

Medtronic to Acquire Ablation Frontiers

Medtronic's AF Solutions Franchise Will Include Radiofrequency Catheter Ablation Technologies for the Treatment of Atrial Fibrillation

MINNEAPOLIS AND CARLSBAD, CALIF. – Jan. 12, 2009 – Medtronic, Inc. (NYSE: [MDT](#)) and privately held Ablation Frontiers, Inc., today announced that the two companies have entered into an agreement whereby Medtronic will acquire Ablation Frontiers for an initial payment of \$225 million plus potential additional payments contingent upon achievement of certain clinical milestones. The acquisition has been approved by Ablation Frontiers shareholders, and is subject to regulatory clearance. The transaction is expected to close in Medtronic's fourth fiscal quarter, ending April 24, 2009.

“As the leader in cardiac rhythm disease management, Medtronic is well positioned to deliver innovative therapies and expand the marketplace to address unmet needs in atrial fibrillation,” said Pat Mackin, president of the Cardiac Rhythm Disease Management business and senior vice president at Medtronic. “Once the transaction is complete, we will add Ablation Frontiers’ emerging technologies to our growing AF Solutions franchise.”

The goal of Medtronic’s newly formed AF Solutions franchise, led by vice president and general manager Reggie Groves, is to be the physician partner of choice for atrial fibrillation (AF) ablation by bringing breakthrough AF therapies to the patients and physicians that are simpler, safer, effective, and offer more predictable procedure times than current treatment methods. Medtronic will offer physicians a choice of ablation therapies and tools to best meet the needs of their AF patients, as well as the needs of their practices.

Following Medtronic’s recent acquisition of CryoCath Technologies, Inc., a leader in cryoablation treatments for AF, the addition of Ablation Frontiers’ anatomically designed, catheter-based ablation technologies and its unique radiofrequency (RF) energy system will allow Medtronic to deliver the industry’s broadest range of therapies.

Keegan Harper, chief executive officer of Ablation Frontiers, said, “We are thrilled to join Medtronic and together will address the increasingly significant area of atrial fibrillation. We believe there is great value in aligning with a company that will offer a suite of distinct products that will provide physicians and their patients the best solutions for treating atrial fibrillation.”

In 2006, Ablation Frontiers received CE Mark to begin marketing its system of catheters and the RF generator in the European Union. Ablation Frontiers is conducting a clinical trial under a United States Food and Drug Administration (FDA) investigational device exemption (IDE) to gain approval for permanent, or chronic, AF in the U.S.

About Atrial Fibrillation

Atrial fibrillation (AF or A Fib) is an irregular quivering or rapid heart rhythm in the upper chambers (atria) of the heart. Atrial fibrillation is the most common cardiac rhythm condition, found in approximately three million Americans and seven million people worldwide. An AF heart rhythm is significantly faster than a normal heartbeat and is a form of tachyarrhythmia (fast beating heart) and left untreated causes inefficient pumping of the heart that can lead to other serious health problems including stroke, chronic fatigue and congestive heart failure. Unfortunately most AF patients who currently receive drug therapy are non-responsive therefore could be indicated for ablation therapy.

About Ablation Frontiers

Ablation Frontiers, Inc. (www.ablationfrontiers.com), is a privately held medical device company based in Carlsbad, Calif. Founded in 2004, Ablation Frontiers is dedicated to helping individuals suffering from AF and other cardiac arrhythmias through the development and commercialization of innovative products designed to make ablation procedures safer and less time consuming, thereby making it possible for more individuals to benefit from this life-bettering therapy.

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.