Medtronic Earnings



Q1 FY26 | August 19, 2025 Contact: <u>investor.relations@medtronic.com</u>

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, changing global trade policies, material acquisition and divestiture transactions, 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.

Non-GAAP financial measures

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 US generally accepted accounting principles (GAAP), and investors are cautioned that Medtronic may calculate non-GAAP financial measures in a way that is different from other companies. Management strongly encourages investors to review the company's consolidated financial statements and publicly filed reports in their entirety. All GAAP to non-GAAP reconciliations are provided on our website.

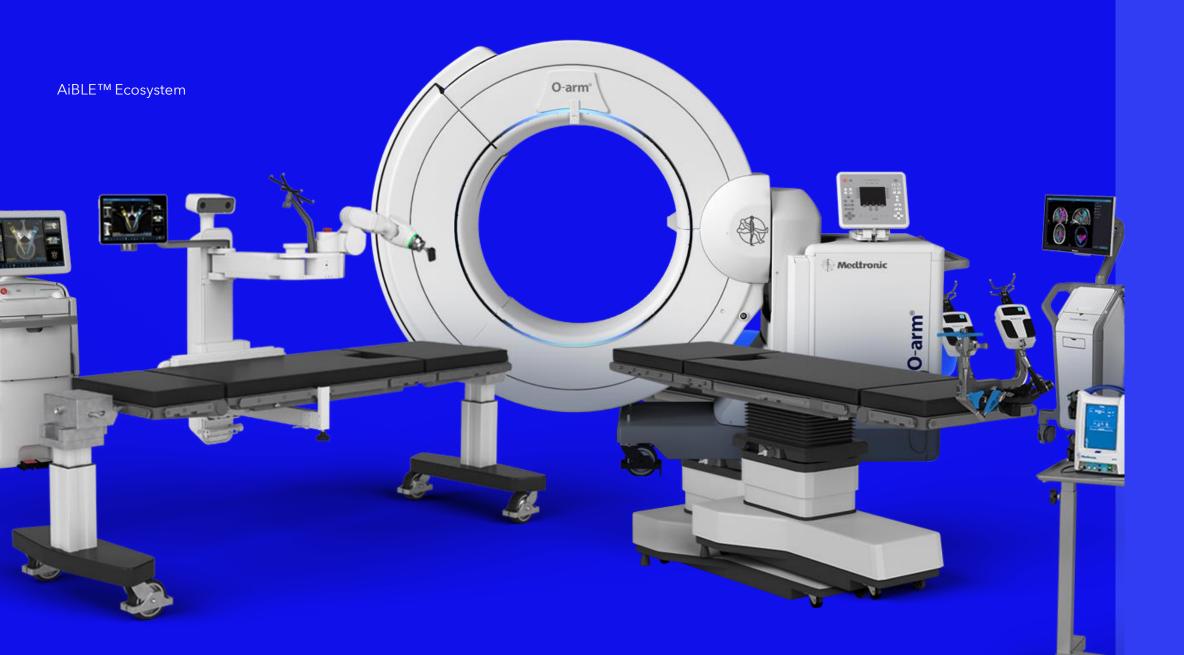
Medtronic calculates forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, forward-looking organic revenue growth guidance excludes the impact of foreign currency fluctuations, as well as significant acquisitions, divestitures, or other significant discrete items. Forward-looking diluted non-GAAP EPS guidance also excludes other potential charges or gains that would be recorded as non-GAAP adjustments to earnings during the fiscal year. Medtronic does not attempt to provide reconciliations of forward-looking non-GAAP EPS guidance to projected GAAP EPS guidance because the combined impact and timing of recognition of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.

Financial comparisons

References to results increasing, decreasing, or remaining flat are in comparison to the same period in the prior fiscal year. References to organic revenue growth exclude the impact of foreign currency and first quarter and full year revenue in the current and prior year reported as "Other". Unless stated otherwise, quarterly and annual rates and ranges are given on an organic basis. References to sequential revenue changes are in comparison to the prior fiscal quarter and 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.

Q1 FY26

Executive Summary



Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

Impact

Appendix

Q1 FY26 Highlights

11th quarter of mid-single digit organic revenue growth; Poised to accelerate growth

- Revenue growth of 4.8% org. in-line with expectations, growth drivers continuing to accelerate through FY26
 - Significant CAS acceleration on PFA rollout with nearly 50% global growth, including over 70% US growth
 - Continued strength in Leadless Pacing, TAVR, Spine, Pain Stimulation, and DBS
 - Diabetes strong International growth; entering new innovation cycle
- Financials: EPS ahead of consensus
 - Adj. gross margin of 65.1% in-line with consensus on continued pricing and cost out execution
 - Invested in growth drivers and key product launches, with R&D up HSD
 - Adj. EPS 3 cents above guidance midpoint
- H2 revenue growth acceleration coming into focus on significant product launches
 - CAS to grow even faster in Q2 and H2 on PFA supply expansion
 - Symplicity™ system for hypertension NCD proposed last month; final in October
 - Hugo™ RAS system and tibial bladder control stimulator before US FDA; entering Diabetes innovation cycle
 - Several businesses poised to accelerate, including Pelvic Health and Neurovascular
- Increased confidence on delivering durable growth and shareholder returns
 - Net FY26 tariff impact of ~\$185M, down from previous net impact of \$200-350M
 - Raising FY26 EPS guidance and expect high-single digit EPS growth in FY27
 - Executing strategic portfolio management, including Diabetes separation within 15 months



"We delivered another consistent quarter of mid-single digit organic revenue growth, with broad strength from several innovative product categories, including Pulsed Field Ablation, Transcatheter Valves, Neuromodulation, Diabetes, and Leadless Pacing. We're confident and well positioned to accelerate our revenue growth in the second half of our fiscal year, as we make meaningful progress on our major accelerators."



Q1 FY26 Financial Summary

Revenue

+8.4% reported +4.8% organic

Adj. Operating Profit

+3% Y/Y +3% CC Adj. Diluted EPS

+2% Y/Y +2% CC

Revenue by segment

Other: \$72M

- Cardiovascular: \$3,285M; +7.0% organic
- Neuroscience: \$2,416M; +3.1% organic
- Medical Surgical: \$2,083M; +2.4% organic
- Diabetes: \$721M; +7.9% organic

Revenue by geography

- C United States: \$4,224M; +3.5% organic
- (https://www.neichard.com/miles/miles/miles/https://www.neichard.com/miles/https://www.neicha

Q1 FY26 Income Statement

Financial Highlights

- Adj. gross margin in-line with consensus on continued pricing and cost out execution
- R&D up HSD; SG&A leverage
- Adj. EPS 3 cents above guidance midpoint

(\$ in millions) ¹	Q1 FY26	Q1 FY25	Y/Y Growth / Change
Revenue Organic revenue growth	8,539	8,004	+6.7% +4.8%
Gross Margin Constant currency	65.1%	65.9%	(80 bps) (90 bps)
SG&A	2,775	2,642	5.0%
% of Sales	32.5%	33.0%	(50 bps)
R&D	725	673	7.7%
% of Sales	8.5%	8.4%	10 bps
Operating Profit	2,016	1,953	3.2%
Operating Margin Constant currency	23.6%	24.4%	(80 bps) (50 bps)
Net Income	1,626	1,592	2.1%
Diluted EPS	1.26	1.23	2.4%

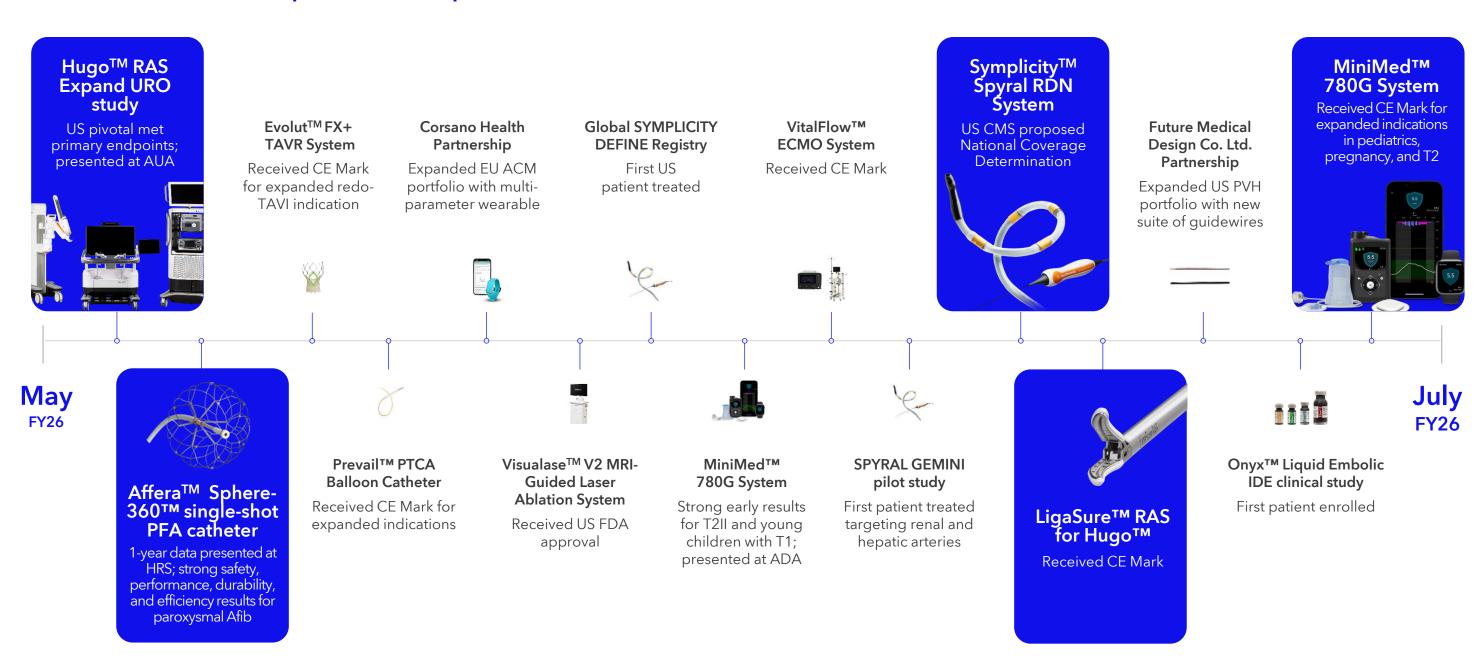
Q1 FY26 Portfolio Highlights

11th quarter of mid-single digit organic revenue growth; poised to accelerate growth



Q1 FY26 Operational Highlights

Continued innovation; rapid cadence of portfolio milestones in Q1



Note: Relative positioning is not intended to signify relative timing

Medtronic

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

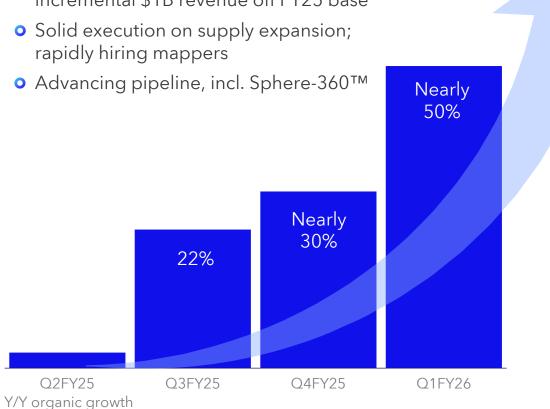
Upcoming FY26 Product and Clinical Milestones

H2 revenue growth acceleration coming into focus driven by strong cadence of product/clinical milestones over remainder of FY26

Cardiac Ablation Solutions

Expect even faster growth in Q2 than Q1

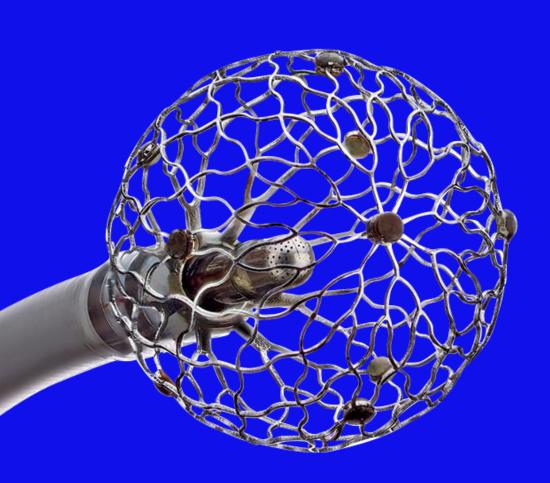
• Near-term line of sight to adding incremental \$1B revenue off FY25 base



Operating unit	Product	Milestone	Timing
Cardiac Ablation Solutions	Pulsed Field Ablation	Continued ramp	FY26+
Coronary and Renal Denervation	Symplicity Spyral™ Renal Denervation System	Final NCD	October 2025
Peripheral Vascular Health	Neuroguard IEP™ Carotid stenting system	Launch	Q2FY26
Peripheral Vascular Health	Liberant™ Mechanical Thrombectomy System	Launch	2HFY26
Pelvic Health	Tibial Bladder Control Stimulator	FDA approval	Fall 2025
Neurovascular	Neuroguard IEP™ Carotid Artisse™ Intrasaccular	Continued launch International expansion	Q2-4FY26
[₽] ~ Surgical	Hugo™ Robotic Assisted Surgery	Uro FDA approval	2HFY26
o	Simplera Sync™ CGM	US Launch	Fall 2025
Diabetes	Instinct Abbott based CGM	US Launch	Coming months

Q1 FY26

Portfolio Highlights



Affera™ Mapping System and Sphere-9™ PF and RF Ablation and Mapping Catheter



Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

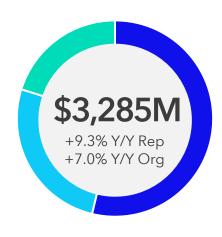
Impact

Appendix



Cardiovascular

HSD growth driven by DD growth in Cardiac Surgery, ICDs, Leadless Pacing, and nearly 50% growth in Cardiac Ablation Solutions



Cardiac Rhythm & Heart Failure \$1,712M

+11.5% Y/Y Rep | +9.1% Y/Y Org

Cardiac Rhythm Management: LSD growth; mid-teens Micra™ growth driven by continued momentum of AV2 and VR2; market leader in conduction system pacing with low-20s SelectSecure™ 3830 lead growth; MSD Defibrillation Solutions growth driven by Aurora EV-ICD™, continued Transvenous Tachy momentum, and sustained growth in TYRX™

Cardiac Ablation Solutions: Near-50% growth, incl. low-70s US and low-30s OUS, driven by strong commercial demand for Affera Sphere-9™ and PulseSelect™ PFA Catheters; expect continued acceleration in Q2 and share gains throughout FY26



Structural Heart & Aortic \$930M

+8.7% Y/Y Rep | +6.1% Y/Y Org

Structural Heart & Aortic: MSD growth; continued global adoption of Evolut™ FX+ and share capture OUS on competitive product exit; continued strength in Japan on SMART results; LSD Aortic growth

Cardiac Surgery: LDD growth on strength in Penditure™ LAA exclusion system, Avalus Ultra™ surgical valve, and VitalFlow™ ECMO system



Evolut[™] FX+ TAVR System

Micra[™] AV2 and VR2

Transcatheter Pacing

Coronary & Peripheral Vascular \$643M

Coronary & Renal Denervation: LSD growth on mid-teens growth in guide catheters and HSD growth in balloons, partly offset by MSD declines in stents; CMS published draft NCD for RDN reimbursement, expected to become final on or before Oct. 8, 2025

Aurora EV-ICD™ System

System

+4.5% Y/Y Rep | +2.9% Y/Y Org

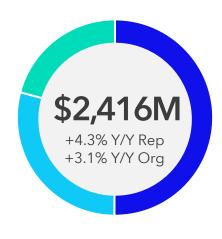
Peripheral Vascular Health: LSD growth driven by LDD growth in endoVenous on strength of ClosureFastTM, VenaSeal™, and Abre™



Neuroscience

HSD growth in Spine AiBLE™ ecosystem capital and Neuromodulation, partially offset by Specialty Therapies

\$1,211M



5.5% Y/Y Rep | 4.5% Y/Y Org

Cranial & Spinal Technologies

Cranial & Spinal Technology: MSD growth in WW and US Core Spine; HSD growth in Neurosurgery reflecting extremely strong adoption of the AiBLE™ ecosystem capital

• INFUSE™ bone graft for TLIF pivotal study met criteria for early success, preparing for PMA submission to **US FDA**



Ecosystem



ModuLeX™ Spinal System



Inceptiv™ Rechargeable Closed-Loop SCS



Percept[™] RC DBS with BrainSense™ Technology

Specialty Therapies \$702M

-1.5% Y/Y Rep | -2.7% Y/Y Org

Neurovascular: HSD decline (flat ex-China) on China VBP (to be annualized in January) and Pipeline™ Vantage recall; Pipeline™ Shield manufacturing capacity increased to mitigate ongoing recall impact; expect increased revenue from Contego carotid stent and ongoing European launch of Artisse™ intrasaccular device

Ear, Nose & Throat: LSD growth driven by HSD international growth

Pelvic Health: LSD decline on commercial org changes ahead of tibial bladder control stimulator launch (FDA approval expected this fall); expect accelerating growth through FY26

Neuromodulation \$504M

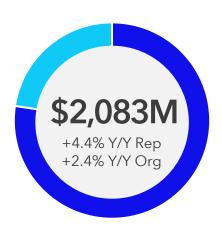
+10.2% Y/Y Rep | +8.6% Y/Y Org

Neuromodulation: LDD Pain Stimulation growth driven by ongoing strength of Inceptiv™ closed-loop spinal cord stimulator; HSD Brain Modulation growth on continued momentum of Percept™ RC deep brain stimulator (DBS) with BrainSense™ technology and adaptive DBS



Medical Surgical

HSD Advanced Energy and Emerging Market growth in Surgical and MSD pulse oximetry growth, offsetting ongoing, stable market and competitive pressures



Surgical & Endoscopy \$1,612M

+4.4% Y/Y Rep | +2.3% Y/Y Org

Surgical & Endoscopy: LSD WW growth, with MSD OUS and HSD EM growth, driven by LigaSure™ vessel sealing technology in Advanced Energy, ProGrip™ in Hernia, and GYN Health, partly offset by Advanced stapling due to shift to robotic surgery and bariatric procedure declines, both which are primarily in the US; MSD growth in Endoscopy with strength in Esophageal driven by BravoTM, NexpowderTM, 1 endoscopic hemostasis system, and strong market adoption of Endoflip™ 300 system

 Hugo™ robotic-assisted surgery (RAS) utilization and procedure volumes continued to grow DD; received CE Mark for the LigaSure™ RAS vessel-sealing technology, expanding Hugo™ RAS system capabilities for gynecologic, general, and urologic procedures





LigaSure XP™ Marvland Jaw Vessel Sealer / Divider



Endoflip™ 300 Impedance Planimetry System



NellcorTM Pulse oximetry **Acute Care & Monitoring** \$471M

+4.3% Y/Y Rep | +2.6% Y/Y Org

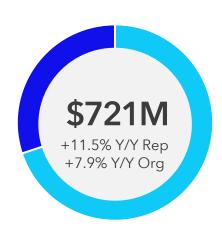
Acute Care & Monitoring: MSD Blood Oxygen Management growth in Nellcor™ pulse oximetry driven by strong sensor growth; flat Airways performance driven by growth of Shiley™ airway portfolio

Announced multi-year strategic partnership with Philips to expand access to patient monitoring technology





DD growth in International markets; entering new innovation cycle; separation on track



MiniMed™ 780G System with Simplera Sync™



InstinctAbbott partnership
15-day CGM

United States

- LSD growth as market awaits new CGM sensor launches; MiniMed™ 780G Simplera Sync™ remains on track for Fall 2025 launch
- Secured US FDA clearance for MiniMed™ 780G as an ACE pump a key step in securing clearance as interoperable pump for Instinct integration

International

- LDD growth on continued adoption of the MiniMed™ 780G AID system; Simplera Sync™ sensor driving install base growth and strong CGM attachment
- Secured CE Mark for expanded indications in children as young as two, during pregnancy, and for type 2 diabetes with MiniMed™ 780G system

Pipeline & Clinical Data

- iAGC for integration with Abbott-based Instinct sensor and MiniMed™ 780G system type 2 diabetes indication under US FDA review; anticipated launch in the coming months
- On-track to submit MiniMed $^{\text{TM}}$ Flex to the FDA later this fiscal year
- Continue to make good progress finalizing development and manufacturing for MiniMed™ Fit patch pump
- MiniMed™ Go System (InPen™) US launch on track before end of FY26
- LENNY trial (ages 2-6), published in The Lancet Diabetes & Endocrinology, showed MiniMed™ 780G system improved glycemic outcomes; caregivers reported improved sleep and reduced fear of hypoglycemia¹
- Late-breaking type 2 data presented at ADA Scientific Sessions showed MiniMed™ 780G system delivered strong results across all clinical metrics, following ADA's endorsement of AID for insulin-intensive type 2 diabetes²

Separation

• Medtronic continues to expect to separate its Diabetes business into a new standalone public company, MiniMed, within 15 months through a series of capital markets transactions, including a preferred path of an initial public offering (IPO) and subsequent split-off

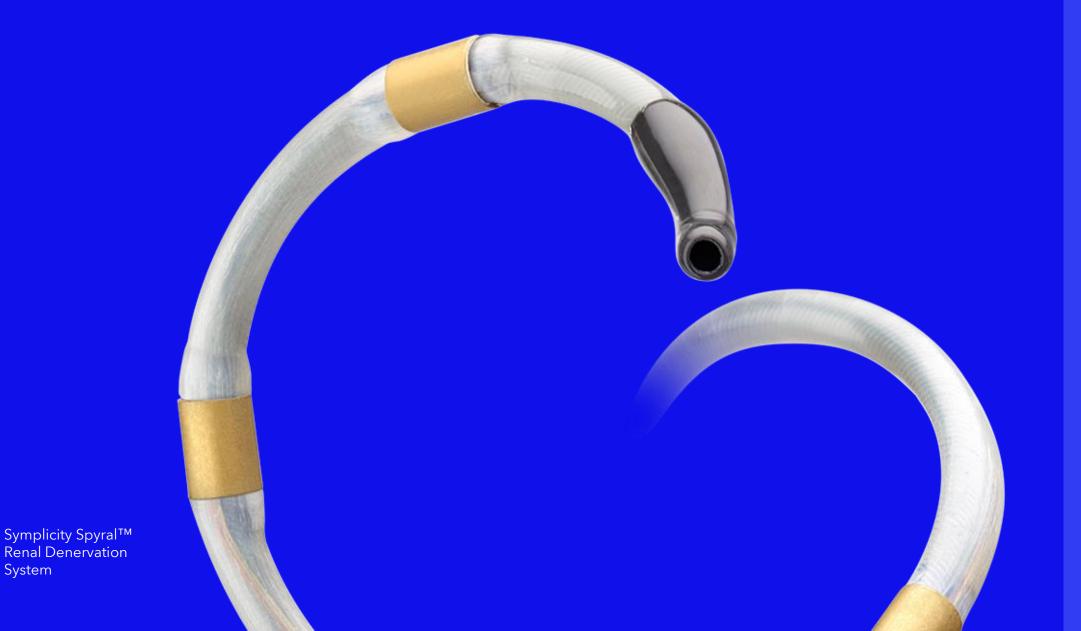
^{1.} Battelino T et al. Efficacy and safety of automated insulin delivery in children aged 2-6 years (LENNY): an open-label, multicentre, randomised crossover trial Lancet Diabetes Endocrinol. 2025 Aug;13(8):662-673

^{2.} Carlson AL et al. Safety and Glycemic Outcomes during MiniMed 780G System Use with the Disposable, All-in-One, Simplera Sync Sensor in People with Type 2 Diabetes (PwT2D). Diabetes 2025; 74: Supplement_1):2010-LB. https://doi.org/10.2337/db25-2010-LB

Q1 FY26

System

Guidance & Assumptions



Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

Impact

Appendix



Guidance and assumptions

- Continued MSD revenue growth on growth driver acceleration
- O Gross margin slightly up (ex-tariffs) with continued pricing and COGS efficiency execution; mix headwinds from Diabetes and CAS
- Increased investment in growth drivers across R&D and Sales (CAS, RDN and Hugo); leverage in G&A
- Operating profit growth ~7.5% (ex-tariffs) even with significant investment in growth
- Tariff impact to COGS of ~\$185M, improvement from \$200M to \$350M previously; Q2: ~10% of impact, Q3: ~55%, Q4: ~35%

FY27 HSD EPS Growth

- Accelerating revenue growth
- FX¹ tailwind
- Margin improvement and share retirement upon completion of separation
- Leveraged earnings

		FY25 b	pase	Organic revenue growth guidance	FX ¹	Other ²	Implied FY26 adjusted revenue range
FY26	Q4 Earnings Call	FY25 Adjusted	\$33,627M	~5%	Flat to +\$100M	~\$80M	~\$35.2B to \$35.3B
revenue	24 Larriings Caii	Less Other ²	(\$137M)	3 70	Tacto (\$100W	φοσινι	\$33.2B to \$33.3B
	Q1 Earnings Call	FY25 base	\$33,490M	~5%	\$550M to \$650M	~\$95M	~\$35.8B to \$35.9B

		FY25 base	FY26 FX ¹	Underlying EPS growth (incl. FX, ex-tariffs)	Tariff Impact to COGS	FY26 EPS guidance (incl. FX & tariffs)
FY26 EPS	Q4 Earnings Call	\$5.49	~Flat	~4%	\$200M to \$350M	\$5.50 to \$5.60
	Q1 Earnings Call	\$ Ј. 4 7	~Flat to +1%	~4.5%	~\$185M	\$5.60 to \$5.66

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.} While FX rates are fluid, assumptions above are based on recent rates

^{2.} Includes operations and ongoing transition agreements from businesses the Company has exited or divested6

Q1 FY26

Value Creation Initiatives

Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

Impact

Appendix

Affera™ Sphere-360™ single-shot pulsed field ablation catheter

Positioning Medtronic for Its Next Chapter

Medtronic is taking decisive steps to accelerate organic growth, sharpen portfolio focus and improve operational execution in partnership with large investor Elliott Investment Management

Appointed two new independent Board members

- Board refreshment to provide new perspectives and accelerate performance inflection
- Strong MedTech operating experience with proven track records of value creation

Formed two new Board Committees to enhance oversight and focus on:

- Portfolio optimization and strategic M&A
- Improved operational execution and margin expansion to accommodate an increased level of investment in innovation

Announced a 2026 Investor Day

• Will outline go-forward strategic priorities, key portfolio management decisions, and updated growth algorithm and financial targets



Our decision to become one of Medtronic's largest investors was driven by our strong conviction that the company is entering a new chapter of exceptional value creation defined by accelerating growth, operational improvement and enhanced strategic clarity. We believe Medtronic's recent innovations in some of MedTech's most attractive markets have positioned the company for an inflection in organic growth. Combined with its renewed focus on portfolio simplification and improved operational execution, Medtronic is set to deliver a sustainable acceleration in earnings growth as well.

Today's announcements - including the addition of new directors with deep MedTech experience and the formation of two focused Board committees - are the right steps towards realizing Medtronic's potential. We look forward to continuing our constructive partnership with Geoff Martha and the Board and to working closely together to realize this unique value-creation opportunity.

Marc Steinberg

Partner, Elliott Investment Management L.P.

New Board Committee Focus Areas

Establishing dedicated oversight on targeted goals ahead of a comprehensive Investor Day to be held in 2026

Growth Committee

- Market leadership and commitment to innovation through bold organic and inorganic investments with high potential ROI
- Growth-accretive tuck-in M&A
- Further divestment opportunities to reorient portfolio for accelerated growth and strategic clarity
- Long-term strategic priorities and capital allocation framework

Operating Committee

- Operational excellence initiatives in pursuit of redefined near- and long-term margin improvement goals
- Meaningful efficiencies across global manufacturing, supply chain and operations
- Efficiencies to increase self-funded R&D investments while also delivering sustained margin expansion
- Agility through operational and organizational simplification that translates to the bottom-line

Harnessing Momentum for Long-Term Value Creation

We are on a path to unlock the full potential of Medtronic's Mission with a renewed commitment to urgency and accountability

What investors should expect

- Ongoing organic growth inflection as we move through FY26, with top-line acceleration from several drivers including PFA and Symplicity Spyral™
- Increased focus on growth and market share gains in right-to-win areas through evaluation of additional divestments and growth-accretive M&A to enhance focus on growth and market share gains in right-to-win areas
- Disciplined operational improvements to deliver sustained margin expansion, improved cash flow generation, and outsized earnings growth, while also increasing organic investment levels in R&D
- **Enhanced oversight and improved communication**, including regular updates on new Board Committee focus areas
- Comprehensive Investor Day with a deep dive into Medtronic's go-forward strategic priorities and financial algorithm in mid-calendar 2026

on FY26 Impact



Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

Impact

Appendix

Leading in engagement, citizenship, and innovation



Ethisphere

One of the 2025 World's Most Ethical Companies®

Member of Dow Jones Sustainability Indices

Powered by the S&P Global CSA

Dow Jones Sustainability Index

DJSI World Index for 4 consecutive years

DJSI North American Index for 18 consecutive years



Fast Company

Named to list of the World's Most Innovative Companies of 2025



Just Capital

One of America's Most JUST Companies in 2025

FORTUNE

Fortune 2025

Most Admired Companies' list



Bloomberg Gender-Equality Index

Of the 559 companies submitting data, only 418 met the threshold to be considered GEI members



2024 Hispanic Association on **Corporate Responsibility**

5-star awards across all 4 pillars – Employment, Philanthropy, Procurement, & Governance – 3rd consecutive year



IR Impact Awards

2025 Winner of best use of social media and video; finalist best sell-side management

To learn more, visit our awards page 🕥



Near and long-term sustainability objectives

Robust governance structures and processes underpin our sustainability strategy

Progress key:

Achieved •

On target 🧿

		 			In progress	•
- .			Baseline	End	FY24	



Carbon neutral in Operations (scope 1 and 2)

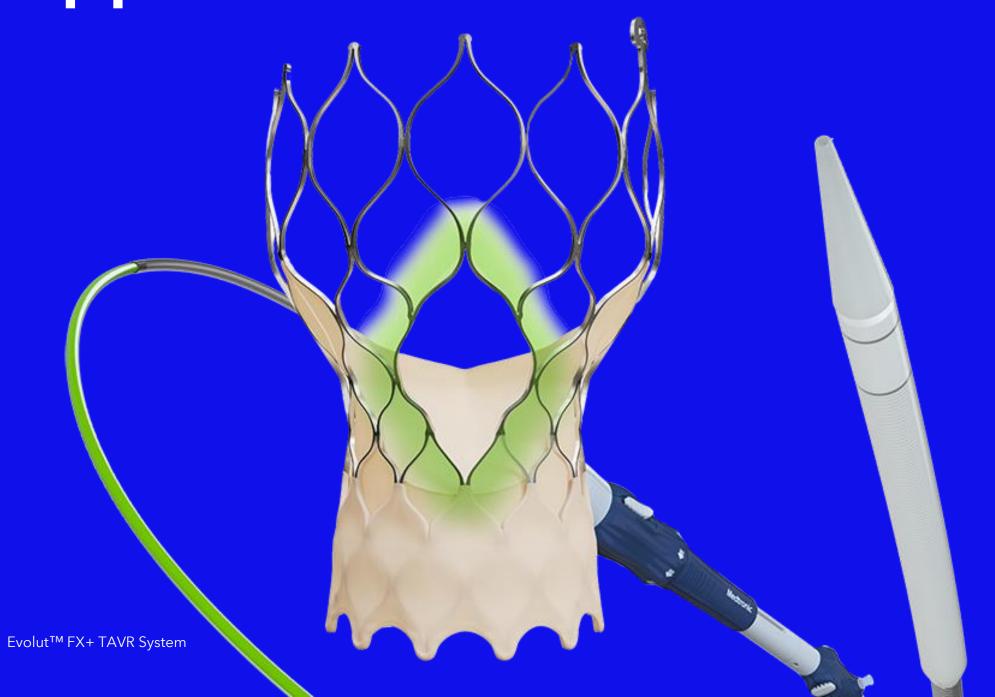


emissions

Pillar	Key issue	Target	date	date	status	
	Product innovation	Flow 20% of revenue from products and therapies released in the prior 36 months (vitality index)	N/A	FY25	20.70%	•
Patient	Access & affordability	Serve 79M patients annually through strategies that increase healthcare access	N/A	FY25	78M+	0
	Patient safety & product quality	Reduce aggregate product complaint rate by 10% for identified product families	FY20	FY25	33%	
		Sustain \$1B+ spend with certified diverse-owned businesses, and increase impact with small businesses	FY22	N/A	\$3.1B	•
People	Inclusion, diversity & equity	Achieve 45% representation of women in manager-and-above roles globally	N/A	FY26	44%	0
reopie	melasion, arversity a equity	Achieve 30% representation of people from ethnically diverse groups in manager-and-above roles in the US	N/A	FY26	28%	0
		Achieve net carbon neutrality across our operations (Scope 1 and 2)	FY20	FY30	44%	0
		Reduce greenhouse gas emissions intensity by 50%	FY20	FY25	51.7%	
	Operational emissions, energy,	Reduce energy intensity by 20%	FY20	FY25	14%	0
	water, and waste	Source 50% of energy from renewable and alternative sources	FY20	FY25	42%	0
		Reduce water usage intensity by 15%	FY20	FY25	28%	
		Reduce waste intensity by 15%	FY20	FY25	19%	
		Reduce packaging waste by 25% for four targeted high-volume product families	FY21	FY25	90%	
Planet		Minimize impact of instructions for use (IFUs) through a 35% paper reduction	FY21	FY27	15%	0
		Publish partial LCAs for 100% of products	FY21	FY30	~5%	•
	Due do et eu d'e e de eile eile e	Publish full LCAs for 50% of products	FY21	FY30	~5%	•
	Product and packaging life cycle and circularity	Convert 50% of eligible product codes to electronic IFUs (eIFUs) within applicable regions	FY21	FY30	~5%	•
		Integrate circularity and eco-design criteria into the New Product Development process	FY21	FY30	~20%	•
		Reduce packaging for 20 additional high-volume products for a total of 50% reduction	FY21	FY30	~10-15%	•
		Achieve one of the following qualities for 95% of eligible plastic packaging: is industrially recyclable, contains post-industrial recycled content, demonstrates optimized design (by volume, weight, or thickness)	FY21	FY30	~20%	•

Q1 FY26

Appendix



Executive Summary

Portfolio Highlights

Guidance & Assumptions

Value Creation Initiatives

Impact

Appendix



Q1 FY26 GAAP to non-GAAP reconciliations

	FY26 GAAP	Amortization	Restructuring	Certain Litigation Charges	Acquisition and Divestiture- Related Items	(Gain) / Loss on Minority Investments	Other	Certain Tax Adjustments	FY26 Non-GAAP	FY25 Non-GAAP	Y/Y Growth / Change
Net Sales	8,578	-	-	-	-	-	(39)	-	8,539	8,004	7%
Cost of Products Sold	3,001	-	(16)	-	(7)	-	-	-	2,979	2,730	9%
Gross Margin	65.0%	-	0.1%	-	-	-	(0.2)%	-	65.1%	65.9%	-80 bps
SG&A	2,806	-	(5)	-	(26)	-	-	-	2,775	2,642	5%
% of Sales	32.7%	-	-	-	(0.2)%	-	-	-	32.5%	33.0%	-50 bps
R&D	726	-	-	-	-	-	-	-	725	673	8%
% of Sales	8.5%	-	-	-	-	-	-	-	8.5%	8.4%	10 bps
Other Operating (Income) Expense, Net	70	-	-	-	(25)	-	-	-	44	7	529%
% of Sales	0.8%	-	-	-	(0.3)%	-	-	-	0.5%	0.1%	40 bps
Amortization of Intangible Assets	459	(459)	-	-	-	-	-	-	-	-	-
Restructuring Charges, Net	45	-	(45)	-	-	-	-	-	-	-	-
Certain Litigation Charges, Net	27	-	-	(27)	-	-	-	-	-	-	-
Operating Profit	1,445	459	67	27	58	-	(39)	-	2,016	1,953	3%
Operating Margin	16.8%	5.5%	0.8%	0.3%	0.7%	-	(0.5)%	-	23.6%	24.4%	-80 bps
Other Non-Operating Income, Net	(33)	-	-	-	-	(113)	-	-	(146)	(140)	4%
Interest Expense	176	-	-	-	-	-	-	-	176	167	5%
Net Income Attributable to MDT (\$M)	1,040	374	51	21	48	107	(30)	16	1,626	1,592	2%
Diluted EPS (\$)	0.81	0.29	0.04	0.02	0.04	0.08	(0.02)	0.01	1.26	1.23	2%

Medtronic business structure



Cardiovascular

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

Learn more >



Neuroscience

Cranial & Spinal Technologies

Specialty Therapies

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

Neuromodulation

Learn more



Medical Surgical

Surgical & Endoscopy

- Surgical
- Endoscopy

Acute Care & Monitoring

Learn more



Diabetes

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

Learn more

Other

Includes operations and ongoing transition agreements from businesses the Company has exited or divested



Abbreviations & acronyms

	Growth		Business specific		Business specific		Other
CC	Constant Currency	AAA	Abdominal Aortic Aneurysm	GYN	Gynecology	ACA	American Diabetes Association
VAMGR	Weighted Average Market Growth Rate	ACE	Alternate Controller Enabled	HIS	His-Purkinje System	ACC	American College of Cardiology
SD	Low-single digit	ACM	Acute Care Monitor	iAGC	Interoperable Automated Glycemic Controllers	AUA	American Urological Association
MSD	Mid-single digit	aDBS	Adaptive Deep Brain Stimulation	ICD	Implantable Cardioverter Defibrillator	CMS	Centers for Medicare & Medicaid Services
ISD	High-single digit	AID	Automated Insulin Delivery	ICG	Indocyanine Green	EM	Emerging Markets
DD	Low-double digit	BIS	The Bispectral Index	LAA	Left Atrial Appendage	FIH	First-In-Human
DD	Double digit	ВР	Blood Pressure	LBBA	Left Bundle Branch Area	НСР	Health Care Provider
		CAS	Cardiac Ablation Solutions	MDI	Multiple Daily Injections	IDE	Investigational Device Exemption
		CGM	Continuous Glucose Monitoring	PFA	Pulse Field Ablation	ID&E	Inclusion, Diversity and Equity
		COGS	Cost of Goods Sold	PVH	Peripheral Vascular Health	LMR	Limited Market Release
		CRM	Cardiac Rhythm Management	RAS	Robot-Assisted Surgery	NCD	National Coverage Determination
		CST	Cranial & Spinal Technologies	RDN	Renal Denervation	NEJM	New England Journal of Medicine
		DBS	Deep Brain Stimulation	SCS	Spinal Cord Stimulation	NMPA	National Medical Products Admin.
		DCB	Drug Coated Balloon	T1	Type 1 Diabetes	OU	Operating Unit
		DES	Drug Eluting Stent	T2II	Insulin-Intensive Type 2 Diabetes	PMA	Pre-Market Approval
		DTM	Differential Target Multiplexed Waveform	TAA	Thoracic Aortic Aneurysm	VBP	Volume-Based Procurement
		ECLS	Extracorporeal life support	TAR	Time Above Range	WE	Western Europe
		ENT	Ear, Nose, & Throat	TAVR	Transcatheter Aortic Valve Replacement		
		EV-ICD	Extravascular Implantable Cardioverter Defibrillator	TIR	Time In Range		
		GI	Gastrointestinal	TV Tachy	Transvenous tachycardia		
		G&A	General and Administration	URO	Urology		