Boston Scientific

Boston Scientific Strengthens Structural Heart Product Portfolio By Completing Acquisition of Atritech

NATICK, Mass., March 3, 2011 /PRNewswire/ -- Boston Scientific Corporation (NYSE: BSX) today announced the completion of its acquisition of Atritech, Inc. of Plymouth, Minnesota. The completion of the transaction follows the signing of a definitive merger agreement announced on January 19, 2011.

Atritech's WATCHMAN® Left Atrial Appendage Closure Technology gives Boston Scientific an innovative product designed for atrial fibrillation patients with high stroke risk. Atrial fibrillation patients are prone to developing blood clots in the left atrial appendage that can dislodge and block circulation to the brain, resulting in a stroke. The WATCHMAN device is designed to close the left atrial appendage, thereby preventing clots within the appendage from being dislodged into circulation.

Atritech has completed PROTECT-AF, an 800-patient randomized clinical trial of its WATCHMAN device that demonstrated a 38 percent relative risk reduction for stroke, cardiovascular death and systemic embolism compared to long-term warfarin therapy. Atritech is currently enrolling patients in the PREVAIL study, a confirmatory study designed to gain U.S. Food and Drug Administration approval. The WATCHMAN device is CE Marked and was commercialized outside the United States in 2009.

"The Atritech acquisition significantly strengthens our product offerings in the fast-growing areas of structural heart therapy and atrial fibrillation, which represent two of our Priority Growth Initiatives," said Ray Elliott, President and Chief Executive Officer of Boston Scientific. "Left atrial appendage closure represents a significant growth opportunity for Boston Scientific, and Atritech's WATCHMAN® device is the first such product for atrial fibrillation patients at high risk for stroke."

Under the acquisition agreement, Boston Scientific purchased all outstanding Atritech shares for a total of $100 million. Additional payments of up to $275 million are contingent upon achievement of specified regulatory and revenue-based criteria through 2015. The Company expects the transaction to be approximately one to two cents dilutive to earnings per share (EPS) on a GAAP basis in 2011, 2012 and 2013, and accretive thereafter; on an adjusted basis, the transaction is expected to be approximately one cent dilutive to EPS in 2011 and 2012, and accretive thereafter. The difference between the estimated impact on GAAP and adjusted EPS relates to amortization expense on acquired intangible assets and the accrual of contingent consideration expense, which are excluded by the Company for purposes of measuring adjusted EPS.

In the U.S., the WATCHMAN® device is an investigational device, limited by applicable law to investigational use only and not available for sale.

About Boston Scientific

Boston Scientific is a worldwide developer, manufacturer and marketer of medical devices whose products are used in a broad range of interventional medical specialties. For more information, please visit: www.bostonscientific.com.

About Atritech

Atritech, Inc., founded in 2000, is dedicated to providing new therapies to treat patients suffering from atrial fibrillation who are at increased risk for stroke by offering permanent alternatives to medications for those patients.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by words like "anticipate," "expect," "project," "believe," "plan," "estimate," "intend" and similar words. These forward-looking statements are based on our beliefs, assumptions and estimates using information available to us at the time and are not intended to be guarantees of future events or performance. These forward-looking statements include, among other things, statements regarding the market for structural heart disease and related growth areas, expected accretion and dilution, clinical studies, financial performance, acquisition strategy and product performance. If our underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed or implied by our forward-looking statements. These factors, in some cases, have affected and in the future (together with other factors) could affect our ability to implement our business strategy and may cause actual results to differ materially from those contemplated by the statements expressed in this press release. As a result, readers are cautioned not to place undue reliance on any of our forward-looking statements.

Factors that may cause such differences include, among other things: future economic, competitive, reimbursement and regulatory conditions; new product introductions; demographic trends; intellectual property; litigation; financial market conditions; and future business decisions made by us and our competitors. All of these factors are difficult or impossible to predict accurately and many of them are beyond our control. For a further list and description of these and other important risks and uncertainties that may affect our future operations, see Part I, Item 1A – *Risk Factors* in our most recent Annual Report on

Form 10-K filed with the Securities and Exchange Commission, which we may update in Part II, Item 1A – *Risk Factors* in Quarterly Reports on Form 10-Q we have filed or will file hereafter. We disclaim any intention or obligation to publicly update or revise any forward-looking statements to reflect any change in our expectations or in events, conditions or circumstances on which those expectations may be based, or that may affect the likelihood that actual results will differ from those contained in the forward-looking statements. This cautionary statement is applicable to all forward-looking statements contained in this document.

Use of Non-GAAP Financial Measures

To supplement Boston Scientific's consolidated financial statements presented on a GAAP basis, the Company discloses certain non-GAAP financial measures including adjusted earnings per share. Adjusted earnings per share excludes goodwill and intangible asset impairment charges; acquisition-, divestiture-, litigation- and restructuring-related charges and credits; certain discrete tax items and amortization expense. Non-GAAP measures such as adjusted earnings per share are not in accordance with generally accepted accounting principles in the United States. The GAAP financial measure most comparable to adjusted earnings per share is GAAP earnings per share. Management uses adjusted earnings per share along with other supplemental non-GAAP measures to evaluate performance period over period, to analyze the underlying trends in the Company's business, to assess its performance relative to its competitors, and to establish operational goals and forecasts that are used in allocating resources. Non-GAAP financial measures, including adjusted earnings per share, should not be considered in isolation from or as a replacement for GAAP financial measures. Further, other companies may calculate this measure differently than Boston Scientific does, limiting the usefulness of this measure for comparative purposes.

The Company believes that presenting adjusted earnings per share in addition to GAAP earnings per share provides investors greater transparency to the information used by Boston Scientific management for its financial and operational decision-making and allows investors to see Boston Scientific's results "through the eyes" of management. The Company further believes that providing this information better enables Boston Scientific's investors to understand the Company's operating performance and to evaluate the methodology used by management to evaluate and measure such performance.

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