Boston Scientific Agrees To Sell Fluid Management and Venous Access Businesses to Avista Capital Partners for $425 Million

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NATICK, Mass. and NEW YORK
(NYSE:BSX)

NATICK, Mass. and NEW YORK, Dec. 13 /PRNewswire-FirstCall/ -- Boston Scientific Corporation (NYSE: BSX) and Avista Capital Partners, a leading private equity firm, today jointly announced the signing of a definitive agreement under which Avista will acquire from Boston Scientific its Fluid Management and Venous Access businesses for $425 million in cash. The transaction is expected to close in the first quarter of 2008, subject to regulatory approvals and customary conditions. Boston Scientific previously announced its intent to sell these businesses as part of its plan to divest non-strategic assets.

Avista said that upon close of the transaction, the combined Fluid Management/Venous Access business will operate as an independent company under a new name. Ron Sparks, an Avista healthcare industry advisor, will become Chairman and Chief Executive Officer of the new company. Dave McClellan, President of Boston Scientific's Oncology business, will become President of the new company.

The Fluid Management franchise, formerly North American Medical Instruments Corporation (NAMIC), produces a range of products used to manage fluid and measure pressure during angiography and angioplasty procedures. The Fluid Management franchise employs approximately 750 people in its Glens Falls, NY manufacturing facility.

The Venous Access franchise, whose products are also manufactured in Glens Falls, offers a leading portfolio of implantable devices designed to provide access to the blood stream for patients requiring intravenous antibiotics, nutrition, chemotherapy and blood sampling. The Venous Access franchise is part of Boston Scientific's Oncology business, and employs approximately 150 people in locations around the United States.

Projected revenue for the two businesses in 2007 is approximately $170 million.

"We now have under agreement the divestitures of all five non-strategic businesses we had previously identified for sale," said Jim Tobin, President and Chief Executive Officer of Boston Scientific. "In addition, our expense and head count reduction initiative is well under way, and we continue to make progress monetizing our investment portfolio and restructuring several businesses. These measures should help us further our overall goals of restoring profitable growth, increasing shareholder value and continuing to strengthen Boston Scientific for the future."

In addition to the two sales announced today, Boston Scientific has also recently announced agreements to sell its Cardiac Surgery, Vascular Surgery and Auditory businesses.

"Boston Scientific's Fluid Management and Venous Access businesses maintain strong leadership positions in their respective markets and are recognized for benefiting interventional cardiologists, radiologists and oncologists, and their patients," said David Burgstahler, a partner at Avista Capital Partners. "Furthermore, given his extensive experience in the medical device field, Ron Sparks is a great fit to drive growth for the combined business going forward."

"We are very excited about this transaction," added Larry Pickering, Avista Capital Partners' healthcare industry partner. "The Fluid Management franchise has exceptional brands and a cutting-edge manufacturing facility at Glens Falls with unique custom kitting capabilities. The Venous Access business has robust R&D capabilities, a knowledgeable sales force and a strong new product introduction track record, which should continue to propel organic growth."

"I am eager and delighted to work with the existing Fluid Management and Venous Access teams to build on their leading franchises in oncology, radiology and interventional cardiology to create a world-class, stand-alone medical device company," said Ron Sparks. "We want to recognize the important work these teams have done in developing these franchises, as well as the valuable role we expect them to play going forward."

"This is an exciting time for Fluid Management and Venous Access, and we are thrilled to be joining the talented Avista team as we develop a strategy to drive long-term growth and expand our businesses," said Dave McClellan.

"We greatly appreciate the contributions our Fluid Management and Venous Access employees have made to Boston Scientific," added Tobin. "We wish them continued success in providing customers and patients with quality products and innovative therapies."

Fluid Management/Venous Access will be Avista's fifth investment in the healthcare industry. In 2007, Avista made healthcare investments in BioReliance (http://www.bioreliance.com/) and VWR International (http://www.vwr.com/) and in 2006 Avista announced investments in Nycomed (http://www.nycomed.com/) and MedServe (http://www.medserveinc.com/). While at DLJ Merchant Banking Partners, the Avista partners were involved in numerous healthcare transactions including Accellent, Charles

River Laboratories, Focus Diagnostics, KCI, Prometheus Labs and Warner Chilcott.

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: http://www.bostonscientific.com/.

About Avista Capital Partners

Avista Capital Partners is a leading private equity firm with offices in New York, NY and Houston, TX. Founded in 2005, Avista manages $2.0 billion in private equity capital. Avista's strategy is to make controlling or influential minority investments primarily in growth-oriented media, healthcare and energy companies. Through its team of seasoned investment professionals and industry experts, Avista seeks to partner with exceptional management teams to invest in and add value to well-positioned businesses. For more information, visit http://www.avistacap.com/.

Cautionary Statement Regarding Forward Looking Statements

This press release contains forward-looking statements within the meaning of 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 divestiture of non-strategic assets, our restructuring initiatives, our operational strategy, our financial performance and our growth strategy. 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; disposition of non-strategic assets 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 thereafter. 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.

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