



News Release

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Medtronic Announces Strategic Agreement with Osteogenix, Incorporated

MEMPHIS, TENN. - March 21, 2007 - Medtronic, Inc. (NYSE: MDT) today announced it has entered into a development agreement with OsteoGenix Incorporated, a privately-held orthobiologic pharmaceutical company based in California. The agreement will enable OsteoGenix to complete preclinical work on its proprietary bone anabolic agent and advance this program through clinical trials. The agreement will give Medtronic an additional source of bone growth therapies for surgeons whose patients require bone grafting options.

"We welcome the agreement announced today," said Pete Wehrly, senior vice president and president of the Spinal and Navigation businesses at Medtronic. "We see Osteogenix as bringing a new option to patients and one that will nicely compliment our existing industry-leading bone growth therapies."

"Working with Medtronic is a wonderful opportunity for us to complete our clinical trials and get this innovative product to patients who need options when it comes to accelerating bone growth," said Teddy Shalon, founder and CEO of OsteoGenix. This agreement represents an endorsement of the science and team we assembled to take this technology to the clinic."

About the Spinal Business at Medtronic

The Spinal business, based in Memphis, Tenn., is the global leader in today's spine market and is committed to advancing the treatment of spinal conditions. Medtronic's Spinal business collaborates with world-renowned surgeons, researchers and innovative partners to offer state-of-the-art products and technologies for neurological, orthopedic and spinal conditions. Medtronic is committed to developing affordable, minimally invasive procedures that provide lifestyle friendly surgical therapies. More information about the company and its spinal treatments can be found at www.medtronicspinal.com and its patient-education Web sites, www.back.com , www.iscoliosis.com , www.maturespine.com and www.necksurgery.com .

About Osteogenix

Osteogenix is a therapeutic products company with novel products for the large and rapidly growing area of accelerating bone repair and bone growth. Osteogenix was founded in 2005 and incubated by Shalon Ventures to clinically develop and commercialize the osteo-pharmacologic platform discovered and patented by Dr. Greg Mundy and his associates. Greg Mundy MD, CSO, is a Professor of Medicine, Pharmacology, Orthopaedics, Cancer Biology at Vanderbilt Center for Bone Biology. Osteogenix has assembled an outstanding team of expert advisors, many of whom have been principal investigators in key orthobiologics trials as well as research.

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.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's Annual Report on Form 10-K for the year ended April 28, 2006. Actual results may differ materially from anticipated results.

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Medtronic, Inc. 2007

