



Medtronic announces intent to separate Diabetes business

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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 Medtronic's ability to satisfy the necessary conditions to consummate the separation of its Diabetes business on a timely basis or at all, Medtronic's ability to successfully separate its Diabetes business and realize the anticipated benefits from the separation (including consummating the transaction on a basis that is generally tax-free to shareholders), New Diabetes Company's ability to succeed as a standalone publicly traded company, competitive factors, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, government regulation, geopolitical conflicts, changing global trade policies, general economic conditions, and other risks and uncertainties described in Medtronic's periodic reports on file with the U.S. Securities and Exchange Commission including Medtronic's most recent Annual Report on Form 10-K. In some cases, you can identify these statements by forward-looking words or expressions, such as "anticipate," "believe," "could," "estimate," "expect," "forecast," "intend," "looking ahead," "may," "plan," "possible," "potential," "project," "should," "going to," "will," and similar words or expressions, the negative or plural of such words or expressions and other comparable terminology. 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 such as 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 financial guidance to the related GAAP measure because the data necessary to create the reconciliations are difficult to predict and are 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 Diabetes 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 foreign 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.

Transaction details

The separation is expected to occur through a series of capital markets transactions, which may include a spin-off, split-off, offering, or combination thereof, of our remaining shareholdings in New Diabetes Company. While a split-off is the company's current preferred separation structure, a final decision has not been reached at this time.

Medtronic to separate Diabetes business

Preferred path of IPO and
subsequent split-off

A win for both companies

A more focused Medtronic

Creates a more **simplified portfolio** in high margin growth markets

An independent, scaled leader in Diabetes




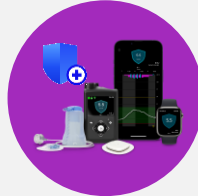
Leading, direct-to-consumer diabetes business, and **the only company to commercialize a complete ecosystem** to address intensive insulin management

Unlocking shareholder value

Post separation, expected to be **accretive to Medtronic EPS**, operating margin and gross margin; **and creates New Diabetes Company** shareholder base aligned with its financial profile

Unlocking shareholder value

Through a more focused Medtronic and independent Diabetes company

	<div>Medtronic</div> <div><div></div><div></div><div></div><div>Cardiovascular</div><div>Neuroscience</div><div>Medical Surgical</div></div>	<div>New Diabetes Company</div> <div></div>
Business Model	Predominantly business-to-business	Predominantly business-to-customer
Primary Customer	Physicians & administrators	People with diabetes
Primary Products	Implantable devices, surgical instruments, and enabling technologies	Wearables and disposables
Commercial	Hospital enterprise accounts synergies	Endocrinologists, primary care, and people with diabetes
Manufacturing	Factory and competency synergies	Primarily standalone facilities with emphasis on high volume
Technology	Technology platform synergies	Diabetes focused

Medtronic

A global leader in MedTech, focused on **innovation-driven growth and category leadership** for healthcare systems and physician customers

Leading franchises in attractive MedTech markets

Innovation-driven growth and category leadership for healthcare systems and physician customers

Intense focus on
highest margin
growth drivers
where we have
leading core
competencies



Cardiovascular

\$12.5B

FY25 revenue

\$40B

Market

HSD

Market growth



Neuroscience

\$9.8B

FY25 revenue

\$25B

Market

MSD

Market growth



Medical Surgical

\$8.4B

FY25 revenue

\$34B

Market

MSD

Market growth

Driving change

Stronger foundation coupled with performance AND mission-driven culture producing results

Streamlined the **operating model**

Implemented **performance-driven incentives**

Brought in outside leadership to **enhance execution**

Prioritized **R&D investment** to highest growth areas

Centralized global ops, supply chain, and quality

Transforming the **culture** and **portfolio** ●

Increased focus on **high margin growth**
tied to Medtronic core strengths

Accelerated Cardiac Ablation
Solutions to fastest growth in MDT;
now >\$1B revenue



Advanced ENT category leadership



Enhanced Neuroscience and
Surgical digital ecosystems with AI



Executing divestitures

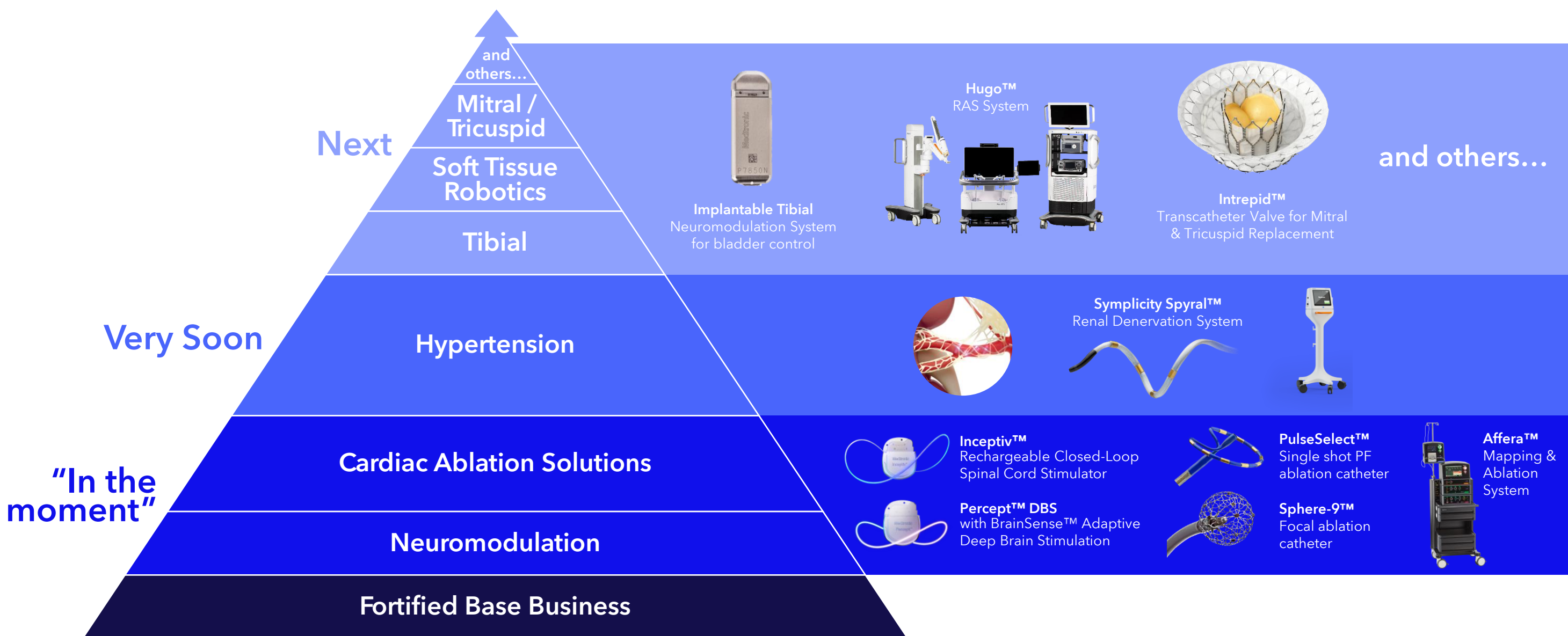


...and now Diabetes separation



Growth drivers building momentum

“In the moment” launches and strong innovation with even more exposure to high-growth, high-margin markets



Accelerating earnings power

Leveraging scale and strategic synergies

Commercial

Enterprise account teams connect operational, financial, and clinical needs across major healthcare systems; strong discipline across strategic pricing and SG&A

Manufacturing

Strategic operations to capitalize on portfolio synergies, drive COGS efficiency, and enhance quality

Technology

Shared platforms and development capabilities accelerate innovation and enhance R&D efficiency



Medtronic

New Diabetes Company

Creating a **leading, scaled Diabetes business**—uniquely positioned as **the only company to commercialize a complete intensive insulin management ecosystem**—giving people the freedom to forget diabetes and live their best lives

New Diabetes Company

1

Creates a **leading, scaled, direct-to-consumer Diabetes business** focused on accelerating innovation as **the only company to commercialize a complete ecosystem** to address intensive insulin management

2

Enables **more focused investment into its pipeline, as well as manufacturing scale and automation**; positioning the company for success in Automated Insulin Delivery and Smart MDI, while driving margin expansion over time

3

The independent New Diabetes Company will have a **shareholder base aligned with its business and financial profile**

4

Que Dallara to become CEO of New Diabetes Company; current EVP and president of Medtronic Diabetes, who has been instrumental in positioning the business for success



Nicky
MiniMed™ 780G user



Cameron
MiniMed™ 780G user

Medtronic Diabetes business

Leading, scaled franchise serving people with Diabetes

\$16B

Global
market¹

Ecosystem

Only company to commercialize a
complete ecosystem to address
intensive insulin management

\$2.8B

FY25
revenue

#1

In US pump satisfaction
(MiniMed™ 780G)⁴

Double digit

Organic revenue growth
for 6 consecutive quarters²

100+

Countries
served

79%

FY25
recurring revenue mix³

>8,000

Global
employees

¹Estimate based on 2024 calendar year revenue from public filings of leading Diabetes device manufacturers as identified by Seagrove Partners

²For GAAP to non-GAAP reconciliations, refer to current and prior period reconciliation tables available at investorrelations.medtronic.com

³Revenue from CGM consumables, software, and services, which are recurring in nature

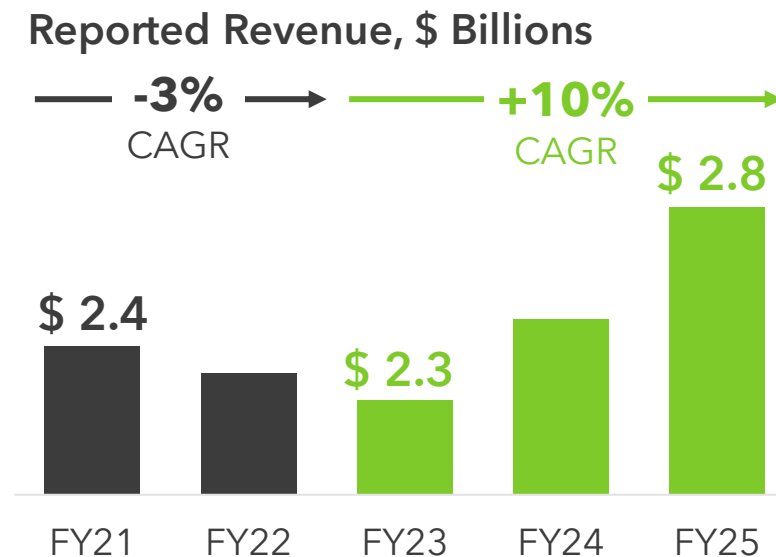
⁴dQ&A 2024 Patient Panel Report

Well-positioned following significant transformation

New Diabetes Company well-positioned in Automated Insulin Delivery and Smart MDI

Strong momentum

Enhancements to leadership and increased investment has led to improved performance



Secured significant product approvals

Driving innovation and successful product launches



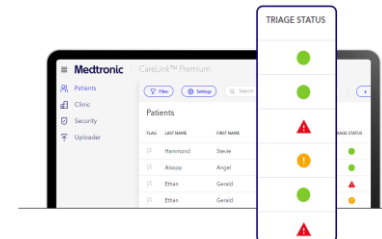
MiniMed™ 780G System
with Simplera Sync™
CE Mark & FDA Approved



MiniMed™ 780G System
with Guardian™ 4 and
Extended Wear Infusion Set
CE Mark & FDA Approved



InPen™ and Simplera™
CE Mark & FDA Approved



New CareLink™ System
for Patients and HCPs

Established strategic partnership

Integrated CGM based on Abbott's most advanced CGM platform, exclusively with Medtronic smart dosing devices

Medtronic

+

Abbott

Uniquely investing in complete next-gen ecosystem

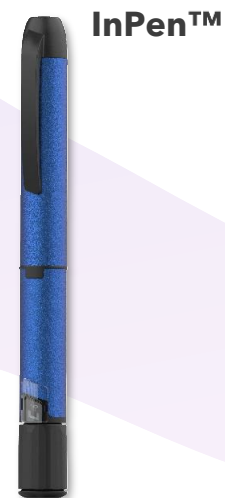
Full system interoperability enables seamless therapy transition all from one company

CGM Options



Interchangeable, simple-to-insert, comfortable to wear and fully disposable

Insulin Delivery Options



Algorithm



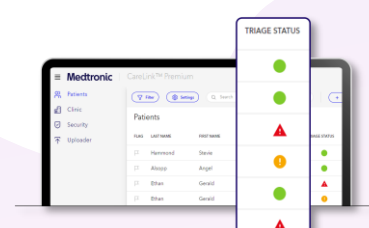
SmartGuard™ Advance

Third generation fully automated algorithm to mimic a healthy pancreas for a hands-off experience

Unified Digital Experience



Single user app
for patients and caregivers



CareLink™ Clinic
for HCPs

Total therapy management from one smart device plus easy access for care partners to data insights in and outside the clinic

Technology solutions focused on achieving better control with less burden

Separation plan & Financial summary

Diabetes separation plan

Expect completion within 18 months



Leading, scaled Diabetes business becoming independent, publicly traded company:



>8,000 employees



Two global manufacturing facilities



Comprehensive insulin management portfolio



Robust pipeline



Intellectual property



Strategic partnerships



Preferred two step path - 1) IPO and 2) split-off - with the separation generally expected to be tax-free to Medtronic shareholders for U.S. federal income tax purposes

Subject to customary conditions including favorable market conditions, consultations with works councils and other employee representative bodies, final approval from Medtronic Board of Directors, receipt of a favorable opinion with respect to the tax-free nature of the transaction for U.S. federal income tax purposes, and receipt of applicable regulatory approvals



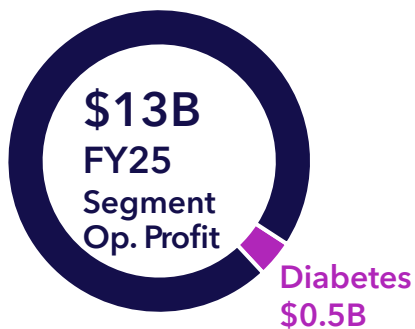
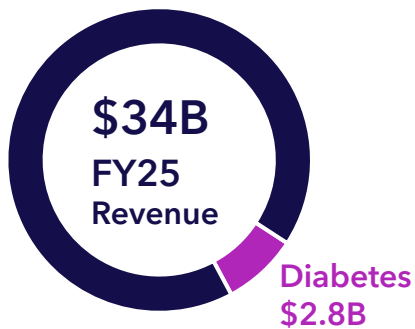
Jaylen
MiniMed™ 780G user

Financial summary

Today

Diabetes as a part of Medtronic

Diabetes represents **8%** of Medtronic revenue and **4%** of segment operating profit today



Financial benefits expected upon separation

Medtronic

- ✓ **Margin expansion**
 - +50bps**
Approximate adj. gross margin improvement
 - +100bps**
Approximate adj. operating margin improvement
- ✓ **Immediate EPS accretion**
Cashless share retirement, enabling increased growth-accretive investment
- ✓ **Dividend policy unchanged**
- ✓ **High margin growth focused capital allocation**

New Diabetes Company

- ✓ **Fully capitalized**
- ✓ **Independent capital allocation**
- ✓ **Aligned shareholder base**