

MEDTRONIC PLC
WORLD WIDE REVENUE⁽¹⁾
(Unaudited)

(in millions)	THIRD QUARTER						THIRD QUARTER YEAR-TO-DATE					
	REPORTED			CONSTANT CURRENCY			REPORTED			CONSTANT CURRENCY		
	FY23	FY22	Growth	Currency Impact ⁽²⁾	FY23	Growth ⁽³⁾	FY23	FY22	Growth	Currency Impact ⁽²⁾	FY23	Growth ⁽³⁾
Cardiovascular	\$ 2,772	\$ 2,745	1.0 %	\$ (152)	\$ 2,924	6.5 %	\$ 8,257	\$ 8,462	(2.4)%	\$ (467)	\$ 8,724	3.1 %
Cardiac Rhythm & Heart Failure	1,431	1,402	2.1	(76)	1,507	7.5	4,255	4,356	(2.3)	(238)	4,493	3.1
Structural Heart & Aortic	760	740	2.7	(45)	805	8.8	2,259	2,277	(0.8)	(141)	2,400	5.4
Coronary & Peripheral Vascular	581	603	(3.6)	(31)	612	1.5	1,744	1,829	(4.6)	(88)	1,832	0.2
Medical Surgical	2,137	2,290	(6.7)	(117)	2,254	(1.6)	6,208	6,910	(10.2)	(380)	6,588	(4.7)
Surgical Innovations	1,425	1,519	(6.2)	(81)	1,506	(0.9)	4,162	4,570	(8.9)	(269)	4,431	(3.0)
Respiratory, Gastrointestinal, & Renal	712	771	(7.7)	(36)	748	(3.0)	2,047	2,341	(12.6)	(111)	2,158	(7.8)
Neuroscience	2,248	2,144	4.9	(78)	2,326	8.5	6,549	6,484	1.0	(227)	6,776	4.5
Cranial & Spinal Technologies	1,128	1,102	2.4	(32)	1,160	5.3	3,253	3,292	(1.2)	(96)	3,349	1.7
Specialty Therapies	699	633	10.4	(32)	731	15.5	2,052	1,908	7.5	(85)	2,137	12.0
Neuromodulation	420	409	2.7	(14)	434	6.1	1,244	1,285	(3.2)	(46)	1,290	0.4
Diabetes	570	584	(2.4)	(33)	603	3.3	1,667	1,741	(4.3)	(113)	1,780	2.2
TOTAL	\$ 7,727	\$ 7,763	(0.5)%	\$ (379)	\$ 8,106	4.4 %	\$ 22,682	\$ 23,597	(3.9)%	\$ (1,187)	\$ 23,869	1.2 %

(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 nine months ended January 27, 2023 includes \$26 million and \$71 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. When excluding the impact of currency and the inorganic Intersect ENT revenue for three and nine months ended January 27, 2023, revenue increased 4.1 percent organic and 0.9 percent organic, respectively.

MEDTRONIC PLC
U.S.⁽¹⁾⁽²⁾ REVENUE

(in millions)	THIRD QUARTER			THIRD QUARTER YEAR-TO-DATE		
	REPORTED			REPORTED		
	FY23	FY22	Growth ⁽³⁾	FY23	FY22	Growth ⁽³⁾
Cardiovascular	\$ 1,375	\$ 1,297	6.0 %	\$ 4,097	\$ 4,090	0.2 %
Cardiac Rhythm & Heart Failure	764	708	7.9	2,271	2,238	1.5
Structural Heart & Aortic	337	312	8.0	997	986	1.1
Coronary & Peripheral Vascular	274	278	(1.4)	829	866	(4.3)
Medical Surgical	965	990	(2.5)	2,713	2,950	(8.0)
Surgical Innovations	600	609	(1.5)	1,669	1,779	(6.2)
Respiratory, Gastrointestinal, & Renal	365	381	(4.2)	1,044	1,171	(10.8)
Neuroscience	1,507	1,397	7.9	4,437	4,237	4.7
Cranial & Spinal Technologies	824	784	5.1	2,404	2,328	3.3
Specialty Therapies	402	343	17.2	1,186	1,057	12.2
Neuromodulation	281	270	4.1	848	852	(0.5)
Diabetes	215	255	(15.7)	650	760	(14.5)
TOTAL	\$ 4,062	\$ 3,939	3.1 %	\$ 11,897	\$ 12,038	(1.2)%

(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 nine months ended January 27, 2023 includes \$25 million and \$70 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. When excluding the impact of currency and the inorganic Intersect ENT revenue for three and nine months ended January 27, 2023, revenue increased 2.5 percent organic and declined 1.8 percent organic, respectively.

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

(in millions)	THIRD QUARTER						THIRD QUARTER YEAR-TO-DATE					
	REPORTED			Currency Impact ⁽³⁾	CONSTANT CURRENCY		REPORTED			Currency Impact ⁽³⁾	CONSTANT CURRENCY	
	FY23	FY22	Growth		FY23	Growth ⁽⁴⁾	FY23	FY22	Growth		FY23	Growth ⁽⁴⁾
U.S.	\$ 1,375	\$ 1,297	6.0 %	\$ —	\$ 1,375	6.0 %	\$ 4,097	\$ 4,090	0.2 %	\$ —	\$ 4,097	0.2 %
Non-U.S. Developed	859	935	(8.1)	(110)	969	3.6	2,553	2,886	(11.5)	(380)	2,933	1.6
Emerging Markets	538	513	4.9	(42)	580	13.1	1,607	1,486	8.1	(86)	1,693	13.9
Cardiovascular	2,772	2,745	1.0	(152)	2,924	6.5	8,257	8,462	(2.4)	(467)	8,724	3.1
U.S.	965	990	(2.5)	—	965	(2.5)	2,713	2,950	(8.0)	—	2,713	(8.0)
Non-U.S. Developed	760	812	(6.4)	(97)	857	5.5	2,246	2,521	(10.9)	(330)	2,576	2.2
Emerging Markets	412	488	(15.6)	(19)	431	(11.7)	1,250	1,439	(13.1)	(49)	1,299	(9.7)
Medical Surgical	2,137	2,290	(6.7)	(117)	2,254	(1.6)	6,208	6,910	(10.2)	(380)	6,588	(4.7)
U.S.	1,507	1,397	7.9	—	1,507	7.9	4,437	4,237	4.7	—	4,437	4.7
Non-U.S. Developed	401	431	(7.0)	(52)	453	5.1	1,189	1,330	(10.6)	(178)	1,367	2.8
Emerging Markets	341	316	7.9	(25)	366	15.8	923	918	0.5	(49)	972	5.9
Neuroscience	2,248	2,144	4.9	(78)	2,326	8.5	6,549	6,484	1.0	(227)	6,776	4.5
U.S.	215	255	(15.7)	—	215	(15.7)	650	760	(14.5)	—	650	(14.5)
Non-U.S. Developed	274	261	5.0	(31)	305	16.9	792	780	1.5	(107)	899	15.3
Emerging Markets	80	68	17.6	(2)	82	20.6	226	201	12.4	(6)	232	15.4
Diabetes	570	584	(2.4)	(33)	603	3.3	1,667	1,741	(4.3)	(113)	1,780	2.2
U.S.	4,062	3,939	3.1	—	4,062	3.1	11,897	12,038	(1.2)	—	11,897	(1.2)
Non-U.S. Developed	2,294	2,438	(5.9)	(290)	2,584	6.0	6,779	7,517	(9.8)	(995)	7,774	3.4
Emerging Markets	1,371	1,385	(1.0)	(89)	1,460	5.4	4,006	4,043	(0.9)	(190)	4,196	3.8
TOTAL	\$ 7,727	\$ 7,763	(0.5)%	\$ (379)	\$ 8,106	4.4 %	\$ 22,682	\$ 23,597	(3.9)%	\$ (1,187)	\$ 23,869	1.2 %

(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 nine months ended January 27, 2023 includes \$26 million and \$71 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. When excluding the impact of currency and the inorganic Intersect ENT revenue for three and nine months ended January 27 2023, revenue increased 4.1 percent organic and 0.9 percent organic, respectively.

MEDTRONIC PLC
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(in millions, except per share data)	Three months ended		Nine months ended	
	January 27, 2023	January 28, 2022	January 27, 2023	January 28, 2022
Net sales	\$ 7,727	\$ 7,763	\$ 22,682	\$ 23,597
Costs and expenses:				
Cost of products sold, excluding amortization of intangible assets	2,689	2,459	7,740	7,554
Research and development expense	688	668	2,055	2,094
Selling, general, and administrative expense	2,615	2,561	7,799	7,723
Amortization of intangible assets	431	432	1,275	1,298
Restructuring charges, net	38	12	81	32
Certain litigation charges, net	—	35	—	95
Other operating (income) expense, net	(125)	(63)	(187)	719
Operating profit	1,392	1,659	3,920	4,081
Other non-operating income, net	(149)	(67)	(342)	(244)
Interest expense, net	167	137	449	410
Income before income taxes	1,375	1,589	3,813	3,915
Income tax provision	146	106	1,218	346
Net income	1,229	1,483	2,595	3,570
Net income attributable to noncontrolling interests	(6)	(4)	(17)	(16)
Net income attributable to Medtronic	\$ 1,222	\$ 1,480	\$ 2,579	\$ 3,554
Basic earnings per share	\$ 0.92	\$ 1.10	\$ 1.94	\$ 2.64
Diluted earnings per share	\$ 0.92	\$ 1.10	\$ 1.94	\$ 2.63
Basic weighted average shares outstanding	1,330.2	1,343.7	1,329.6	1,344.4
Diluted weighted average shares outstanding	1,332.0	1,350.3	1,332.8	1,353.9

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

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

Three months ended January 27, 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	\$ 7,727	\$ 2,689	65.2 %	\$ 1,392	18.0 %	\$ 1,375	\$ 1,222	\$ 0.92	10.6 %
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(26)	0.3	104	1.3	104	83	0.06	20.2
Acquisition-related items (3)	—	(7)	0.1	24	0.3	24	20	0.02	16.7
(Gain)/loss on minority investments (4)	—	—	—	—	—	(8)	(8)	(0.01)	—
Medical device regulations (5)	—	(23)	0.3	37	0.5	37	31	0.02	18.9
Amortization of intangible assets	—	—	—	431	5.6	431	367	0.28	15.1
RCS impairments / costs (6)	—	(2)	—	10	0.1	10	9	0.01	10.0
Certain tax adjustments, net	—	—	—	—	—	—	3	—	—
Non-GAAP	\$ 7,727	\$ 2,630	66.0 %	\$ 1,998	25.9 %	\$ 1,973	\$ 1,727	\$ 1.30	12.1 %
Currency impact	379	55	0.9	129	0.3	—	—	0.08	—
Currency Adjusted	\$ 8,106	\$ 2,685	66.9 %	\$ 2,127	26.2 %	—	—	\$ 1.38	—

Three months ended January 28, 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	\$ 7,763	\$ 2,459	68.3 %	\$ 1,659	21.4 %	\$ 1,589	\$ 1,480	\$ 1.10	6.7 %
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(27)	0.3	78	1.0	78	63	0.05	19.2
Acquisition-related items (3)	—	(4)	0.1	(60)	(0.8)	(60)	(61)	(0.04)	—
Certain litigation charges	—	—	—	35	0.5	35	27	0.02	25.7
(Gain)/loss on minority investments (4)	—	—	—	—	—	2	3	—	(50.0)
Medical device regulations (5)	—	(13)	0.2	25	0.3	25	20	0.01	20.0
Amortization of intangible assets	—	—	—	432	5.6	432	365	0.27	15.5
Certain tax adjustments, net (7)	—	—	—	—	—	—	(59)	(0.04)	—
Non-GAAP	\$ 7,763	\$ 2,415	68.9 %	\$ 2,170	28.0 %	\$ 2,101	\$ 1,838	\$ 1.36	12.4 %

See description of non-GAAP financial measures contained in the press release dated February 21, 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. Starting with the quarter ended April 29, 2022, the Company will no longer adjust non-GAAP financial measures for certain license payments for, or acquisitions of, technology not approved by regulators due to recent industry guidance from the U.S. Securities and Exchange Commission. Historical non-GAAP financial measures presented in our earnings release have been recast for comparability.
- (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) 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.
- (5) 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.
- (6) Associated costs as a result of the anticipated sale of half of the Company's Renal Care Solutions (RCS) business related to the May 25, 2022 agreement with DaVita Inc.
- (7) The tax benefit primarily relates to the deferred tax impact associated with a step up in tax basis for Swiss Cantonal purposes which is partially offset by the amortization on previously established deferred tax assets from intercompany intellectual property transactions.

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

Nine months ended January 27, 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	\$22,682	\$ 7,740	65.9 %	\$ 3,920	17.3 %	\$ 3,813	\$ 2,579	\$ 1.94	31.9 %
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(67)	0.3	275	1.2	275	219	0.16	20.0
Acquisition-related items (3)	—	(30)	0.1	61	0.3	61	43	0.03	29.5
(Gain)/loss on minority investments (4)	—	—	—	—	—	(23)	(23)	(0.02)	—
Medical device regulations (5)	—	(62)	0.3	107	0.5	107	87	0.07	18.7
Amortization of intangible assets	—	—	—	1,275	5.6	1,275	1,082	0.81	15.2
RCS impairments / costs (6)	—	(2)	—	109	0.5	109	106	0.08	2.8
Debt redemption premium and other charges (7)	—	—	—	—	—	53	42	0.03	20.8
Exit of business (8)	—	(27)	0.1	37	0.2	37	37	0.03	—
Certain tax adjustments, net (9)	—	—	—	—	—	—	783	0.59	—
Non-GAAP	\$22,682	\$ 7,551	66.7 %	\$ 5,783	25.5 %	\$ 5,706	\$ 4,953	\$ 3.72	12.9 %
Currency impact	1,187	287	0.5	199	(0.4)	—	—	0.12	—
Currency Adjusted	<u>\$23,869</u>	<u>\$ 7,838</u>	<u>67.2 %</u>	<u>\$ 5,982</u>	<u>25.1 %</u>	—	—	<u>\$ 3.84</u>	—

Nine months ended January 28, 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	\$23,597	\$ 7,554	68.0 %	\$ 4,081	17.3 %	\$ 3,915	\$ 3,554	\$ 2.63	8.8 %
Non-GAAP Adjustments:									
Restructuring and associated costs (2)	—	(91)	0.4	237	1.0	237	191	0.14	19.4
Acquisition-related items (3)	—	(14)	0.1	(54)	(0.2)	(54)	(57)	(0.04)	(5.6)
Certain litigation charges	—	—	—	95	0.4	95	78	0.06	17.9
(Gain)/loss on minority investments (4)	—	—	—	—	—	(23)	(19)	(0.01)	4.3
Medical device regulations (5)	—	(39)	0.2	70	0.3	70	56	0.04	20.0
Amortization of intangible assets	—	—	—	1,298	5.5	1,298	1,093	0.81	15.8
MCS impairments / costs (10)	—	(58)	0.3	726	3.1	726	564	0.42	22.3
Certain tax adjustments, net (11)	—	—	—	—	—	—	10	0.01	—
Non-GAAP (1)	<u>\$23,597</u>	<u>\$ 7,353</u>	<u>68.8 %</u>	<u>\$ 6,453</u>	<u>27.3 %</u>	<u>\$ 6,264</u>	<u>\$ 5,470</u>	<u>\$ 4.04</u>	<u>12.5 %</u>

See description of non-GAAP financial measures contained in the press release dated February 21, 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. Starting with the quarter ended April 29, 2022, the Company will no longer adjust non-GAAP financial measures for certain license payments for, or acquisitions of, technology not approved by regulators due to recent industry guidance from the U.S. Securities and Exchange Commission. Historical non-GAAP financial measures presented in our earnings release have been recast for comparability.
- (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) 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.
- (5) 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.
- (6) The charges predominantly include non-cash pre-tax impairments, primarily related to goodwill, and other associated costs, as a result of the anticipated sale of half of the Company's Renal Care Solutions (RCS) business related to the May 25, 2022 agreement with DaVita Inc.
- (7) 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.
- (8) The charges relate to the exit of a business and are primarily comprised of inventory write-downs.
- (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.
- (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 \$211 million for commitments and obligations in connection with the decision, including customer support obligations, restructuring, and other associated costs. Medtronic is committed to serving the needs of patients currently implanted with the HVAD System.

- (11) The charge primarily relates to 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, which are partially offset by the deferred tax impact associated with a step up in tax basis for Swiss Cantonal purposes.

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

Three months ended January 27, 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 Expense (Income), net	Other Operating Expense, net as a % of Net Sales	Other Non-Operating (Income) Expense, net
GAAP	\$ 7,727	\$ 2,615	33.8 %	\$ 688	8.9 %	\$ (125)	(1.6)%	\$ (149)
Non-GAAP Adjustments:								
Restructuring and associated costs (2)	—	(40)	(0.5)	—	—	—	—	—
Acquisition-related items (3)	—	(8)	(0.1)	—	—	(8)	(0.1)	—
Medical device regulations (4)	—	(1)	—	(14)	(0.2)	—	—	—
RCS impairments / costs (5)	—	(8)	(0.1)	—	—	—	—	—
Gain/(loss) on minority investments (6)	—	—	—	—	—	—	—	8
Non-GAAP	\$ 7,727	\$ 2,558	33.1 %	\$ 673	8.7 %	\$ (133)	(1.7)%	\$ (142)
Currency impact	379	94	(0.4)	10	(0.3)	91	1.2	(5)
Currency Adjusted	\$ 8,106	\$ 2,652	32.7 %	\$ 683	8.4 %	\$ (42)	(0.5)%	\$ (147)

Nine months ended January 27, 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 Expense (Income), net	Other Operating Expense, net as a % of Net Sales	Other Non-Operating (Income) Expense, net
GAAP	\$ 22,682	\$ 7,799	34.4 %	\$ 2,055	9.1 %	\$ (187)	(0.8)%	\$ (342)
Non-GAAP Adjustments:								
Restructuring and associated costs (2)	—	(125)	(0.6)	(2)	—	—	—	—
Acquisition-related items (3)	—	(8)	—	—	—	(23)	(0.1)	—
Medical device regulations (4)	—	(2)	—	(43)	(0.2)	—	—	—
RCS impairments / costs (5)	—	(24)	(0.1)	—	—	(82)	(0.4)	—
Gain/(loss) on minority investments (6)	—	—	—	—	—	—	—	23
Exit of business (7)	—	—	—	—	—	(10)	—	—
Non-GAAP	\$ 22,682	\$ 7,640	33.7 %	\$ 2,010	8.9 %	\$ (302)	(1.3)%	\$ (319)
Currency impact	1,187	321	(0.3)	32	(0.3)	347	1.5	(11)
Currency Adjusted	\$ 23,869	\$ 7,961	33.4 %	\$ 2,042	8.6 %	\$ 45	0.2 %	\$ (330)

See description of non-GAAP financial measures contained in the press release dated February 21, 2023.

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- (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 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.
- (5) The charges predominantly include non-cash pre-tax impairments, primarily related to goodwill, and other associated costs, as a result of the anticipated sale of half of the Company's Renal Care Solutions (RCS) business related to the May 25, 2022 agreement with DaVita Inc.
- (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) Associated costs related to the exit of a business.

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

(in millions)	Nine months ended	Nine months ended
	January 27, 2023	January 28, 2022
Net cash provided by operating activities	\$ 3,579	\$ 5,289
Additions to property, plant, and equipment	(1,081)	(979)
Free Cash Flow (2)	<u>\$ 2,498</u>	<u>\$ 4,310</u>

See description of non-GAAP financial measures contained in the press release dated February 21, 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)	January 27, 2023	April 29, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,521	\$ 3,714
Investments	6,616	6,859
Accounts receivable, less allowances and credit losses of \$207 and \$230, respectively	5,887	5,551
Inventories, net	5,375	4,616
Other current assets	2,965	2,318
Total current assets	25,364	23,059
Property, plant, and equipment	13,926	13,365
Accumulated depreciation	(8,489)	(7,952)
Property, plant, and equipment, net	5,437	5,413
Goodwill	41,565	40,502
Other intangible assets, net	15,265	15,595
Tax assets	3,361	3,403
Other assets	3,142	3,008
Total assets	\$ 94,134	\$ 90,981
LIABILITIES AND EQUITY		
Current liabilities:		
Current debt obligations	\$ 5,918	\$ 3,742
Accounts payable	2,209	2,276
Accrued compensation	2,007	2,121
Accrued income taxes	657	704
Other accrued expenses	3,630	3,551
Total current liabilities	14,422	12,394
Long-term debt	22,210	20,372
Accrued compensation and retirement benefits	1,103	1,113
Accrued income taxes	2,305	2,087
Deferred tax liabilities	747	884
Other liabilities	1,730	1,410
Total liabilities	42,516	38,260
Commitments and contingencies		
Shareholders' equity:		
Ordinary shares— par value \$0.0001, 2.6 billion shares authorized, 1,330,376,287 and 1,330,743,395 shares issued and outstanding, respectively	—	—
Additional paid-in capital	24,513	24,566
Retained earnings	30,117	30,250
Accumulated other comprehensive loss	(3,189)	(2,265)
Total shareholders' equity	51,441	52,551
Noncontrolling interests	177	171
Total equity	51,618	52,722
Total liabilities and equity	\$ 94,134	\$ 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)	Nine months ended	
	January 27, 2023	January 28, 2022
Operating Activities:		
Net income	\$ 2,595	\$ 3,570
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,018	2,019
Provision for credit losses	54	49
Deferred income taxes	(78)	(234)
Stock-based compensation	280	287
Loss on debt extinguishment	53	—
MCS asset impairment and inventory write-down	—	515
Other, net	182	92
Change in operating assets and liabilities, net of acquisitions and divestitures:		
Accounts receivable, net	(408)	(212)
Inventories, net	(936)	(359)
Accounts payable and accrued liabilities	163	6
Other operating assets and liabilities	(344)	(444)
Net cash provided by operating activities	3,579	5,289
Investing Activities:		
Acquisitions, net of cash acquired	(1,867)	(91)
Additions to property, plant, and equipment	(1,081)	(979)
Purchases of investments	(5,472)	(7,919)
Sales and maturities of investments	5,387	7,130
Other investing activities, net	15	(71)
Net cash used in investing activities	(3,018)	(1,930)
Financing Activities:		
Change in current debt obligations, net	625	—
Proceeds from short-term borrowings (maturities greater than 90 days)	2,284	—
Issuance of long-term debt	3,430	—
Payments on long-term debt	(3,083)	(1)
Dividends to shareholders	(2,711)	(2,540)
Issuance of ordinary shares	209	344
Repurchase of ordinary shares	(548)	(1,138)
Other financing activities	(276)	(52)
Net cash used in financing activities	(70)	(3,387)
Effect of exchange rate changes on cash and cash equivalents	317	(87)
Net change in cash and cash equivalents	808	(114)
Cash and cash equivalents at beginning of period	3,714	3,593
Cash and cash equivalents at end of period	\$ 4,521	\$ 3,479
Supplemental Cash Flow Information		
Cash paid for:		
Income taxes	\$ 1,314	\$ 842
Interest	262	295

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