

Medtronic to Acquire Twelve, Inc., Developer of Transcatheter Mitral Valve Replacement Device

DUBLIN - August 25, 2015 - In support of the company's therapy innovation strategy, Medtronic plc (NYSE:[MDT](#)) today announced that it has signed a definitive agreement to acquire Twelve, Inc. ("Twelve"), a privately-held medical device company based in Redwood City, Calif., focused on the development of a transcatheter mitral valve replacement (TMVR) device. Twelve is the twelfth company spun out from the premier medical device incubator The Foundry.

"Upon close, this acquisition will strategically augment our existing capabilities in the transcatheter mitral space, which represents an important growth opportunity for Medtronic," said Sean Salmon, senior vice president and president, Coronary & Structural Heart, Medtronic. "We have followed the transcatheter mitral valve space closely and firmly believe that Twelve has the most novel technology along with a strong, proven team. The combined strengths of our organizations will significantly accelerate our ability to deliver an exciting and differentiated therapy to patients, physicians and healthcare systems around the world."

Mitral regurgitation occurs when the heart's mitral valve fails to close normally, allowing blood to flow backward when the heart contracts. Over time, this will lead to declining heart function and heart failure. The TMVR device under development is being designed to treat patients with mitral valve regurgitation in whom standard restorative surgery is not recommended. The majority of these patients are largely underserved with limited treatment options.

"Twelve's technology is a truly creative solution that brings together valve technology with a unique and highly differentiated dual-stent fixation design," said Andrew Cleeland, president and CEO, Twelve. "Our acquisition by Medtronic will create a tremendous opportunity to leverage Medtronic's expertise and proven success in the structural heart space to advance the treatment of mitral regurgitation."

Medtronic has agreed to pay up to \$458 million for Twelve including \$408 million at closing and \$50 million on achievement of CE Marking. The cash- and debt-free transaction remains subject to customary closing conditions, and is expected to close in October 2015. The transaction is expected to meet Medtronic's long-term financial metrics. Medtronic expects the net impact from this transaction to be earnings neutral as the company intends to offset the dilutive impact of the transaction. Medtronic will manage the Twelve product line as part of the Coronary & Structural Heart division within the Cardiac and Vascular Group.

"We are keenly focused on improving patient outcomes and expanding access to care for those who need it most," added Sean Salmon. "We believe this acquisition will help deliver on this commitment by enabling Medtronic to bring forward a best-in-class transcatheter mitral valve replacement device with the potential to transform patient care."

In collaboration with leading clinicians, researchers and scientists worldwide, Medtronic offers the broadest range of innovative medical technology for the interventional and surgical treatment of

services that deliver clinical and economic value to healthcare consumers and providers around the world.

The Twelve, Inc., TMVR device is not for sale in any country.

ABOUT MEDTRONIC

Medtronic plc (www.medtronic.com), headquartered in Dublin, Ireland, is the global leader in medical technology - alleviating pain, restoring health and extending life for millions of people around the world.

ABOUT TWELVE

Twelve, Inc. is a privately held medical device company based in Redwood City, Calif., focused on the development of a transcatheter mitral valve replacement (TMVR) device. It is the twelfth company spun out from the premier medical device incubator The Foundry. Twelve is supported by leading healthcare investors Domain Associates, Versant Ventures, Morgenthaler Ventures, Longitude Capital, Emergent Medical Partners, Vertex Venture Management, and Capital Group.

This press release contains forward-looking statements that may include statements regarding the intent, belief or current expectations of Medtronic, Twelve, and their respective management. Forward looking statements include statements about the benefits and advantages of the acquisition for Medtronic and Twelve. 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 will not close as the transaction is subject to certain closing conditions, such as the ability to obtain regulatory approvals of the proposed acquisition. In addition, if and when the transaction is closed, there will be risks and uncertainties related to Medtronic's ability to integrate Twelve 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 Medtronic's periodic reports on file with the Securities and Exchange Commission. Medtronic and Twelve each disclaim any obligation to update and revise statements contained in this release based on new information or otherwise.

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Contacts:

Wendy Dougherty

Public Relations

+1-763-381-1204

Ryan Weispfenning