

FY12 Q1: Non-GAAP Reconciliations

Income Tax Rate	QTR 1 FY12
Effective tax rate	19.7%
Tax impact of acquisition-related items and authoritative convertible debt guidance	0.3%
Non-GAAP nominal tax rate	20.0%

Interest Expense, Net (in millions)	QTR 1 FY12
Interest expense, net	\$32
Impact of authoritative convertible debt guidance on interest expense, net	21
Non-GAAP interest expense, net	\$11

Free Cash Flow (in millions)	Three months ended July 29, 2011
Net cash provided by operating activities	\$1,115
Additions to property, plant, and equipment	(130)
Free cash flow	\$985

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RECONCILIATION OF CONSOLIDATED GAAP DILUTED EPS TO CONSOLIDATED NON-GAAP DILUTED EPS				
	Three months ended			Percentage Change
	July 29, 2011	July 30, 2010		
Diluted EPS, as reported	\$ 0.77	\$ 0.76		1%
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	\$ 0.79	\$ 0.80	(1)	-1%
Less Q1 FY11 one-time tax benefit		(0.01)		
Q1 FY12 Ardian acquisition dilution	0.02			
Adjusted Non-GAAP diluted EPS	\$ 0.81	\$ 0.79		3%

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

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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 (a)		Constant Currency Growth (a)
	July 29, 2011	July 30, 2010		Dollar	Percentage	
Reported Revenue:						
Pacing Systems	\$ 508	\$ 473	7 %	\$ 30	6 %	1 %
Defibrillation Systems (ICDs)	697	722	(3)	33	5	(8)
AF & Other	48	31	55	2	7	48
Cardiac Rhythm Disease Management	1,253	1,226	2	65	5	(3)
Coronary	389	342	14	26	8	6
Structural Heart	275	224	23	17	8	15
Endovascular & Peripheral	186	151	23	11	7	16
CardioVascular	850	717	19	54	8	11
Physio-Control	103	84	23	5	6	17
Cardiac & Vascular Group	2,206	2,027	9	124	6	3
Core Spinal	610	622	(2)	21	3	(5)
Biologics	215	207	4	3	2	2
Spinal	825	829	-	24	3	(3)
Neuromodulation	397	370	7	13	3	4
Diabetes	355	312	14	15	5	9
Surgical Technologies	266	235	13	10	4	9
Restorative Therapies Group	1,843	1,746	6	62	4	2
Total	\$ 4,049	\$ 3,773	7 %	\$ 186	5 %	2 %
Less ICDs and Spinal*	(1,522)	(1,551)	(2)	(57)	4	(6)
Total excluding ICDs and Spinal	\$ 2,527	\$ 2,222	14 %	\$ 129	6 %	8 %

(a) Medtronic management believes that in order to properly understand Medtronic's short-term and long-term financial trends, investors may wish to consider the impact of foreign currency translation on revenue. In addition, Medtronic management uses results of operations before currency translation to evaluate the operational performance of the Company and as a basis for strategic planning. 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.

* As of July 29, 2011, the ICD and Spinal businesses comprise approximately 40% of total Medtronic worldwide revenues.

