



Medtronic



Bayer HealthCare

NEWS RELEASE

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FOR IMMEDIATE RELEASE

**MEDTRONIC AND BAYER HEALTHCARE
EXPAND INTERNATIONAL ALLIANCE**

MINNEAPOLIS AND TARRYTOWN, NY — May 9, 2011— Medtronic, Inc. (NYSE: MDT) and Bayer HealthCare have expanded their international alliance to now include the United States and will work exclusively to develop innovative next generation diabetes management solutions for patients worldwide.

Since 2007, the two companies have successfully collaborated internationally in over 20 countries by providing Bayer's CONTOUR® Link meter to people with diabetes who use compatible MiniMed Paradigm® insulin pumps and the Guardian® REAL-Time

continuous glucose monitoring (CGM) system from Medtronic.

“Our goal is to improve patient outcomes while delivering an exceptional customer experience,” said Katie Szyman, president of the Diabetes business and senior vice president at Medtronic. “We are excited to work with Bayer to develop and deliver future integrated solutions that are even smaller and easier to use, with accuracy that surpasses today’s standards in diabetes management.”

“With Medtronic’s industry-leading position in insulin pump technology and our advanced blood glucose meter and strip technology, we believe we can provide people with diabetes a convenient solution for better glucose control,” said Alan Main, president of Bayer Medical Care. “With a strong history of innovation similar to Bayer’s, Medtronic is an ideal collaborator with whom we can share complementary technologies, resources and talent to support patients and simplify their diabetes care.”

About Bayer HealthCare

The Bayer Group is a global enterprise with core competencies in the fields of health care, nutrition and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG, is one of the world’s leading, innovative companies in the healthcare and medical products industry. The company combines the global activities of the Animal Health, Consumer Care, Medical Care and Pharmaceuticals divisions. Bayer HealthCare’s aim is to discover and manufacture products that will improve human and animal health by diagnosing, preventing and treating disease.

About the Diabetes Business at Medtronic

The Diabetes business at Medtronic (www.medtronicdiabetes.com and www.medtronic-diabetes.co.uk) is the world leader in diabetes management. The

product line of the Diabetes business includes insulin pump therapy, continuous glucose monitoring systems, related disposable products and diabetes management software.

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.

Bayer Forward-Looking Statements

This release may contain forward-looking statements based on current assumptions and forecasts made by Bayer Group or subgroup management. Various known and unknown risks, uncertainties and other factors could lead to material differences between the actual future results, financial situation, development or performance of the company and the estimates given here. These factors include those discussed in Bayer's public reports which are available on the Bayer website at www.bayer.com. The company assumes no liability whatsoever to update these forward-looking statements or to conform them to future events or developments.

Medtronic Forward-Looking Statements

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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