

Medtronic

Engineering the extraordinary

Medtronic plc

Q3 FY22

Earnings presentation

February 22, 2022



Medtronic

Forward looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties, including risks related to competitive factors, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, government regulation and general economic conditions and other risks and uncertainties described in the company's periodic reports on file with the U.S. Securities and Exchange Commission including the most recent Annual Report on Form 10-K of the company, as filed with the U.S. Securities and Exchange Commission. Actual results may differ materially from anticipated results. Medtronic does not undertake to update its forward-looking statements or any of the information contained in this presentation, including to reflect future events or circumstances.

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Certain information in this presentation includes calculations or figures that have been prepared internally and have not been reviewed or audited by our independent registered public accounting firm. Use of different methods for preparing, calculating or presenting information may lead to differences and such differences may be material. This presentation contains financial measures and guidance which are considered "non-GAAP" financial measures under applicable SEC rules and regulations. 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. Non-GAAP financial measures should be considered supplemental to and not a substitute for financial information prepared in accordance with U.S. generally accepted accounting principles (GAAP), and investors are cautioned that Medtronic may calculate non-GAAP financial measures in a way that is different from other companies. Management strongly encourages investors to review the company's consolidated financial statements and publicly filed reports in their entirety. All GAAP to non-GAAP reconciliations are provided on our [website](#).

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 organic revenue growth guidance excludes the impact of foreign currency fluctuations, as well as significant acquisitions or divestitures. Forward-looking diluted non-GAAP EPS guidance also excludes 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, the company believes 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.

Financial comparisons

References to results increasing, decreasing, or remaining flat are in comparison to the same period in the prior fiscal year. References to organic revenue growth exclude the impact of significant acquisitions or divestitures and currency. Unless stated otherwise, quarterly and annual rates and ranges are given on an organic basis. Unless stated otherwise, all references to share gains or losses are as of the most recently completed calendar quarter, on a revenue basis, and in comparison to the same period in the prior year.

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Q3 FY22 Executive Summary

Key messages

Despite ups and downs of the pandemic, underlying business remains strong



Medtronic transformation continues

Building upon changes to operating model, culture, and incentives by strengthening global quality and operations; well-positioned to accelerate and sustain higher growth



COVID-19 challenges accelerated in January

End markets impacted by Omicron and absenteeism, particularly in the U.S. and in more deferrable procedures



Continued to advance the pipeline

Launched >200 new products in the U.S., Western Europe, Japan, and China in last 12 months



Environmental, social, and governance

Comprehensive approach delivering results; recently published Global Inclusion, Diversity & Equity 2021 Annual Report



Solid EPS leverage

Controlled expenses and delivered 6% EPS growth and more than 450 bps of EPS leverage



FY22 Q4 guidance

Organic revenue growth approx. 5.5%; EPS guidance \$1.56-1.58; both in line with consensus



We continue to transform Medtronic through a challenging time. Our commitment to more durable and higher growth remains steadfast."

GEOFF MARTHA,
CHAIRMAN & CEO



Medtronic

Financial summary

Solid Emerging Market growth partly offset by flat U.S. results



Revenue

Grew 2% Y/Y; International market growth offset the impact of the COVID-19 surge in the U.S.



Cardiovascular

Grew 3%, driven by MSD growth in Cardiac Rhythm & Heart Failure and Structural Heart and LSD growth in Coronary & Peripheral Vascular



Medical Surgical

Grew 1%, or 6% ex. Ventilators, driven by strong HSD growth in Surgical Innovations, partially offset by tough comp headwinds in Respiratory, Gastrointestinal & Renal



Neuroscience

Grew 2%, driven by LSD growth in Cranial and Spinal Technologies and Specialty Therapies, partially offset by LSD declines in Neuromodulation



Diabetes

Declined 5% Y/Y and flat sequentially as we await product approvals



Geographies

U.S. flat; Western Europe grew MSD; Emerging Markets grew HSD led by Middle East & Africa, Latin America, and South Asia



EPS & free cash flow

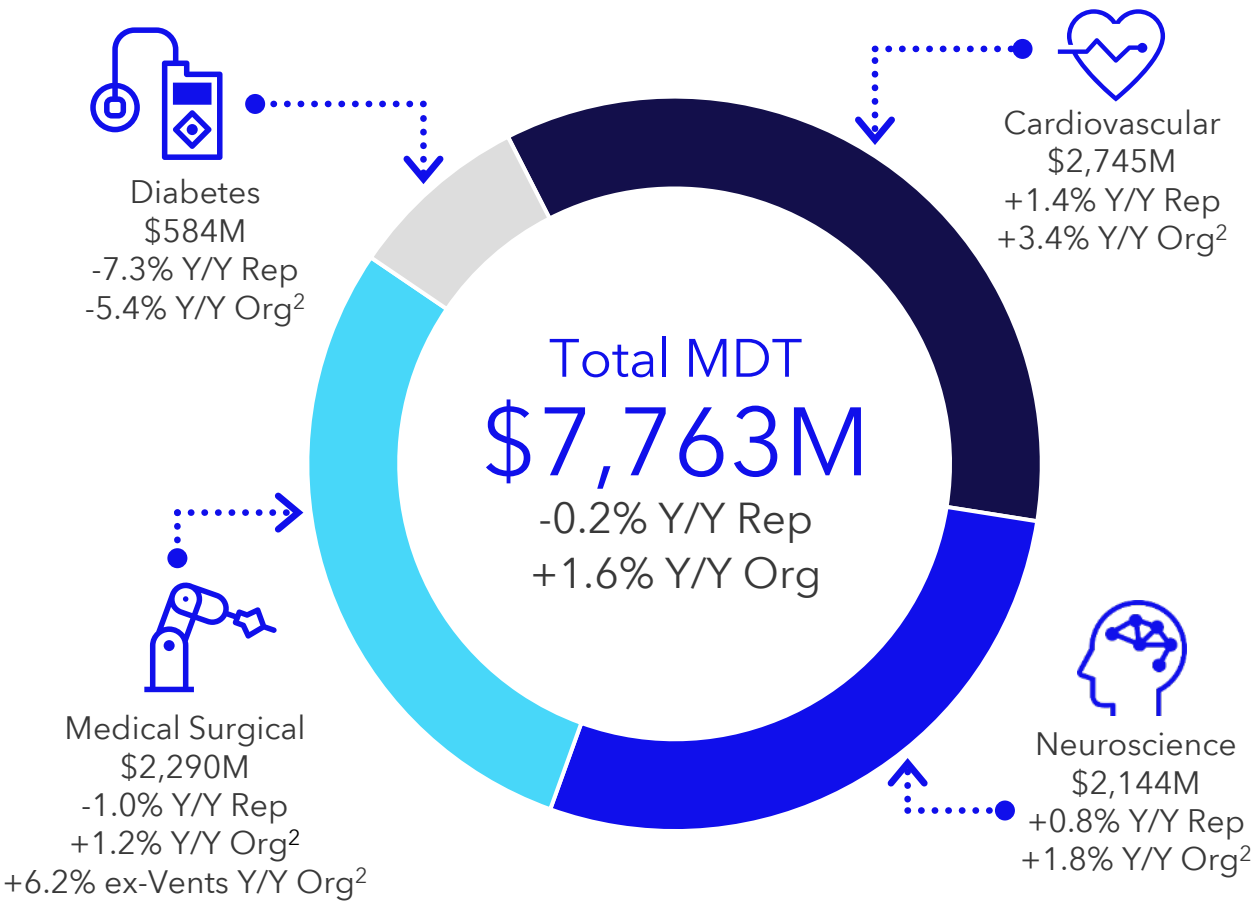
Non-GAAP EPS \$1.37, grew 6% Y/Y; YTD \$4.3B free cash flow¹

All growth rates are on an organic basis unless stated otherwise.
¹Operating cash flows less property, plant, and equipment additions.



Financial summary

Revenue¹ by segment

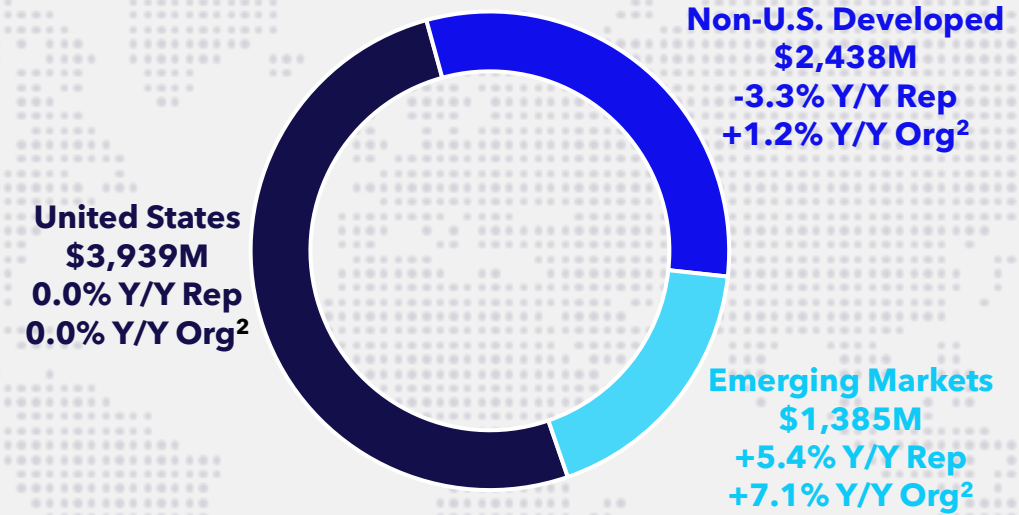


¹Data has been intentionally rounded to the nearest million and, therefore, may not sum.

²Figures represent comparison to Q3 FY21 on a organic basis.

³Operating cash flows less property, plant, and equipment additions.

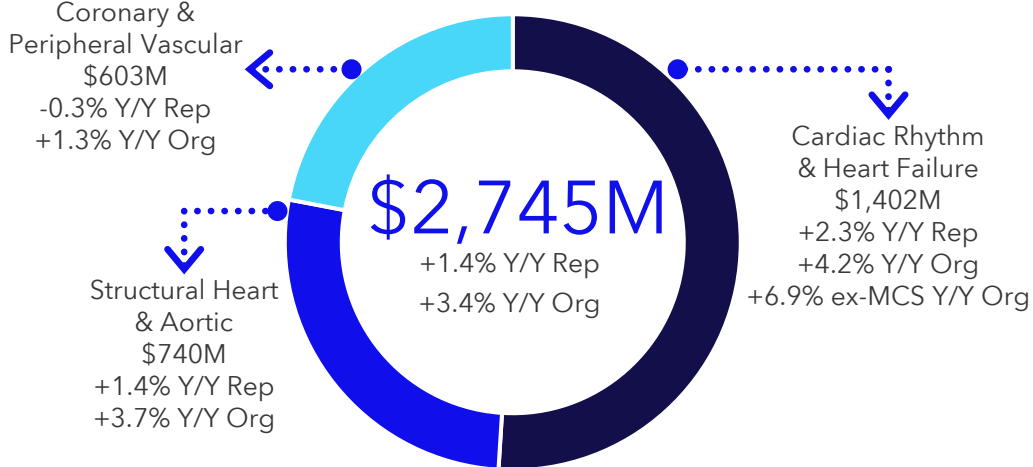
Revenue¹ by geography



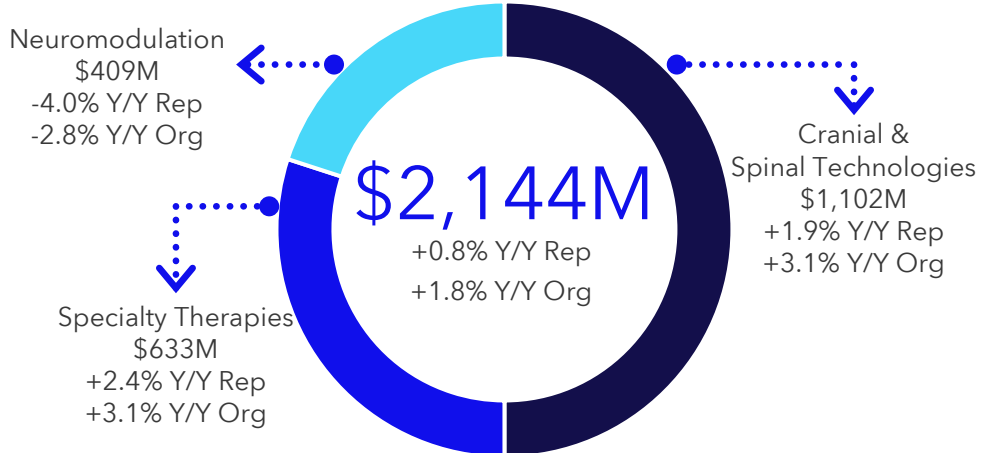
	GAAP	Non-GAAP	Cash flow from operations YTD
Diluted EPS	\$1.10	\$1.37	\$5.3B
Y/Y %	17%	6%	Free cash flow ³ YTD
CC Y/Y %	N/A	4%	\$4.3B

Portfolio summary

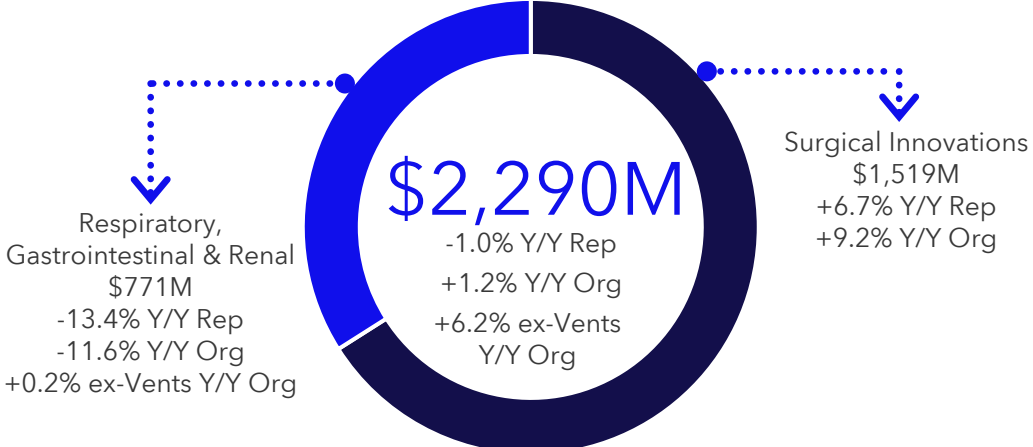
Cardiovascular



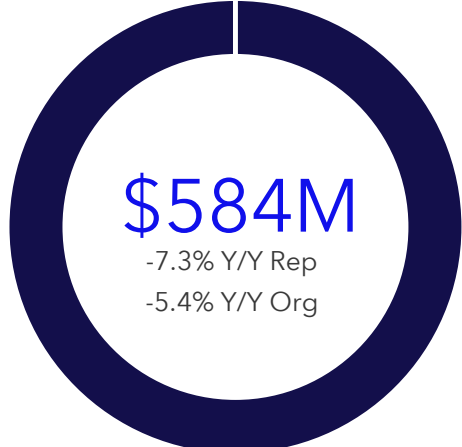
Neuroscience



Medical Surgical



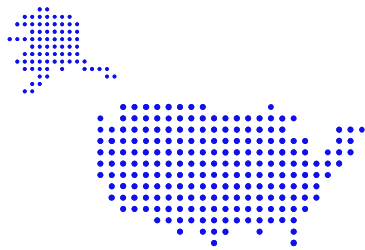
Diabetes



Revenue has been intentionally rounded to the nearest million and, therefore, may not sum.

Q3 FY22 Regional organic revenue growth

United States Non-U.S. Developed ▲ 1%



— Flat

Western Europe



▲ Mid-single digits

Japan



▲ Low-single digits

Australia & New Zealand



▼ High-single digits

Canada



▼ Low-double digits

South Korea



▼ Mid-single digits

Emerging Markets ▲ 7%

China



— Flat

Middle East & Africa



▲ Low-20's

Latin America



▲ High-single digits

Eastern Europe & Russia



▲ Mid-single digits

Southeast Asia



— Flat

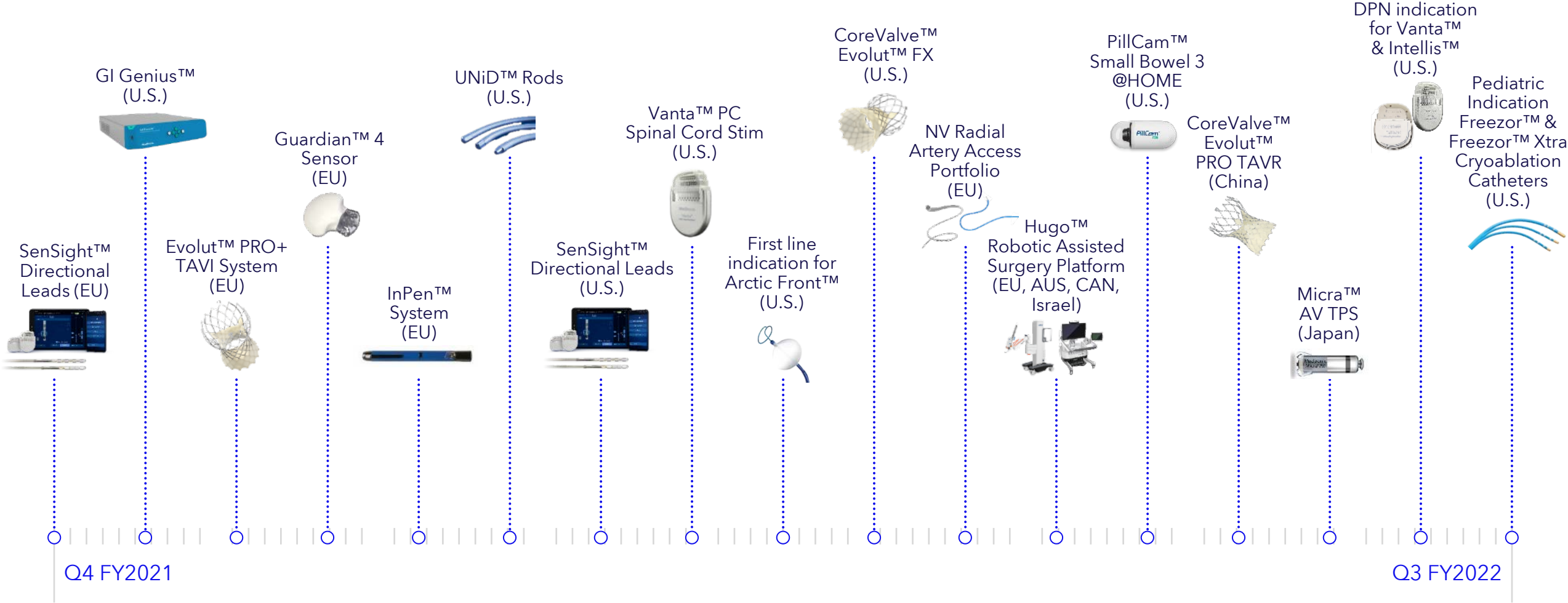
South Asia



▲ Mid-30s

Key Product Approvals

Last 12 months: 200+ product approvals in key geographies¹



¹Includes U.S., EU, Japan and China

Note: Relative positioning is not intended to signify relative timing



Q3 FY22 Portfolio Highlights

Cardiovascular

Growth despite COVID-19 headwinds; share gains continue in CRM

Cardiac Rhythm & Heart Failure (CRHF)

Cardiac Rhythm Management ▲ HSD

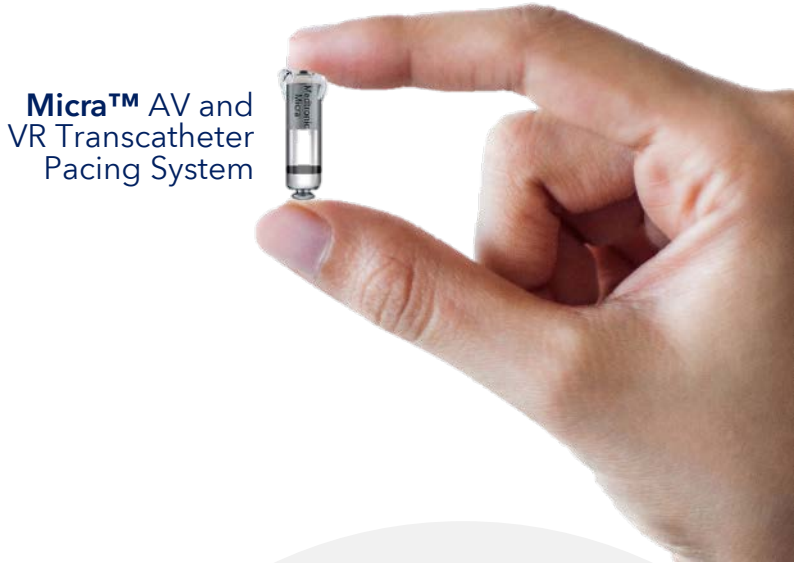
- Y/Y share gains, with 2x market growth, driven by the strength of our differentiated products, best-in-class patient management systems and global customer engagement
 - Cardiac Pacing Therapies: HSD growth driven by high-20's Micra™ growth; mid-50s International Micra™ growth including successful launch of Micra™ AV in Japan
 - Defibrillation Solutions: LSD growth; Cobalt™ & Crome™ share gains; LDD growth in CRT-Ds
 - Procedure Innovations: Mid-20s growth driven by continued acceleration of TYRX™ global adoption

Cardiac Ablation Systems ▲ HSD

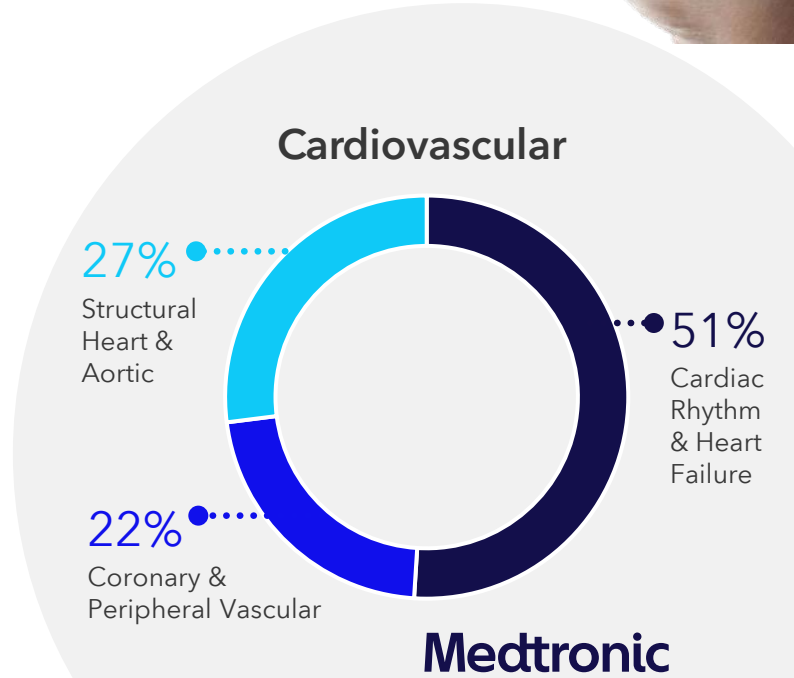
- Arctic Front Advance™ cryoablation first line indication for paroxysmal AF gaining traction
- Agreement to acquire Affera, expanding portfolio into mapping and navigation systems and diagnostic catheters, along with a separate, complementary focal PFA system to our anatomical PFA system

Cardiovascular Diagnostics ▲ LSD

- LINQ II™ supply improving; AccuRhythm™ AI algorithm recently launched in U.S., combining LINQ II™ leading accuracy with an 84% reduction in false alerts for AF and Pause



Micra™ AV and VR Transcatheter Pacing System



Cardiovascular (continued)

Growth despite COVID-19 headwinds; share gains continue in CRM

Coronary and Peripheral Vascular

Coronary & Renal Denervation ▼ MSD

- PCI procedures remain below pre-COVID levels in U.S. and Western Europe; stable share
- Prevail™ DCB launch underway in EU
- 3-year data from SPYRAL HTN-ON MED pilot study to be presented at ACC'22

Peripheral Vascular Health ▲ LDD

- Continued ramp of the Abre™ Deep Venous stent and MSD growth in Superficial Venous

Structural Heart & Aortic

Structural Heart ▲ Mid-teens

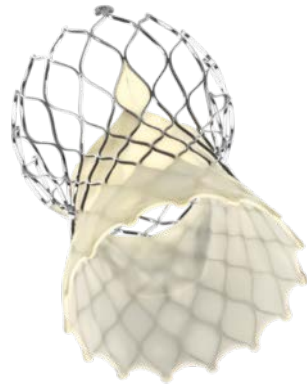
- Evolut™ Pro TAVR System approved in China for severe AS symptomatic patients at high/extreme risk with commercial launch expected in Q4; OPTIMIZE PRO trial enrollment completed
- First transfemoral (TF) case in APOLLO mitral pivotal trial recently completed

Aortic ▼ Mid-20s

- TAA sequential growth as Valiant Captivia™ supply improves; continued pressure from Navion™ recall

Cardiac Surgery ▲ LDD

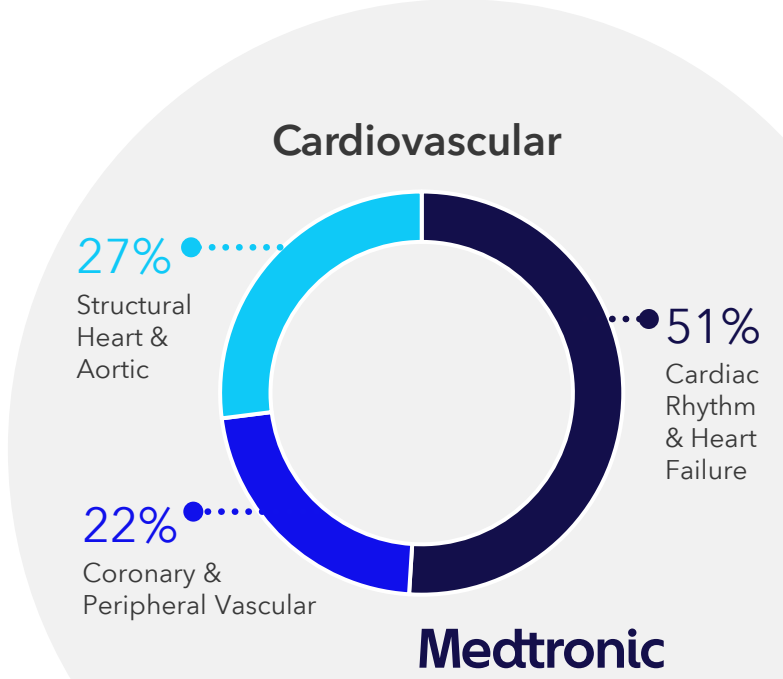
- Share gains driven by continued penetration into ECLS and CABG markets



Evolut™ FX
TAVR System



Abre™ Deep Venous Stent



Medical Surgical

MSD growth ex-vents despite Omicron-driven procedure and supply chain disruption

Surgical Innovations (SI)

Surgical Innovations

▲ HSD

- HSD growth driven by advanced energy, stapling, and wound closure
- Product growth in stapling and energy driven by Tri-Staple™ Specialty Reloads and Signia™ intelligent stapling, LigaSure™ Exact and Impact, as well as V-Loc™ barbed suture in wound closure
- COVID-19 resurgence in the U.S., Japan, and EMEA slowed procedure recovery in the quarter including staffing challenges and supply chain disruptions in resins and other supplies

Surgical Robotics

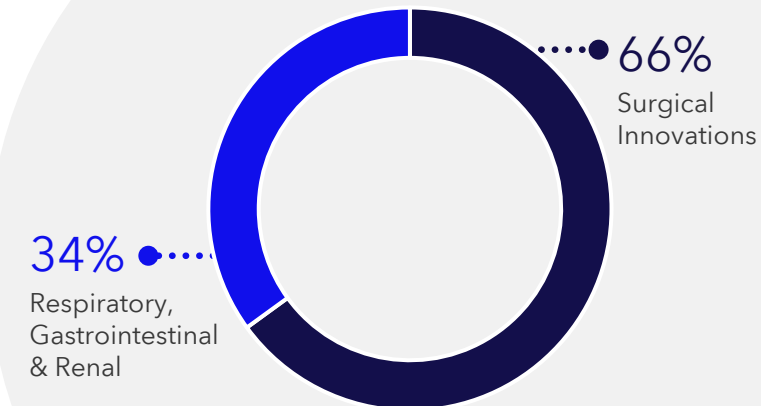
[Limited Market Release]

- Completed first patient cases in EMEA with Hugo in combination with Touch Surgery™ Enterprise
- Performed multiple general surgery cases in Latin America and India, expanding on existing urologic and gynecologic use
- Received regulatory approvals in Canada, Australia, and Israel
- Expand URO U.S. clinical trial progressing in gaining ethics committee approvals through the Institutional Review Boards, conducting site personnel training, and moving towards clinical study site activation
- Continue to receive positive feedback on the open console with 3D visualization, our mobile, modular approach, and easy-to-access surgical video through Touch Surgery™ Enterprise
- Vizient, a leading healthcare performance improvement company in the U.S., has entered into an agreement with Medtronic to add Touch Surgery™ Enterprise to its offerings for its vast membership



Hugo™ RAS Platform

Medical Surgical



Medtronic

Medical Surgical (continued)

MSD growth ex-vents despite Omicron-driven procedure and supply chain disruption

Respiratory, Gastrointestinal, & Renal (RGR)

Patient Monitoring — Flat

- Strong pulse oximetry sensor growth driven by increased hospital admissions and use of monitoring throughout the hospital
- Decline in monitor sales due to strong hardware demand in prior year

Respiratory Interventions ▼ Low-30s

- Ventilator sales still above pre-COVID levels given Omicron wave, yet faced a tough comp as the market continues to normalize
- McGRATH™ MAC video laryngoscope had LSD growth driven by an increase in blade volumes; demonstrates further adoption for routine use

Gastrointestinal ▲ MSD

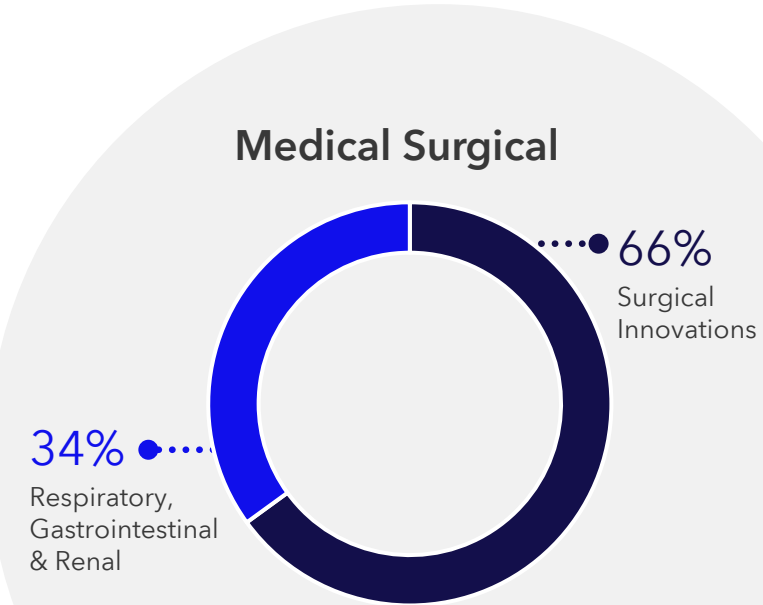
- MSD growth despite COVID-19 weighing on procedure volumes; key revenue contributions from ManoScan™, PillCam™, and Emprint™ product lines
- Announcing Health Equity program with Amazon Web Services and ASGE for colon cancer screening, placing GI Genius™ modules in low income and underserved U.S. communities

Renal Care Solutions ▲ MSD

- Strong growth across acute therapies and renal access; in-line with market in chronic therapies



Emprint™ HP Ablation system



Neuroscience

COVID-19 driven procedural slowdowns; share gains and strong product pipeline

Cranial & Spinal Technologies

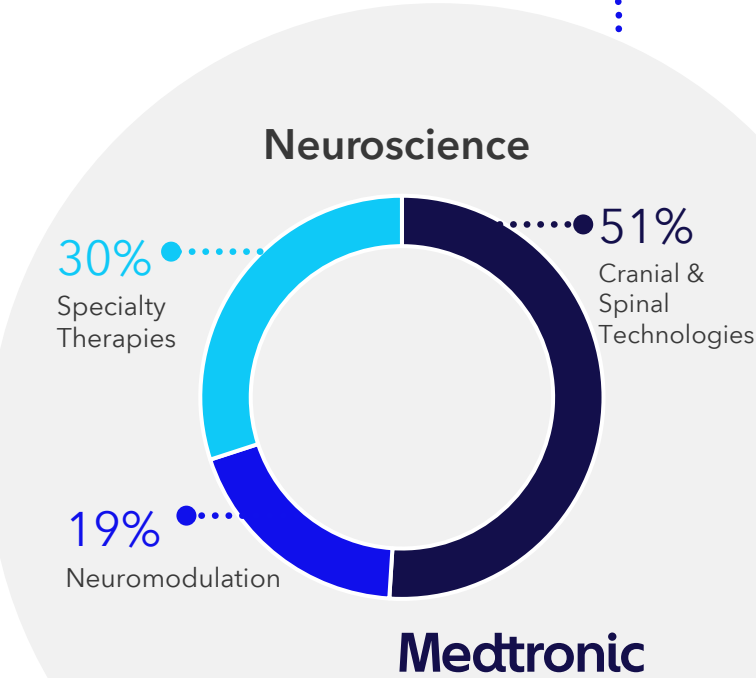
Spine & Biologics ▲ HSD

- Growth driven by HSD gains in U.S. and Japan and LSD growth in Western Europe
- Continued success of Catalyft™ next-generation expandable interbody device launch driving U.S. share gains
- Impact of COVID-19 and hospital staffing challenges on procedures in the U.S. and Western Europe affected the spine market

Neurosurgery — Flat

- Driven by LDD growth in CSF Management, Advanced Energy, and HSD growth in Midas Rex™ powered surgical instruments, offset by a difficult comparison from strong capital sales in Q3 FY21
- Surgeons continued to adopt our leading ecosystem of enabling technologies for spine surgery

Listen to our latest Investor Relations GM Call Series featuring Cranial & Spinal Technologies



Medtronic

Catalyft™ Expandable Interbody System



Midas Rex™ MR8™ High-speed Drill System



Neuroscience (continued)

COVID-19 driven procedural slowdowns; share gains and strong product pipeline

Specialty Therapies

Pelvic Health ▼ MSD

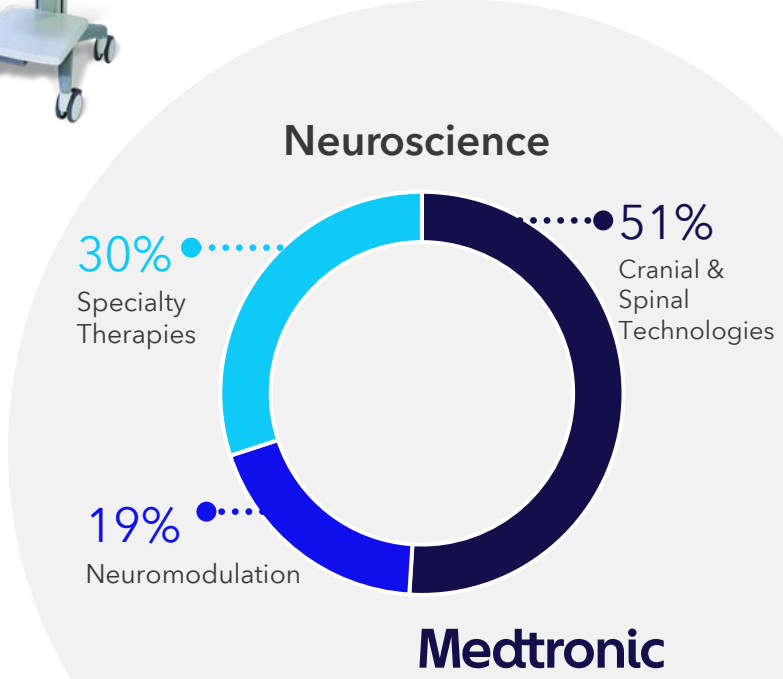
- Sequential market decline due to COVID-19 impact on procedural volumes especially in January
- Expecting approval of InterStim X™ in the first half of 2022

Neurovascular ▲ LDD

- Growth driven by Flow Diverters, and overall strong performance in Emerging Markets
- Hemorrhagic: Growth driven by strength of Flow Diversion products - Pipeline™ Vantage in OUS and Pipeline™ Shield in the U.S., Pipeline™ Flex with Shield Technology in Japan and the U.S.
- Ischemic: Closed the first two Viz.AI agreements in Western Europe

ENT ▼ LSD

- Decline driven by supply chain disruptions in disposables that are anticipated to improve in Q4



Neuroscience (continued)

COVID-19 driven procedural slowdowns; share gains and strong product pipeline

Neuromodulation

Brain Modulation ▲ Mid-teens

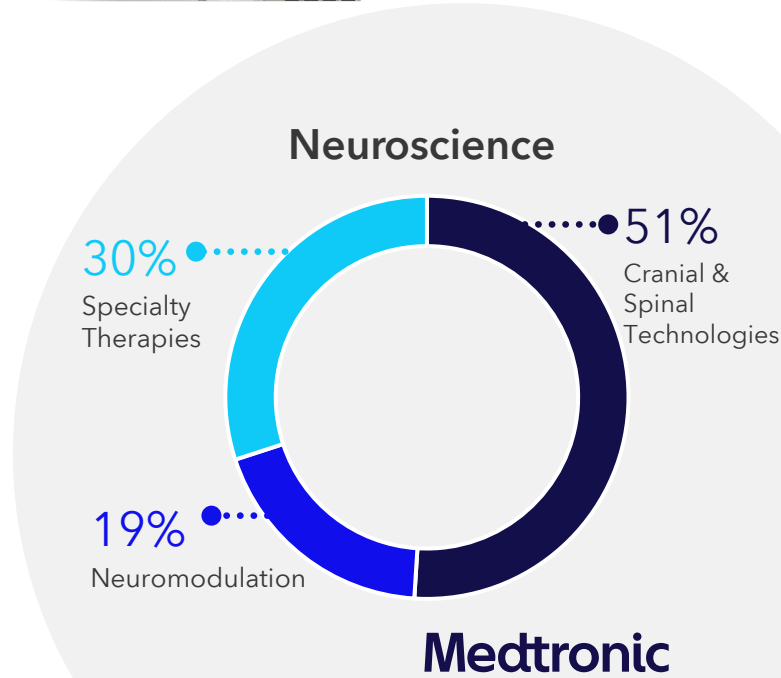
- Strength in U.S. and China; continued roll out of Percept™ PC and SenSight™ Lead System driving meaningful share gain and LDD growth in new implant share

Pain Therapies ▼ LDD

- Down MSD in SCS, high-teens decline in TDD due to COVID-19 related procedural slowdowns in the U.S. and Western Europe; Continued SCS share gains Y/Y driven by strong adoption of Vanta™ and Intellis™ with DTM™ SCS
- MDT U.S. SCS procedures in calendar Q4: permanent implants declined LSD Y/Y and up HSD sequentially; trials declined MSD Y/Y and up LDD sequentially
- Received FDA approval of SCS therapy for treating Diabetic Peripheral Neuropathy (DPN) on Intellis™ rechargeable neurostimulator and Vanta™ recharge-free neurostimulator

Interventional ▼ MSD

- Decline primarily driven by COVID-19 impact on procedures and supply chain challenges in the U.S. and EU



Diabetes

MSD OUS growth; focused on resolving warning letter and bringing new products to U.S.

Insulin Delivery ▼ LDD

- OUS up LSD sequentially with continued strong demand for MiniMed™ 780G
- MiniMed™ 780G launched in 40+ markets with continued focus on expansion
- U.S. pumps down mid-20's while awaiting MiniMed™ 780G and the Guardian™ 4 sensor approval subject to FDA warning letter

CGM ▼ MSD

- LDD growth Y/Y in OUS markets driven by rising penetration in EMEA; U.S. installed base headwind continues to pressure recurring revenue
- Guardian™ 4 sensor with no calibration (i.e., no fingerstick) now in ~20 international markets

Consumables ▼ LSD

- Declines in U.S. installed base Y/Y
- Consumables grew MSD sequentially
- OUS grew MSD Y/Y; Extended infusion set progressing with launch in select countries in Europe



MiniMed™ 780G
system



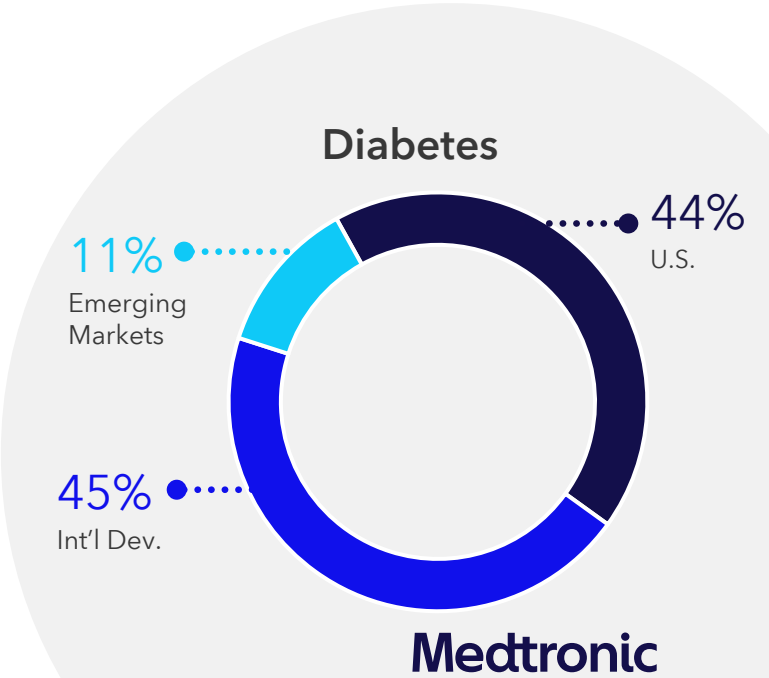
Extended
infusion set



Guardian™ 4
sensor



InPen™ system



Q3 FY22 Financial Highlights

Income statement

Strong EPS leverage

GAAP¹

(\$ in millions)	Q3 FY21	Q3 FY22	Y/Y
Revenue	\$7,775	\$7,763	-0.2%
Gross Margin	66.3%	68.3%	+200 bps
SG&A % of Sales	32.6%	33.0%	+40 bps
R&D % of Sales	7.7%	8.6%	+90 bps
Operating Margin	16.4%	21.4%	+500 bps
Net Income	\$1,270	\$1,480	16.5%
Diluted EPS	\$0.94	\$1.10	17.0%

Full GAAP to non-GAAP reconciliation in Appendix

Non-GAAP¹

(\$ in millions)	Q3 FY21	Q3 FY22	Y/Y
Revenue <i>Organic</i>	\$7,775	\$7,763	-0.2% 1.6%
Gross Margin	67.0%	68.9%	+190 bps
SG&A % of Sales	32.1%	32.5%	+40bps
R&D % of Sales	7.6%	8.3%	+70 bps
Operating Margin	26.6%	28.1%	+150 bps
Net Income	\$1,753	\$1,846	5.3%
Diluted EPS	\$1.29	\$1.37	6.2%

¹The data in this table has been intentionally rounded and, therefore, may not sum.

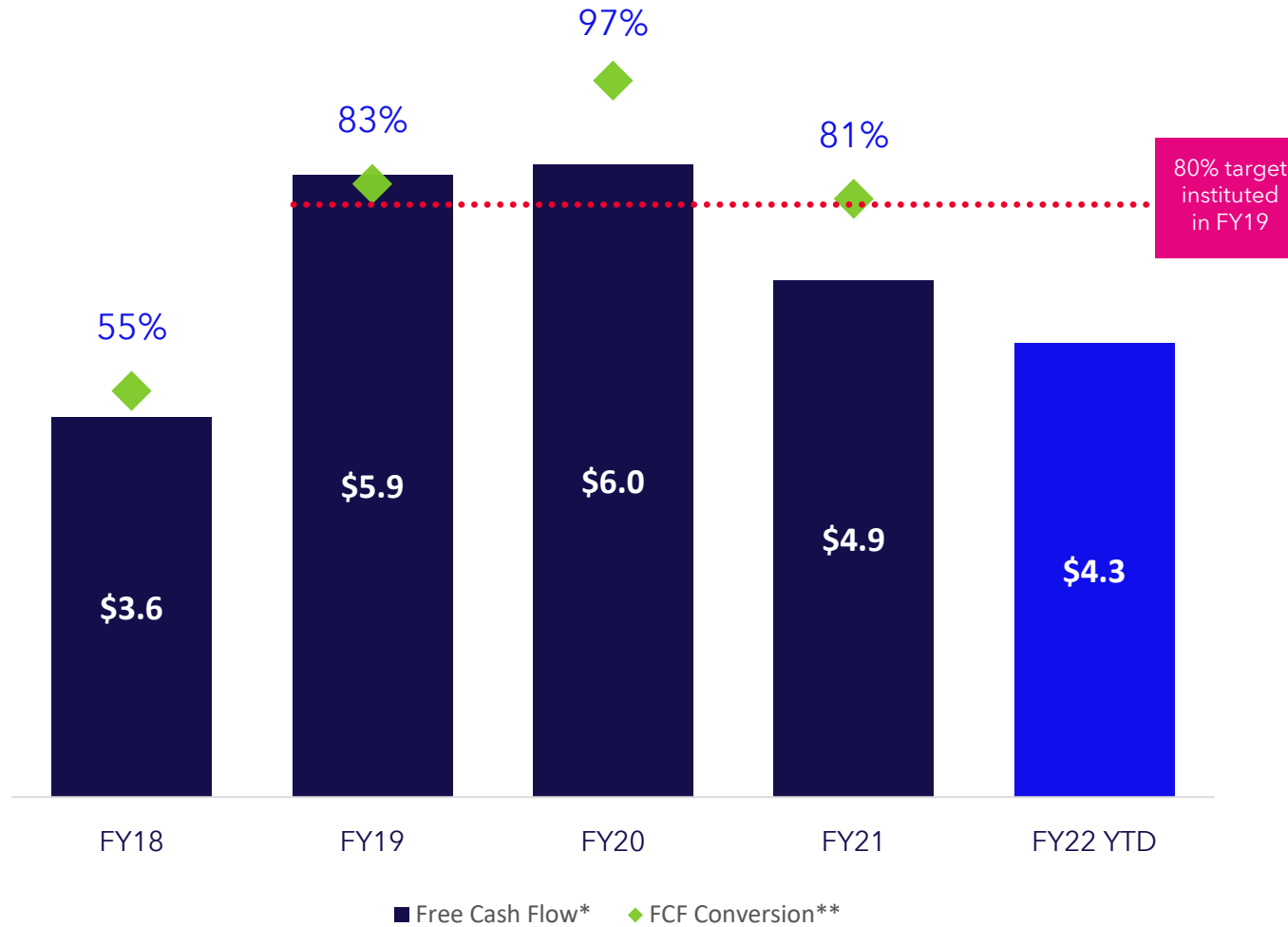
Balance sheet

Continue to maintain a strong balance sheet

(\$ in millions)	Q3 FY21	Q2 FY22	Q3 FY22	Y/Y	Q/Q
Total Assets	\$97,270	\$91,756	\$91,804	(\$5,475)	\$48
Cash & Equivalents	\$5,077	\$2,900	\$3,479	(\$1,598)	\$579
Investments	\$9,562	\$7,769	\$7,742	(\$1,820)	(\$27)
Total Debt	\$30,323	\$25,623	\$25,155	(\$5,168)	(\$468)
Short term debt	\$3,821	\$16	\$865	(\$2,956)	\$849
Long term debt	\$26,502	\$25,607	\$24,290	(\$2,212)	(\$1,317)
Equity	\$50,928	\$52,159	\$52,713	\$1,785	\$554

Free Cash Flow

Continue to target annual FCF conversion of 80% or higher



Included in free cash flow:	FY18	FY19	FY20	FY21	FY22 YTD
Pre-Tax					
Certain Litigation Payments, net ^{1,2}	\$0.3	\$0.5	\$0.2	\$0.2	\$0.2
Restructuring Payments ¹	\$0.2	\$0.4	\$0.5	\$0.5	\$0.3
Other Payments ^{1,3}	\$0.3	\$0.2	\$0.2	\$0.1	\$0.3
Puerto Rico IRS Pre-Payment	\$1.1	--	--	--	--
Certain Other Tax Payments	\$0.4	\$0.4	\$0.1	\$0.2	\$0.2

¹ Cash flow impact does not reflect associated tax cost / benefit, as timing and amount are difficult to estimate.
² Includes payments accrued as "Non-GAAP" charges, as well as COV acquisition opening balance sheet adjustments.
³ Includes acquisition-related, divestiture-related, charges associated with stopping the distribution and sales of LVADs, European Union medical device regulations charges, and contributions to the Medtronic Foundation

*Operating cash flows less property, plant, and equipment additions
 **Conversion ratio = free cash flow divided by non-GAAP net income

Capital allocation

Balancing investment with return to shareholders

Investments

Organic R&D investments

Increasing our R&D spend broadly across the company to fuel our robust pipeline

~\$2.6B Forecasted organic R&D spend in FY22

FY22: R&D Growth outpacing revenue growth

Minority investments & strategic partnerships

Minority investments portfolio to develop and facilitate potential future tuck-in acquisitions

Third-party funding to leverage our own R&D investment and accelerate growth

75+ Companies Invested as of Q3 FY22

\$800M+

Tuck-in M&A

Increasing our WAMGR, differentiating our portfolio, and accelerating our time to market

8 Acquisitions announced since beginning of FY21

>\$3.2B In total consideration



Return to shareholders

Dividend growth

Committed to growing in line with earnings; raised dividend by 9% in May 2021

44 Years of dividend increases

Member of S&P 500 Aristocrats

Share repurchases

Will continue to offset dilution from stock-based compensation

Total return

\$3.3B In net share repurchases and dividends in FY22

77% of Free Cash Flow 50% LRP Target

Q4 FY22 Guidance & Assumptions

Q4 FY22 Guidance and assumptions

In line with Street consensus

Organic revenue growth	Total company ~5.5%	Foreign exchange ¹ Approx. (\$185M)
Non-GAAP diluted EPS	\$1.56 to \$1.58	Flat to slightly positive

EPS guidance does not include any charges or gains that would be reported as non-GAAP adjustments to earnings during the fiscal year.
¹While FX rates are fluid, assumptions above are based on recent rates near the specific earnings call.



Environmental, Social & Governance

Environmental, social & governance

Leading in engagement, citizenship and innovation

Inclusive & engaging work environment



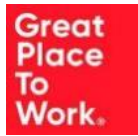
Department of Defense Employer Support Freedom Award



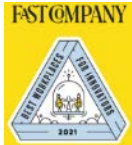
One of Best Places to Work for LGBTQ Equality 2021 & 2022



One of Forbes 2021 & 2020 America's Best Employers for New Graduates



One of Australia & India's Best Places to Work



One of the Top Global 100 Companies for Innovators



Top 10 Best Places to Work - Singapore



One of Best Places to Work 2022



One of the 50 Best Workplaces to Grow Your Career in the U.S.



One of Canada's Top Employers, 7th year running



One of the Top Companies for Excellence in Enlightened Growth Leadership



One of top 50 companies in 2021, receiving perfect scores in innovation & social responsibility



Four Category Winner in Asia Society's Corporate Survey & Runner up for Best Overall Employer 2020

Citizenship awards



DJSI World & DJSI North America Index



On of The 32 Companies Leading for Their Workers



One of America's Best Employers for Diversity



Ranked 11th, Highest-ever Ranked Year



Ranked 3rd, Highest-ever Ranked Year



One of the 100 Best Corporate Citizens, 5th year running



1st in Healthcare Equipment & Services, and 29th Overall



Scored 100% for LGBTQ Inclusive Workplace Practices and Policies



Finalists & Honorable Mentions in 6 Categories



Top 100 U.S. Companies Supporting Healthy Families & Communities



Awarded for Creating a Pioneering D&I Program



One of America's Top Corporations for Women's Business Enterprises

Innovation & industry leadership



Geoff Martha Ranks #1 in the Top 50 Healthcare Technology CEO of 2021



Karen Parkhill Ranks #1 in the Top 25 Women Leaders in Medical Devices of 2022



Karen Parkhill named as honoree in Minneapolis/St. Paul Business Journal's 2021 CFO of the Year Award



SVP & Chief Communicators Officer, Torod Neptune, 2021 & 2020



One of Fortune's Most Admired Companies 2021 & 2022



Named Best Overall U.S. IR in Large Cap & Best IR in Healthcare



Canada's Top 50 Great Places to Work & Best Workplaces™ for Women, 2nd year running



One of Fortune Global 500 Companies



Celebrating global excellence in communications



The world's largest medical technology industry company



Orleigh Adelecia Bogle, Ph.D., Head of medical affairs, Digital Surgery - 2021 Fiercest Women In Life Science



Environmental, social & governance

Long-range objectives & targets



For more information, visit [Medtronic.com](https://www.medtronic.com)
2021 ESG Investor Briefing
2021 Integrated Performance Report
2021 Global Inclusion, Diversity & Equity Report



Patient Safety & Product Quality

10%

Reduction in aggregate product complaint rate for identified product families by FY25 vs. FY20

Access & Innovation

20%

MDT revenue from products and therapies released in the prior 36 months by FY25

85M

Patients served annually by FY25

Inclusion, Diversity & Equity

45%

Global management positions held by women by FY26

30%

U.S. management positions held by ethnically diverse talent by FY26

Climate Stewardship

50%

Reduction in greenhouse gas omission intensity by FY25

50%

Sourced energy from renewable and alternative sources by FY25

Carbon Neutral

In our operations by FY30

Net Zero Emissions

By 2045

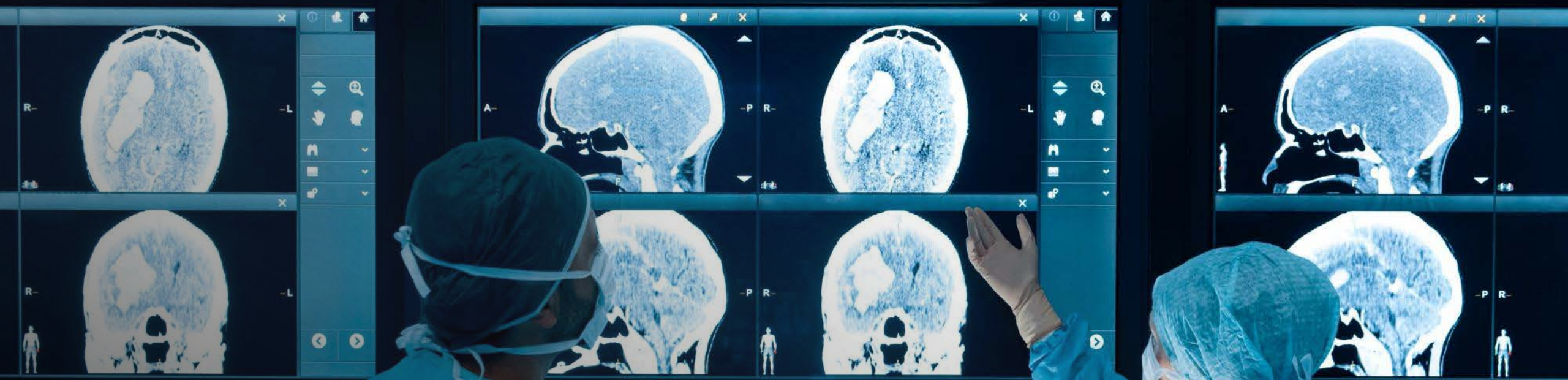
Product Stewardship

25%

Reduction in packaging waste for targeted high-volume products by FY25 vs. FY21

35%

Paper Reduction by FY25 vs. FY21



Appendix

Q3 FY22 Revenue by portfolio and geography

	Worldwide			U.S.			Non-U.S. Developed			Emerging Markets		
	Revenue (\$M) ¹	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) ¹	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) ¹	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) ¹	As reported Y/Y%	Organic Y/Y%
Cardiovascular	2,745	1.4%	3.4%	1,297	2.0%	2.0%	935	-0.6%	4.1%	513	4.1%	5.9%
Cardiac Rhythm & Heart Failure	1,402	2.3%	4.2%									
Structural Heart & Aortic	740	1.4%	3.7%									
Coronary & Peripheral Vascular	603	-0.3%	1.3%									
Medical Surgical	2,290	-1.0%	1.2%	990	3.2%	3.2%	812	-6.5%	-2.1%	488	0.4%	2.9%
Surgical Innovations	1,519	6.7%	9.2%									
Respiratory, Gastrointestinal, & Renal	771	-13.4%	-11.6%									
Neuroscience	2,144	0.8%	1.8%	1,397	-0.3%	-0.3%	431	-2.9%	2.0%	316	12.9%	12.5%
Cranial & Spinal Technologies	1,102	1.9%	3.1%									
Specialty Therapies	633	2.4%	3.1%									
Neuromodulation	409	-4.0%	-2.8%									
Diabetes	584	-7.3%	-5.4%	255	-16.9%	-16.9%	261	-2.6%	1.1%	68	23.6%	25.5%
Total Medtronic	7,763	-0.2%	1.6%	3,939	0.0%	0.0%	2,438	-3.3%	1.2%	1,385	5.4%	7.1%

¹Data has been intentionally rounded to the nearest million and, therefore, may not sum

Q3 FY22 GAAP to non-GAAP financial information

	Q3 FY22 GAAP	Amortization	Restructuring	Litigation	Acquisition-Related	Gain/Loss on Minority Investment	Medical Device Regulations	Certain Tax Adjustments	Q3 FY22 Non-GAAP	Q3 FY21 Non-GAAP	Y/Y Growth / Change
Net Sales	7,763								7,763	7,775	-0.2%
Cost of Products Sold	2,459		(27)		(4)		(13)		2,415	2,569	-6.0%
Gross Margin	68.3%		0.3%		0.1%		0.2%		68.9%	67.0%	190 bps
SG&A	2,561		(39)						2,521	2,494	1.1%
<i>% of Sales</i>	33.0%		-0.5%						32.5%	32.1%	40 bps
R&D	668				(11)		(12)		646	591	9.3%
<i>% of Sales</i>	8.6%				-0.1%		-0.2%		8.3%	7.6%	70 bps
Other Operating Expense (Income), Net	(63)				64				0	52	-100.0%
<i>% of Sales</i>	-0.8%				0.8%				0.0%	0.7%	-70 bps
Amortization of Intangible Assets	432	(432)							0	0	0
Restructuring Charges, Net	12		(12)						0	0	0
Certain Litigation Charges, Net	35			(35)					0	0	0
Operating Profit	1,659	432	78	35	(50)		25		2,181	2,068	5.5%
Operating Margin	21.4%	5.6%	1.0%	0.5%	-0.6%		0.3%		28.1%	26.6%	150 bps
Other Non-Operating Income, Net	(67)					(2)			(69)	(68)	1.5%
Net Income Attributable to MDT (\$M)	1,480	365	63	27	(51)	3	20	(59)	1,846	1,753	5.3%
Diluted EPS (\$)	1.10	0.27	0.05	0.02	(0.04)	0.00	0.01	(0.04)	1.37	1.29	6.2%

¹Data has been intentionally rounded to the nearest million and, therefore, may not sum

Medtronic business structure



Cardiovascular

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Cardiac Rhythm & Heart Failure

- Cardiac Rhythm Management
- Cardiac Ablation Solutions
- Cardiovascular Diagnostics
- Mechanical Circulatory Support

Structural Heart & Aortic

- Structural Heart
- Aortic
- Cardiac Surgery

Coronary & Peripheral Vascular

- Coronary & Renal Denervation
- Peripheral Vascular Health



Medical Surgical

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Surgical Innovations

- Surgical Innovations
- Surgical Robotics

Respiratory, Gastrointestinal, & Renal (RGR)

- Patient Monitoring
- Respiratory Interventions
- Gastrointestinal
- Renal Care Solutions



Neuroscience

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Cranial & Spinal Technologies

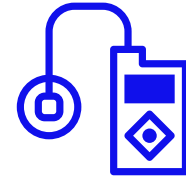
- Spine & Biologics
- Neurosurgery

Specialty Therapies

- Pelvic Health
- Neurovascular
- Ears, Nose & Throat (ENT)

Neuromodulation

- Pain Therapies
- Brain Modulation
- Interventional



Diabetes

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Therapies and services for insulin-dependent people who have Type 1 and Type 2

Abbreviations & acronyms

Growth		Business specific		Business specific		Other		Other	
DD	Double Digit	AAA	Abdominal Aortic Aneurysm	GI	Gastrointestinal	\$M	Millions of Dollars	LGBTQ	Lesbian, Gay, Bisexual, Transgender, Questioning
HSD	High-Single Digit	ASGE	American Society for Gastrointestinal Endoscopy	ICD	Implantable Cardioverter Defibrillator	AI	Artificial Intelligence	MDR	Medical Device Regulations
LDD	Low-Double Digit	AF	Atrial Fibrillation	LVAD	Left Ventricular Assist Device	APAC	Asia Pacific	N/A	Not Applicable
LSD	Low-Single Digit	AS	Aortic Stenosis	Ex-MCS	Excluding Mechanical Circulatory Support	B	Billion	NICU	Neonatal Intensive Care Unit
MSD	Mid-Single Digit	APV	Aortic, Peripheral & Venous	MDT	Medtronic	Bps	Basis Points	Org	Organic
▼	Revenue Decreased Y/Y Organic	CABG	Coronary Artery Bypass Graft	Med	Medical	CAPEX	Capital Expenditures	Ops	Operations
—	Revenue flat Y/Y Organic	CGM	Continuous Glucose Monitoring	MRI	Magnetic Resonance Imaging	CC	Constant Currency	OUS	Outside the United States
▲	Revenue Increased Y/Y Organic	COV	Covidien	MS	Medical Surgical	CE	Conformité Européenne	PLC	Public Limited Company
WAMGR	Weighted Average Market Growth Rate	CPV	Coronary & Peripheral Vascular	NICU	Neonatal Intensive Care Unit	COVID-19	Coronavirus Disease 2019	Q	Quarter
		CRHF	Cardiac Rhythm & Heart Failure	NS	Neuroscience	Dev	Developed	Q/Q	Quarter-over-Quarter
		CRM	Cardiac Rhythm Management	RAS	Robot-Assisted Surgery	EM	Emerging Markets	R&D	Research & Development
		CRT-D	Cardiac Resynchronization Therapy - Defibrillator	RGR	Respiratory, Gastrointestinal, & Renal	EMEA	Europe, Middle East, and Africa	Rep	Reported
		CRT-P	Cardiac Resynchronization Therapy - Pacemaker	RTG	Restorative Therapies Group	EPS	Earnings Per Share	SEC	U.S. Securities & Exchange Commission
		CSH	Coronary & Structural Heart	SCS	Spinal Cord Stimulation	ESG	Environment, Social & Governance	SG&A	Selling, General & Administrative
		CST	Cranial & Spinal Technologies	SHA	Structural Heart & Aortic	EU	European Union	Tech	Technology
		CV	Cardiovascular	SI	Surgical Innovations	Ex-Vent	Excluding Ventilator	U.S.	United States
		CVG	Cardiac & Vascular Group	TAA	Thoracic Aortic Aneurysm	FDA	Food and Drug Administration	VBP	Volume-Based Procurement
		DBS	Deep Brain Stimulation	TAVR	Transcatheter Aortic Valve Replacement	FX	Foreign Exchange	WE	Western Europe
		DCB	Drug Coated Balloon	TAVI	Transcatheter Aortic Valve Implantation	FY	Fiscal Year	WW	Worldwide
		DIAB	Diabetes	TDD	Targeted Drug Delivery	GAAP	Generally Accepted Accounting Principles	YTD	Year-to-Date
		DTM	Differential Target Multiplexed Waveform	TIR	Time In Range	IDE	Investigational Device Exemption	Y/Y	Year-over-Year
		ECLS	Extracorporeal Life Support	URO	Urology	ID&E	Inclusion, Diversity and Equity		
		ENT	Ear, Nose, & Throat			IRS	Internal Revenue Service		

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