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Medtronic Completes Acquisition of Ardian

MINNEAPOLIS & MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Medtronic, Inc. (NYSE:[MDT](#) - [News](#)), 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.

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.