medtronic's U.S.-controlled non-U.S. subsidiaries. Also includes a benefit related to the establishment of a deferred tax asset on the tax basis in excess of book basis of a wholly owned U.S. subsidiary of which the Company disposed.
- (3) Due to its 52/53 week fiscal year calendar, the Company had an additional selling week in the first quarter of fiscal year 2016. While it is difficult to calculate an exact impact from the extra week, the Company estimates an \$0.08 to \$0.10 benefit to non-GAAP diluted earnings per share (EPS) in the first quarter of fiscal year 2016. The Company estimates that, adjusting for the extra week, diluted EPS increased approximately 8 percent on a constant week basis when compared to the prior fiscal year.

MEDTRONIC PLC
RECONCILIATION OF RESTORATIVE THERAPIES GROUP WORLDWIDE REPORTED
REVENUE GROWTH TO CONSTANT CURRENCY REVENUE GROWTH
(Unaudited)

(in millions)	Total Restorative Therapies Group Revenue	Reported Growth	Currency Impact on Growth	Constant Currency, Constant Week Growth
Q2 FY19	\$ 1,993	7%	\$ (15)	8%
Q1 FY19	1,949	8	17	7
Q4 FY18	2,127	9	57	6
Q3 FY18	1,944	7	31	5
Q2 FY18	1,863	2	4	2
Q1 FY18	1,809	2	(7)	2
FY17⁽¹⁾	7,366	2	(1)	Mid-Single Digits
FY16	7,210	7	(247)	5

Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with U.S. GAAP.

- (1) Due to the 52/53 week fiscal year calendar, the Company had an additional selling week in the first quarter of fiscal year 2016. Fiscal year 2016 was a 53-week year, with the extra week included in the first quarter results. While it is difficult to calculate an exact impact from the extra week, the Company estimates that it benefited consolidated reported growth in fiscal year 2016 by approximately \$450 million. The Company estimates that, adjusting for the extra week, constant currency revenue growth for the Restorative Therapies Group was in the mid-single digits for fiscal year 2017.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS
(Unaudited)

(in millions)	Six months ended	Six months ended
	October 26, 2018	October 27, 2017
Net cash provided by operating activities	\$ 2,865	\$ 1,644
Additions to property, plant, and equipment	(497)	(524)
Free Cash Flow (1)	<u>\$ 2,368</u>	<u>\$ 1,120</u>

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