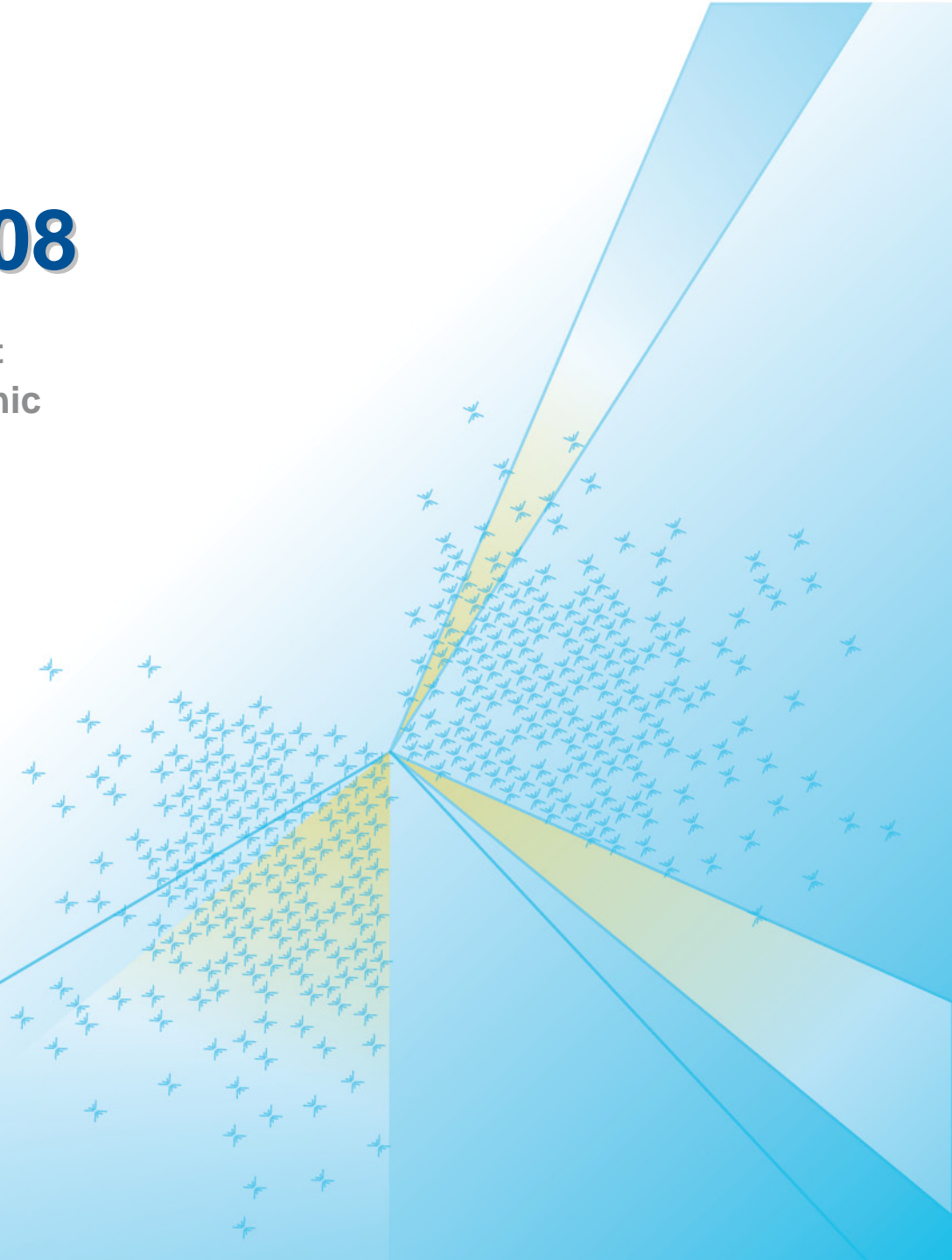




Innovation 2008

Becky Bergman, Vice President
Science & Technology, Medtronic



Medtronic Overview



- World leader in medical technology
- 39,000 Employees/120 Countries
- \$50-70 Billion Market Capitalization
- > 5 million patients/year
- Revenue: \$13.5 billion/ 2007

Mission:

Alleviate Pain, Restore Health, Extend Life

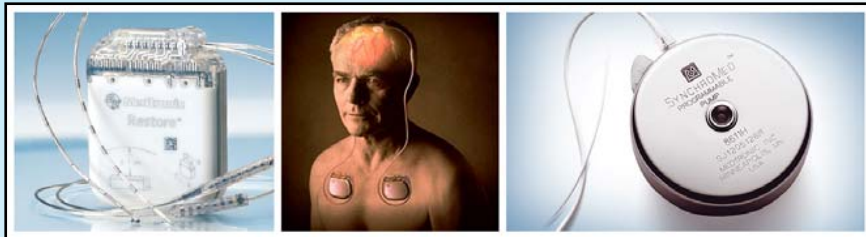
A Broad Portfolio of Medical Devices & Therapies



Cardiac Rhythm Disease Management



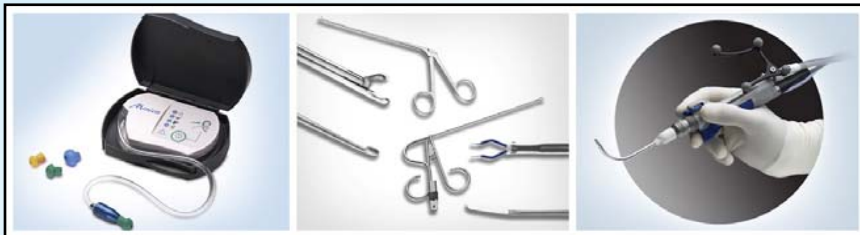
CardioVascular



Neurological



Diabetes



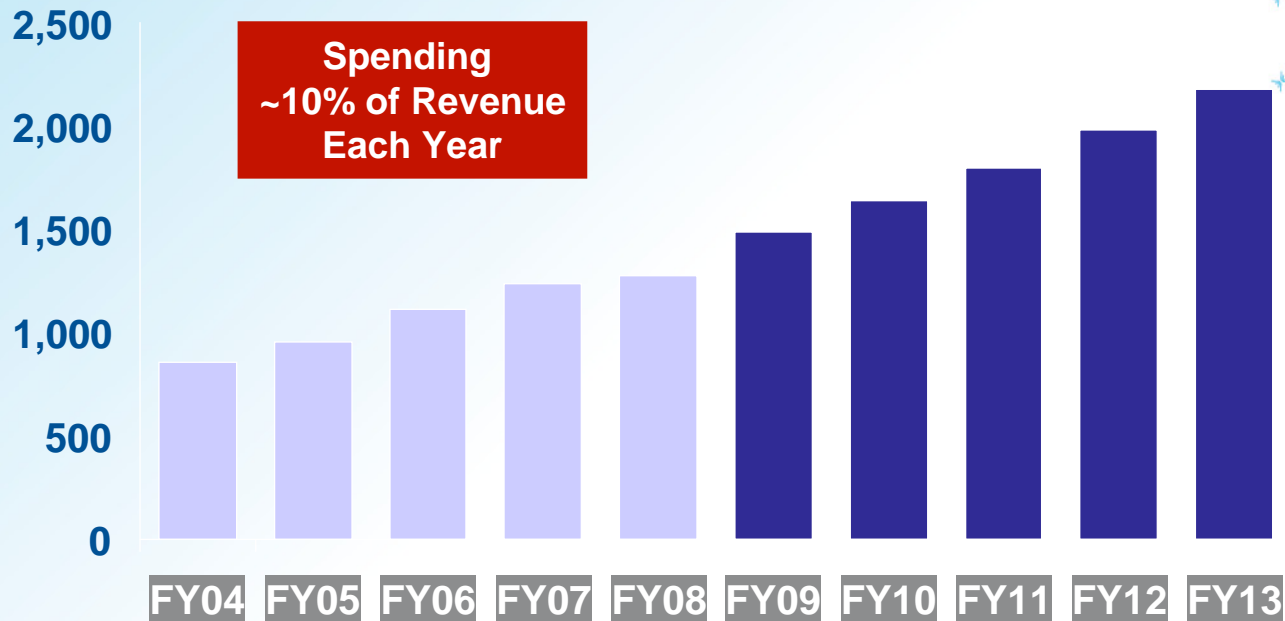
Surgical Technologies



Spine

R&D Investment

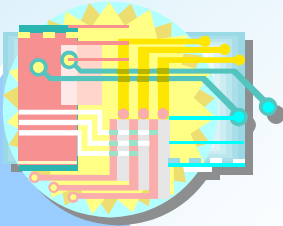
Historic and projected R&D investment (FY03A-FY13E)



Projected to spend \$8B - \$10B on R&D over the next 5 years

Technology Convergence

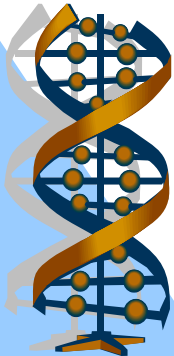
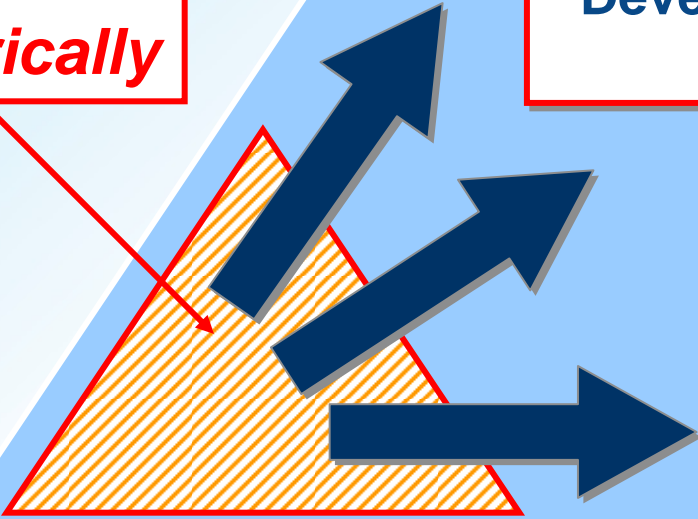
Information Science



Medtronic
Historically

Medtronic Today:
Leveraging Capabilities to
Develop New Combination
Technologies

Physical Science



Life Science

U.S. Global Leadership in Medical Technology

- U.S. produces more than half of the estimated \$200 billion in health care technology produced each year.
- Innovative life cycle for many medical technologies is short – roughly 18 months.
- R&D spending in the med tech sector, as a percentage of sales, is roughly 12 percent – more than 12 times the average for manufacturers overall.
- Medical technology has historically generated a trade surplus: \$62 billion over the past decade.

A Focus on Maintaining Innovative Leadership

- Industry / Physician / Academic Collaboration
- Regulatory Clarity, Consistency and Speed
- Financial Capital
 - Public Investment in Science and Technology
- Human Capital
- A Culture of Experimentation and Risk
- Strong Scientific Leadership in Washington



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