

Interface Segment Results

Below is a table summarizing results for the fiscal years ended:

(Dollars in Millions)	April 28, 2018	April 29, 2017	Net Change (\$)	Net Change (%)
Net Sales	\$ 73.2	\$ 91.5	\$ (18.3)	(20.0)%
Gross Profit	\$ 14.3	\$ 17.8	\$ (3.5)	(19.7)%
Income from Operations	\$ 6.0	\$ 4.0	\$ 2.0	50.0 %

Percent of sales:	April 28, 2018	April 29, 2017
Net Sales	100.0%	100.0%
Gross Profit	19.5%	19.5%
Income from Operations	8.2%	4.4%

Net Sales. Interface segment net sales decreased \$18.3 million, or 20.0%, to \$73.2 million in fiscal 2018, compared to \$91.5 million in fiscal 2017. Net sales decreased in North America by \$15.1 million to \$70.9 million in fiscal 2018, primarily due to the exit of our Connectivity business in fiscal 2017. Net sales in Europe decreased \$1.7 million to \$0.3 million in fiscal 2018 due to lower sales volumes and price reductions on certain of our data solutions products. Net sales in Asia decreased \$1.5 million to \$2.0 million in fiscal 2018 primarily due to lower sales volumes of legacy products.

Gross Profit. Interface segment gross profit decreased \$3.5 million, or 19.7%, to \$14.3 million in fiscal 2018, compared to \$17.8 million in fiscal 2017. The decrease was due to lower sales volumes as a result of the exit of our Connectivity business in fiscal 2017 and price reductions on certain products.

Income from Operations. Interface segment income from operations was \$6.0 million in fiscal 2018, compared to \$4.0 million in fiscal 2017. The increase was primarily due to a favorable sales mix, lower expenses related to the Connectivity business, lower legal expenses and lower stock-based compensation expense, partially offset with lower sales volumes and pricing reductions on certain products.

Medical Segment Results

Below is a table summarizing results for the fiscal years ended:

(Dollars in Millions)	April 28, 2018	April 29, 2017	Net Change (\$)	Net Change (%)
Net Sales	\$ 0.3	\$ 0.2	\$ 0.1	50.0 %
Gross Profit	\$ (3.5)	\$ (3.1)	\$ (0.4)	(12.9)%
Loss from Operations	\$ (11.4)	\$ (8.5)	\$ (2.9)	(34.1)%

Net Sales. The Medical segment had minimal net sales in both periods from newly launched products.

Gross Profit. Medical segment gross profit was a loss of \$3.5 million in fiscal 2018 compared to a loss of \$3.1 million in fiscal 2017. The increased loss primarily relates to the vertical manufacturing integration of some key components and research efforts to expand the product offerings.

Loss from Operations. Medical segment loss from operations increased \$2.9 million to \$11.4 million in fiscal 2018 compared to \$8.5 million in fiscal 2017. The increased loss relates to higher outside professional fees, research and development and marketing expenses in fiscal 2018.

Financial Condition, Liquidity and Capital Resources

We believe our current world-wide cash balances together with expected future cash flows to be generated from operations and our committed credit facility will be sufficient to support current operations. A significant amount of cash and expected future cash flows are located outside of the U.S. Of the \$83.2 million of cash and cash equivalents as of April 27, 2019, \$69.9 million was held in subsidiaries outside the U.S. and can be repatriated, primarily through the repayment of intercompany loans and the payment of dividends, without creating material additional income tax expense.