

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities and Exchange Act of 1934

Date of Report - November 19, 1996

MEDTRONIC, INC.

(Exact name of registrant as specified in its charter)

Minnesota  
(State or other Jurisdiction  
of incorporation)

1-7707  
(Commission File  
Number)

41-0793183  
(IRS Employer  
Identification No.)

7000 Central Avenue N.E.  
Minneapolis, Minnesota 55432-3576  
(Address of principal executive offices and zip code)

(612) 574-4000  
(Registrant's telephone number, including area code)

ITEM 5. Other Events

On November 19, 1996, the registrant issued a press release announcing financial results for its fiscal second quarter ended November 1, 1996. The full text of the press release is set forth in Exhibit 99 attached hereto and is incorporated in this report as if fully set forth herein.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MEDTRONIC, INC.  
(Registrant)

Date: November 22, 1996

By: /s/ Robert L. Ryan  
Robert L. Ryan, Senior Vice President and  
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.

Description

99

Press release dated November 19, 1996

Exhibit 99  
[Medtronic Logo]

NEWS RELEASE

Medtronic, Inc.  
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FOR IMMEDIATE RELEASE

MEDTRONIC REPORTS QUARTERLY EARNING UP 24.8 PERCENT;  
PACING BUSINESSES AGAIN SCORE DOUBLE-DIGIT GAINS

MINNEAPOLIS, MN, November 19, 1996 -- Medtronic, Inc. (MDT: NYSE) announced today that net earnings for the quarter ended November 1, 1996, increased 24.8 percent to \$128.3 million as revenues totaled \$598.2 million, a 15.0 percent increase over revenues in the period a year earlier. Excluding effects of foreign currency translation, revenues for the quarter grew 16.5 percent.

Earnings per share of \$0.54 were 25.6 percent above the \$0.43 per share posted on earnings of \$102.8 million in the quarter a year ago when revenues were \$520.0 million. It was the tenth consecutive quarter during which Medtronic's net earnings rose more than 20 percent.

Earnings for the first half of fiscal 1997 were \$255.8 million (\$1.07 a share), an increase of 27.8 percent over the \$200.1 million (\$0.85 a share) recorded in the comparable period of fiscal 1996. First-half revenues were \$1.199 billion, an increase of 14.7 percent -- or 17.6 percent on a constant-currency basis -- over the \$1.045 billion of the comparable prior period.

Bradycardia pacemakers and leads scored their tenth consecutive quarter of double-digit percentage growth in revenue and unit sales. Revenues rose 16 percent in the United States as Medtronic Thera(R) and Thera "i-series" pacemakers, combined with Medtronic CapSure(R) pacing leads, continued to comprise the pacing systems of choice.

Primarily on the strength of the Medtronic Micro Jewel(TM) implantable defibrillator, tachyarrhythmia revenues rose 17 percent on a constant-currency basis, led by a 20 percent increase in the highly competitive United States medical marketplace. On November 8, 1996, the U.S. Food and Drug Administration cleared the successor product, Medtronic Micro Jewel II, the world's smallest and lightest defibrillator, for commercial marketing. Worldwide shipments began in mid-November.

Medtronic's Neurological Business again recorded the most rapid revenue growth, nearly 40 percent on a constant-currency basis. Sales were spurred by increasing worldwide acceptance of the company's Intrathecal Baclofen Therapy for the treatment of spasticity, by the broadening medical indications for use of the Medtronic Itrel(R) 3 neurostimulation device, and by the contributions of hydrocephalic shunts and other products from Medtronic PS Medical.

Revenues of the Vascular Business rose nearly 20 percent on a constant-currency basis, driven by sales of the Medtronic Wiktor(R) and Wiktor-i coronary stents in international markets and sales of the Medtronic Millenia(TM) high-pressure balloon catheter in the last month of the quarter. On November 7, Medtronic announced the European launch of the Medtronic beStent(TM), a unique new coronary stent.

Cardiac Surgery sales grew modestly, led by prosthetic heart valves and by cannulae from Medtronic DLP. Unit sales of heart valves increased 24 percent worldwide. Sales of cardiopulmonary and blood management products were nearly flat compared with last year's comparable quarter.

Medtronic, Inc., headquartered in Minneapolis, is the world's leading medical technology company specializing in implantable and invasive therapies. Its Internet address is <http://www.medtronic.com>.

(tabulation follows)

MEDTRONIC, INC.  
CONSOLIDATED STATEMENT OF EARNINGS  
(Unaudited)

	Three months ended		Six months ended	
	Nov. 1, 1996	Oct 27, 1995	Nov. 1, 1996	Oct. 27, 1995
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	(in thousands, except per share data)			
Net sales	\$ 598,152	\$ 519,980	\$ 1,199,022	\$ 1,044,923
Costs and expenses:				
Cost of products sold	151,060	146,023	306,641	297,070
Research and development expense	68,257	55,946	133,928	109,720
Selling, general, and administrative expense	188,964	166,245	380,674	341,438
Interest expense	2,588	2,243	4,611	4,008
Interest income	(8,663)	(8,166)	(17,321)	(14,575)
Total costs and expenses	402,206	362,291	808,533	737,661
Earnings before income taxes	195,946	157,689	390,489	307,262
Provision for income taxes	67,602	54,881	134,719	107,133
Net earnings	\$ 128,344	\$ 102,808	\$ 255,770	\$ 200,129
Weighted average shares outstanding	239,742	236,682	239,590	236,066
Earnings per share	\$ 0.54	\$ 0.43	\$ 1.07	\$ 0.85

The FY96 amounts have been restated to reflect the May and June 1996 acquisitions of AneuRx, Inc. and InStent Inc. which were accounted for as poolings of interests.