



Dear Shareholder:

We are pleased to announce the introduction of the Investor Services Program (“Program”) for shareholders of Covidien Ltd. common stock. The Program offers a convenient method to reinvest dividends or buy, hold, and sell Covidien Ltd. shares. The Program for shareholders and interested investors in Covidien Ltd is administered by Mellon Bank, N.A and its affiliate Mellon Investor Services.

KEY FEATURES OF THE PROGRAM:

- Effective with the 2nd Quarter 2008 dividend, shareholders owning fewer than 100 shares who choose to enroll will have their dividends reinvested at no cost and will receive an annual statement detailing all transactions for the year. Newly enrolled participants owning 100 shares or more will receive quarterly account statements. ***Note: All enrolled participants will receive the 4th Quarter 2008 statement.*
- New investors can now initiate participation either electronically through Investor ServiceDirect®, or by completing the enrollment form and submitting it with a check for as little as \$1,000, but no more than \$10,000. Alternatively, if investors choose to make their initial purchase through automatic monthly debits to their bank account of only \$100 and a commitment for at least 10 sequential purchases, the \$1,000 initial purchase requirement would be waived;
- Investments in Covidien Ltd. common stock will occur as often as once per week, allowing participants to purchase from \$50 up to a maximum of \$10,000 per transaction either by check or electronic deductions from your bank account;
- Pay fees lower than those typically charged by stockbrokers for small transactions when you sell shares of Covidien Ltd. common stock through your Program account.

You may enroll, perform certain transactions and obtain information on your Covidien Ltd. account on-line via Investor ServiceDirect® (ISD). To access ISD, use your 12-digit Investor Identification Number (IID) to establish a Personal Identification Number (PIN). Your IID can be found in a bolded box on your check stub or direct deposit notice. In order to access your account through ISD, you will be required to complete an account activation process. This one-time authentication process will be used to validate your identity in addition to your 12-digit IID and self-assigned PIN.

This letter provides only a brief overview of the Program. Detailed information on the Plan features, fees, terms and conditions is available at www.bnymellon.com/shareowner/isd, or call Mellon Investor Services at 1-866-210-6572 to request an enrollment package to be sent to you.