Medtronic News

Medtronic Increases Its Cash Dividend By Nine Percent

Commitment Remains to Return 50 Percent of Free Cash Flow to Shareholders

MINNEAPOLIS - June 16, 2014 - The board of directors of Medtronic, Inc. (NYSE: MDT) approved yesterday a 9 percent increase in its cash dividend, raising the quarterly amount to $0.305 per share of the company's common stock, which would result in an annual amount of $1.22 per share. This dividend increase brings the company's current dividend yield to 2 percent and expected fiscal year 2015 dividend payout ratio to approximately 30 percent. Today's announcement marks the company's 37th consecutive year of increased dividend payments. Medtronic is a constituent of the S&P 500 Dividend Aristocrats index.

"This underscores the confidence that the board of directors and management team have in our ability to generate significant free cash flow, ensure long-term shareholder value and honor our commitment to return 50 percent of our free cash flow to shareholders," said Omar Ishrak, chairman and chief executive officer.

In fiscal year 2014, the company returned $3.7 billion to shareholders, which included $1.1 billion in dividend payments and $2.6 billion through the repurchase of 30 million shares of its common stock.

The dividend is payable on July 25, 2014, to shareholders of record at the close of business on July 3, 2014.

About Medtronic

Medtronic, Inc. (www.medtronic.com), headquartered in Minneapolis, is the global leader in medical technology - alleviating pain, restoring health and extending life for millions of people around the world.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

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