

MEDTRONIC, INC.
RECONCILIATION OF OPERATING CASH FLOW TO ADJUSTED FREE CASH FLOW
(Unaudited)
(in millions)

	Six months ended October 24, 2014	Three months ended July 25, 2014	Three months ended October 24, 2014
Net cash provided by operating activities	\$ 1,223	\$ 310	\$ 913
Additions to property, plant, and equipment	(210)	(109)	(101)
Free cash flow	\$ 1,013	\$ 201	\$ 812
Special charges payments ^(a)	100	-	100
Certain litigation payments	800	761	39
Adjusted free cash flow	<u>\$ 1,913</u>	<u>\$ 962</u>	<u>\$ 951</u>

(a) To adjust for the impact of a cash charitable donation made to the Medtronic Foundation.

Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with U.S. GAAP.

RECONCILIATION OF CONSOLIDATED GAAP DILUTED EPS
TO CONSOLIDATED ADJUSTED NON-GAAP DILUTED EPS

	Three Months Ended		Percent Change
	October 24, 2014	October 25, 2013	
Diluted EPS, as reported	\$ 0.83	\$ 0.89	(7) %
Special charges ^(a)	0.06	-	
Acquisition-related items ^(b)	0.06	-	
Certain litigation charges, net ^(c)	-	0.02	
Non-GAAP diluted EPS	\$ 0.96	\$ 0.91	5 %
Amortization of intangible assets ^(d)	0.06	0.06	
Adjusted non-GAAP diluted EPS ("Cash EPS") ⁽¹⁾	\$ 1.02	\$ 0.97	5 %

(a) To exclude the impact of a charitable cash donation made to the Medtronic Foundation.

(b) To exclude charges classified as certain litigation charges, net on the consolidated statements of earnings.

(c) To exclude charges classified as certain acquisition-related items on the consolidated statements of earnings.

(d) To exclude amortization of intangible assets.

(1) Adjusted non-GAAP diluted EPS, or diluted EPS on a cash basis, is calculated as diluted EPS excluding acquisition-related items, special charges, certain litigation charges, net, and amortization of intangible assets.

Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with U.S. GAAP.

MEDTRONIC, INC.
RECONCILIATION OF WORLDWIDE AORTIC & PERIPHERAL VASCULAR REVENUE GROWTH TO CONSTANT
CURRENCY REVENUE GROWTH ADJUSTED FOR REVENUE FROM PIONEER PLUS AND AMPHIRION

(Unaudited)

(in millions)

	Three months ended		Percent Change
	October 24, 2014	October 25, 2013	
Aortic & peripheral vascular revenue, as reported	\$ 223	\$ 218	2%
Foreign currency impact	2		
Aortic & peripheral vascular revenue, adjusted for foreign currency	\$ 225	\$ 218	3%
Revenue impact from Pioneer Plus product line	-	(1)	
Revenue impact from Ampherion product line	-	(3)	
Aortic & peripheral vascular revenue, adjusted for foreign currency, Pioneer Plus, and Ampherion	\$ 225	\$ 214	5%

Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with U.S. GAAP.

MEDTRONIC, INC.
RECONCILIATION OF INTERNATIONAL REVENUE GROWTH TO
NON-U.S. DEVELOPED MARKET REVENUE GROWTH
(Unaudited)
(in millions)

	<u>Three months ended</u>		<u>Reported</u> <u>Growth</u>	<u>Currency Impact</u> <u>on Growth</u>		<u>Constant</u> <u>Currency</u> <u>Growth</u>
	<u>October 24,</u> <u>2014</u>	<u>October 25,</u> <u>2013</u>		<u>Dollar</u>	<u>Percentage</u>	
International Revenue	\$ 1,910	\$ 1,856	3%	\$ (38)	(2)%	5%
<i>Less:</i> Emerging Market Revenue	554	503	10%	(10)	(2)%	12%
Non-U.S. Developed Markets Revenue	<u>\$ 1,356</u>	<u>\$ 1,353</u>	-	<u>\$ (28)</u>	<u>(2)%</u>	<u>2%</u>

Investors should consider these non-GAAP measures in addition to, and not as a substitute for, financial performance measures prepared in accordance with U.S. GAAP.

Three months ended October 24, 2014			
Selling, general, and administrative expense (SG&A) 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	\$4,366	\$1,507	34.5%
Foreign currency impact	38	11	
Adjusted	\$4,404	\$1,518	34.5%

Three months ended October 24, 2014	
Income Tax Rate	
Effective tax rate	19.0%
Tax impact of special charges and acquisition-related items	0.5%
Non-GAAP nominal tax rate	19.5%

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