Boston Scientific

Boston Scientific Announces Acquisition Of The LumenR™ Tissue Retractor System

Technology to Improve Management of Gastrointestinal Diseases

MARLBOROUGH, Mass., Nov. 3, 2016 /PRNewswire/ -- Boston Scientific (NYSE: BSX) today announced the acquisition of the LumenR™ Tissue Retractor System from LumenR LLC, a privately heldNewark, California based company. The LumenR Tissue Retractor System is currently in development for use during endoscopic resection of lesions in the colon, esophagus or stomach.

The LumenR system is designed to improve endoscopic sub-mucosal dissection (ESD) and endoscopic mucosal resection (EMR) procedures which are less invasive alternatives to conventional surgery for the removal of precancerous lesions and malignant tumors in the gastrointestinal tract. The system will enable enhanced visualization of lesions and create a stable working environment to support tissue retraction and resection during these procedures.

"We are excited about the potential of the LumenR system to improve visibility and control during ESD and EMR procedures and improve quality of life for patients," said Art Butcher, senior vice president and president, endoscopy. "Every year, patients around the world undergo open gastrointestinal surgery that has a profound impact on their lives. By bringing this innovative technology forward, we have an opportunity for more physicians to treat patients successfully through less invasive endoscopic procedures."

ESD and EMR are frequently performed as part of endoscopic treatments for colorectal, gastric and esophageal cancers, which are the third, fifth and eighth most common cancers globally.[1] More than 137,000 men and women inthe United States will be diagnosed with colorectal cancer this year. Increased screening rates and removal of polyps and cancerous lesions, through procedures such as ESD, have been significant contributors to an overall 30 percent reduction in colon cancer related deaths in the past 10 years. ESD and EMR have been shown to be effective alternatives to surgery, reducing the costs of inpatient stays and adverse events associated with traditional surgery.[2]

"We have seen promising outcomes in reducing both procedure times[3] and patient complications[4] during our evaluation of the LumenR system," said Dr. Gregory Piskun, founder and chief executive officer, LumenR, LLC. "We are excited by this investment by Boston Scientific to acquire the LumenR system and bring it to market."

Boston Scientific will integrate the LumenR system into its endoscopy development program, and conduct additional development and evaluation of the system prior to commercialization.

The acquisition of LumenR is immaterial to earnings per share (EPS) in 2016 and 2017 on an adjusted and GAAP basis. Specific terms of the transaction were not disclosed.

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. For more information on the Boston Scientific endoscopy business visit http://www.bostonscientific.com/en-US/medical-specialties/gastroenterology.html.

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 business plans, regulatory approvals, product development 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; 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 contingent consideration fair value adjustments, 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.

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SOURCE Boston Scientific Corporation
