

Medtronic reiterates fiscal 2011 earnings guidance

The Associated Press

Medical device maker Medtronic Inc. on Wednesday reiterated its fiscal 2011 earnings guidance and issued a forecast for its first quarter, which ends July 30.

At an investor event in Boston on Wednesday, Chief Financial Officer Gary Ellis said the company still expects fiscal 2011 earnings per share to range between \$3.45 to \$3.55, with revenue growing between 5 percent and 8 percent on a constant currency basis. That would imply revenue of \$16.61 billion to \$17.09 billion.

The earnings forecast includes a charge of about 5 cents per share related to the \$500 million acquisition of European rival Invatec and a pending deal to buy heart device maker ATS Medical Inc. for \$350 million. Excluding the impact of the acquisitions and the benefit of the extra week in the first quarter of fiscal 2010, earnings are expected to grow 10 percent to 13 percent in 2011.

Analysts polled by Thomson Reuters expect earnings of about \$3.51 per share for fiscal 2011 on revenue of \$16.37 billion.

The Minneapolis-based company also said it expects first-quarter earnings per share of between 79 and 81 cents on revenue ranging from \$3.86 billion to \$3.96 billion. That represents revenue growth of 5 percent to 8 percent on a constant currency basis, excluding the impact of the extra week in the year-ago period.

Analysts expect earnings of 84 cents per share in the first quarter on \$4.02 billion in revenue, on average.

Shares fell 85 cents, or 2.2 percent, to \$37.22 in morning trading.

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