

# FY13 Q4: Non-GAAP Reconciliations

MEDTRONIC, INC.						
RECONCILIATION OF WORLDWIDE REVENUE GROWTH TO CONSTANT CURRENCY GROWTH						
(in millions)						
	Six months ended		Reported Growth	Currency Impact on Growth		Constant Currency Growth
	April 26, 2013	April 27, 2012		Dollar	Percentage	
Reported Revenue:						
Defibrillation Systems	\$ 1,408	\$ 1,418	(0.7) %	\$ (13)	(0.9) %	0.2 %
Pacing Systems	963	959	0.4	(17)	(1.8)	2.2
AF & Other	131	110	19.1	(1)	(0.9)	20.0
Cardiac Rhythm Disease Management	2,502	2,487	0.6	(31)	(1.2)	1.8
Coronary	911	832	9.5	(17)	(2.0)	11.5
Structural Heart	582	554	5.1	(7)	(1.2)	6.3
Endovascular	448	409	9.5	(9)	(2.2)	11.7
Cardiac & Vascular Group	4,443	4,282	3.8	(64)	(1.5)	5.3
Core Spine	1,309	1,317	(0.6)	(11)	(0.8)	0.2
BMP	254	285	(10.9)	1	0.3	(11.2)
Spine	1,563	1,602	(2.4)	(10)	(0.6)	(1.8)
Neuromodulation	939	882	6.5	(5)	(0.5)	7.0
Diabetes	784	759	3.3	(4)	(0.5)	3.8
Surgical Technologies	758	690	9.9	(6)	(0.8)	10.7
Restorative Therapies Group	4,044	3,933	2.8	(25)	(0.7)	3.5
Total	\$ 8,487	\$ 8,215	3.3 %	\$ (89)	(1.1) %	4.4 %

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MEDTRONIC, INC.			
RECONCILIATION OF WORLDWIDE CORE SPINE REVENUE GROWTH TO CONSTANT CURRENCY REVENUE GROWTH ADJUSTED FOR REVENUE FROM BKP			
(in millions)			
	Three months ended April 26, 2013	Three months ended April 27, 2012	Percentage Change
Core Spine revenue, as reported	\$ 671	\$ 677	-1%
BKP revenue	(92)	(104)	
Core Spine revenue, adjusted for BKP	579	573	1%
Foreign currency impact	6	-	
Core Spine revenue, adjusted for BKP and foreign currency	<u>\$ 585</u>	<u>\$ 573</u>	2%

MEDTRONIC, INC.			
RECONCILIATION OF U.S. CORE SPINE REVENUE GROWTH TO REVENUE GROWTH ADJUSTED FOR REVENUE FROM BKP			
(in millions)			
	Three months ended April 26, 2013	Three months ended April 27, 2012	Percentage Change
U.S. Core Spine revenue, as reported	\$ 437	\$ 431	1%
U.S. BKP revenue	(65)	(69)	
U.S. Core Spine revenue, adjusted for BKP	<u>\$ 372</u>	<u>\$ 362</u>	3%

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Three months ended April 26, 2013			
Selling, general, and administrative (SG&A) expense after adjusting for the impact of foreign currency (in millions)	Net sales	SG&A expense	SG&A expense as a percentage of net sales
As reported	\$4,459	\$1,475	33.1%
Foreign currency impact	48	13	
Adjusted	\$4,507	\$1,488	33.0%

Interest Expense, Net (in millions)	Three months ended April 26, 2013
Interest expense, net	\$48
Impact of authoritative convertible debt guidance on interest expense, net	21
Non-GAAP interest expense, net	\$27

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Free Cash Flow (in millions)	Fiscal year ended April 26, 2013	Nine months ended January 25, 2013	Three months ended April 26, 2013
Net cash provided by operating activities	\$4,883	\$3,696	\$1,187
Additions to property, plant, and equipment	(457)	(336)	(121)
Free cash flow	\$4,426	\$3,360	\$1,066

Income Tax Rate	Three months ended April 26, 2013
Effective tax rate	16.0%
Tax impact of restructuring charges, net, certain acquisition-related items, and authoritative convertible debt guidance	(0.9)%
Non-GAAP nominal tax rate	16.9%

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Income Tax Rate	Fiscal year ended April 26, 2013
Effective tax rate	18.4%
Tax impact of restructuring charges, net, certain litigation charges, net, certain acquisition-related items, and authoritative convertible debt guidance	0.1%
Non-GAAP nominal tax rate	18.3%