



# Medtronic

## NEWS RELEASE

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**FOR IMMEDIATE RELEASE**

## **MEDTRONIC COMPLETES ACQUISITION OF ARDIAN**

*Interventional Therapy Addresses Uncontrolled Hypertension with Renal Denervation*

**MINNEAPOLIS and MOUNTAIN VIEW, Calif. – Jan. 13, 2011** – Medtronic, Inc. (NYSE: MDT), today announced that it has completed the acquisition of privately-held Ardian, Inc., a developer of catheter-based therapies to treat hypertension and related conditions. Under the terms of the agreement announced on Nov. 22, 2010, the purchase price is \$800 million in cash up front, plus additional cash payments equal to annual revenue growth through the end of Medtronic's fiscal year 2015.

Medtronic had previously invested in Ardian and, prior to completion of the acquisition, held an 11.3 percent ownership stake in the Company. Medtronic expects to recognize a one-time gain on its ownership stake of approximately \$80 million, which will be partially off-set by one-time transaction and acquisition costs in fiscal year 2011. Excluding the one-time gain, it is estimated the acquisition will be approximately \$0.02 dilutive in Q4 fiscal year 2011, and between \$0.05 to \$0.06 dilutive in fiscal year 2012.

Hypertension is the leading attributable cause of death worldwide. It is a significant, escalating global healthcare problem affecting approximately 1.2 billion people and is associated with an increased risk of heart attack, stroke, heart failure, kidney disease and death. Hypertension is estimated to have a direct cost to the global healthcare system of more than \$500 billion annually.

Ardian's flagship product, the Symplicity® Catheter System™, addresses uncontrolled hypertension through renal denervation, or ablation of the nerves lining the renal arteries. It has received the CE (Conformité Européene) mark and Australia's Therapeutic Goods Administration (TGA) listing, but is not yet approved by the U.S. Food and Drug Administration (FDA).

Acquiring Ardian offers Medtronic the opportunity to lead the development of renal denervation for the treatment of uncontrolled hypertension. The acquisition augments Medtronic's existing interventional therapies and complements the company's expertise in catheter design and ablation technologies.

## **ABOUT ARDIAN**

Ardian, Inc., based in Mountain View, Calif., develops catheter-based therapies to treat hypertension and related conditions. Ardian is the eighth company created by The Foundry, a leading medical device incubator based in Menlo Park, Calif. Prior to the acquisition, Ardian's investors included Morgenthaler Ventures, Advanced Technology Ventures, Split Rock Partners, Medtronic and Emergent Medical Partners. For more information, please visit [www.ardian.com](http://www.ardian.com).

## **ABOUT MEDTRONIC**

Medtronic, Inc. ([www.medtronic.com](http://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.

**This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements include expectations regarding Medtronic's operations as they relate to Ardian's products. The statements in this release are based upon current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including risks related to the integration of Ardian into Medtronic, the anticipated future benefits (including**

cost savings and other synergies) resulting from the acquisition of Ardian, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, government regulation, general economic conditions and other risks and uncertainties set forth in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results. Medtronic disclaims any obligation to update or revise statements contained in this press release based on new information, future events or otherwise.

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