

Covidien Acquires Venous Disease Treatment Developer Sapheon, Inc.

Transaction expands Covidien's market leading portfolio with next generation technology for treatment of varicose veins

DUBLIN, Ireland--(BUSINESS WIRE)--Aug. 28, 2014-- [Covidien](#) plc (NYSE: COV) today announced that it has acquired [Sapheon, Inc.](#), a privately-held developer of venous disease treatments. Financial terms of the transaction were not disclosed.

Based in Morrisville, N.C., Sapheon develops and manufactures the VenaSeal® system, which uses a specially formulated medical adhesive to close the great saphenous vein in patients with varicose veins and chronic venous insufficiency (CVI). The procedure is performed with a minimally invasive catheter technique under ultrasound guidance in an office or outpatient setting. In many cases, patients are able to resume normal activity immediately after the procedure. Additionally, the procedure requires no tumescent anesthesia (a technique that requires multiple injections to deliver local anesthesia) and often results in less bruising than traditional thermal energy treatment.

"Sapheon will significantly enhance Covidien's global Peripheral Vascular business by providing additional treatment options for physicians and their patients who suffer from CVI," said Brian Verrier, president, Peripheral Vascular, Covidien. "Sapheon's technology is complementary to our current portfolio, and this acquisition further demonstrates Covidien's leadership in the CVI space. Our technologies are supported by industry leading clinical evidence, robust global physician training and a superior customer support infrastructure."

The VenaSeal system is currently approved in Canada, Europe and Hong Kong, and more than 2,000 patients have been treated with the system. Additionally, Sapheon successfully completed enrollment and follow-up of its VeCLOSE randomized pivotal clinical trial in the United States and submitted documentation to the U.S. Food and Drug Administration in support of a Premarket Approval. The VenaSeal system is currently limited to investigational use in the United States.

While the transaction will be slightly dilutive to adjusted earnings, it is not expected to be material to results. Covidien will report the Sapheon business as part of its Peripheral Vascular product line in the Medical Devices segment.

"If left untreated, varicose veins can progress into a chronic and life threatening condition," said Mark Turco, M.D., chief medical officer, Vascular Therapies, Covidien. "The VenaSeal system is a minimally invasive technology, and unlike open surgery and other more invasive procedures, patients are often able to quickly regain their lifestyle."

In addition to Covidien's investments in product innovation, the company continues to invest in educational campaigns to encourage those suffering from [CVI](#) to learn more about their condition and speak to their doctor about treatment options.

About Covidien

Covidien is a global health care leader that understands the challenges faced by providers and their patients and works to address them with innovative medical technology solutions and patient care products. Inspired by patients and caregivers, Covidien's team of dedicated professionals is privileged to help save and improve lives around the world. With more than 38,000 employees, Covidien operates in 150-plus countries and had 2013 revenue of \$10.2 billion. To learn more about our business visit www.covidien.com or connect with us on [Twitter](#).

COVIDIEN CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Statements contained in this communication that refer to Covidien's estimated or anticipated future results or other non-historical facts are forward-looking statements that reflect Covidien's current perspective of existing trends and information as of

the date of this communication. Forward-looking statements generally will be accompanied by words such as “anticipate,” “believe,” “plan,” “could,” “should,” “estimate,” “expect,” “forecast,” “outlook,” “guidance,” “intend,” “may,” “might,” “will,” “possible,” “potential,” “predict,” “project,” or other similar words, phrases or expressions. It is important to note that Covidien’s goals and expectations are not predictions of actual performance. Actual results may differ materially from Covidien’s current expectations depending upon a number of factors affecting Covidien’s business. These factors include, among others, competitive factors and market conditions in the industry in which Covidien operates; Covidien’s ability to obtain regulatory approval and customer acceptance of new products, and continued customer acceptance of its existing products; and the other risks identified in Covidien’s periodic filings including its Annual Report on Form 10-K for the fiscal year ended September 27, 2013, and from time to time in Covidien’s other investor communications. We caution you that the foregoing list of important factors is not exclusive. In addition, in light of these risks and uncertainties, the matters referred to in Covidien’s forward-looking statements may not occur. Covidien undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as may be required by law.

Source: Covidien

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