

# Medtronic

Engineering the extraordinary

# Medtronic plc

## Q4 FY24

Earnings presentation

May 23, 2024



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, geopolitical conflicts, general economic conditions, and other risks and uncertainties described in the company's periodic reports on file with the US Securities and Exchange Commission including the most recent Annual Report on Form 10-K of the company. 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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## 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, currency, and a one-time payment in the prior year relating to an intellectual property agreement. Unless stated otherwise, quarterly and annual rates and ranges are given on an organic basis. References to sequential revenue changes are made on an "as reported" 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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# Q4 FY24 Executive Summary

# Q4 FY24 Highlights

**Delivered a strong finish to fiscal year; broad-based durable growth across the company; gaining momentum as company enters new product cycles across many high-growth markets**



## **Solid overall execution as momentum continues; durable MSD revenue growth on MSD comps; delivering on commitments**

- Notable strength in Cranial & Spinal Technologies, Diabetes, Cardiac Pacing, Surgical, and Structural Heart
- Strong growth around the globe with MSD non-US Developed growth and 13% EM growth, as we expand access to our innovative healthcare technologies



## **Entering new product cycles in some of MedTech’s most attractive markets**

- Several recent product approvals that are just starting, or yet to contribute, to growth, including Evolut™ FX+, PulseSelect™ pulsed field ablation system, Symplicity Spyral™ RDN system, Percept™ RC featuring BrainSense™ technology, Inceptiv™ closed-loop spinal cord stimulator, and MiniMed™ 780G System with Simplera Sync™ CGM
- Advancing innovative core tech in robotics, AI, and closed loop systems; 6 AI products already FDA approved

## **Making progress on restoring earnings power; translating into strong and improving cash flow and returns to shareholders**



- Comprehensive transformation taking hold; executing programs to leverage scale and drive efficiencies
- Adj. gross margin remained flat Y/Y, despite FX and continued elevated inflation; seeing early benefits of COGS efficiency efforts
  - \$5.2B in free cash flow YTD; \$1.6B of net share repurchase in Q4

## **Issuing FY25 revenue growth and EPS guidance**



- Reflects durable, mid-single digit revenue growth and a significant step forward on earnings power
- Organic revenue growth: 4% to 5%
  - Adjusted EPS: \$5.40 - \$5.50, implies growth of 4% to 6%



We delivered a strong finish to the fiscal year, with broad strength across our businesses and each of our four segments posting mid-single digit or higher organic revenue growth.

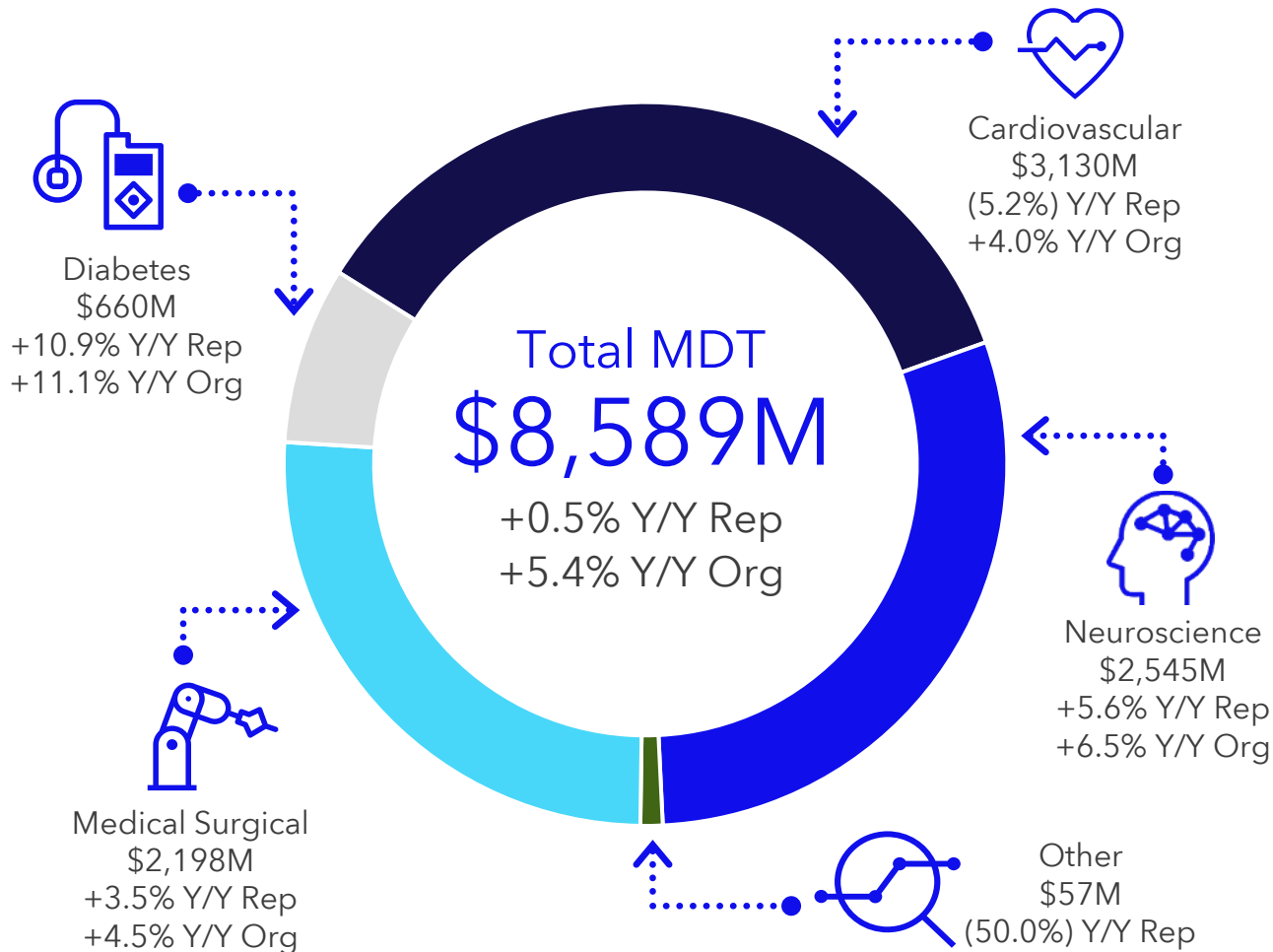
Our momentum is building into the new fiscal year. We’re beginning new product cycles in some of MedTech’s most attractive markets, which is further enhanced as we apply AI across our portfolio. We are very optimistic about what we can achieve in fiscal ‘25 and beyond.”

**GEOFF MARTHA,  
CHAIRMAN & CEO**

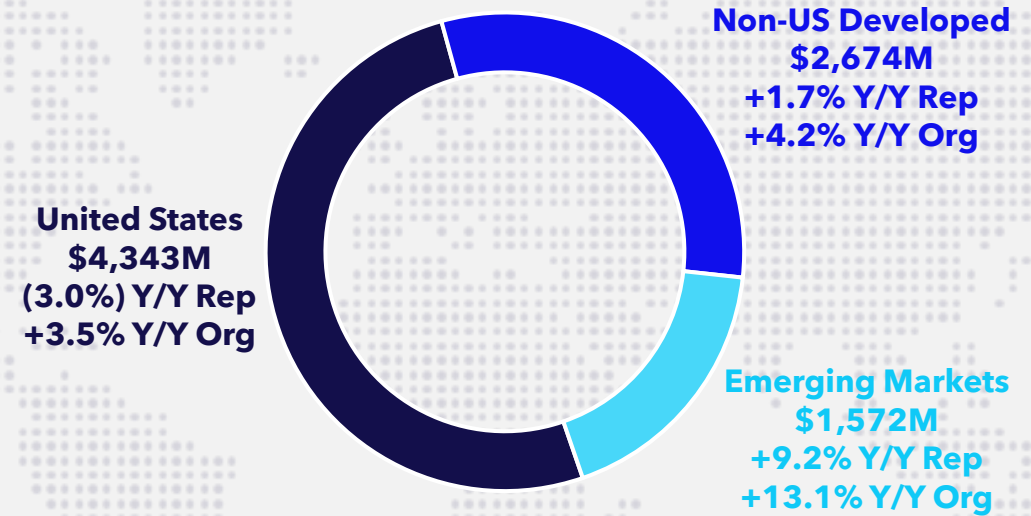


# Q4 FY24 Financial summary

## Revenue<sup>1</sup> by segment



## Revenue<sup>1</sup> by geography

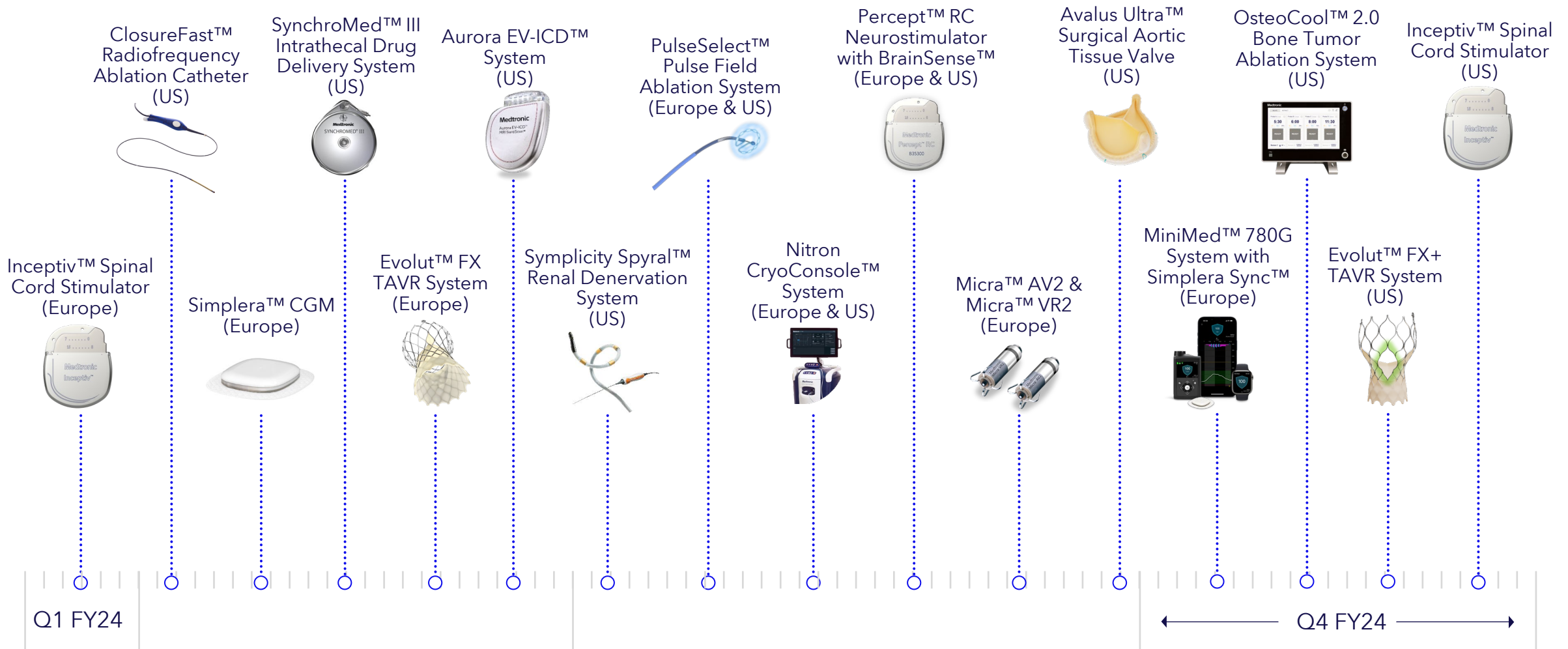


	GAAP	Non-GAAP	Cash flow from operations YTD
Diluted EPS	\$0.49	\$1.46	<b>\$6.8B</b>
Y/Y %	(44.3%)	(7.0%)	Free cash flow <sup>2</sup> YTD
CC Y/Y %	N/A	(2.5%)	<b>\$5.2B</b>

1) Data has been intentionally rounded to the nearest million and, therefore, may not sum.  
 2) Operating cash flows less property, plant, and equipment additions.

# Key product approvals

Recent rapid cadence of meaningful innovative approvals; ~130 product approvals in last 12 months in key geographies<sup>1</sup>



Note: Relative positioning is not intended to signify relative timing

1) Includes US, EU, Japan and China. Does not include all indication or partner approvals, though select additional approvals are displayed



# Q4 FY24 Portfolio Highlights

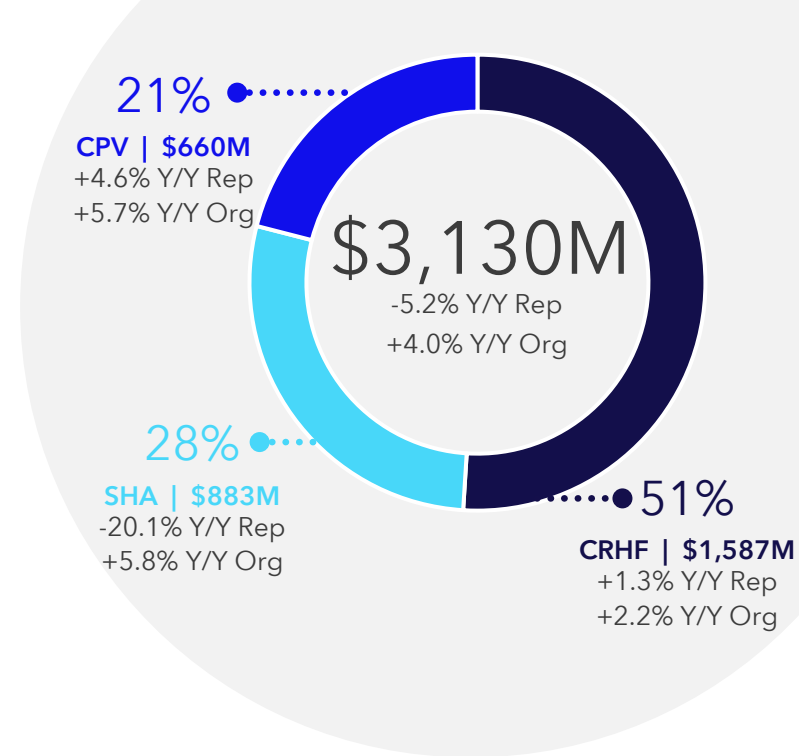


# Cardiovascular

MSD growth driven by strong performance in Pacing, Structural Heart, and Cardiac Surgery

## Cardiac Rhythm & Heart Failure (CRHF)

- Cardiac Pacing Therapies: HSD growth; low-20s WW Micra™ AV2 and VR2 in US & EU; low-40s WW SelectSure™ 3830 lead growth, only lead approved for conduction system pacing in US
- Defibrillation Solutions: LSD growth; Aurora EV-ICD™ LMR underway in US & EU
- CAS: Low-20s sequential WW & US growth driven by PulseSelect™; PFA more than offsetting cryo declines; SPHERE Per-AF pivotal data presented at HRS 2024 and published in Nature Medicine, showing Sphere-9™ is as safe and effective and more efficient than traditional focal RF treatment; Affera™ mapping and focal ablation system submitted for US approval



## Structural Heart & Aortic (SHA)

- Structural Heart: HSD WW growth driven by Evolut™ FX adoption; SMART Trial data presented at ACC and published in NEJM showed Evolut™ TAVR superior valve performance and non-inferior clinical outcomes at one-year; Evolut™ FX+ received US FDA approval and launching in August 2024
- Aortic: LSD growth driven by TAA growth
- Cardiac Surgery: HSD growth driven by broad portfolio strength; Penditure™ LAA Clip US launch underway; Next-gen Avalus Ultra™ aortic tissue valve launched in US

## Coronary and Peripheral Vascular (CPV)

- Coronary & Renal Denervation: Y/Y DES share gains driven by Onyx Frontier™ adoption; mid-teens growth in guide catheters and low-double digit growth in balloons; Symplicity Spyral™ system for hypertension received NMPA approval in China
- Peripheral Vascular Health: Mid-teens growth in DCBs driven by strength of IN.PACT™ 018 DCB; Mid-teens growth in vascular embolization offset by MSD declines in atherectomy

### Operating Unit Growth

Cardiac Rhythm Management	▲	LSD
Cardiac Ablation Solutions	▲	MSD
Structural Heart & Aortic	▲	MSD
Cardiac Surgery	▲	HSD
Coronary & Renal Denervation	▲	MSD
Peripheral Vascular Health	▲	MSD

# Neuroscience

6.5% growth benefitting from strength in Spine and Neurosurgery

## Cranial & Spinal Technologies (CST)

- Neurosurgery: DD WW, US and WE growth; strong DD growth of AiBLE™ ecosystem including Mazor™ robotics, StealthStation™ navigation, O-arm™ imaging, and Midas Rex™ powered surgical instruments
- Core Spine: MSD WW and HSD US growth driven by AiBLE™ ecosystem
- Biologics: HSD growth driven by strong Infuse™ bone graft performance



**AiBLE™**  
Surgical Ecosystem

## Specialty Therapies (ST)

- Neurovascular: LSD growth ex-China, with continued DD growth in flow diversion on strong adoption of Shield Technology™
- Ear, Nose & Throat: Growth driven by strong power capital and disposable sales and localized drug delivery sinus implants
- Pelvic Health: Growth driven by InterStim™ X



**PROPEL™**  
Sinus Implant

## Neuromodulation (NM)

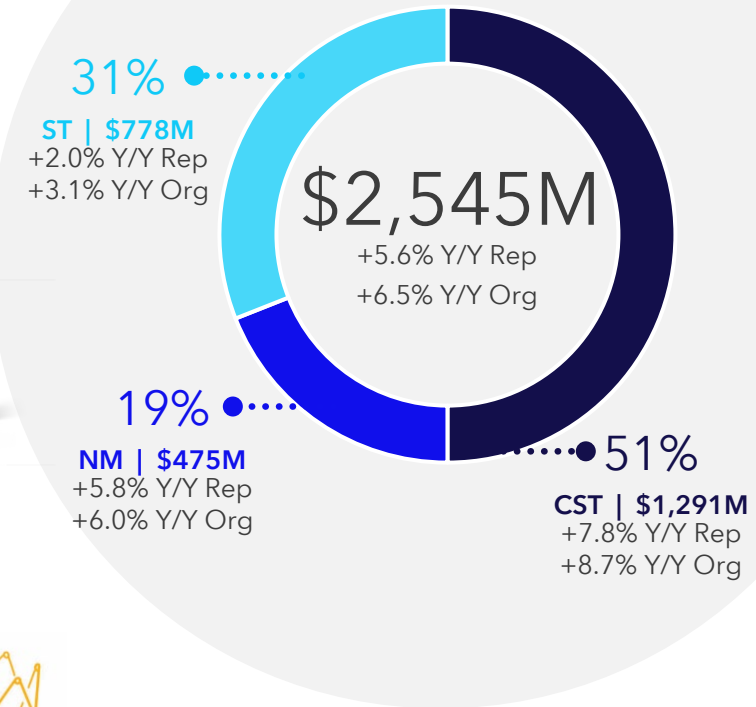
- Spinal Cord Stimulation: LSD WW and US growth driven by differentiated DTM™ on Intellis™ platform; HSD trialing and LSD new implant growth in US; Received US FDA approval for Inceptiv™ closed-loop spinal cord stimulator
- Brain Modulation: LDD WW growth driven by mid-teens new implant growth of our Percept™ RC neurostimulator with BrainSense™ technology



**Inceptiv™**  
Rechargeable  
Closed-Loop SCS



**Percept™ RC DBS**  
with BrainSense™  
Technology



### Operating Unit Growth

Cranial & Spinal Technologies	▲	HSD
Neurovascular	▼	LSD
ENT	▲	HSD
Pelvic Health	▲	MSD
Neuromodulation	▲	MSD

# Medical Surgical

4.5% growth driven by General Surgical & Endoscopy; Continued progress on US Hugo™ IDE trials

## Surgical & Endoscopy (SE)

- Surgical driven by DD EM growth; comprises about a quarter of revenue
- General Surgical: WW MSD growth driven by V-Loc™ and ProGrip™ Synthetic Mesh, which reduces the need for fixation and used in robotic cases given ease of use
- Advanced Surgical: WW LSD growth driven by Advanced Energy and LigaSure™ growth, partly offset by declines in Advanced Stapling given declines in US bariatric procedures
- Robotics: Started enrollment in Hernia and GYN indication studies; installed base expansion OUS continues; Expand URO US trial nearing completion
- Endoscopy: Growth driven by strong market adoption of Endoflip™ 300 system and Emprint™ ablation system; announced launch of ColonPRO™ software for GI Genius™, an enhanced polyp detection algorithm incorporating new procedural highlights feature

## Acute Care & Monitoring (ACM)

- Blood Oxygen Management: LSD growth driven by MSD Nellcor™ pulse oximetry sensor and monitor growth; picked up 100 bps of share this quarter driven by our clinically-superior technology and account wins over the past 12 months
- Airways: McGRATH™ MAC video laryngoscope grew mid-teens on strong adoption

ProGrip™  
Self-Fixating  
Mesh



V-Loc™  
Barbed Sutures



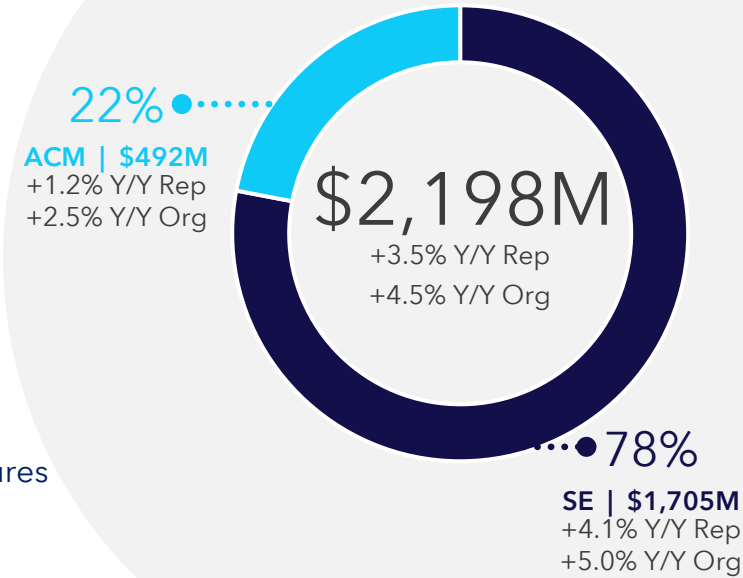
Hugo™  
RAS System



McGRATH™  
MAC Video  
Laryngoscope



RespArray™  
Patient Monitor



### Operating Unit Growth

- Surgical ▲ MSD
- Endoscopy ▲ HSD
- Acute Care & Monitoring ▲ LSD

# Diabetes

## Double-digit US and OUS growth on adoption of MiniMed™ 780G system

### United States

High-40s pump growth led by strong new user adoption and CGM sales growth

- More than doubled new user growth Y/Y; continued strong growth in both MDI users and competitive switchers
- High-teens CGM growth Y/Y; continued growth in CGM attachment rates
- In latest dQ&A data, pump Net Promoter Score increased 15-points from strength of MiniMed™ 780G system algorithm and ability to reduce ‘time and effort’ with managing diabetes<sup>1</sup>

### International

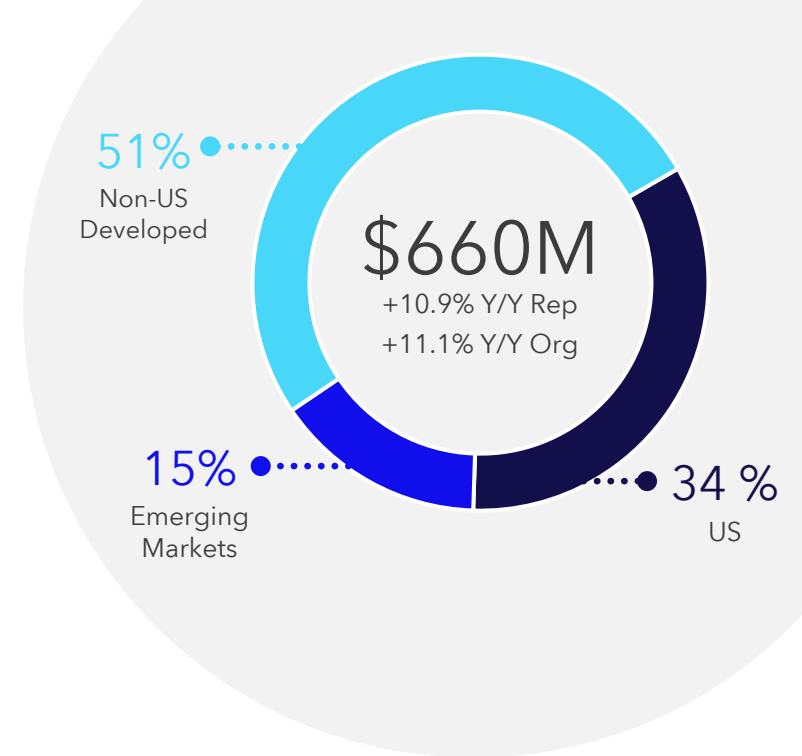
Consistent double-digit growth driven by strong performance in CGM and other consumables given growth in our install base

- MiniMed™ 780G system remains most widely used AID system in Western Europe
- Limited launch of Simplera™ Sync in 5 countries with phased commercial launch this summer; customer and HCP feedback emphasizes ease of insertion, adding to the existing high satisfaction with MiniMed™ 780G system
- Expanding Smart MDI market with Simplera™ and InPen Smart MDI launched in 16 EU countries; Majority of customers leveraging full system to benefit from insulin tracking and dose recommendations

### Pipeline

Advancing next-gen pipeline to offer the largest portfolio of diabetes solutions

- MiniMed™ 780G AID system recognized among Fast Company’s 2024 World Changing Ideas
- Submitted Simplera™ Sync for use with the MiniMed™ 780G system (ages 7+) to the US FDA
- Planning US FDA and CE mark labeling expansions for pregnancy, T2, pediatrics (2+), biosimilars for MiniMed™ 780G
- US data at ATTD demonstrating early success, including average time-in-range (TIR) 80% with recommended settings with the MiniMed™ 780G system; adding to our growing body of real-world evidence that demonstrates superiority of the MiniMed™ 780G system with recommended settings offering the best average TIR and lowest time-above-range (TAR) among FDA-approved AID systems<sup>3</sup>



**MiniMed™ 780G system with Simplera Sync™**  
Global real-world data achieves ~80% TIR<sup>2</sup>

**Simplera™ Smart MDI System**

**Medtronic**

1) dQ&A Q1 2024 US Pump Patient Survey (n=2,014)

2) Time In Range using recommended settings as shown in real-world evidence for MM780G system (n=5,762)

3) Among all published data; does not represent head-to-head comparison



# FY24 Recap and Highlights

# FY24 Highlights



## Delivering on commitments; meaningful step forward in FY24

- MSD revenue growth every quarter; 5.2% organic growth for the year; 1pt above mid-point of initial guide
- Delivered EPS \$0.15 above mid-point of initial guide



## Advanced product pipeline and clinical evidence

- Received ~130 regulatory approvals with product launches expected to contribute meaningfully to long-term growth
- Meaningful product approvals including Aurora EV-ICD™, Affera Sphere-9™ and PulseSelect™ pulsed field ablation systems, Nitron CryoConsole™ system, Percept™ RC featuring BrainSense™ technology, Inceptiv™ closed-loop spinal cord stimulator, MiniMed™ 780G System+Simplera Sync™ CGM, and Symplicity Spyral™ RDN system
  - Building upon our clinical body of evidence, including our SMART trial & 4-year low risk data in TAVR, and FIH 1-year Sphere-360 results in PFA

R&D spend of \$2.7B with operating committee allocating disproportionate funds to highest growth market opportunities



## Comprehensive transformation taking hold and seeing results

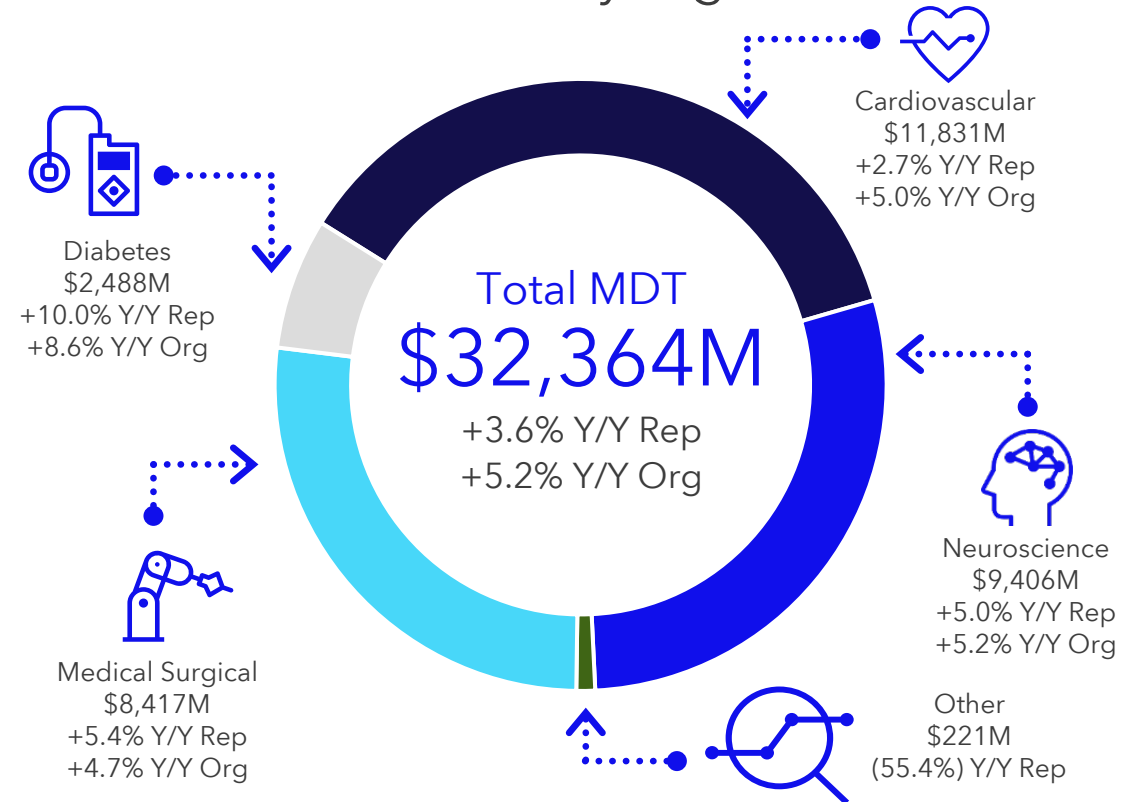
- Made and continue to make necessary enhancements to operations and quality systems to make the company even more resilient; Global workforce continues to embrace and instill performance-driven culture
- Announced exit of increasingly unprofitable ventilator product line



## Generated significant FCF and return to shareholders

- FCF of \$5.2B, +14% y/y driven by improvements in working capital
- Total return to shareholders of \$5.5B, including \$1.9B of net share repurchases
- Dividend increased to \$0.70 per share quarterly; 47th consecutive year of increases

## Revenue<sup>1</sup> by segment

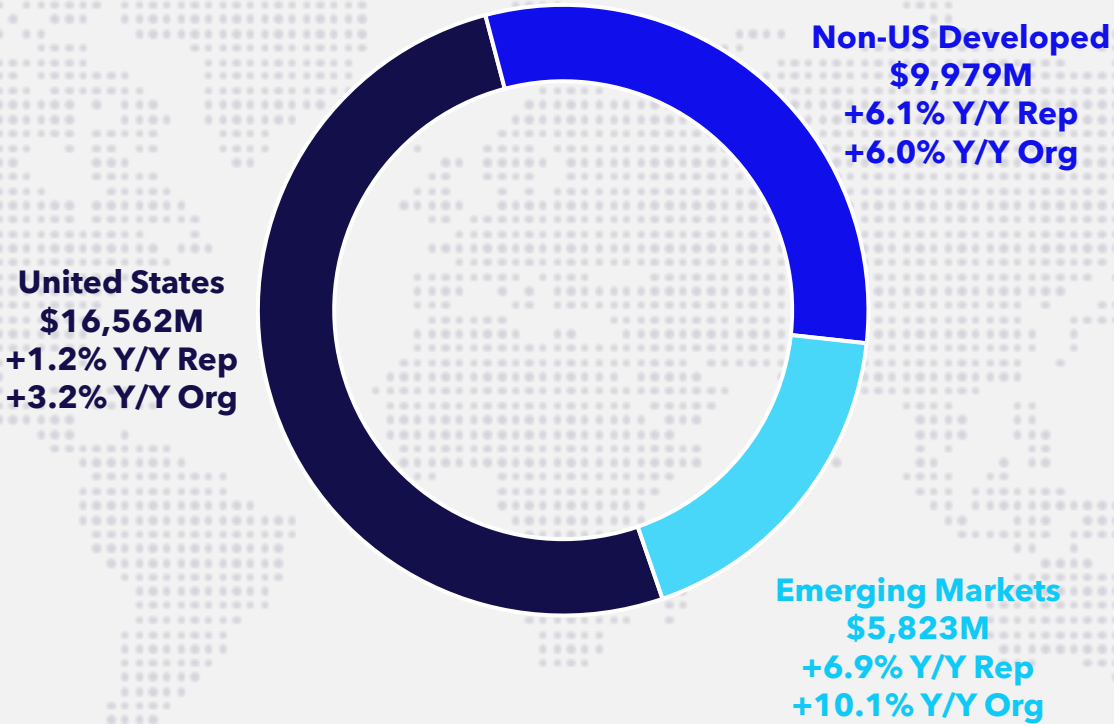


	GAAP	Non-GAAP	Cash flow from operations YTD
Diluted EPS	<b>\$2.76</b>	<b>\$5.20</b>	<b>\$6.8B</b>
Y/Y %	<b>(2.1%)</b>	<b>(1.7%)</b>	Free cash flow <sup>2</sup> YTD
CC Y/Y %	<b>N/A</b>	<b>+4.5%</b>	<b>\$5.2B</b>

1) Data has been intentionally rounded to the nearest million and, therefore, may not sum.  
 2) Operating cash flows less property, plant, and equipment additions.

# FY24 Financial summary

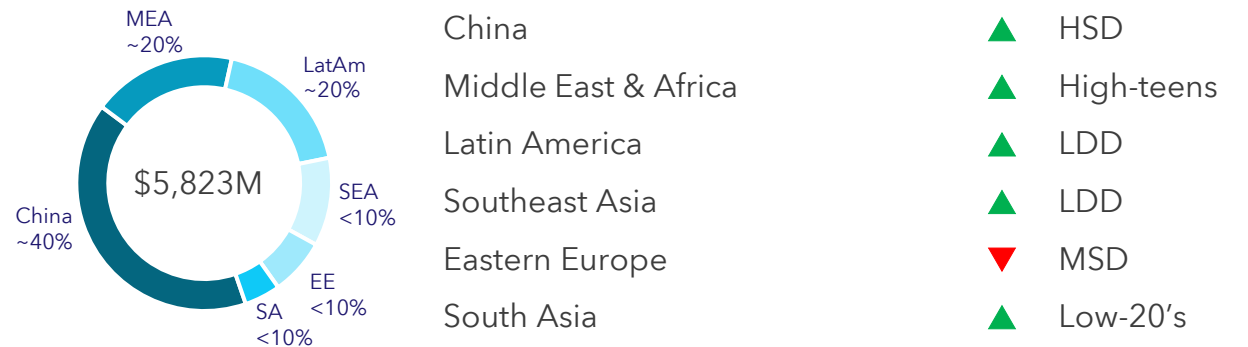
## Revenue<sup>1</sup> by geography



### Non-US Developed ▲ 6.0%



### Emerging Markets ▲ 10.1%



# Q4 and FY24 Financial Highlights



# Q4 FY24 Income statement

## GAAP<sup>1</sup>

(\$ in millions)	Q4 FY23	Q4 FY24	Y/Y
Revenue	\$8,544	\$8,589	0.5%
Gross Margin	65.1%	64.6%	(50 bps)
SG&A % of Sales	30.6%	32.2%	+160 bps
R&D % of Sales	7.5%	7.9%	+40 bps
Operating Margin	18.3%	12.3%	(600 bps)
Net Income	\$1,179	\$654	(44.5%)
Diluted EPS	\$0.88	\$0.49	(44.3%)

Full GAAP to non-GAAP reconciliation in Appendix

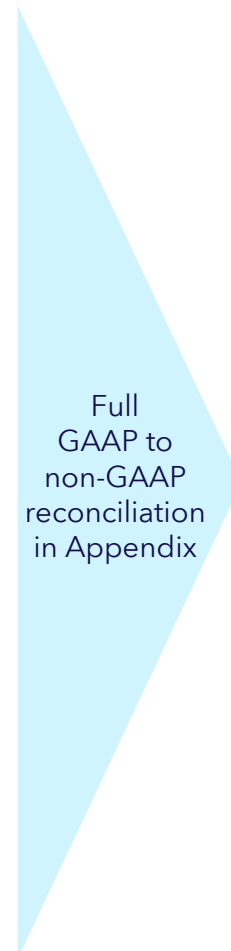
## Non-GAAP<sup>1</sup>

(\$ in millions)	Q4 FY23	Q4 FY24	Y/Y
Revenue	\$8,544	\$8,589	0.5%
Gross Margin	65.9%	65.8%	(10 bps)
SG&A % of Sales	29.7%	31.8%	+210 bps
R&D % of Sales	7.3%	7.8%	+50 bps
Operating Margin	29.4%	26.9%	(250 bps)
Net Income	\$2,091	\$1,929	(7.7%)
Diluted EPS	\$1.57	\$1.46	(7.0%)

# FY24 Income statement

## GAAP<sup>1</sup>

(\$ in millions)	FY23	FY24	Y/Y
Revenue	\$31,227	\$32,364	3.6%
Gross Margin	65.7%	65.3%	(40 bps)
SG&A % of Sales	33.4%	33.2%	(20 bps)
R&D % of Sales	8.6%	8.5%	(10 bps)
Operating Margin	17.6%	15.9%	(170 bps)
Net Income	\$3,758	\$3,676	(2.2%)
Diluted EPS	\$2.82	\$2.76	(2.1%)

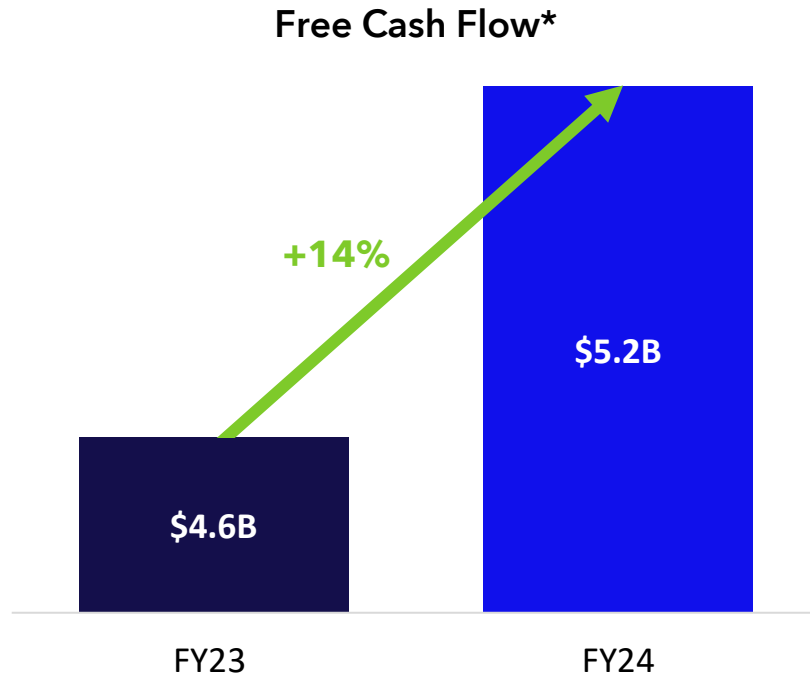


## Non-GAAP<sup>1</sup>

(\$ in millions)	FY23	FY24	Y/Y
Revenue	\$31,227	\$32,364	3.6%
Gross Margin	66.5%	66.1%	(40 bps)
SG&A % of Sales	32.6%	32.6%	Flat
R&D % of Sales	8.4%	8.3%	(10 bps)
Operating Margin	26.6%	25.6%	(100 bps)
Net Income	\$7,045	\$6,918	(1.8%)
Diluted EPS	\$5.29	\$5.20	(1.7%)

# Free Cash Flow

Discipline in working capital delivering improved free cash flow



Included in Free Cash Flow: (\$ in billions)	FY23	FY24
<b>Pre-Tax</b>		
Certain Litigation Payments, net <sup>1,2</sup>	\$0.0	\$0.2
Restructuring Payments <sup>1</sup>	\$0.4	\$0.5
Other Payments <sup>1,3</sup>	\$0.4	\$0.4
Puerto Rico IRS Pre-Payment	\$0.3	\$0.2
Certain Other Tax Payments	\$0.5	\$0.4

\*Operating cash flows less property, plant, and equipment additions

<sup>1</sup> Cash flow impact does not reflect associated tax cost / benefit, as timing and amount are difficult to estimate

<sup>2</sup> Includes payments accrued as "Non-GAAP" charges

<sup>3</sup> Includes acquisition-related, divestiture-related, charges associated with the exit of a business, European Union medical device regulation charges, and contributions to the Medtronic Foundation

# Guidance & Assumptions

# Guidance and assumptions

FY25 REVENUE	FY24 base		Organic revenue growth guidance	FX <sup>2</sup>	Inorganic	Other <sup>1</sup>	Implied reported revenue range
	FY24 reported	\$32,364M	<b>4.0% to 5.0%</b>	(\$375M) to (\$275M)	\$0	~\$80M	~\$33.1B to \$33.6B
Less Other <sup>2</sup>	(\$221M)						
FY24 base	<b>\$32,143M</b>						

FY25 EPS	FY24 base	Implied constant currency growth	FX <sup>2</sup>	FY25 EPS guidance
	\$5.20	+9% to +11%	~(5%)	<b>\$5.40 to \$5.50</b>

Note: EPS guidance does not include any charges or gains that would be reported as non-GAAP adjustments to earnings during the fiscal year

1) Other includes Mozarc Medical Manufacturing & Servicing Agreements, Cardinal Health Manufacturing Agreements & Ventilation Service Solutions

2) While FX rates are fluid, assumptions above are based on rates as of the beginning of May 2024

# Sustainability

# Leading in engagement, citizenship & innovation



Fair360

#2 in Fair360 Top 50 for the 3<sup>rd</sup> consecutive year in the top 10



Just Capital

One of America's Most JUST Companies in 2024



Great Place to Work<sup>®</sup> certified awarded to Medtronic in Australia, Greater China, Spain, and 20 other countries

Member of  
**Dow Jones Sustainability Indices**  
 Powered by the S&P Global CSA

Dow Jones Sustainability Index  
 DJSI World Index for 2 consecutive years  
 DJSI North American Index for 15 consecutive years



U.S. Chamber of Commerce Foundation

US Chamber of Commerce Foundation  
 Best Corporate Citizens Awards  
 Named Best Corporate Steward - Large Business



Top Employers Institute certified

Awarded to Medtronic in the U.K., Egypt, South Africa, and 6 other countries



Ethisphere

One of the 2023 Worlds Most Ethical Companies<sup>®</sup>



2023 Disability:IN and the American Association of People with Disabilities Disability Equality Index<sup>®</sup> Best Places to Work<sup>™</sup> – 100% Score 6<sup>th</sup> consecutive year with top score



2023 Hispanic Association on Corporate Responsibility

5-star awards across all 4 pillars – Employment, Philanthropy, Procurement, & Governance – 2<sup>nd</sup> consecutive year



IR Magazine

2024 Best Investor Targeting strategy; Finalist for Best IR in Healthcare

# Near and long-term sustainability objectives

## Robust governance structures and processes underpin our sustainability strategy



Carbon neutral in Operations (scope 1 and 2)

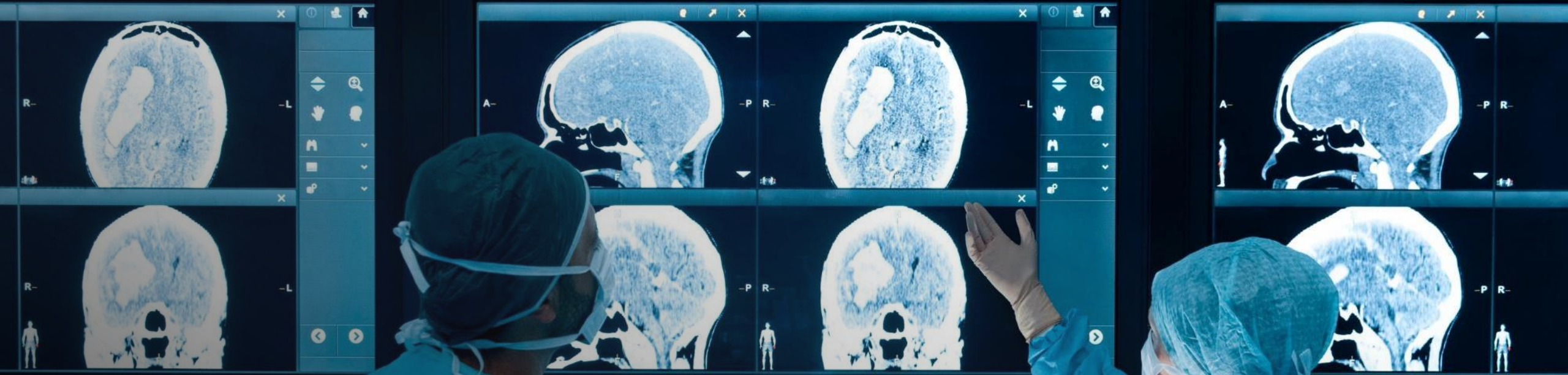


Net-zero emissions

Sustainability targets and progress		Baseline	End date	FY23 status
Climate stewardship	Reduce greenhouse gas emissions intensity by 50%	FY20	FY25	35%
	Reduce energy intensity by 20%	FY20	FY25	6%
	Source 50% of energy from renewable and alternative sources	FY20	FY25	31% <sup>1</sup>
	Reduce water usage intensity by 15%	FY20	FY25	9%
	Reduce waste intensity by 15%	FY20	FY25	17%
	Become carbon neutral in our operations (scope 1 and 2)	N/A	FY30	On track
	Reach net-zero emissions	N/A	FY45	On track
Product stewardship	Reduce packaging waste by 25% for four <sup>2</sup> targeted high-volume product families <sup>3</sup>	FY21	FY25	7%
	Minimize impact of instructions for use (IFU) through a 35% paper reduction	FY21	FY27	1%
	Publish partial life cycle assessments (LCA) for 100% of products and full LCAs for 50% of products	N/A	FY30	New in FY23
	Convert 50% of eligible product codes to electronic IFUs within applicable regions	N/A	FY30	New in FY23
	Integrate circularity and eco-design criteria into the New Product Development process	N/A	FY30	New in FY23
	Achieve one of the following for 95% of eligible plastic packaging: is industrially recyclable, contains postindustrial recycled content, demonstrates optimized design	N/A	FY30	New in FY23
	Reduce packaging for 20 additional high-volume products for a total of 50% reduction	N/A	FY30	New in FY23
Access and Innovation	Flow 20% of revenue from products released in the prior 36 months (vitality index)	N/A	FY25	16%
	Serve 79 million patients annually through strategies that increase healthcare access <sup>4</sup>	N/A	FY25	74 million +
Product quality	Reduce aggregate product complaint rate by 10% for identified product families <sup>5</sup>	FY20	FY25	39%
ID&E	Reach 45% representation of women in manager-and-above roles globally through focus on effective practices	N/A	FY26	43%
	Reach 30% representation of ethnically diverse groups in manager-and-above roles in the US through focus on effective practices	N/A	FY26	28%
	Increase spend with US diverse-owned suppliers by 5% Y/Y through FY26 through focus on effective practices	FY22	FY23	37%

1) Annual progress is cumulative and represented as the growth in sourcing over the FY20 baseline year. Value includes purchases renewable electricity credits.  
 2) Four product families include: Tri-staple, Polysorb, Absorbatack, Spinal Implants  
 3) High-volume product families identified based on weight, material selection, and sourcing  
 4) Target was adjusted in FY23 after announcement of plans to divest the PMRI businesses  
 5) For more information see page 17 of the FY23 Sustainability Report found on the Medtronic [Investor Relations website](#)





# Appendix

# Q4 FY24 Revenue by portfolio and geography

	Worldwide			US			Non-US Developed			Emerging Markets		
	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%
<b>Cardiovascular</b>	<b>3,130</b>	<b>-5.2%</b>	<b>4.0%</b>	<b>1,448</b>	<b>-16.6%</b>	<b>-1.6%</b>	<b>1,039</b>	<b>2.8%</b>	<b>4.1%</b>	<b>643</b>	<b>16.1%</b>	<b>18.8%</b>
Cardiac Rhythm & Heart Failure	1,587	1.3%	2.2%									
Structural Heart & Aortic	883	-20.1%	5.8%									
Coronary & Peripheral Vascular	660	4.6%	5.7%									
<b>Neuroscience</b>	<b>2,545</b>	<b>5.6%</b>	<b>6.5%</b>	<b>1,692</b>	<b>7.0%</b>	<b>7.0%</b>	<b>482</b>	<b>2.8%</b>	<b>5.1%</b>	<b>371</b>	<b>3.1%</b>	<b>5.8%</b>
Cranial & Spinal Technologies	1,291	7.8%	8.7%									
Specialty Therapies	778	2.0%	3.1%									
Neuromodulation	475	5.8%	6.0%									
<b>Medical Surgical</b>	<b>2,198</b>	<b>3.5%</b>	<b>4.5%</b>	<b>954</b>	<b>3.8%</b>	<b>3.8%</b>	<b>805</b>	<b>0.8%</b>	<b>2.9%</b>	<b>439</b>	<b>8.4%</b>	<b>9.6%</b>
Surgical & Endoscopy	1,705	4.1%	5.0%									
Acute Care & Monitoring	492	1.2%	2.5%									
<b>Diabetes</b>	<b>660</b>	<b>10.9%</b>	<b>11.1%</b>	<b>223</b>	<b>12.1%</b>	<b>12.1%</b>	<b>337</b>	<b>7.3%</b>	<b>7.0%</b>	<b>99</b>	<b>20.7%</b>	<b>23.2%</b>
<b>Other</b>	<b>57</b>	<b>-50.0%</b>	<b>-</b>	<b>26</b>	<b>-33.3%</b>	<b>-</b>	<b>11</b>	<b>-68.6%</b>	<b>-</b>	<b>21</b>	<b>-46.2%</b>	<b>-</b>
<b>Total Medtronic</b>	<b>8,589</b>	<b>0.5%</b>	<b>5.4%</b>	<b>4,343</b>	<b>-3.0%</b>	<b>3.5%</b>	<b>2,674</b>	<b>1.7%</b>	<b>4.2%</b>	<b>1,572</b>	<b>9.2%</b>	<b>13.1%</b>

# Q4 FY24 GAAP to non-GAAP reconciliations

	Q4 FY24 GAAP	Amortization	Restructuring	Acquisition and Divestiture-Related Items	Certain Litigation	(Gain) / Loss on Minority Investment	Medical Device Regulations	Certain Tax Adjustments	Q4 FY24 Non-GAAP	Q4 FY23 Non-GAAP	Y/Y Growth / Change
<b>Net Sales</b>	<b>8,589</b>	-	-	-	-	-	-	-	<b>8,589</b>	<b>8,544</b>	<b>0.5%</b>
Cost of Products Sold	3,044	-	(13)	(76)	-	-	(21)	-	2,934	2,917	0.6%
<b>Gross Margin</b>	<b>64.6%</b>	-	<b>0.2%</b>	<b>0.9%</b>	-	-	<b>0.2%</b>	-	<b>65.8%</b>	<b>65.9%</b>	<b>(10 bps)</b>
SG&A	2,765	-	(28)	(6)	-	-	(1)	-	2,731	2,535	7.7%
% of Sales	32.2%	-	(0.3%)	(0.1%)	-	-	-	-	31.8%	29.7%	210 bps
R&D	675	-	-	-	-	-	(9)	-	666	622	7.1%
% of Sales	7.9%	-	-	-	-	-	(0.1%)	-	7.8%	7.3%	50 bps
Other Operating Expense (Income), Net	477	-	-	(530)	-	-	-	-	(52)	(42)	23.8%
% of Sales	5.6%	-	-	(6.2%)	-	-	-	-	(0.6%)	(0.5%)	10 bps
Amortization of Intangible Assets	419	(419)	-	-	-	-	-	-	-	-	-
Restructuring Charges, Net	112	-	(112)	-	-	-	-	-	-	-	-
Certain Litigation Charges	44	-	-	-	(44)	-	-	-	-	-	-
<b>Operating Profit</b>	<b>1,053</b>	<b>419</b>	<b>152</b>	<b>611</b>	<b>44</b>	-	<b>31</b>	-	<b>2,311</b>	<b>2,512</b>	<b>(8.0%)</b>
<b>Operating Margin</b>	<b>12.3%</b>	<b>4.9%</b>	<b>1.8%</b>	<b>7.1%</b>	<b>0.5%</b>	-	<b>0.4%</b>	-	<b>26.9%</b>	<b>29.4%</b>	<b>(250 bps)</b>
Other Non-Operating Income, Net	(4)	-	-	-	-	(195)	-	-	(200)	(164)	22.0%
<b>Net Income Attributable to MDT (\$M)</b>	<b>654</b>	<b>357</b>	<b>125</b>	<b>515</b>	<b>37</b>	<b>197</b>	<b>27</b>	<b>17</b>	<b>1,929</b>	<b>2,091</b>	<b>(7.7%)</b>
<b>Diluted EPS (\$)<sup>(1)</sup></b>	<b>0.49</b>	<b>0.27</b>	<b>0.09</b>	<b>0.39</b>	<b>0.03</b>	<b>0.15</b>	<b>0.02</b>	<b>0.01</b>	<b>1.46</b>	<b>1.57</b>	<b>(7.0%)</b>

# FY24 Revenue by portfolio and geography

	Worldwide			US			Non-US Developed			Emerging Markets		
	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%	Revenue (\$M) <sup>1</sup>	As reported Y/Y%	Organic Y/Y%
<b>Cardiovascular</b>	<b>11,831</b>	<b>2.7%</b>	<b>5.0%</b>	<b>5,597</b>	<b>-3.4%</b>	<b>1.2%</b>	<b>3,857</b>	<b>8.2%</b>	<b>6.5%</b>	<b>2,377</b>	<b>10.0%</b>	<b>12.3%</b>
Cardiac Rhythm & Heart Failure	5,995	3.7%	3.5%									
Structural Heart & Aortic	3,358	-0.1%	8.0%									
Coronary & Peripheral Vascular	2,478	4.3%	4.8%									
<b>Neuroscience</b>	<b>9,406</b>	<b>5.0%</b>	<b>5.2%</b>	<b>6,305</b>	<b>4.8%</b>	<b>4.8%</b>	<b>1,739</b>	<b>4.9%</b>	<b>4.3%</b>	<b>1,362</b>	<b>6.2%</b>	<b>8.1%</b>
Cranial & Spinal Technologies	4,756	6.9%	7.1%									
Specialty Therapies	2,905	3.2%	3.6%									
Neuromodulation	1,746	3.1%	2.7%									
<b>Medical Surgical</b>	<b>8,417</b>	<b>5.4%</b>	<b>4.7%</b>	<b>3,717</b>	<b>4.7%</b>	<b>4.3%</b>	<b>3,049</b>	<b>4.5%</b>	<b>3.8%</b>	<b>1,650</b>	<b>8.4%</b>	<b>7.5%</b>
Surgical & Endoscopy	6,508	5.8%	5.5%									
Acute Care & Monitoring	1,908	3.9%	2.5%									
<b>Diabetes</b>	<b>2,488</b>	<b>10.0%</b>	<b>8.6%</b>	<b>852</b>	<b>0.4%</b>	<b>0.4%</b>	<b>1,284</b>	<b>16.1%</b>	<b>12.7%</b>	<b>352</b>	<b>14.7%</b>	<b>16.6%</b>
<b>Other</b>	<b>221</b>	<b>-55.4%</b>	<b>-</b>	<b>91</b>	<b>-43.1%</b>	<b>-</b>	<b>50</b>	<b>-69.3%</b>	<b>-</b>	<b>81</b>	<b>-52.9%</b>	<b>-</b>
<b>Total Medtronic</b>	<b>32,364</b>	<b>3.6%</b>	<b>5.2%</b>	<b>16,562</b>	<b>1.2%</b>	<b>3.2%</b>	<b>9,979</b>	<b>6.1%</b>	<b>6.0%</b>	<b>5,823</b>	<b>6.9%</b>	<b>10.1%</b>

# FY24 GAAP to non-GAAP reconciliations

	FY24 GAAP	Amortization	Restructuring	Acquisition and Divestiture-Related Items	Certain Litigation	(Gain) / Loss on Minority Investment	Medical Device Regulations	Certain Tax Adjustments	FY24 Non-GAAP	FY23 Non-GAAP	Y/Y Growth / Change
<b>Net Sales</b>	<b>32,364</b>	-	-	-	-	-	-	-	<b>32,364</b>	<b>31,277</b>	<b>3.6%</b>
Cost of Products Sold	11,216	-	(55)	(100)	-	-	(81)	-	10,980	10,469	4.9%
<b>Gross Margin</b>	<b>65.3%</b>	-	<b>0.2%</b>	<b>0.3%</b>	-	-	<b>0.3%</b>	-	<b>66.1%</b>	<b>66.5%</b>	<b>(40 bps)</b>
SG&A	10,736	-	(108)	(71)	-	-	(2)	-	10,555	10,175	3.7%
% of Sales	33.2%	-	(0.3%)	(0.2%)	-	-	-	-	32.6%	32.6%	Flat
R&D	2,735	-	-	-	-	-	(36)	-	2,698	2,632	2.5%
% of Sales	8.5%	-	-	-	-	-	(0.1%)	-	8.3%	8.4%	(10 bps)
Other Operating Expense (Income), Net	464	-	-	(606)	-	-	-	-	(141)	(344)	(59.0%)
% of Sales	1.4%	-	-	(1.9%)	-	-	-	-	(0.4%)	(1.1%)	(70 bps)
Amortization of Intangible Assets	1,693	(1,693)	-	-	-	-	-	-	-	-	-
Restructuring Charges, Net	226	-	(226)	-	-	-	-	-	-	-	-
Certain Litigation Charges	149	-	-	-	(149)	-	-	-	-	-	-
<b>Operating Profit</b>	<b>5,144</b>	<b>1,693</b>	<b>389</b>	<b>777</b>	<b>149</b>	-	<b>119</b>	-	<b>8,272</b>	<b>8,295</b>	<b>(0.3%)</b>
<b>Operating Margin</b>	<b>15.9%</b>	<b>5.2%</b>	<b>1.2%</b>	<b>2.4%</b>	<b>0.5%</b>	-	<b>0.4%</b>	-	<b>25.6%</b>	<b>26.6%</b>	<b>(100 bps)</b>
Other Non-Operating Income, Net	(412)	-	-	-	-	(308)	-	-	(720)	(482)	49.4%
<b>Net Income Attributable to MDT (\$M)</b>	<b>3,676</b>	<b>1,435</b>	<b>323</b>	<b>664</b>	<b>118</b>	<b>305</b>	<b>97</b>	<b>299</b>	<b>6,918</b>	<b>7,045</b>	<b>(1.8%)</b>
<b>Diluted EPS (\$) <sup>(1)</sup></b>	<b>2.76</b>	<b>1.08</b>	<b>0.24</b>	<b>0.50</b>	<b>0.09</b>	<b>0.23</b>	<b>0.07</b>	<b>0.22</b>	<b>5.20</b>	<b>5.29</b>	<b>(1.7%)</b>

# Medtronic business structure



## Cardiovascular

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### Cardiac Rhythm & Heart Failure

- Cardiac Rhythm Management
- Cardiac Ablation Solutions

### Structural Heart & Aortic

- Structural Heart & Aortic
- Cardiac Surgery

### Coronary & Peripheral Vascular

- Coronary & Renal Denervation
- Peripheral Vascular Health



## Neuroscience

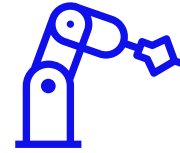
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### Cranial & Spinal Technologies

#### Specialty Therapies

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

#### Neuromodulation



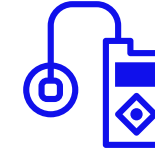
## Medical Surgical

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### Surgical & Endoscopy

- Surgical
- Endoscopy

### Acute Care & Monitoring



## Diabetes

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



## Other

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- Cardinal Health Manufacturing Agreements
- Mozarc Medical Manufacturing & Servicing Agreements
- Ventilation Service Solutions

# Abbreviations & acronyms

Growth		Business specific		Business specific		Other	
▼	Revenue Decreased Y/Y Organic	AID	Automated Insulin Delivery	ICD	Implantable Cardioverter Defibrillator	ACC	American College of Cardiology
—	Revenue flat Y/Y Organic	CAS	Cardiac Ablation Solutions	LAA	Left Atrial Appendage	EM	Emerging Markets
▲	Revenue Increased Y/Y Organic	CGM	Continuous Glucose Monitoring	MDI	Multiple Daily Injections	FIH	First-In-Human
WAMGR	Weighted Average Market Growth Rate	CRM	Cardiac Rhythm Management	PFA	Pulse Field Ablation	HCP	Health Care Provider
		DBS	Deep Brain Stimulation	RAS	Robot-Assisted Surgery	IDE	Investigational Device Exemption
		DCB	Drug Coated Balloon	RDN	Renal Denervation	ID&E	Inclusion, Diversity and Equity
		DES	Drug Eluting Stent	SCS	Spinal Cord Stimulation	LMR	Limited Market Release
		DTM	Differential Target Multiplexed Waveform	TAR	Time Above Range	NEJM	New England Journal of Medicine
		ENT	Ear, Nose, & Throat	TAA	Thoracic Aortic Aneurysm	NMPA	National Medical Products Admin.
		EV-ICD	Extravascular Implantable Cardioverter Defibrillator	TAVR	Transcatheter Aortic Valve Replacement	OU	Operating Unit
		GI	Gastrointestinal	TIR	Time In Range	VBP	Volume-Based Procurement
		GYN	Gynecology	URO	Urology	WE	Western Europe
						WW	World Wide

# Medtronic

Engineering the extraordinary

## Investor Relations contact information



**Ryan Weispenning**

Vice President,  
Head of Investor Relations



**Brad Welnick**

Vice President,  
Investor Relations

[investor.relations@medtronic.com](mailto:investor.relations@medtronic.com)



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