Medtronic News

Medtronic Acquires Klue

Acquisition Strengthens Development of Personalized Closed Loop Technology for Diabetes Management

DUBLIN, Dec. 17, 2019 (GLOBE NEWSWIRE) -- Medtronic plc (NYSE:MDT), the global leader in medical technology, today announced it has completed the acquisition of Klue, a software company focused on behavior tracking that can provide real-time insights into when a person is consuming food. Klue's technology is expected to be incorporated into the Medtronic Personalized Closed Loop (PCL) insulin pump system, currently in development. The PCL system is designed to automate insulin delivery in a way that is real-time, personalized and adapts to the user, with a goal of dramatically simplifying diabetes management for the patient. In addition, the Klue technology can be leveraged to enhance the company's market-leading analytics and insights in their smart1 CGM technology to help people using multiple daily injections (MDI) stay ahead of high and low glucose events.

Klue has developed technology that automatically recognizes when a person is eating as well as how fast and how much that person consumes. By using gesture sensing via activity trackers combined with analytics technology, Klue has developed fine motor artificial intelligence software that can detect meals and provide insights into user eating behaviors. Because food consumption is intrinsically related to insulin requirements for people living with diabetes, the ability to automate meal identification along with the corresponding insulin delivery is an unmet need that could greatly simplify living with this disease.

In February 2019, PCL received Breakthrough Device designation from the U.S. Food and Drug Administration (FDA). In addition to Klue, the recent acquisition of Nutrino Health and their expertise in nutrition data science will play a key role in the accelerated development of this breakthrough technology. Both acquisitions strengthen the company's capabilities in automation and in the integration of artificial intelligence into diabetes management systems.

"Bringing Klue and their unique meal detection capabilities into our organization will accelerate our progress to help people with diabetes live with greater freedom and better health," said Alejandro Galindo, president of the Advanced Insulin Management division, which is part of the Diabetes Group at Medtronic. "Based on our learnings from a first-generation hybrid closed loop system around the importance of simplifying diabetes management, we believe the Personalized Closed Loop system will be transformational for diabetes management, and the integration of the Klue technology helps clears the path to a true hands-free closed loop system."

"Klue's truly unique early meal detection technology can help transform diabetes care," said Katelijn Vleugels, CEO & founder of Klue. "Joining Medtronic creates a tremendous opportunity to advance diabetes therapies and, together, we will accelerate our shared mission to help people with diabetes live their happiest and healthiest lives."

The transaction is expected to be neutral to fiscal year 2020 earnings per share and meet Medtronic's long-term financial metrics for acquisitions. Additional terms of the transaction were not disclosed.

About Klue

Klue, Inc. was a privately held digital health technology company based in San Jose, California, developing a groundbreaking operating system for behavior change and real-time digital therapeutics. Initially focused on the ability to detect when and how a user eats and drinks, Klue is building a platform that elevates the more important consumption patterns and acts "in-the-moment" when the impact is the biggest.

About the Diabetes Group at Medtronic (www.medtronicdiabetes.com)

Medtronic is working together with the global community to change the way people manage diabetes. The company aims to

transform diabetes care by expanding access, integrating care and improving outcomes, so people living with diabetes can enjoy greater freedom and better health.

About Medtronic

Medtronic plc (www.medtronic.com), headquartered in Dublin, Ireland, is among the world's largest medical technology, services and solutions companies – alleviating pain, restoring health and extending life for millions of people around the world. Medtronic employs more than 90,000 people worldwide, serving physicians, hospitals and patients in more than 150 countries. The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

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1 Smart CGM predicts future high and low sensor glucose events and provides access to additional algorithms and insights that can inform users of clinically relevant glucose patterns.

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