Medtronic News

Medtronic Signs Agreement to Acquire Ardian

MINNEAPOLIS & MOUNTAIN VIEW, Calif., Nov 22, 2010 (BUSINESS WIRE) --

Medtronic, Inc. (NYSE: MDT) and privately-held Ardian, Inc. announced today that they have entered into a merger agreement whereby Medtronic will acquire Ardian. The agreement calls for Medtronic to make an up front cash payment of $800 million, plus commercial milestones equal to the annual revenue growth through the end of Medtronic's fiscal year 2015. Medtronic had previously invested in Ardian and currently holds an 11 percent ownership stake in the Company.

Based in Mountain View, Calif., Ardian develops catheter-based therapies to treat hypertension and related conditions.

"Hypertension (high blood pressure) 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," said Sean Salmon, Vice President and General Manager of the Coronary and Peripheral Business at Medtronic. "We view renal denervation for the treatment of uncontrolled hypertension as one of the most exciting growth markets in medical devices. Ardian's investigational catheter-based treatment for uncontrolled hypertension through renal nerve denervation complements Medtronic's expertise in catheter design and ablation technologies, and augments Medtronic's interventional therapies."

Data from a clinical study of Ardian's flagship product, the Symplicity(R) Catheter System(TM), were recently released at the American Heart Association 2010 Scientific Sessions in Chicago and published in *The Lancet*. It was reported that patients treated with the Ardian device experienced a 33 mmHg greater reduction in systolic blood pressure at six months ($p<0.0001$) than the control group. The Symplicity Catheter System has received CE mark and Australia TGA listing, but is not approved for sale in the U.S.

"Ardian brings to Medtronic the Symplicity Catheter System and a growing body of evidence to support its clinical use for patients whose hypertension remains uncontrolled despite optimal medical management," said Andrew Cleeland, President and CEO of Ardian. "Our integration into Medtronic creates a tremendous opportunity to leverage Medtronic's global scale and scope to advance the treatment of uncontrolled hypertension."

The transaction is expected to close in Medtronic's third fiscal quarter of 2011, and is subject to customary closing conditions, including U.S. and foreign regulatory clearances.

ABOUT ARDIAN

Privately held 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. Ardian's investors include Morgenthaler Ventures, Advanced Technology Ventures, Split Rock Partners, Medtronic and Emergent Medical Partners. For more information, please visit www.ardian.com.

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.

This Press Release contains forward-looking statements that may include statements regarding the intent, belief or current expectations of Ardian, Medtronic and their respective management. Forward-looking statements include statements about the

benefits and advantages of the acquisition for Ardian, and the benefits of the acquisition for Medtronic post-transaction, such as product development opportunities and operating synergies. Actual results could differ materially from those projected in the forward-looking statements as a result of a number of important factors, including but not limited to the risk that the acquisition of Ardian by Medtronic will not close as the transaction is subject to certain closing conditions, such as the ability to obtain U.S. and foreign regulatory approvals of the proposed acquisition, including antitrust approval, and the approval of the transaction by Ardian's stockholders. In addition, if and when the transaction is closed, there will be risks and uncertainties related to Medtronic's ability to integrate Ardian successfully, the risk that the cost savings and any other synergies from the acquisition may not be fully realized or may take longer to realize than expected; disruption from the acquisition making it more difficult to maintain relationships with customers, employees or suppliers; and competition and its effect on pricing, spending, third-party relationships and revenues. Additional factors that may affect future results are contained in the SEC filings for Medtronic, including but not limited to Medtronic's Annual Report on Form 10-K for the year ended April 30, 2010. Medtronic and Ardian each disclaim any obligation to update and revise statements contained in this release based on new information or otherwise.

Photos/Multimedia Gallery Available: http://www.businesswire.com/cgi-bin/mmg.cgi?eid=6521665&lang=en

SOURCE: Medtronic, Inc.

Medtronic
Chris Garland, 952-905-6805
Public Relations
or
Jeff Warren, 763-505-2696
Investor Relations
or
Ardian, Inc.
Greg Bakan, 650-417-6546

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