

MEDTRONIC PLC
WORLD WIDE REVENUE⁽¹⁾
(Unaudited)

(in millions)	FOURTH QUARTER							YEAR-TO-DATE						
	REPORTED				ORGANIC			REPORTED				ORGANIC		
	FY23	FY22	Growth	Currency Impact ⁽²⁾	Adjusted FY23 ⁽³⁾	Adjusted FY22 ⁽⁴⁾	Adjusted Growth	FY23	FY22	Growth	Currency Impact ⁽²⁾	Adjusted FY23 ⁽³⁾	Adjusted FY22 ⁽⁴⁾	Adjusted Growth
Cardiovascular	\$ 3,316	\$ 2,961	12.0 %	\$ (102)	\$ 3,153	\$ 2,961	6.5 %	\$ 11,573	\$ 11,423	1.3 %	\$ (569)	\$ 11,877	\$ 11,423	4.0 %
Cardiac Rhythm & Heart Failure	1,580	1,552	1.8	(50)	1,630	1,552	5.0	5,835	5,908	(1.2)	(287)	6,122	5,908	3.6
Structural Heart & Aortic	1,105	778	42.0	(31)	871	778	12.0	3,363	3,055	10.1	(172)	3,270	3,055	7.0
Coronary & Peripheral Vascular	631	631	—	(21)	652	631	3.3	2,375	2,460	(3.5)	(109)	2,484	2,460	1.0
Medical Surgical	2,224	2,231	(0.3)	(74)	2,252	2,148	4.8	8,433	9,141	(7.7)	(454)	8,842	9,058	(2.4)
Surgical Innovations	1,501	1,491	0.7	(54)	1,555	1,491	4.3	5,663	6,060	(6.6)	(323)	5,986	6,060	(1.2)
Respiratory, Gastrointestinal, & Renal	723	740	(2.3)	(20)	697	658	5.9	2,770	3,081	(10.1)	(131)	2,855	2,998	(4.8)
Neuroscience	2,410	2,299	4.8	(54)	2,437	2,299	6.0	8,959	8,784	2.0	(281)	9,142	8,784	4.1
Cranial & Spinal Technologies	1,198	1,165	2.8	(22)	1,220	1,165	4.7	4,451	4,456	(0.1)	(118)	4,569	4,456	2.5
Specialty Therapies	763	684	11.5	(24)	760	684	11.1	2,815	2,592	8.6	(109)	2,825	2,592	9.0
Neuromodulation	449	451	(0.4)	(8)	457	451	1.3	1,693	1,735	(2.4)	(55)	1,748	1,735	0.7
Diabetes	595	597	(0.3)	(20)	615	597	3.0	2,262	2,338	(3.3)	(133)	2,395	2,338	2.4
TOTAL	\$ 8,544	\$ 8,089	5.6 %	\$ (250)	\$ 8,458	\$ 8,006	5.6 %	\$ 31,227	\$ 31,686	(1.4)%	\$ (1,437)	\$ 32,255	\$ 31,603	2.1 %

(1) The data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

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

(3) The three and twelve months ended April 28, 2023 includes \$336 million and \$407 million, respectively, of inorganic revenue related to the following:

- \$265 million related to the one-time payment received as a result of the Intellectual Property Agreement entered into with Edwards Lifesciences on April 12, 2023, which is included in the reported results of the Structural Heart & Aortic division of the Cardiovascular portfolio,
- \$44 million of inorganic revenue in the fourth quarter of fiscal year 2023 related to the April 1, 2023 divestiture of our Renal Care Solutions (RCS) business and the Transition Service Agreement (TSA) with Mozarc Medical, which is included in the reported results of the Respiratory, Gastrointestinal, & Renal division of the Medical Surgical portfolio, and
- \$27 million and \$98 million, respectively, of inorganic revenue related to the Intersect ENT acquisition, which is included in the reported results of the Specialty Therapies division of the Neuroscience portfolio.

(4) Adjusted revenue excludes \$83 million of revenue related to the divested RCS business for the fourth quarter of fiscal year 2022.

MEDTRONIC PLC
U.S.⁽¹⁾⁽²⁾ REVENUE
(Unaudited)

(in millions)	FOURTH QUARTER						YEAR-TO-DATE					
	REPORTED			ORGANIC			REPORTED			ORGANIC		
	FY23	FY22	Growth	Adjusted FY23 ⁽³⁾	Adjusted FY22 ⁽⁴⁾	Growth	FY23	FY22	Growth	Adjusted FY23 ⁽³⁾	Adjusted FY22 ⁽⁴⁾	Growth
Cardiovascular	\$ 1,751	\$ 1,455	20.3 %	\$ 1,486	\$ 1,455	2.1 %	\$ 5,848	\$ 5,545	5.5 %	\$ 5,583	\$ 5,545	0.7 %
Cardiac Rhythm & Heart Failure	832	826	0.7	832	826	0.7	3,104	3,064	1.3	3,104	3,064	1.3
Structural Heart & Aortic	625	334	87.1	360	334	7.8	1,622	1,320	22.9	1,357	1,320	2.8
Coronary & Peripheral Vascular	293	295	(0.7)	293	295	(0.7)	1,122	1,162	(3.4)	1,122	1,162	(3.4)
Medical Surgical	945	913	3.5	935	895	4.5	3,658	3,862	(5.3)	3,647	3,845	(5.1)
Surgical Innovations	571	554	3.1	571	554	3.1	2,240	2,333	(4.0)	2,240	2,333	(4.0)
Respiratory, Gastrointestinal, & Renal	374	358	4.5	364	341	6.7	1,418	1,529	(7.3)	1,408	1,512	(6.9)
Neuroscience	1,581	1,517	4.2	1,555	1,517	2.5	6,018	5,753	4.6	5,922	5,753	2.9
Cranial & Spinal Technologies	855	842	1.5	855	842	1.5	3,259	3,170	2.8	3,259	3,170	2.8
Specialty Therapies	422	373	13.1	396	373	6.2	1,608	1,430	12.4	1,511	1,430	5.7
Neuromodulation	304	302	0.7	304	302	0.7	1,151	1,154	(0.3)	1,151	1,154	(0.3)
Diabetes	199	213	(6.6)	199	213	(6.6)	849	974	(12.8)	849	974	(12.8)
TOTAL	\$ 4,476	\$ 4,097	9.3 %	\$ 4,174	\$ 4,080	2.3 %	\$ 16,373	\$ 16,135	1.5 %	\$ 16,001	\$ 16,117	(0.7)%

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

(2) The data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

(3) The three and twelve months ended April 28, 2023 includes \$302 million and \$372 million, respectively, of inorganic revenue related to the following:

- \$265 million related to the one-time payment received as a result of the Intellectual Property Agreement entered into with Edwards Lifesciences on April 12, 2023, which is included in the reported results of the Structural Heart & Aortic division of the Cardiovascular portfolio,
- \$10 million of inorganic revenue in the fourth quarter of fiscal year 2023 related to the April 1, 2023 divestiture of our Renal Care Solutions (RCS) business and the Transition Service Agreement (TSA) with Mozarc Medical, which is included in the reported results of the Respiratory, Gastrointestinal, & Renal division of the Medical Surgical portfolio, and
- \$26 million and \$97 million, respectively, of inorganic revenue related to the Intersect ENT acquisition, which is included in the reported results of the Specialty Therapies division of the Neuroscience portfolio.

(4) Adjusted revenue excludes \$17 million of revenue related to the divested RCS business for the fourth quarter of fiscal year 2022.

MEDTRONIC PLC
WORLD WIDE REVENUE: GEOGRAPHIC ⁽¹⁾⁽²⁾
(Unaudited)

(in millions)	FOURTH QUARTER							YEAR-TO-DATE						
	REPORTED			Currency Impact ⁽³⁾	ORGANIC			REPORTED			Currency Impact ⁽³⁾	ORGANIC		
	FY23	FY22	Growth		Adjusted FY23 ⁽⁴⁾	Adjusted FY22 ⁽⁵⁾	Growth	FY23	FY22	Growth		Adjusted FY23 ⁽⁴⁾	Adjusted FY22 ⁽⁵⁾	Growth
U.S.	\$ 1,751	\$ 1,455	20.3 %	\$ —	\$ 1,486	\$ 1,455	2.1 %	\$ 5,848	\$ 5,545	5.5 %	\$ —	\$ 5,583	\$ 5,545	0.7 %
Non-U.S. Developed	1,011	980	3.2	(69)	1,080	980	10.2	3,564	3,866	(7.8)	(449)	4,013	3,866	3.8
Emerging Markets	554	526	5.3	(33)	587	526	11.6	2,161	2,012	7.4	(120)	2,281	2,012	13.4
Cardiovascular	3,316	2,961	12.0	(102)	3,153	2,961	6.5	11,573	11,423	1.3	(569)	11,877	11,423	4.0
U.S.	945	913	3.5	—	935	895	4.5	3,658	3,862	(5.3)	—	3,647	3,845	(5.1)
Non-U.S. Developed	835	852	(2.0)	(58)	874	818	6.8	3,080	3,373	(8.7)	(388)	3,449	3,339	3.3
Emerging Markets	444	466	(4.7)	(16)	444	435	2.1	1,694	1,905	(11.1)	(65)	1,744	1,874	(6.9)
Medical Surgical	2,224	2,231	(0.3)	(74)	2,252	2,148	4.8	8,433	9,141	(7.7)	(454)	8,842	9,058	(2.4)
U.S.	1,581	1,517	4.2	—	1,555	1,517	2.5	6,018	5,753	4.6	—	5,922	5,753	2.9
Non-U.S. Developed	469	471	(0.4)	(33)	501	471	6.4	1,658	1,801	(7.9)	(211)	1,867	1,801	3.7
Emerging Markets	360	311	15.8	(21)	381	311	22.5	1,283	1,229	4.4	(70)	1,353	1,229	10.1
Neuroscience	2,410	2,299	4.8	(54)	2,437	2,299	6.0	8,959	8,784	2.0	(281)	9,142	8,784	4.1
U.S.	199	213	(6.6)	—	199	213	(6.6)	849	974	(12.8)	—	849	974	(12.8)
Non-U.S. Developed	314	305	3.0	(19)	333	305	9.2	1,106	1,085	1.9	(125)	1,231	1,085	13.5
Emerging Markets	82	79	3.8	(1)	83	79	5.1	307	279	10.0	(7)	314	279	12.5
Diabetes	595	597	(0.3)	(20)	615	597	3.0	2,262	2,338	(3.3)	(133)	2,395	2,338	2.4
U.S.	4,476	4,097	9.3	—	4,174	4,080	2.3	16,373	16,135	1.5	—	16,001	16,117	(0.7)
Non-U.S. Developed	2,629	2,609	0.8	(179)	2,788	2,574	8.3	9,408	10,126	(7.1)	(1,174)	10,562	10,091	4.7
Emerging Markets	1,440	1,383	4.1	(72)	1,495	1,352	10.6	5,446	5,426	0.4	(262)	5,691	5,395	5.5
TOTAL	\$ 8,544	\$ 8,089	5.6 %	\$ (250)	\$ 8,458	\$ 8,006	5.6 %	\$ 31,227	\$ 31,686	(1.4)%	\$ (1,437)	\$ 32,255	\$ 31,603	2.1 %

(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 data in this schedule has been intentionally rounded to the nearest million and, therefore, may not sum.

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

(4) The three and twelve months ended April 28, 2023 includes \$336 million and \$407 million, respectively, of inorganic revenue related to the following:

- \$265 million related to the one-time payment received as a result of the Intellectual Property Agreement entered into with Edwards Lifesciences on April 12, 2023, which is included in the reported results of the Structural Heart & Aortic division of the Cardiovascular portfolio,
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- \$27 million and \$98 million, respectively, of inorganic revenue related to the Intersect ENT acquisition, which is included in the reported results of the Specialty Therapies division of the Neuroscience portfolio.

(5) Adjusted revenue excludes \$83 million of revenue related to the divested RCS business for the fourth quarter of fiscal year 2022.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in millions, except per share data)	Three months ended		Fiscal year ended	
	April 28, 2023	April 29, 2022	April 28, 2023	April 29, 2022
Net sales	\$ 8,544	\$ 8,089	\$ 31,227	\$ 31,686
Costs and expenses:				
Cost of products sold, excluding amortization of intangible assets	2,980	2,591	10,719	10,145
Research and development expense	640	652	2,696	2,746
Selling, general, and administrative expense	2,616	2,569	10,415	10,292
Amortization of intangible assets	423	435	1,698	1,733
Restructuring charges, net	294	28	375	60
Certain litigation charges, net	(30)	—	(30)	95
Other operating (income) expense, net	56	143	(131)	862
Operating profit	1,565	1,670	5,485	5,752
Other non-operating income, net	(173)	(74)	(515)	(318)
Interest expense, net	187	143	636	553
Income before income taxes	1,551	1,602	5,364	5,517
Income tax provision	362	110	1,580	456
Net income	1,188	1,492	3,784	5,062
Net income attributable to noncontrolling interests	(9)	(6)	(26)	(22)
Net income attributable to Medtronic	\$ 1,179	\$ 1,485	\$ 3,758	\$ 5,039
Basic earnings per share	\$ 0.89	\$ 1.11	\$ 2.83	\$ 3.75
Diluted earnings per share	\$ 0.88	\$ 1.10	\$ 2.82	\$ 3.73
Basic weighted average shares outstanding	1,330.4	1,337.6	1,329.8	1,342.4
Diluted weighted average shares outstanding	1,332.8	1,344.9	1,332.8	1,351.4

The data in the schedule above has been intentionally rounded to the nearest million, and therefore, the quarterly amounts may not sum to the fiscal year-to-date amounts.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS⁽¹⁾
(Unaudited)

Three months ended April 28, 2023									
(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	Effective Tax Rate
GAAP	\$ 8,544	\$ 2,980	65.1 %	\$ 1,565	18.3 %	\$ 1,551	\$ 1,179	\$ 0.88	23.3 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	423	5.0	423	361	0.27	14.7
Restructuring and associated costs (2)	—	(30)	0.4	372	4.4	372	288	0.22	22.6
Acquisition-related items (3)	—	(4)	—	49	0.6	49	46	0.03	6.1
Divestiture and separation-related items (4)	—	(3)	—	90	1.1	90	85	0.06	5.6
Certain litigation charges, net (5)	—	—	—	(30)	(0.4)	(30)	(22)	(0.02)	26.7
(Gain)/loss on minority investments (6)	—	—	—	—	—	(10)	(7)	(0.01)	(20.0)
Medical device regulations (7)	—	(25)	0.3	44	0.5	44	34	0.03	22.7
Certain tax adjustments, net (8)	—	—	—	—	—	—	127	0.10	—
Non-GAAP	<u>\$ 8,544</u>	<u>\$ 2,917</u>	<u>65.9 %</u>	<u>\$ 2,512</u>	<u>29.4 %</u>	<u>\$ 2,488</u>	<u>\$ 2,091</u>	<u>\$ 1.57</u>	<u>15.8 %</u>
Currency impact	250	(10)	1.0	143	0.8	—	—	0.09	—
Currency Adjusted	<u>\$ 8,794</u>	<u>\$ 2,907</u>	<u>66.9 %</u>	<u>\$ 2,655</u>	<u>30.2 %</u>	—	—	<u>\$ 1.66</u>	—

Three months ended April 29, 2022									
(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	Effective Tax Rate
GAAP	\$ 8,089	\$ 2,591	68.0 %	\$ 1,670	20.6 %	\$ 1,602	\$ 1,485	\$ 1.10	6.9 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	435	5.4	435	374	0.28	13.8
Restructuring and associated costs (2)	—	(27)	0.3	98	1.2	98	91	0.07	8.2
Acquisition-related items (3)	—	(5)	0.1	12	0.1	12	10	0.01	16.7
(Gain)/loss on minority investments (6)	—	—	—	—	—	11	11	0.01	—
Medical device regulations (7)	—	(16)	0.2	32	0.4	32	29	0.02	6.3
MCS costs (9)	—	—	—	155	1.9	155	97	0.07	37.4
Certain tax adjustments, net (10)	—	—	—	—	—	—	(60)	(0.04)	—
Non-GAAP	<u>\$ 8,089</u>	<u>\$ 2,544</u>	<u>68.5 %</u>	<u>\$ 2,402</u>	<u>29.7 %</u>	<u>\$ 2,345</u>	<u>\$ 2,038</u>	<u>\$ 1.52</u>	<u>12.8 %</u>

See description of non-GAAP financial measures contained in the press release dated May 25, 2023.

- (1) The data in this schedule has been intentionally rounded to the nearest million or \$0.01 for EPS figures, 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 business combination costs and changes in fair value of contingent consideration.
- (4) The charges primarily include changes in the carrying value of the disposal group and other associated costs as a result of the April 1, 2023 sale of half of the Company's Renal Care Solutions (RCS) business, and charges related to the impending separation of the Patient Monitoring and Respiratory Interventions businesses within our Medical Surgical Portfolio.
- (5) Certain litigation includes \$35 million related to the one-time payment received as a result of the Intellectual Property Agreement entered into with Edwards Lifesciences on April 12, 2023.
- (6) 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.
- (7) The charges represent incremental costs of complying with the new European Union (E.U.) medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses. We consider these costs to be duplicative of previously incurred costs and/or one-time costs, which are limited to a specific time period.
- (8) The charge primarily relates to the reduction of deferred tax assets due to the disallowance of certain interest deductions and the change in the reporting currency for certain carryover attributes, and the impact from the sale of half of the Company's RCS business.
- (9) The charges relate to incremental commitments and obligations, including patient support obligations and other remediation costs, associated with the Company's June 2021 decision to stop the distribution and sale of the Medtronic HVAD System within the Mechanical Circulatory Support Operating Unit (MCS).
- (10) The certain adjustments, net relate to amortization on previously established deferred tax assets from intercompany intellectual property transactions and impacts from tax rate changes and tax basis adjustments.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS⁽¹⁾
(Unaudited)

Fiscal year ended April 28, 2023									
(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	Effective Tax Rate
GAAP	\$31,227	\$ 10,719	65.7 %	\$ 5,485	17.6 %	\$ 5,364	\$ 3,758	\$ 2.82	29.5 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	1,698	5.4	1,698	1,443	1.08	15.0
Restructuring and associated costs (2)	—	(97)	0.3	647	2.1	647	507	0.38	21.5
Acquisition-related items (3)	—	(35)	0.1	110	0.4	110	89	0.07	19.1
Divestiture and separation-related items (4)	—	(31)	0.1	235	0.8	235	227	0.17	3.4
Certain litigation charges, net (5)	—	—	—	(30)	(0.1)	(30)	(23)	(0.02)	26.7
(Gain)/loss on minority investments (6)	—	—	—	—	—	(33)	(29)	(0.02)	(6.1)
Medical device regulations (7)	—	(88)	0.3	150	0.5	150	120	0.09	20.0
Debt redemption premium and other charges (8)	—	—	—	—	—	53	42	0.03	20.8
Certain tax adjustments, net (9)	—	—	—	—	—	—	910	0.68	—
Non-GAAP	<u>\$31,227</u>	<u>\$ 10,469</u>	<u>66.5 %</u>	<u>\$ 8,295</u>	<u>26.6 %</u>	<u>\$ 8,194</u>	<u>\$ 7,045</u>	<u>\$ 5.29</u>	<u>13.8 %</u>
Currency impact	1,437	277	0.6	342	(0.2)	—	—	0.21	—
Currency Adjusted	<u>\$32,664</u>	<u>\$ 10,746</u>	<u>67.1 %</u>	<u>\$ 8,637</u>	<u>26.4 %</u>	—	—	<u>\$ 5.50</u>	—
Fiscal year ended April 29, 2022									
(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	Effective Tax Rate
GAAP	\$31,686	\$ 10,145	68.0 %	\$ 5,752	18.2 %	\$ 5,517	\$ 5,039	\$ 3.73	8.3 %
Non-GAAP Adjustments:									
Amortization of intangible assets	—	—	—	1,733	5.5	1,733	1,467	1.09	15.3
Restructuring and associated costs (2)	—	(117)	0.4	335	1.1	335	281	0.21	16.1
Acquisition-related items (3)	—	(19)	0.1	(43)	(0.1)	(43)	(48)	(0.04)	(11.6)
Certain litigation charges	—	—	—	95	0.3	95	78	0.06	17.9
(Gain)/loss on minority investments (6)	—	—	—	—	—	(12)	(9)	(0.01)	—
Medical device regulations (7)	—	(55)	0.2	102	0.3	102	86	0.06	15.7
MCS impairment / costs (10)	—	(58)	0.2	881	2.8	881	661	0.49	25.0
Certain tax adjustments, net (11)	—	—	—	—	—	—	(50)	(0.04)	—
Non-GAAP	<u>\$31,686</u>	<u>\$ 9,897</u>	<u>68.8 %</u>	<u>\$ 8,856</u>	<u>27.9 %</u>	<u>\$ 8,609</u>	<u>\$ 7,505</u>	<u>\$ 5.55</u>	<u>12.6 %</u>

See description of non-GAAP financial measures contained in the press release dated May 25, 2023.

- (1) The data in this schedule has been intentionally rounded to the nearest million or \$0.01 for EPS figures, 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 business combination costs and changes in fair value of contingent consideration.
- (4) The charges predominantly include non-cash pre-tax impairments, primarily related to goodwill, changes in the carrying value of the disposal group, and other associated costs, as a result of the April 1, 2023 sale of half of the Company's RCS business, charges related to the impending separation of the Patient Monitoring and Respiratory Interventions businesses within our Medical Surgical Portfolio in the fourth quarter of fiscal year 2023, and charges related to an exit of a business which are primarily comprised of inventory write-downs.
- (5) Certain litigation includes \$35 million related to the one-time payment received as a result of the Intellectual Property Agreement entered into with Edwards Lifesciences on April 12, 2023.
- (6) 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.
- (7) The charges represent estimated incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses. We consider these costs to be duplicative of previously incurred costs and /or one-time costs, which are limited to a specific period.
- (8) The charges relate to the early redemption of approximately \$2.3 billion of debt and were recorded within interest expense, net within the consolidated statements of income.
- (9) The charge primarily relates to a \$764 million reserve adjustment that was a direct result of the U.S. Tax Court opinion, issued on August 18, 2022, on the previously disclosed litigation regarding the allocation of income between Medtronic, Inc. and its wholly owned subsidiary operating in Puerto Rico. Additional charges relate to the reduction of deferred tax assets due to the disallowance of certain interest deductions and the change in the reporting currency for certain carryover attributes, and the amortization on previously established deferred tax assets from intercompany intellectual property transactions.

- (10) The charges relate to the Company's June 2021 decision to stop the distribution and sale of the Medtronic HVAD System within the Mechanical Circulatory Support Operating Unit (MCS). The charges included \$515 million of non-cash impairments, primarily related to \$409 million of intangible asset impairments, as well as \$366 million for commitments and obligations in connection with the decision, including patient support obligations, restructuring, and other associated costs. Medtronic is committed to serving the needs of patients currently implanted with the HVAD System.
- (11) The net benefit primarily relates to the deferred tax impact associated with a step up in tax basis for Swiss Cantonal purposes and a change in tax rates on deferred taxes associated with intellectual property, which are partially offset by the amortization on previously established deferred tax assets from intercompany intellectual property transactions and a charge related to a change in the Company's permanent reinvestment assertion on certain historical earnings.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS⁽¹⁾
(Unaudited)

Three months ended April 28, 2023								
(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	\$ 8,544	\$ 2,616	30.6 %	\$ 640	7.5 %	\$ 56	0.7 %	\$ (173)
Non-GAAP Adjustments:								
Restructuring and associated costs (2)	—	(47)	(0.6)	(1)	—	—	—	—
Acquisition-related items (3)	—	—	—	—	—	(44)	(0.5)	—
Divestiture and separation-related items (4)	—	(33)	(0.4)	—	—	(54)	(0.6)	—
Medical device regulations (5)	—	—	—	(18)	(0.2)	—	—	—
(Gain)/loss on minority investments (6)	—	—	—	—	—	—	—	10
Non-GAAP	\$ 8,544	\$ 2,535	29.7 %	\$ 622	7.3 %	\$ (42)	(0.5)%	\$ (164)
Currency impact	250	61	(0.2)	7	(0.1)	50	0.6	(3)
Currency Adjusted	\$ 8,794	\$ 2,596	29.5 %	\$ 629	7.2 %	\$ 8	0.1 %	\$ (167)

Fiscal year ended April 28, 2023								
(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	\$ 31,227	\$ 10,415	33.4 %	\$ 2,696	8.6 %	\$ (131)	(0.4)%	\$ (515)
Non-GAAP Adjustments:								
Restructuring and associated costs (2)	—	(173)	(0.6)	(3)	—	—	—	—
Acquisition-related items (3)	—	(8)	—	—	—	(67)	(0.2)	—
Divestiture and separation-related items (4)	—	(57)	(0.2)	(1)	—	(148)	(0.5)	—
Medical device regulations (5)	—	(2)	—	(60)	(0.2)	—	—	—
(Gain)/loss on minority investments (6)	—	—	—	—	—	—	—	33
Non-GAAP	\$ 31,227	\$ 10,175	32.6 %	\$ 2,632	8.4 %	\$ (344)	(1.1)%	\$ (482)
Currency impact	1,437	382	(0.3)	39	(0.2)	397	1.3	(14)
Currency Adjusted	\$ 32,664	\$ 10,557	32.3 %	\$ 2,671	8.2 %	\$ 53	0.2 %	\$ (496)

See description of non-GAAP financial measures contained in the press release dated May 25, 2023.

- (1) The data in this schedule has been intentionally rounded to the nearest million, 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 business combination costs and changes in fair value of contingent consideration.
- (4) The charges predominantly include non-cash pre-tax impairments, primarily related to goodwill, changes in the carrying value of the disposal group, and other associated costs, as a result of the April 1, 2023 sale of half of the Company's RCS business, charges related to the impending separation of the Patient Monitoring and Respiratory Interventions businesses within our Medical Surgical Portfolio in the fourth quarter of fiscal year 2023, and charges related to an exit of a business which are primarily comprised of inventory write-downs.
- (5) The charges represent estimated incremental costs of complying with the new European Union medical device regulations for previously registered products and primarily include charges for contractors supporting the project and other direct third-party expenses. We consider these costs to be duplicative of previously incurred costs and/or one-time costs, which are limited to a specific time period.
- (6) 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.

MEDTRONIC PLC
GAAP TO NON-GAAP RECONCILIATIONS⁽¹⁾
(Unaudited)

(in millions)	Fiscal Year		
	2023	2022	2021
Net cash provided by operating activities	\$ 6,039	\$ 7,346	\$ 6,240
Additions to property, plant, and equipment	(1,459)	(1,368)	(1,355)
Free Cash Flow (2)	\$ 4,580	\$ 5,978	\$ 4,885

See description of non-GAAP financial measures contained in the press release dated May 25, 2023.

- (1) The data in this schedule has been intentionally rounded to the nearest million, and, therefore, may not sum.
- (2) Free cash flow represents operating cash flows less property, plant, and equipment additions.

MEDTRONIC PLC
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in millions)	April 28, 2023	April 29, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,543	\$ 3,714
Investments	6,416	6,859
Accounts receivable, less allowances and credit losses of \$176 and \$230, respectively	5,998	5,551
Inventories, net	5,293	4,616
Other current assets	2,425	2,318
Total current assets	21,675	23,059
Property, plant, and equipment, net	5,569	5,413
Goodwill	41,425	40,502
Other intangible assets, net	14,844	15,595
Tax assets	3,477	3,403
Other assets	3,959	3,008
Total assets	\$ 90,948	\$ 90,981
LIABILITIES AND EQUITY		
Current liabilities:		
Current debt obligations	\$ 20	\$ 3,742
Accounts payable	2,662	2,276
Accrued compensation	1,949	2,121
Accrued income taxes	840	704
Other accrued expenses	3,581	3,551
Total current liabilities	9,051	12,394
Long-term debt	24,344	20,372
Accrued compensation and retirement benefits	1,093	1,113
Accrued income taxes	2,360	2,087
Deferred tax liabilities	708	884
Other liabilities	1,727	1,410
Total liabilities	39,283	38,260
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares— par value \$0.0001, 2.6 billion shares authorized, 1,330,809,036 and 1,330,743,395 shares issued and outstanding, respectively	—	—
Additional paid-in capital	24,590	24,566
Retained earnings	30,392	30,250
Accumulated other comprehensive loss	(3,499)	(2,265)
Total shareholders' equity	51,483	52,551
Noncontrolling interests	182	171
Total equity	51,665	52,722
Total liabilities and equity	\$ 90,948	\$ 90,981

The data in this schedule has been intentionally rounded to the nearest million, and, therefore, may not sum.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in millions)	Fiscal Year		
	2023	2022	2021
Operating Activities:			
Net income	\$ 3,784	\$ 5,062	\$ 3,630
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	2,697	2,707	2,702
Provision for credit losses	73	58	128
Deferred income taxes	(226)	(604)	(422)
Stock-based compensation	355	359	344
Loss on debt extinguishment	53	—	308
Asset impairment charges	—	515	—
Other, net	270	138	251
Change in operating assets and liabilities, net of acquisitions and divestitures:			
Accounts receivable, net	(576)	(477)	(761)
Inventories, net	(939)	(560)	78
Accounts payable and accrued liabilities	696	213	531
Other operating assets and liabilities	(148)	(65)	(549)
Net cash provided by operating activities	6,039	7,346	6,240
Investing Activities:			
Acquisitions, net of cash acquired	(1,867)	(91)	(994)
Additions to property, plant, and equipment	(1,459)	(1,368)	(1,355)
Purchases of investments	(7,514)	(9,882)	(11,808)
Sales and maturities of investments	7,343	9,692	11,345
Other investing activities, net	4	(10)	(54)
Net cash used in investing activities	(3,493)	(1,659)	(2,866)
Financing Activities:			
Change in current debt obligations, net	—	—	(311)
Proceeds from short-term borrowings (maturities greater than 90 days)	2,284	—	2,789
Repayments from short-term borrowings (maturities greater than 90 days)	(2,279)	—	(2,853)
Issuance of long-term debt	5,409	—	7,172
Payments on long-term debt	(6,012)	(1)	(7,367)
Dividends to shareholders	(3,616)	(3,383)	(3,120)
Issuance of ordinary shares	308	429	474
Repurchase of ordinary shares	(645)	(2,544)	(652)
Other financing activities	(409)	163	(268)
Net cash used in financing activities	(4,960)	(5,336)	(4,136)
Effect of exchange rate changes on cash and cash equivalents	243	(231)	215
Net change in cash and cash equivalents	(2,171)	121	(547)
Cash and cash equivalents at beginning of period	3,714	3,593	4,140
Cash and cash equivalents at end of period	\$ 1,543	\$ 3,714	\$ 3,593
Supplemental Cash Flow Information			
Cash paid for:			
Income taxes	\$ 1,548	\$ 996	\$ 1,250
Interest	606	540	582

The data in this schedule has been intentionally rounded to the nearest million, and, therefore, may not sum.