



Medtronic

NEWS RELEASE

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FOR IMMEDIATE RELEASE

MEDTRONIC ACQUIRES DIABETER, INNOVATIVE DIABETES CARE PROVIDER

DUBLIN – April 2, 2015 – Medtronic plc (NYSE:MDT) today announced its acquisition of Diabeter, an innovative, independent Netherlands-based diabetes clinic and research center dedicated to providing comprehensive and individualized care for children and young adults with diabetes. Together, Medtronic and Diabeter will further develop and expand Diabeter’s model of care so more people with diabetes can enjoy greater freedom and better health. This acquisition combines the strengths of Medtronic and Diabeter to create a strong local and international platform for improving outcomes for people with diabetes. Terms of the acquisition were not disclosed.

“The Diabeter acquisition is a milestone for Medtronic and for the Diabetes Group,” said Hooman Hakami, executive vice president and president of the Diabetes Group at Medtronic. “This acquisition marks Medtronic’s first entry into a diabetes integrated care model approach and signifies that Medtronic Diabetes is more than pumps and sensors — we are a holistic diabetes management company focused on making a real difference in outcomes and cost.”

As one of the largest independent diabetes specialist centers for type 1 pediatrics and young adults in Europe, Diabeter currently manages over 1,500 patients and is recognized as a top center for diabetes care and clinical research. The team of 36 people at 4 locations practices personalized medicine making use of specially developed technologies, such as the Diabeter Dashboard, an electronic system that links patient and physician to encourage self-management with diabetes care team support. Internal Diabeter data shows that their patients have achieved significant reductions in HbA1c levels, a key measurement used to assess blood glucose control. Near normal blood glucose control has been shown to reduce long-term complications of diabetes and can reduce healthcare costs over the long term.

“Diabeter has been pioneering this type of integrated care in the Netherlands, and we believe this approach can be applied more broadly to serve more patients, in more places around the world,” said Henk Veeze, M.D., Ph.D., senior international medical director, Diabeter. “We have developed a unique system with improved clinical outcomes, combining outstanding clinical care with devices and information technology.”

Diabeter will operate as part of the Diabetes Services & Solutions business unit, which focuses on offering people with diabetes access to therapy, insights and services that will contribute to better clinical and economic value today and tomorrow. Diabeter will maintain its professional autonomy and independence in clinical decision making, therapy and brand choice and will utilize proven processes and principles to ensure that clinical decision-making remains in the hands of physicians. The transaction is expected to meet Medtronic's long-term financial metrics for acquisitions, and the annualized earnings impact of this acquisition is not expected to be material.

“Diabeter and Medtronic share the same goal of transforming diabetes care for greater freedom and better health. By joining forces, Diabeter and Medtronic can further advance the development of technology and integrated care models that improve clinical and economical outcomes for people with diabetes and for the healthcare system,” said Annette Bröls, vice president and general manager of the Diabetes Service and Solutions business at Medtronic. “We aim to accelerate access to this new model of diabetes care in the Netherlands and beyond.”

This acquisition supports Medtronic’s continued entry into integrated health solutions as part of the company’s economic value strategy. It marks Medtronic’s first entry into a diabetes integrated care model approach and is consistent with its move into new business models where its technologies and expertise can make a difference in patient care. Medtronic has been partnering on similar integrated care and hospital efficiency models in other parts of the world – specifically in heart failure and cardiology.

Medtronic’s Cardiocom business manages patients with heart failure and diabetes, among other chronic conditions, in the United States, in a model similar to the one being envisioned with Diabeter. Medtronic is also partnering with a number of hospital systems in Europe whereby Medtronic manages the operational aspects of the hospitals’ cardiology catheterization labs. These new business models and partnerships have resulted in improved patient outcomes and improved health care savings.

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 the global leader in medical technology – alleviating pain, restoring health and extending life for millions of people around the world.

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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