

2011 Barclays Capital Global Healthcare Conference

Non-GAAP Reconciliations

Reconciliation of Worldwide Revenue Growth to Constant Currency Growth (in millions)	Q3 YTD FY11	Q3 YTD FY10	Reported Growth	Currency Impact on Growth		Constant Currency Growth
				Dollar	Percentage	
Reported Revenue:						
Pacing Systems	\$ 1,395	\$ 1,492	(7) %	\$ (7)	(1) %	(6) %
Defibrillation Systems	2,202	2,286	(4)	(19)	(1)	(3)
Other	98	80	23	(2)	(2)	25
Cardiac Rhythm Disease Management	3,695	3,858	(4)	(28)	(1)	(3)
Coronary & Peripheral	1,151	1,108	4	(1)	-	4
Structural Heart	703	640	10	(9)	(1)	11
Endovascular	376	359	5	(8)	(2)	7
CardioVascular	2,230	2,107	6	(18)	(1)	7
Physio-Control	297	291	2	(3)	(1)	3
Cardiac & Vascular Group	6,222	6,256	(1)	(49)	(1)	-
Core Spinal	1,882	1,968	(4)	1	-	(4)
Biologics	658	651	1	3	-	1
Spinal	2,540	2,619	(3)	4	-	(3)
Neuromodulation	1,159	1,151	1	(15)	(1)	2
Diabetes	979	905	8	(12)	(1)	9
Surgical Technologies	738	690	7	1	-	7
Restorative Therapies Group	5,416	5,365	1	(22)	-	1
Total	\$ 11,638	\$ 11,621	- %	\$ (71)	(1) %	1 %

2011 Barclays Capital Global Healthcare Conference

Non-GAAP Reconciliations

SG&A expense adjusted for Kyphon annualization, R&D reclass, and foreign currency impact, as a percentage of revenue (in millions)	SG&A FY08	Revenue FY08	% Revenue
SG&A expense, as reported	\$ 4,707	\$ 13,515	34.8%
Reclass from R&D (based on value of FY09 reclass)	46	-	
Kyphon business annualized impact	180	298	
Currency impact	(137)	(400)	
SG&A expense, adjusted	\$ 4,796	\$ 13,413	35.8%

2011 Barclays Capital Global Healthcare Conference

Non-GAAP Reconciliations

Free cash flow, excluding certain litigation payments (in millions)	FY10	FY11 YTD
Net cash provided by operating activities	\$ 4,131	\$ 2,948
Additions to property, plant, and equipment	(573)	(385)
Certain litigation payments	939	5
Free cash flow, excluding certain litigation payments	\$ 4,497	\$ 2,568

Free cash flow (in millions)	FY10	FY09	FY08	FY07	FY06	FY05	FY04	FY03	FY02	FY01	FY00
Net cash provided by operating activities	\$ 4,131	\$ 3,878	\$ 3,489	\$ 2,979	\$ 2,220	\$ 2,819	\$ 2,846	\$ 2,078	\$ 1,590	\$ 1,832	\$ 1,026
Additions to property, plant and equipment	(573)	(498)	(513)	(573)	(407)	(452)	(425)	(380)	(386)	(440)	(342)
Free cash flow	\$ 3,558	\$ 3,380	\$ 2,976	\$ 2,406	\$ 1,813	\$ 2,367	\$ 2,421	\$ 1,698	\$ 1,204	\$ 1,392	\$ 684