

## Bain Capital to Acquire Physio-Control from Medtronic

MINNEAPOLIS & BOSTON--(BUSINESS WIRE)--Nov. 17, 2011-- Medtronic, Inc. (NYSE:MDT) and Bain Capital, a leading global private investment firm, today announced they have entered into a definitive agreement under which affiliates of Bain Capital will acquire Physio-Control, the world's leading provider of emergency medical response technology for use in the intervention and treatment of cardio-respiratory and other medical emergencies. The stock of Physio-Control and related entities will be purchased for cash in a transaction valued at approximately \$487 million. Medtronic expects to use a portion of the proceeds to offset any potential dilutive impact from this transaction to fiscal year 2012 non-GAAP earnings per share.

Headquartered in Redmond, Washington, Physio-Control is the global leader in professional emergency response products and services, and has nearly 1,000 employees worldwide. Brian Webster, currently President, will continue to lead the company, and will be named Chief Executive Officer following completion of the transaction.

"We are pleased that Physio-Control has found another strong partner to prepare the company for the next stage of its growth," said Omar Ishrak, chairman and chief executive officer of Medtronic. "For more than 55 years, Physio-Control has been developing technologies and designing devices that are legendary among emergency medical response professionals. With an impressive innovation pipeline and backing by Bain Capital, we believe Physio-Control will be well-positioned for growth and to continue its lifesaving mission to serve emergency responders, hospital care teams and their patients around the world."

Physio-Control products, which include LIFEPAK® monitor / defibrillators, the LUCAS® 2 chest compression system, and the LIFENET® System cloud-based data management tools, are used daily by emergency medical services (EMS) and hospital care teams worldwide. Physio-Control also provides a line of automated external defibrillators (AEDs) for lay responders' use in workplace environments, airports, schools and communities in the case of a cardiac emergency.

"The dedicated people and innovative products of Physio-Control play a vital role in helping emergency responders and medical professionals save lives every day," said Chris Gordon, a Managing Director at Bain Capital. "Physio-Control is an impressive market leader that has built an outstanding brand position and loyal customer base by providing high quality, mission-critical tools and superior service. We are extremely enthusiastic about the company's growth prospects, and we look forward to working alongside Brian Webster and the whole Physio-Control team to support their strategic plans."

The transaction is expected to close in the first quarter of calendar 2012, and is subject to certain regulatory and customary closing conditions.

Non-equity financing for the transaction is being provided by Citigroup Global Markets Inc. and RBC Capital Markets. Goldman Sachs is acting as financial advisor, and Skadden, Arps, Slate, Meagher & Flom LLP as legal advisor to Medtronic. Citigroup Global Markets Inc. and RBC Capital Markets are acting as financial advisors and Kirkland & Ellis as legal advisor to Bain Capital.

### 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.

## About Bain Capital

Bain Capital, LLC ([www.baincapital.com](http://www.baincapital.com)) is a global private investment firm that manages several pools of capital including private equity, venture capital, public equity, high-yield assets and mezzanine capital with approximately \$66 billion in assets under management. Bain Capital has a team of over 300 professionals dedicated to investing and to supporting its portfolio companies. Since its inception in 1984, Bain Capital has made private equity investments and add-on acquisitions in over 300 companies in a variety of industries around the world. The firm has a long history of investing in leading healthcare companies, having made over 50 investments in companies such as HCA Holdings, Inc., Air Medical Group Holdings, Inc., Quintiles Transitional Holdings, Inc., CRC Health Corporation, Warner Chilcott plc, and across a broad range of sectors including service providers, facilities, life sciences, devices, and distribution. The firm has offices in Boston, New York, Chicago, London, Munich, Tokyo, Shanghai, Hong Kong and Mumbai, with over 800 employees worldwide.

## Forward-Looking Statements

This press release contains forward-looking statements regarding, among other things, the potential sale of Physio-Control by Medtronic. Statements including words such as “believes,” “expects,” “anticipates,” “intends,” “estimates,” “plan,” “will,” “may” “intend,” “guidance” or similar expressions are forward-looking statements. Because these statements reflect our current views, expectations and beliefs concerning future events, these forward-looking statements involve risks and uncertainties. Investors should note that many factors could affect the sale of Physio-Control. These factors include, but are not limited to, the factors set forth in Medtronic’s periodic reports filed with the Securities and Exchange Commission, including current reports on Form 8-K, quarterly reports on Form 10-Q and annual reports on Form 10-K, particularly the discussion under the caption “RISK FACTORS” in their annual reports on Form 10-K for the year ended April 29, 2011 and which were filed with the Securities and Exchange Commission. In addition, the following factors could affect the sale of Physio-Control: Medtronic and Bain may be unable to obtain governmental and regulatory approvals required for the sale, or required governmental and regulatory approvals may delay the sale or result in the imposition of conditions that could cause the parties to abandon the sale; Medtronic and Bain may be unable to complete the sale because, among other reasons, conditions to the closing of the sale may not be satisfied or waived; and the outcome of any legal proceedings to the extent initiated against Medtronic, Physio-Control and Bain following the announcement of the sale cannot be predicted. The forward-looking statements in this press release are qualified by these risk factors. Medtronic assumes no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise.

Source: Medtronic, Inc.

## Medtronic Contacts:

Christopher Garland, 763-526-1621

Public Relations

or

Jeff Warren, 763-505-2696

Investor Relations

or

Bain Capital Contact:

Alex Stanton, 212-780-0701

Stanton Public Relations & Marketing

[astanton@stantonprm.com](mailto:astanton@stantonprm.com)

---

<https://news.medtronic.com/2011-11-17-Bain-Capital-to-Acquire-Physio-Control-from-Medtronic>