



NEWS RELEASE

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FOR IMMEDIATE RELEASE

MEDTRONIC COMPLETES ACQUISITIONS OF PEAK SURGICAL, INC. AND SALIENT SURGICAL TECHNOLOGIES, INC.

Medtronic Expands Role in Advanced Energy Surgical Technologies

MINNEAPOLIS – August 31, 2011 – Medtronic, Inc. (NYSE: MDT) today announced that it has completed the acquisition of two privately-held companies, PEAK Surgical, Inc. and Salient Surgical Technologies, Inc. Both of the companies are focused on advanced energy surgical technologies and will broaden Medtronic Surgical Technologies' portfolio of innovative surgical products to meet customer and patient needs worldwide.

PEAK Surgical is a recognized leader in the emerging field of advanced energy surgical incision technology, including its patented PlasmaBlade® cutting technology that is cleared for use in a variety of settings, including Ear, Nose and Throat (ENT), plastic reconstructive and general surgical applications. Under the terms of the agreement announced on July 7, 2011, the total value of the transaction is \$120 million. Medtronic had previously invested in PEAK and held an ownership stake in the company prior to completion of the acquisition. Net of this ownership stake, the transaction value is approximately \$105 million. PEAK's revenue is annualizing at approximately \$20 million and has shown consistent rapid growth.

Salient Surgical Technologies is a recognized leader in the advanced energy category for haemostatic sealing of soft tissue and bone, including its patented TRANSCOLLATION® technology that is cleared for use in a variety of surgical procedures including orthopaedic surgery, spine, open abdominal and thoracic procedures. Under the terms of the agreement announced on July 7, 2011, the total value of the transaction is \$525 million. Medtronic had previously invested in Salient and held an ownership stake in the company prior to completion of the acquisition. Net of this ownership stake, the transaction value is approximately \$480 million. Salient's revenue is annualizing at approximately \$100 million and has shown consistent rapid growth.

"We are pleased to have reached the milestone of completing the acquisitions of PEAK Surgical and Salient Surgical Technologies so we can focus on offering a more broad portfolio of innovative surgical products to meet our global customer and patient needs," said Chris O'Connell, EVP and President of Medtronic's Restorative Therapies Group. "Together, these acquisitions represent Medtronic's commitment to innovation across the entire surgical continuum from incision to closing, and represent entries into new areas such as plastic/reconstruction, electrophysiology, oncology and large bone orthopedics."

About PEAK Surgical, Inc.

PEAK Surgical, Inc. is a medical device company that has developed the PEAK PlasmaBlade®, a new tissue dissection device based on a proprietary technology that represents an important advance in advanced energy surgical technologies. The PlasmaBlades are a family of disposable cutting devices that offer the exacting control of a scalpel and the bleeding control of traditional electrosurgery without extensive collateral damage. These surgical devices come together with the PULSAR® Generator, which supplies pulsed plasma radiofrequency energy to the PlasmaBlades, to form the

PEAK® Surgery System. The PEAK Surgery System is cleared for use in general, plastic and reconstructive, ENT, gynecologic, orthopedic, arthroscopic, spinal and neurological surgical procedures in the United States, and for use in general surgery in the EU. In the United States, the PEAK Surgery System was launched in July 2008 and has been used by U.S. surgeons on more than 25,000 patients. For more information, please visit www.peaksurgical.com.

About Salient Surgical Technologies

Salient Surgical Technologies, Inc. (www.salientsurgical.com) is a medical technology company that develops and markets advanced energy devices for use in surgical procedures. The company's AQUAMANTYS® System uses patented TRANSCOLLATION® technology, which provides hemostatic sealing of soft tissue and bone at the surgical site. This technology has been used to optimize care for more than 650,000 patients undergoing orthopaedic reconstruction, spine, orthopaedic trauma and surgical oncology procedures.

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.

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements include expectations regarding Medtronic's operations as they relate to the closings of the PEAK and Salient acquisitions. The statements in this release are based upon current expectations and are subject to certain risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements, including risks related to the integration of the operations of PEAK and Salient, respectively, into Medtronic's Restorative Therapies Group, the anticipated future benefits (including improved patient outcomes, cost savings and other synergies) resulting from the acquisitions of PEAK and Salient or that such benefits may not be fully realized or

may take longer to realize than expected, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, government regulation, general economic conditions and other risks and uncertainties set forth in Medtronic's periodic reports on file with the Securities and Exchange Commission including, but not limited to, Medtronic's Annual Report on Form 10-K for the year ended April 29, 2011. Actual results may differ materially from anticipated results. Medtronic disclaims any obligation to update or revise statements contained in this press release based on new information, future events or otherwise.

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