

FY12 Q2: Non-GAAP Reconciliations

| Income Tax Rate | Three months ended October 28, 2011 |
|---|--|
| Effective tax rate | 17.3% |
| Tax impact of certain acquisition-related items and authoritative convertible debt guidance | 0.3% |
| Non-GAAP nominal tax rate | 17.6% |

| Interest Expense, Net (in millions) | Three months ended October 28, 2011 |
|--|--|
| Interest expense, net | \$38 |
| Impact of authoritative convertible debt guidance on interest expense, net | 21 |
| Non-GAAP interest expense, net | \$17 |

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| RECONCILIATION OF CONSOLIDATED GAAP DILUTED EPS TO CONSOLIDATED Adjusted NON-GAAP DILUTED EPS | | | |
|--|---------------------|---------------------|----------------------|
| | Three months ended | | Percentage Change |
| | October 28, 2011 | October 29, 2010 | |
| Diluted EPS, as reported | \$ 0.82 | \$ 0.52 | 58% |
| Certain litigation charges, net | - | 0.26 | |
| Certain acquisition-related items | 0.01 | 0.01 | |
| Impact of authoritative convertible debt guidance on interest expense, net | 0.01 | 0.02 | |
| Non-GAAP diluted EPS | \$ 0.84 | \$ 0.82 | (1) 2% |
| Less Q2 FY11 one-time tax benefit | - | (0.03) | |
| Q2 FY12 Ardian acquisition dilution | 0.01 | - | |
| Adjusted Non-GAAP diluted EPS | <u>\$ 0.85</u> | <u>\$ 0.79</u> | 8% |

(1) The data in this schedule has been intentionally rounded to the nearest \$0.01 and therefore may not sum.

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| Physio-Control revenue growth impact from supply constraint issue (in millions) | QTR 2 FY12 | QTR 2 FY11 | % Change |
|--|-------------------|-------------------|-----------------|
| Physio-Control Revenue, as reported | \$109 | \$109 | 0% |
| Currency Impact | (3) | | |
| Revenue impact of product supply shortage | | (10) | |
| Physio-Control Revenue, adjusted | \$106 | \$99 | 7% |

| Free Cash Flow (in millions) | Three months ended October 28, 2011 |
|---|--|
| Net cash provided by operating activities | \$1,123 |
| Additions to property, plant, and equipment | (152) |
| Free cash flow | \$971 |

FY12 Q2: Non-GAAP Reconciliations

SUPPLEMENTAL SCHEDULE - RECONCILIATION OF WORLDWIDE REVENUE
GROWTH TO CONSTANT CURRENCY GROWTH EXCLUDING ICDs AND SPINAL
(in millions)

| | Three months ended | | Reported Growth | Currency Impact on Growth | | Constant Currency Growth |
|--|---------------------|---------------------|--------------------|------------------------------|------------|--------------------------------|
| | October 28, 2011 | October 29, 2010 | | Dollar | Percentage | |
| Defibrillation Systems (ICD's) | \$ 708 | \$ 745 | (5) % | \$ 21 | 3 % | (8) % |
| Core Spinal | 631 | 634 | - | 17 | 3 | (3) |
| Biologics | 208 | 216 | (4) | 1 | - | (4) |
| ICD & Spinal | 1,547 | 1,595 | (3) | 39 | 2 | (5) |
| Pacing Systems | 511 | 472 | 8 | 22 | 4 | 4 |
| AF & Other | 49 | 31 | 58 | 1 | 3 | 55 |
| Coronary | 376 | 350 | 7 | 17 | 4 | 3 |
| Structural Heart | 266 | 237 | 12 | 10 | 4 | 8 |
| Endovascular & Peripheral | 188 | 151 | 25 | 7 | 5 | 20 |
| Physio-Control | 109 | 109 | - | 3 | 3 | (3) |
| Neuromodulation | 421 | 388 | 9 | 10 | 3 | 6 |
| Diabetes | 367 | 326 | 13 | 9 | 3 | 10 |
| Surgical Technologies | 298 | 244 | 22 | 5 | 2 | 20 |
| Total excluding ICDs and Spinal * | 2,585 | 2,308 | 12 | 84 | 4 | 8 |
| Total Medtronic | \$ 4,132 | \$ 3,903 | 6 % | \$ 123 | 3 % | 3 % |

* During the three months ended October 28, 2011, the Medtronic worldwide revenues excluding the Defibrillation (ICD's) and Spinal businesses comprise over 60% of total Medtronic worldwide revenues.

FY12 Q2: Non-GAAP Reconciliations

SUPPLEMENTAL SCHEDULE - RECONCILIATION OF US REVENUE
GROWTH EXCLUDING ICDS AND SPINAL
(in millions)

| | Three months ended | | Reported Growth |
|--|---------------------|---------------------|--------------------|
| | October 28, 2011 | October 29, 2010 | |
| Defibrillation Systems (ICD's) | \$ 423 | \$ 481 | |
| Core Spinal | 414 | 445 | |
| Biologics | 185 | 200 | |
| ICD & Spinal | 1,022 | 1,126 | (9) % |
| Pacing Systems | 220 | 210 | |
| AF & Other | 24 | 8 | |
| Coronary | 85 | 96 | |
| Structural Heart | 98 | 91 | |
| Endovascular & Peripheral | 81 | 61 | |
| Physio-Control | 63 | 64 | |
| Neuromodulation | 295 | 278 | |
| Diabetes | 228 | 213 | |
| Surgical Technologies | 184 | 148 | |
| Total excluding ICDs and Spinal * | 1,278 | 1,169 | 9 % |
| Total Medtronic | \$ 2,300 | \$ 2,295 | - |