

## Covidien Announces Dividend Increase

DUBLIN, Ireland--(BUSINESS WIRE)--Sep. 17, 2014--[Covidien plc](#) (NYSE: COV) today announced that its Board of Directors has declared a 13% increase in the quarterly dividend rate, from \$0.32 per ordinary share to \$0.36 per ordinary share.

"This increase is consistent with our Board's stated objective of moving to a higher payout ratio and returning free cash flow to shareholders," said José E. Almeida, chairman, president and CEO, Covidien. "In the last 12 months we have returned 100 percent of our free cash flow<sup>1</sup> through dividends and share buybacks, well above our ongoing target of 50 percent."

"This is our sixth year in a row of double-digit dividend increases, reflecting the company's continued strong performance to date and our confidence in our ability to execute our strategy," Almeida added.

At the new rate, the annual dividend is \$1.44 per ordinary share compared to the previous rate of \$1.28 per ordinary share. The next quarterly dividend is payable on November 6, 2014, to shareholders of record on October 7, 2014.

### About Covidien

Covidien is a global health care leader that understands the challenges faced by providers and their patients and works to address them with innovative medical technology solutions and patient care products. Inspired by patients and caregivers, Covidien's team of dedicated professionals is privileged to help save and improve lives around the world. With more than 38,000 employees, Covidien operates in 150-plus countries and had 2013 revenue of \$10.2 billion. To learn more about our business visit [www.covidien.com](#) or connect with us on [Twitter](#).

<sup>1</sup>Covidien defines free cash flow as net cash from operating activities less capital expenditures.

Source: Covidien

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