

diac and Vascular Group (cardiac rhythm disease management and cardiovascular) accounted for 36.5% of '23 sales; Restorative Therapies Group: spinal, neuromodulation, diabetes, and surgical technologies, 63.5%. International: 48.8% of '23 sales. Acq'd Group owns 9.5%; of common stock, BlackRock, Inc., 8.9%. All off./dir. own less than 1% (8/24 proxy). Chairman and CEO: Geoff Martha, Inc.: MN, Addr.: 20 on Hatch, Lower Hatch Street, Dublin 2. Ireland. Telephone: 763-514-4000. Internet: www.medtronic.com.

Past Est'd '21-'23 **ANNUAL RATES** Past 5 Yrs. 1.5% 1.5% 2.0% 7.5% 1.0% to '28-'30 of change (per sh) 10 Yrs. 4.0% 5.0% 4.0% Sales "Cash Flow" 4.0% 5.0% 6.0% Earnings Dividends Book Value 10.0% 3.5% 1.5%

21675

2662

9051

20 6369 21935

2410 1092

7287

10789

22438

2376 3719

12195

Current Assets

Accts Payable Debt Due

Current Liab.

Fiscal Year Begins			ALES (\$ m Jan.Per	ill.) ^A Apr.Per	Full Fiscal Year
2022	7371	7585	7727	8544	31227
2023	7702	7984	8089	8589	32364
2024	7915	8403	8300	9282	33900
2025	8325	8625	8700	9600	35250
2026	8550	8775	8925	10350	36600
Fiscal	EARNINGS PER SHARE AB Full Fiscal				
Year Begins	Jul.Per	Oct.Per	Jan.Per	Apr.Per	Year
2022	1.13	1.30	1.30	1.57	5.29
2023	1.20	1.25	1.30	1.46	5.20
2024	1.23	1.26	1.40	1.56	5.45
2025	1.30	1.40	1.45	1.60	5.75
2026	1.35	1.50	1.50	1.65	6.00
Cal-	QUARTERLY DIVIDENDS PAID C=				Full
endar	Mar.31	Jun.30	Sep.30	Dec.31	Year
2021	.58	.63	.63	.63	2.47
2022	.63	.63	.68	.68	2.62
2023	.68	.68	.69	.69	2.74
2024	.69	.69	.70	.70	2.78
2025					

The investment community appears to be a bit cautious toward Medtronic shares at the moment. At the recent quotation, the equity has increased slightly in value over the past three months. Part of the elevated caution is likely due to a mixed fiscal 2024 second quarter performance (year ends April 30th). For the October period, sales of \$8.4 billion increased 5.2% year over year. All operating segments posted gains thanks to a favorable product mix and higher pricing. However, earnings of \$1.26 a share inched a mere penny above last year's tally. Although the medical device manufacturer maintained a cost-controlled environment, higher research costs and an unfavorable foreign currency impact of \$0.09 a share, were the main reasons for the disappointing profit showing. In our view, the selloff seems unwarranted, and Medtronic is likely to record single-digit sales and earnings progress this year.

We are optimistic about the company's growth trajectory in fiscal 2025 and 2026 as well. Over the near term, innovation will likely be a key catalyst. To wit, within existing segments such as Car-

diovascular and Neuroscience, research efforts have led to technological enhancements of existing devices, or the creation of new ones. Additionally, acquisitions in the past have served to drive the company's diversification strategy into newer arenas such as Diabetes. Additional mergers are probable, and should be easily accommodated given Medtronic's strong financial position. Technology advances in the medical field, including artificial intelligence and robotics, are likely to continue to be a focus as well.

Expectations of an improved economic landscape ought to prove supportive to Medtronic. Notably, an ease in inflation ought to create the impetus for further research endeavors via clinical trials. Also, hospital admissions should rise over the near term as individuals seek treatments for elective procedures that were deferred in the post-pandemic period due to cost concerns.

These timely shares possess attractive capital appreciation potential over the 2028-2030 pull, as well as an above-average dividend yield. Nira Maharaj February 7, 2025

(A) Fisc. yr. ends Fri. closest to Apr. 30th of [1.5] (\$1.86); '16, (\$1.71); '17, (\$2.50); '18, egs. rpt. due late February. foll. yr. (B) Non-GAAP egs. based on dil. shs. (\$1.82); '19, (\$1.05); '20, (\$1.78); '21, (\$1.72); Mar., June, Sept., and Dec Excls. nonrecur. items: '09, (43¢); '10, (51¢); '22, (\$2.47), '23, (\$2.44). Excls. discont'd. ops: ment plan. (D) Incls. intan '11, (3¢); '12, (38¢); '13, (80¢); '14, (\$1.87); '11, 19¢. May not sum due to rounding. Next mill., \$41.34/sh. (E) In mills.

'15, (\$1.86); '16, (\$1.71); '17, (\$2.50); '18, egs. rpt. due late February. **(C)** Div'ds paid late (\$1.82); '19, (\$1.05); '20, (\$1.78); '21, (\$1.72); Mar., June, Sept., and Dec. ■ Div'd reinvest-'22, (\$2.47), '23, (\$2.44). Excls. discont'd. ops: ment plan. **(D)** Incls. intang. in '23: \$54,211

Company's Financial Strength Stock's Price Stability A+ 95 Price Growth Persistence 30 **Earnings Predictability** 80