

Boston Scientific Announces Agreement to Acquire Neovasc Advanced Biological Tissue Capabilities

- \$75M transaction enhances manufacturing expertise in structural heart**
- Includes 15% equity investment in Neovasc, Inc.**

MARLBOROUGH, Mass., Dec. 2, 2016 /PRNewswire/ -- Boston Scientific Corporation (NYSE: BSX) today announced a definitive agreement to acquire certain manufacturing assets and capabilities of the Neovasc, Inc., (NASDAQ: NVCN) (TSX: NVC) advanced biological tissue business, as well as a 15% equity stake in Neovasc, for a total of \$75 million in cash. The Neovasc advanced biological tissue business makes elements used in transcatheter heart valves, including the Boston Scientific Lotus™ Valve System.* Upon completion of the transaction, the Neovasc advanced biological tissue capabilities will be integrated into the Boston Scientific structural heart business for use in the manufacturing of the Lotus valve and future heart valve technologies.

"We continually seek ways to optimize our manufacturing processes and enhance our product portfolio," said Ed Mackey, executive vice president, operations, Boston Scientific. "The vertically integrated operational capabilities resulting from this acquisition will strengthen our structural heart pipeline and immediately benefit our Lotus valve platform as we work to increase our market share in Europe and prepare for launch in the U.S., expected in late 2017."

The acquisition is expected to close by year-end 2016, subject to customary closing conditions, and to be immaterial to Boston Scientific earnings per share (EPS) in 2016 and 2017 on an adjusted and GAAP basis.

Neovasc is a specialty medical device company that develops, manufactures and markets products for the rapidly growing cardiovascular marketplace, including the Tiara™ technology** in development for the transcatheter treatment of mitral valve disease, and the Neovasc Reducer™ technology*** for the treatment of refractory angina.

About Boston Scientific

Boston Scientific transforms lives through innovative medical solutions that improve the health of patients around the world. As a global medical technology leader for more than 35 years, we advance science for life by providing a broad range of high performance solutions that address unmet patient needs and reduce the cost of healthcare. For more information, visit www.bostonscientific.com and connect on [Twitter](#) and [Facebook](#).

**The Lotus Valve System is an investigational device in the U.S., limited by law to investigational use and not available for sale.*

***The Tiara technology is an investigational device in the U.S., Canada and Europe, limited by law to investigational use and not available for sale.*

****The Neovasc Reducer technology is CE Marked. It is under development in the U.S, and not available for sale.*

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 our earnings, our product launches and product performance and impact. 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; the closing and integration of acquisitions; 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 our consolidated financial statements presented on a GAAP basis, we disclose 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 directly comparable to adjusted earnings per share is GAAP earnings per share. The difference between our estimated impact of the acquisition on our GAAP and adjusted earnings per share relates to amortization expense on acquired intangible assets and acquisition-related net charges, which primarily include exit costs and other fees. These amounts are excluded by the Company for purposes of measuring adjusted 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 our 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. We believe that presenting non-GAAP financial measures in addition to GAAP financial measures provides investors greater transparency to the information used by our management for its financial and operational decision-making and allows investors to see our results "through the eyes" of management. We further believe that providing this information better enables our investors to understand our operating performance and to evaluate the methodology used by management to evaluate and measure such performance.

CONTACTS

Trish Backes
651-582-5887 (office)
Media Relations
Boston Scientific Corporation
Trish.Backes@bsci.com

Susie Lisa, CFA
508-683-5565 (office)
Investor Relations
Boston Scientific Corporation
investor_relations@bsci.com

Logo - <http://photos.prnewswire.com/prnh/20160203/329537LOGO>

SOURCE Boston Scientific Corporation

Additional assets available online:  [Photos \(1\)](#)

<https://news.bostonscientific.com/2016-12-02-Boston-Scientific-Announces-Agreement-to-Acquire-Neovasc-Advanced-Biological-Tissue-Capabilities>