

Medtronic Adds Life-Extending Dialysis Portfolio to Recently Formed Renal Care Solutions Business with Acquisition of Bellco

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DUBLIN - February 1, 2016 - Furthering its commitment to improve outcomes, expand therapy access, and optimize costs and efficiencies in end stage renal disease (ESRD), Medtronic plc (NYSE: MDT) today announced it acquired privately-held Bellco, a pioneer in hemodialysis treatment solutions. Bellco's portfolio bolsters Medtronic's legacy renal access business and will be a foundational component of the company's recently formed Renal Care Solutions business.

Bellco has created therapies and systems for the treatment of renal failure, multiple organ failure and sepsis. Bellco's full line of dialyzers and chronic and acute dialysis machines perform dialysis for adult, pediatric and neonatal ESRD patients. For more than 40 years, Bellco has offered advanced blood purification treatments for ESRD patients with chronic and acute kidney injury. The company's solutions are available in more than 50 countries.

"ESRD patients require dialysis for the remainder of their lives, or until a viable kidney transplant becomes available. We believe Medtronic's Renal Care Solutions can offer better, more accessible and affordable solutions to the growing population of people living with ESRD," said Ven Manda, president of Renal Care Solutions, Medtronic. "The integration of Bellco's portfolio of solutions will help further advance Medtronic's efforts to provide comprehensive care for dialysis patients worldwide."

Medtronic acquired Bellco, an Italian-based company, from Charme Capital Partners, manager of the pan-European Charme Funds. Terms of the acquisition were not disclosed.

"I believe Medtronic is an excellent opportunity for the Bellco team and ESRD patients worldwide. In four years, we created the ideal conditions to attract a global industry leader that is positioned to support Bellco's long-term growth strategy," said Matteo di Montezemolo, founder and managing partner of the Charme Funds.

About End Stage Renal Disease:

- The last stage of chronic kidney disease, ESRD is a condition resulting in kidneys that are functioning below what is required to meet the needs of daily life.
- When kidneys fail, dialysis - a treatment that simulates key aspects of healthy kidneys - is necessary.
- There are approximately three million patients suffering from ESRD worldwide. This number is expected to more than double over the next 10 years.¹
- The global dialysis market is greater than \$75 billion.²

The formation of the Renal Care Solutions business combined with the Bellco acquisition supports Medtronic's economic value strategy. Partnering with stakeholders in healthcare, Medtronic is better positioned to offer products and services that deliver clinical and economic value to the healthcare system. Medtronic is focused on leading the shift to value based healthcare, which rewards those who can deliver quality healthcare to more people at the most affordable cost.

The Bellco transaction is expected to meet Medtronic's long-term financial metrics for acquisitions. Medtronic expects the net impact from the transaction to be earnings neutral in fiscal year 2016 and neutral to accretive to earnings thereafter. Medtronic will report revenue from Bellco and its Renal Care Solutions business as part of the Minimally Invasive Technologies Group's Patient Monitoring & Recovery division.

Bellco, headquartered in Mirandola, Italy, is a pioneer in blood purification treatments. It has created therapies and systems for the treatment of renal failure, multiple organ failure and sepsis. Bellco's full line of dialyzers and chronic and acute dialysis machines perform dialysis for adult, pediatric and neonatal End Stage Renal Disease (ESRD) patients. In

2012, Bellco was added as a portfolio company by Charme Capital Partners to its Charme II fund, which was founded by Luca and Matteo di Montezemolo.

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 85,000 people worldwide, serving physicians, hospitals and patients in approximately 160 countries. The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

This press release contains forward-looking statements that involve risks and uncertainties. Such forward-looking statements include Medtronic's intended business strategy and expectations regarding benefits to Medtronic's operations as a result of the closing of the Bellco acquisition. 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 Bellco's operations into Medtronic's, delays or obstacles in realizing the anticipated future benefits (including cost savings and other synergies) resulting from the acquisition of Bellco, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products and services, 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. Actual results may differ materially from anticipated results. Medtronic does not undertake to update its forward- looking statements.

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¹ Liyanage T, Ninomiya T, Jha V, et al. Worldwide access to treatment for end-stage kidney disease: a systematic review. *Lancet*. 2015;385(9981):1975-82.

² Elder M. The Worldwide Market for Dialysis Equipment, Supplies and Services. A Kalorama Information Market Intelligence Report. 2015: 156.

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