

BOSTON SCIENTIFIC CORP
Form S-4
February 06, 2006

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As filed with the Securities and Exchange Commission on February 6, 2006

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4

REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

Boston Scientific Corporation

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

3841

(Primary Standard Industrial Classification Code Number)

04-2695240

(I.R.S. Employer Identification Number)

**One Boston Scientific Place
Natick, Massachusetts 01760-1537
(508) 650-8000**

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

**Paul W. Sandman, Esq.
Boston Scientific Corporation
One Boston Scientific Place
Natick, Massachusetts 01760-1537
(508) 650-8000**

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Chicago, Illinois 60606
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Approximate date of commencement of proposed sale to the public: As soon as practicable following the effectiveness of this Registration Statement, satisfaction or waiver of the other conditions to closing of the merger described herein and consummation of the merger.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

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CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee(4)
Common Stock, par value \$0.01 per share	600,871,833	N/A	\$10,988,024,709	\$1,175,719

- (1) This Registration Statement relates to common stock, par value \$0.01 per share (the "Registrant Common Stock"), of the Registrant issuable to holders of common stock, without par value ("Guidant Common Stock"), of Guidant Corporation ("Guidant"), in the proposed merger (the "Merger") of Galaxy Merger Sub, Inc., a wholly owned subsidiary of the Registrant ("Galaxy Merger Sub"), with and into Guidant.
- (2) Based on the maximum number of shares of Registrant Common Stock to be issued in connection with the Merger, calculated as the product of (a) 357,683,096, the aggregate number of shares of Guidant Common Stock outstanding as of January 1, 2006 (other than shares owned by Guidant, Galaxy Merger Sub or the Registrant) and issuable pursuant to the exercise of options outstanding as of January 1, 2006 and (b) an exchange ratio of 1.6799 shares of the Registrant Common Stock for each share of Guidant Common Stock, representing the maximum share consideration issuable in the Merger.
- (3) Pursuant to Rules 457(c) and 457(f)(1) under the Securities Act of 1933, as amended (the "Securities Act"), and solely for purposes of calculating this registration fee, the proposed maximum aggregate offering price is equal to the market value of shares of Guidant Common Stock (the securities to be cancelled in the merger) in accordance with Rule 457(c) under the Securities Act calculated as follows: (a) \$72.72, the average of the high and low prices per share of Guidant Common Stock on January 30, 2006, as reported on the New York Stock Exchange Composite Transactions Tape, multiplied by (b) 357,683,096, the aggregate number of shares of Guidant Common Stock outstanding as of January 1, 2006 (other than shares owned by Guidant, Galaxy Merger Sub or the Registrant) and issuable pursuant to the exercise of options outstanding as of January 1, 2006, less (c) the minimum amount of cash to be paid by the Registrant in exchange for shares of Guidant Common Stock (which equals \$42.00 times 357,683,096, the aggregate number of shares of Guidant Common Stock outstanding as of January 1, 2006 (other than shares owned by Guidant, Galaxy Merger Sub or the Registrant) and issuable pursuant to the exercise of options outstanding as of January 1, 2006).
- (4) Reflects the product of (a) 0.00010700 multiplied by (b) the proposed maximum aggregate offering price for Guidant Common Stock.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this document is not complete and may be changed. Boston Scientific may not sell the securities offered by this document until the registration statement filed with the Securities and Exchange Commission is effective. This document is not an offer to sell these securities, and Boston Scientific is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION DATED FEBRUARY 6, 2006

JOINT PROXY STATEMENT/PROSPECTUS

To the stockholders of Boston Scientific:

We are pleased to report that the board of directors of Boston Scientific Corporation has approved the execution of a merger agreement with Guidant Corporation. Before the merger can be completed, Boston Scientific must obtain the approval of its stockholders to amend the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock and to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement. Boston Scientific is sending you this joint proxy statement/prospectus to ask you to vote in favor of these matters.

In the merger, a subsidiary of Boston Scientific will merge with and into Guidant and Guidant will become a wholly owned subsidiary of Boston Scientific. As a result of the merger, Guidant stockholders will be entitled to receive in exchange for each of their shares of Guidant common stock \$42.00 in cash and between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger. In addition, if the merger is not closed by March 31, 2006, Guidant shareholders will receive an additional \$0.0132 in cash per share of Guidant common stock for each day beginning on April 1, 2006 through the closing date of the merger. The formula for determining the actual number of shares of Boston Scientific common stock to be issued in exchange for each share of Guidant common stock is set forth in detail in the accompanying joint proxy statement/prospectus. Based on the number of shares of Guidant common stock and shares issuable upon exercise of stock options outstanding as of _____, 2006, and assuming that 1.6799 shares of Boston Scientific common stock will be issued for each share of Guidant common stock in the merger, Boston Scientific expects to issue approximately _____ million shares of Boston Scientific common stock in connection with the merger.

Boston Scientific common stock is listed on the New York Stock Exchange under the symbol "BSX" and on _____, 2006, the last trading day before the date of this joint proxy statement/prospectus, its closing price was \$ _____ per share. You should obtain current market quotations for Boston Scientific common stock and Guidant common stock.

Boston Scientific will hold a special meeting of its stockholders on _____, 2006 to consider and vote on the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement. The merger is conditioned upon, among other things, the approval of Boston Scientific stockholders.

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend the Boston Scientific stockholders' meeting, please take the time to vote by completing, signing, dating and returning the accompanying proxy card in the enclosed self-addressed stamped envelope. You must return the proxy card in accordance with the instructions printed on it as soon as possible and in any event so as to arrive at the Boston Scientific registered office no later than _____, Eastern Standard time on _____, 2006. Returning the proxy does NOT deprive you of your right to attend the stockholders' meeting and to vote your shares in person.

This joint proxy statement/prospectus provides detailed information concerning the merger and the Boston Scientific special meeting. Additional information regarding Boston Scientific and Guidant has been filed with the Securities and Exchange Commission and is publicly available. **We encourage you to read carefully this entire document, including all of its annexes, and we especially encourage you to read the section entitled "Risk Factors" beginning on page 25.**

We enthusiastically support the proposed combination of Boston Scientific and Guidant, and we join with the members of our board of directors in recommending that you vote **FOR** the amendment to the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

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Pete M. Nicholas
Chairman of the Board
Boston Scientific Corporation

James R. Tobin
President and Chief Executive Officer
Boston Scientific Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Boston Scientific common stock to be issued by Boston Scientific under this document or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

*This joint proxy statement/prospectus is dated _____, 2006 and is first being mailed
to Boston Scientific stockholders and Guidant shareholders on or about _____, 2006.*

The information in this document is not complete and may be changed. Boston Scientific may not sell the securities offered by this document until the registration statement filed with the Securities and Exchange Commission is effective. This document is not an offer to sell these securities, and Boston Scientific is not soliciting an offer to buy these securities, in any state where the offer or sale is not permitted.

PRELIMINARY SUBJECT TO COMPLETION DATED FEBRUARY 6, 2006

JOINT PROXY STATEMENT/PROSPECTUS

To the shareholders of Guidant:

I am pleased to report that the board of directors of Guidant Corporation has approved a merger with Boston Scientific Corporation. Before Guidant can complete the merger, it must obtain Guidant shareholder approval of the Agreement and Plan of Merger, dated as of January 25, 2006, among Boston Scientific, Galaxy Merger Sub, Inc., a wholly owned subsidiary of Boston Scientific, and Guidant. You are cordially invited to attend the special meeting of Guidant shareholders to be held on _____, 2006 at _____ a.m., local time, to consider and vote on the merger agreement. The merger is conditioned upon, among other things, the approval of Guidant shareholders.

In the merger, a subsidiary of Boston Scientific will merge with and into Guidant and Guidant will become a wholly owned subsidiary of Boston Scientific. As a result of the merger, Guidant shareholders will be entitled to receive in exchange for each of their shares of Guidant common stock \$42.00 in cash and between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger. The shares of Boston Scientific common stock will have a market value of \$38.00 if the average closing price is between \$22.62 and \$28.86. If the average closing price is less than \$22.62, the exchange ratio will be fixed at 1.6799 and the market value of the shares of Boston Scientific common stock received in the merger will be less than \$38.00. If the average closing price is above \$28.86, the exchange ratio will be fixed at 1.3167 and the market value of the shares of Boston Scientific common stock received in the merger will be greater than \$38.00. In addition, if the merger is not closed by March 31, 2006, Guidant shareholders will receive an additional \$0.0132 in cash per share of Guidant common stock for each day beginning on April 1, 2006 through the closing date of the merger. The formula for determining the appropriate number of shares of Boston Scientific common stock to be issued in exchange for each share of Guidant common stock is set forth in detail in the accompanying joint proxy statement/prospectus.

Boston Scientific common stock is listed on the New York Stock Exchange under the symbol "BSX" and on _____, 2006, the last trading day before the date of this joint proxy statement/prospectus, its closing price was \$ _____ per share. You should obtain current market quotations for Boston Scientific common stock and Guidant common stock.

The Guidant board of directors (with the exception of one director who was absent due to medical reasons) has unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "**FOR**" approval of the merger agreement.

YOUR VOTE IS VERY IMPORTANT. We cannot complete the merger unless the merger agreement is approved by the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote at the special meeting. Only shareholders who owned shares of Guidant common stock at the close of business on _____, 2006, the record date for the special meeting, will be entitled to vote at the special meeting. Please complete and return the enclosed request for admittance card as soon as possible if you plan to attend the special meeting. If you return the request card, Guidant will send you an admittance card. Whether or not you plan to be present at the special meeting, please complete, sign, date and return the enclosed proxy card or submit your proxy by telephone or on the Internet as soon as possible. If you hold your shares in "street name", you should instruct your broker how to vote in accordance with your voting instruction form. If you do not submit your proxy, instruct your broker how to vote your shares, or vote in person at the special meeting, it will have the same effect as a vote against approval of the merger agreement. If you hold your shares under Guidant's employee stock ownership plan you may instruct the plan trustee as to how to vote your shares. If you do not instruct the plan trustee as to how to vote your shares, the plan trustee may vote those shares at its discretion.

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This joint proxy statement/prospectus provides detailed information concerning the merger and the Guidant special meeting. Additional information regarding Boston Scientific and Guidant has been filed with the Securities and Exchange Commission and is publicly available. **We encourage you to read carefully this entire document, including all of its annexes, and we especially encourage you to read the section entitled "Risk Factors" beginning on page 25.**

On behalf of the Guidant board of directors, I thank you for your support and appreciate your consideration of this matter.

Sincerely,
James M. Cornelius
Chairman and Interim Chief Executive Officer
Guidant Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved the Boston Scientific common stock to be issued by Boston Scientific under this document or passed upon the adequacy or accuracy of this document. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated _____, 2006 and is first being mailed to Boston Scientific stockholders and Guidant shareholders on or about _____, 2006.

**BOSTON SCIENTIFIC CORPORATION
NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON _____, 2006**

Natick, Massachusetts
, 2006

To the stockholders of Boston Scientific Corporation:

A special meeting of stockholders of Boston Scientific Corporation will be held at _____, Boston, Massachusetts on _____, 2006, at _____ a.m., local time, for the following purposes:

to consider and vote upon a proposal to adopt an amendment to the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock from 1,200,000,000 to 2,000,000,000; and

to consider and vote upon a proposal to approve the issuance of shares of Boston Scientific common stock to shareholders of Guidant on the terms and conditions set out in the Agreement and Plan of Merger, dated as of January 25, 2006, among Boston Scientific, Galaxy Merger Sub, Inc., a wholly owned subsidiary of Boston Scientific, and Guidant, pursuant to which Galaxy Merger Sub will merge with and into Guidant, with Guidant becoming a wholly owned subsidiary of Boston Scientific, and each outstanding share of Guidant common stock will be converted into the right to receive (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger.

Only stockholders of record at the close of business on _____, 2006, are entitled to notice of, and to vote at, the Boston Scientific special meeting or any adjournment or postponements of the Boston Scientific special meeting.

We cannot complete the merger unless the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation is approved by the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock entitled to vote on the amendment and the proposed issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement is approved by the affirmative vote of a majority of the shares of Boston Scientific common stock participating in the voting on the stock issuance. The joint proxy statement/prospectus accompanying this notice explains the merger, the merger agreement and the proposals to be considered at the Boston Scientific special meeting in more detail and provides specific information concerning the Boston Scientific special meeting. Please review this document carefully.

The Boston Scientific board of directors believes that the proposals to amend the Boston Scientific Second Restated Certificate of Incorporation and to issue Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement are in the best interests of Boston Scientific and its stockholders and unanimously approved the two proposals and recommends that stockholders vote "FOR" the approval of the two proposals.

So that your shares will be represented whether or not you attend the Boston Scientific special meeting, please sign, date and mail the enclosed proxy card in the postage-paid envelope provided at your earliest convenience. Record holders may also vote by telephone or on the Internet by following the instructions printed on your proxy card.

By order of the board of directors,

Paul W. Sandman
Executive Vice President, Secretary and General Counsel

**GUIDANT CORPORATION
NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON _____, 2006**

To the shareholders of Guidant Corporation:

A special meeting of shareholders of Guidant Corporation will be held on _____, 2006, at _____ a.m., local time, at Guidant's corporate headquarters, 111 Monument Circle, Indianapolis, Indiana 46204-5129, for the following purpose:

to consider and vote upon a proposal to approve the Agreement and Plan of Merger, dated as of January 25, 2006, among Boston Scientific, Galaxy Merger Sub, Inc., a wholly owned subsidiary of Boston Scientific, and Guidant, pursuant to which Galaxy Merger Sub will merge with and into Guidant with Guidant becoming a wholly owned subsidiary of Boston Scientific, and each outstanding share of Guidant common stock will be converted into the right to receive (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger.

We will transact no other business at the Guidant special meeting, except such business as may properly be brought before the Guidant special meeting or any adjournment or postponement of it by the Guidant board of directors.

Only shareholders who owned shares of Guidant common stock at the close of business on _____, 2006, the record date for the Guidant special meeting, are entitled to notice of, and to vote at, the Guidant special meeting and any adjournment or postponement of it. If you plan to attend the Guidant special meeting, please complete and return the enclosed request for admittance card. Guidant then will mail you an admittance card, directions to the meeting and parking information. A shareholders' list will be available for inspection by any shareholder entitled to vote at the special meeting beginning no later than five business days before the date of the Guidant special meeting and continuing through the Guidant special meeting.

We cannot complete the merger unless the merger agreement is approved by the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote at the Guidant special meeting. Guidant shareholders have no dissenters' rights under Indiana law in connection with the merger. The joint proxy statement/prospectus accompanying this notice explains the merger and merger agreement and provides specific information concerning the Guidant special meeting. Please review the joint proxy statement/prospectus carefully.

The Guidant board of directors (with the exception of one director who was absent due to medical reasons) has unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "FOR" approval of the merger agreement.

Whether or not you plan to attend the Guidant special meeting, please complete, sign and date the enclosed proxy card and return it promptly in the enclosed postage-paid return envelope or submit your proxy by telephone or on the Internet as soon as possible. You may revoke the proxy at any time prior to its exercise in the manner described in the joint proxy statement/prospectus. Any shareholder of record present at the Guidant special meeting, including any adjournment or postponement of it, may revoke his or her proxy and vote personally on the merger agreement. Executed proxies without specific voting instructions will be voted **"FOR"** approval of the merger agreement.

Please do not send any stock certificates at this time.

By order of the board of directors,

Bernard E. Kury
Vice President, General Counsel and Secretary

Indianapolis, Indiana
, 2006

REFERENCES TO ADDITIONAL INFORMATION

This joint proxy statement/prospectus incorporates by reference important business and financial information about Boston Scientific and Guidant from documents that are not included in or delivered with this joint proxy statement/prospectus. This information is available to you without charge upon your written or oral request. You can obtain the documents incorporated by reference in this joint proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

BOSTON SCIENTIFIC CORPORATION

One Boston Scientific Place
Natick, MA 01760-1537
Attention: Secretary
Telephone: (508) 650-8000

*If you would like to request documents, please do so by
Guidant special meeting.*

GUIDANT CORPORATION

111 Monument Circle, 29th Floor
Indianapolis, IN 46204-5129
Attention: Secretary
Telephone: (317) 971-2000

, 2006 in order to receive them before the Boston Scientific or

See "*Where You Can Find More Information*" on page 163.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

Q: *Why am I receiving this joint proxy statement/prospectus?*

A. Boston Scientific Corporation and Guidant Corporation have entered into the Agreement and Plan of Merger, dated as of January 25, 2006 (the merger agreement), among Boston Scientific, Galaxy Merger Sub, a wholly owned subsidiary of Boston Scientific, and Guidant, that is described in this joint proxy statement/prospectus. Please see the section entitled "*The Merger Agreement*" beginning on page 105 of this joint proxy statement/prospectus. A copy of the merger agreement is attached to this joint proxy statement/prospectus as Annex A.

Under the terms of the merger agreement, Galaxy Merger Sub will be merged with and into Guidant (the merger), with Guidant surviving the merger as a wholly owned subsidiary of Boston Scientific. In order to complete the merger, Boston Scientific stockholders must approve certain matters relating to the proposed merger, Guidant shareholders must approve the merger agreement and all other conditions to the merger must be satisfied or waived. Boston Scientific will hold a special meeting of its stockholders (the Boston Scientific special meeting) to obtain the required approvals of Boston Scientific stockholders and Guidant will hold a special meeting of its shareholders (the Guidant special meeting) to obtain the required approval of Guidant shareholders.

Q: *What are Boston Scientific stockholders being asked to vote on?*

A. Boston Scientific stockholders are being asked to vote to (i) adopt an amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock and (ii) approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Boston Scientific stockholders who collectively held approximately 31% of the shares of Boston Scientific common stock outstanding on _____, 2006, the record date of the Boston Scientific special meeting (the Boston Scientific record date), have agreed to vote their shares of Boston Scientific common stock in favor of these two proposals.

Q: *What are Guidant shareholders being asked to vote on?*

A. Guidant shareholders are being asked to vote to approve the merger agreement. In accordance with the terms of the merger agreement, Galaxy Merger Sub will be merged with and into Guidant.

This joint proxy statement/prospectus contains important information about the merger agreement, the merger and the proposed stockholders' meetings. You should read it carefully.

Q: *What will happen in the proposed merger? (see page 47)*

A. If the merger is completed, Guidant will become a wholly owned subsidiary of Boston Scientific.

Q: *What will Boston Scientific stockholders receive in the merger?*

A. Boston Scientific stockholders will not receive any merger consideration. Each share of Boston Scientific common stock outstanding immediately prior to the merger will remain outstanding as a share of Boston Scientific common stock immediately following the merger.

Q: *What will Guidant shareholders receive in the merger? (see page 94)*

A. Upon completion of the merger, for each share of Guidant common stock that they own, Guidant shareholders will receive (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, which will have a market value of \$38.00 if the average closing price is between \$22.62 and \$28.86, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006

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through the closing date of the merger. If the average closing price is less than \$22.62, the exchange ratio will be fixed at 1.6799 and the market value of the shares of Boston Scientific common stock received in the merger will be less than \$38.00. If the average closing price is above \$28.86, the exchange ratio will be fixed at 1.3167 and the market value of the shares of Boston Scientific common stock received in the merger will be greater than \$38.00.

Q: *What happened to the proposed merger with Johnson & Johnson?*

A. On January 25, 2006, in accordance with the terms of the Amended and Restated Agreement and Plan of Merger, dated as of November 14, 2005 and as further amended as of January 11, 2006 and January 13, 2006, among Johnson & Johnson, Shelby Merger Sub, Inc. and Guidant (the Johnson & Johnson merger agreement), the Guidant board of directors terminated the Johnson & Johnson merger agreement in order to proceed with the merger with Boston Scientific described in this joint proxy statement/prospectus. In connection with the termination of the Johnson & Johnson merger agreement, Guidant paid Johnson & Johnson a termination fee of \$705 million. Boston Scientific then reimbursed Guidant for the full amount of the termination fee paid to Johnson & Johnson.

Q: *Does the Boston Scientific board of directors support the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of Boston Scientific common stock?*

A. Yes. The Boston Scientific board of directors believes that the merger, the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement are in the best interests of Boston Scientific and its stockholders, and unanimously approved the amendment and the issuance of shares of Boston Scientific common stock and recommends that Boston Scientific stockholders vote "**FOR**" approval of the amendment and the issuance of shares of Boston Scientific common stock to Guidant shareholders.

Q: *Does the Guidant board of directors support the merger?*

A. Yes. The Guidant board of directors (with the exception of one director who was absent due to medical reasons) has unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "**FOR**" approval of the merger agreement.

Q: *Are there risks involved in undertaking the merger?*

A. Yes. In evaluating the merger, Boston Scientific and Guidant stockholders should carefully consider the factors discussed in the section of this joint proxy statement/prospectus entitled "*Risk Factors*" beginning on page 25 and other information about Boston Scientific and Guidant included in the documents incorporated by reference in this joint proxy statement/prospectus.

Q: *How does the merger relate to the proposed sale of Guidant's vascular intervention and endovascular businesses to Abbott Laboratories? (see page 120)*

A. To address certain antitrust concerns that may be raised by the merger and to expedite the review of the merger by the relevant antitrust authorities in the United States and the European Union, Boston Scientific and Abbott Laboratories entered into the Transaction Agreement, dated as of January 8, 2006 as amended by Amendment No. 1 and Amendment No. 2, each dated as of January 16, 2006 (the Abbott transaction agreement), pursuant to which Abbott agreed to buy the Guidant vascular and endovascular businesses for an initial payment of \$4.1 billion in cash (the Abbott transaction), at the closing of the Abbott transaction (the Abbott transaction closing). Abbott also agreed to make certain milestone payments to Boston Scientific totaling \$500 million if certain regulatory approvals are obtained within ten years of the Abbott transaction closing, and to assume certain liabilities relating to the Guidant vascular and endovascular businesses. In addition, Abbott agreed to lend Boston Scientific \$900 million on a subordinated basis and to purchase shares of Boston Scientific common stock having a market value of \$1.4 billion at the Abbott transaction closing. The Abbott transaction closing is subject to, among other things, the satisfaction or waiver of all of the conditions to close the merger. Boston Scientific's obligation to complete the merger is not conditioned on consummation of the Abbott transaction.

Q: How will Boston Scientific pay for the cash portion of the merger consideration?

A: Boston Scientific has received a commitment letter from Merrill Lynch Capital Corporation, Merrill Lynch, Pierce, Fenner & Smith Incorporated (Merrill Lynch), Bank of America, N.A. and Banc of America Securities LLC in which they committed to provide, in the aggregate, financing of up to \$14 billion. In addition, under the terms of the Abbott transaction agreement and at the closing of the Abbott transaction, Abbott has agreed to (i) pay an initial purchase price of \$4.1 billion in cash for Guidant's vascular intervention and endovascular solutions businesses (the Guidant vascular and endovascular businesses), (ii) make a five year subordinated loan of \$900 million to Boston Scientific at a 4.00% annual interest rate and (iii) purchase \$1.4 billion in shares of Boston Scientific common stock. For a more detailed description of the Abbott transaction agreement, see "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120, and for information about certain risks related to the financing provided pursuant to the Abbott transaction agreement, see "*Risk Factors*" beginning on page 25.

Q: Is stockholder approval required in connection with the Abbott transaction?

A. No. The approval of neither Boston Scientific stockholders nor Guidant shareholders is required in connection with the Abbott transaction. In addition, the Abbott transaction does not require the approval of Abbott shareholders.

Q: Where and when is the Boston Scientific special meeting?

A. The Boston Scientific special meeting will be held on _____, 2006 at _____ a.m., local time, at _____, Boston, Massachusetts. Boston Scientific stockholders may attend the Boston Scientific special meeting and vote their shares in person, in addition to completing, signing, dating and returning the enclosed proxy or submitting a proxy by telephone or on the Internet.

Q: Where and when is the special meeting of Guidant shareholders?

A. The Guidant special meeting will be held on _____, 2006 at _____ a.m., local time, at Guidant's corporate headquarters, 111 Monument Circle, Indianapolis, Indiana 46204-5129. Guidant shareholders may attend the Guidant special meeting and vote their shares in person, in addition to completing, signing, dating and returning the enclosed proxy or submitting a proxy by telephone or on the Internet. However, Guidant shareholders must have an admittance card to attend the Guidant special meeting. To obtain an admittance card, please return the enclosed request for admittance card.

Q: Who can vote at the Boston Scientific special meeting?

- A. Boston Scientific stockholders can vote at the Boston Scientific special meeting if they owned shares of Boston Scientific common stock at the close of business on _____, 2006. As of the close of business on that day, _____ shares of Boston Scientific common stock were outstanding.

Q: *Who can vote at the Guidant special meeting?*

- A. Guidant shareholders can vote at the Guidant special meeting if they owned shares of Guidant common stock at the close of business on _____, 2006, the record date for the Guidant special meeting (the Guidant record date). As of the close of business on that day, _____ shares of Guidant common stock were outstanding.

Q: *What do Boston Scientific stockholders need to do now?*

- A. After carefully reading and considering the information contained in this joint proxy statement/prospectus or incorporated herein by reference, please complete, sign and date your proxy and return it in the enclosed postage-paid return envelope or submit your proxy by telephone or on the Internet as soon as possible, so that your shares may be represented at the Boston Scientific special meeting. If you sign and send in your proxy and do not indicate how you want to vote, Boston Scientific will count your proxy as a vote in favor of approval of the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Because the required vote of Boston Scientific stockholders to adopt the amendment to the Boston Scientific Second Restated Certificate of Incorporation is based upon the number of outstanding shares of Boston Scientific common stock, rather than upon the number of shares actually voted, the failure by a Boston Scientific stockholder to submit a proxy or to vote in person at the Boston Scientific special meeting, abstentions and "broker non-votes," will have the same effect as a vote against adoption of the amendment of the Boston Scientific Second Restated Certificate of Incorporation.

Because the required vote of Boston Scientific stockholders to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement is based upon the number of shares actually voted, rather than the number of outstanding shares of Boston Scientific common stock, the failure by a Boston Scientific stockholder to submit a proxy or to vote in person at the Boston Scientific special meeting, and broker non-votes, will have no effect on the vote. However, an abstention will have the same effect as a vote against approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders.

Q: *What do Guidant shareholders need to do now?*

- A. After carefully reading and considering the information contained in this joint proxy statement/prospectus or incorporated herein by reference, please complete, sign and date your proxy and return it in the enclosed postage-paid return envelope or vote your shares by telephone or on the Internet as soon as possible, so that your shares may be represented at the Guidant special meeting. If you sign and send in your proxy and do not indicate how you want to vote, Guidant will count your proxy as a vote in favor of approval of the merger agreement.

Because the required vote of Guidant shareholders is based upon the number of outstanding shares of Guidant common stock, rather than upon the number of shares actually voted, the failure by a Guidant shareholder to submit a proxy or to vote in person at the Guidant special meeting, abstentions and "broker non-votes", will have the same effect as a vote against approval of the merger agreement.

Q: *Can I change my vote after I have mailed my signed proxy?*

- A. Yes. You can change your vote at any time before your proxy is voted at the Boston Scientific or Guidant special meeting, as the case may be. You can do this in one of three ways. First, you can send a written notice stating that you would like to revoke your proxy. Second, you can complete and submit a new valid proxy bearing a later date by Internet, telephone or mail. Third, you can attend the Boston Scientific or Guidant special meeting, as the case may be, and vote in person. Attendance at the Boston Scientific or Guidant special meeting will not in and of itself constitute revocation of a proxy.

If you are a Boston Scientific stockholder and you choose to send a written notice or to mail a new proxy, you must submit your notice of revocation or your new proxy to Boston Scientific Corporation at One Boston Scientific Place, Natick, Massachusetts 01760-1537, Attention: Secretary and it must be received by _____, 2006.

If you are a Guidant shareholder and you choose to send a written notice or to mail a new proxy, you must submit your notice of revocation or your new proxy to Guidant Corporation at 111 Monument Circle, 29th Floor, Indianapolis, Indiana 46204-5129, Attention: Secretary, and it must be received by _____, 2006.

Q: *If my shares are held in "street name" by my broker, will my broker vote my shares for me?*

- A. Your broker will vote your shares only if you provide instructions on how to vote. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares. Without instructions, your shares will not be voted, which, if you are a Boston Scientific stockholder, will have the effect of a vote against the approval of the amendment of the Boston Scientific Second Restated Certificate of Incorporation at the Boston Scientific special meeting or, if you are a Guidant shareholder, will have the effect of a vote against the approval of the merger agreement at the Guidant special meeting.

Q: *If my Boston Scientific common stock is in Boston Scientific's 401(k) plan or global employee stock ownership plan (GESOP), how do I vote my shares?*

- A. If you participate in the Boston Scientific 401(k) retirement savings plan (the Boston Scientific 401(k) plan) or GESOP, you will receive a single proxy card that covers both shares credited to your plan account(s) and shares that you own of record that are registered in the same name. If any of your plan account(s) are not registered in the same name as your shares of record, you will receive separate proxy cards for your record and plan holdings. Properly completed and signed proxy cards will serve to instruct the trustees and fiduciaries of the Boston Scientific 401(k) plan and GESOP how to vote any Boston Scientific shares held in these plans on your behalf. The Boston Scientific 401(k) plan and GESOP trustees and fiduciaries may vote shares at their discretion for which timely instructions are not received.

Q: *If my Guidant shares are held under Guidant's employee stock ownership plan, will the plan trustee vote my shares for me?*

- A. If you participate in Guidant's employee stock ownership plan and wish to instruct the plan trustee how to vote your shares, you should follow the instructions provided by the plan trustee. The plan trustee under Guidant's employee stock ownership plan may vote shares at its discretion for which timely instructions are not received.

Q: *If I am a Guidant shareholder, should I send in my stock certificates now?*

- A. **No.** After the merger is completed, you will receive a transmittal form with instructions for the surrender of your Guidant common stock certificates. **Please do not send in your stock certificates with your proxy.**

Q: *Is the merger expected to be taxable to Guidant shareholders?*

- A. Generally, yes. The receipt of the merger consideration for Guidant common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes. Generally, a Guidant shareholder will recognize gain or loss for United States federal income tax purposes measured by the difference, if any, between (i) the fair market value of the Boston Scientific common stock as of the effective time of the merger and the amount of cash received and (ii) the Guidant shareholder's adjusted tax basis in the Guidant common stock exchanged for the merger consideration.

You should read "*The Merger Material United States Federal Income Tax Consequences of the Merger*" beginning on page 97 for a more complete discussion of the United States federal income tax consequences of the merger. Tax matters can be complicated and the tax consequences of the merger to you will depend on your particular tax situation. **You should consult your tax advisor to determine the tax consequences of the merger to you.**

Q: *When do you expect the merger to be completed?*

- A. Boston Scientific and Guidant are working to complete the merger as quickly as possible. If the Boston Scientific and Guidant stockholders approve the matters submitted to them for their approval and we receive the necessary governmental approvals, Boston Scientific anticipates that the merger will be completed on or about March 31, 2006. However, it is possible that factors outside our control could require us to complete the merger at a later time or not complete it at all.

For a description of certain matters that could delay or prevent the completion of the merger, please refer to "*Risk Factors*" beginning on page 25.

Q: *Can I dissent and require appraisal of my shares?*

- A. No. Boston Scientific stockholders have no dissenters' rights under Delaware law in connection with the merger. Guidant shareholders have no dissenters' rights under Indiana law in connection with the merger.

Q: *Where can I find more information about the companies?*

- A. You can obtain more information about Boston Scientific and Guidant from the various sources described under "*Where You Can Find More Information*" on page 163.

Q: *Who can help answer my questions?*

- A. If you have any questions about the merger or if you need additional copies of this joint proxy statement/prospectus or the relevant proxy card, you should contact:

For Boston Scientific	For Guidant
Innisfree M&A Incorporated 501 Madison Avenue New York, New York 10022 Banks and Brokers Call: (212) 750-5833 All Others Call Toll Free: (877) 750-9497	Georgeson Shareholder Communications, Inc. 17 State Street, 10 th Floor New York, New York 10004 Banks and Brokers Call: (212) 440-9800 All Others Call Toll Free: (877) 278-4779

SUMMARY

This summary highlights selected information from this joint proxy statement/prospectus. This summary may not contain all of the information that is important to you. To understand the merger fully and for a more complete description of the legal terms of the merger, you should carefully read this entire joint proxy statement/prospectus and the other documents to which we refer you, including in particular the copies of the merger agreement, the form of voting agreement, the Abbott transaction agreement and the opinions of Merrill Lynch, Bear, Stearns & Co. Inc. (Bear Stearns), J.P. Morgan Securities Inc.(JPMorgan) and Morgan Stanley & Co. Incorporated (Morgan Stanley) that are attached as annexes to this joint proxy statement/prospectus or included or incorporated by reference as exhibits to the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, filed by Boston Scientific with the Securities and Exchange Commission (the SEC). See also "Where You Can Find More Information" on page 163. We have included page references parenthetically to direct you to a more complete description of the topics presented in this summary.

General

The Companies (page 45)

Boston Scientific Corporation
One Boston Scientific Place
Natick, Massachusetts 01760-1537
(508) 650-8000

Boston Scientific is a worldwide developer, manufacturer and marketer of medical devices that are used in a broad range of interventional medical specialties, including interventional cardiology, peripheral interventions, vascular surgery, electrophysiology, neurovascular intervention, oncology, endoscopy, urology, gynecology and neuromodulation. Since Boston Scientific was formed in 1979, Boston Scientific has advanced the practice of less invasive medicine by helping physicians and other medical professionals improve their patients' quality of life by providing alternatives to surgery and other procedures that are typically traumatic to the body.

Guidant Corporation
111 Monument Circle
29th Floor
Indianapolis, Indiana 46204-5129
(317) 971-2000

Guidant is a multinational company that designs, develops, manufactures and markets innovative, high quality, therapeutic medical devices for use in treating cardiac and vascular disease. Approximately 12,000 employees develop, manufacture and market Guidant's medical devices in nearly 100 countries, with key operations in the United States, Europe and Asia.

The Merger (page 47)

On January 25, 2006, Boston Scientific, Guidant and Galaxy Merger Sub, a wholly owned subsidiary of Boston Scientific, entered into the merger agreement, which is the legal document governing the proposed merger. Under the terms of the merger agreement, Galaxy Merger Sub will be merged with and into Guidant, with Guidant continuing as the surviving corporation. Upon the completion of the merger, Guidant will be a wholly owned subsidiary of Boston Scientific and Guidant common stock will no longer be publicly traded.

What Guidant Shareholders Will Receive in the Merger (page 94)

In the merger, holders of Guidant common stock will receive, for each share of Guidant common stock they own, (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. The number of shares of Boston Scientific common stock to be received in exchange for each share of Guidant common stock (the exchange ratio) will be determined by dividing \$38.00 by the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger (the reference price), so long as the reference price is between \$22.62 and \$28.86. The market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock may be greater or less than \$38.00 because the trading price of Boston Scientific common stock at the closing date of the merger may be different than the reference price used to calculate the exchange ratio. In addition:

if the reference price is less than \$22.62, the exchange ratio will be fixed at 1.6799. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be less than \$38.00 to the extent that the trading price of Boston Scientific common stock is less than \$22.62; and

if the reference price is greater than \$28.86, the exchange ratio will be fixed at 1.3167. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be greater than \$38.00 to the extent that the trading price of Boston Scientific common stock is more than \$28.86.

Set forth below is a table showing a range of hypothetical reference prices along with the corresponding exchange ratio, the equivalent value of the merger consideration per share of Guidant common stock resulting from the exchange ratio, the aggregate number of shares of Boston Scientific common stock to be issued to Guidant shareholders that would result from the exchange ratio and the percentage of the outstanding shares of Boston Scientific common stock that will be held by former Guidant shareholders after the consummation of the merger. This table is for illustrative purposes only. The actual prices at which shares of Boston Scientific common stock trade during the reference price determination period will determine the actual reference price and the actual exchange ratio. The actual reference price and actual exchange ratio may differ from the examples below because the actual

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exchange ratio will not be determinable until three trading days prior to the closing date of the merger. This table assumes that the merger occurs on or before March 31, 2006.

Hypothetical Reference Price	Exchange Ratio	Equivalent Price per Share of Guidant Common Stock(1)	Aggregate Number of Shares of Boston Scientific Common Stock to be Issued(2)	Percentage of Outstanding Boston Scientific Common Stock held by Former Guidant Shareholders(3)
\$20.00	1.6799	\$ 75.60	600,871,833	40.68%
\$21.00	1.6799	\$ 77.28	600,871,833	40.68%
\$22.62	1.6799	\$ 80.00	600,871,833	40.68%
\$23.00	1.6522	\$ 80.00	590,964,011	40.28%
\$24.00	1.5833	\$ 80.00	566,319,646	39.25%
\$25.00	1.5200	\$ 80.00	543,678,306	38.29%
\$26.00	1.4615	\$ 80.00	522,753,845	37.36%
\$27.00	1.4074	\$ 80.00	503,403,189	36.49%
\$28.00	1.3571	\$ 80.00	485,411,730	35.65%
\$28.86	1.3167	\$ 80.00	470,961,333	34.96%
\$30.00	1.3167	\$ 81.50	470,961,333	34.96%
\$31.00	1.3167	\$ 82.82	470,961,333	34.96%

- (1) Calculated by adding (a) the cash portion of the merger consideration, or \$42.00, and (b) the market value of the stock portion of the merger consideration, which was calculated by multiplying the hypothetical reference price by the exchange ratio.
- (2) The number of shares of Boston Scientific common stock to be issued in the merger is based on the aggregate number of shares of Guidant common stock outstanding as of January 1, 2006 and issuable upon exercise of outstanding options to purchase shares of Guidant common stock as of January 1, 2006, or 357,683,096 shares of Guidant common stock.
- (3) The percentage of the outstanding Boston Scientific common stock to be held by former Guidant shareholders is based on 820,349,733 shares of Boston Scientific common stock outstanding as of January 1, 2006 and assumes that 56 million shares of Boston Scientific common stock will be issued by Boston Scientific to Abbott pursuant to the Abbott transaction agreement.

Holders of Guidant common stock will receive cash for any fractional shares of Boston Scientific common stock they otherwise would have received in the merger. The amount of cash for any fractional shares each holder of Guidant common stock will receive will be calculated by multiplying (i) the fractional share interest to which that Guidant shareholder is entitled by (ii) the closing price for a share of Boston Scientific common stock on the closing date of the merger as reported on the New York Stock Exchange Composite Transactions Tape.

The \$42.00 in cash, the shares of Boston Scientific common stock to be received in exchange for each share of Guidant common stock and any additional cash to be received by Guidant shareholders in the event the merger is not closed by March 31, 2006 or in lieu of any fractional shares of Boston Scientific common stock, are referred to collectively as the "merger consideration" in this joint proxy statement/prospectus.

Treatment of Guidant Stock Options (page 102)

Outstanding Guidant stock options at the closing date of the merger will be converted into options to purchase Boston Scientific common stock, with appropriate adjustments made to the number of shares and the exercise price under those options based on the value of the merger consideration. Outstanding options held by Guidant employees transferred to Abbott will, at Boston Scientific's election, either be converted into options to purchase Boston Scientific common stock as described above or exchanged for a cash payment equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any

applicable withholding taxes. For a more complete description of the treatment of Guidant stock options, see "*The Merger Effect on Awards Outstanding Under Guidant Stock Incentive Plans*".

Dissenters' Rights (page 100)

Under Delaware law, Boston Scientific stockholders will not have dissenters' rights in connection with the merger.

Under Indiana law, Guidant shareholders will not have dissenters' rights in connection with the merger.

Material United States Federal Income Tax Consequences of the Merger (page 97)

The receipt of the merger consideration in exchange for Guidant common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes. Generally, a Guidant shareholder will recognize gain or loss for United States federal income tax purposes measured by the difference, if any, between (i) the fair market value of the Boston Scientific common stock as of the effective time of the merger and the amount of cash received and (ii) the Guidant shareholder's adjusted tax basis in the Guidant common stock exchanged for the merger consideration.

You should read "*The Merger Material United States Federal Income Tax Consequences of the Merger*" beginning on page 97 for a more complete discussion of the United States federal income tax consequences of the merger. **Tax matters can be complicated, and the tax consequences of the merger to you will depend on your particular tax situation. Boston Scientific and Guidant urge you to consult your tax advisor to determine the tax consequences of the merger to you.**

Recommendation of the Boston Scientific Board of Directors (page 56)

The Boston Scientific board of directors believes that the merger, the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement are in the best interests of Boston Scientific and its stockholders and unanimously approved the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement and recommends that Boston Scientific stockholders vote "**FOR**" the approval of the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders.

To review the background of, and Boston Scientific's reasons for, the merger, as well as certain risks related to the merger, see pages 47 through 60 and pages 25 through 37.

Recommendation of the Guidant Board of Directors (page 60)

The Guidant board of directors (with the exception of one director who was absent due to medical reasons) has unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "**FOR**" the approval of the merger agreement.

To review the background of, and Guidant's reasons for, the merger, as well as certain risks related to the merger, see pages 47 through 56, pages 60 through 65 and pages 25 through 37.

Opinions of Boston Scientific's Financial Advisors (page 65)

In deciding to approve its execution of the merger agreement, the merger, the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement, the Boston Scientific board of directors considered the separate opinions of Merrill Lynch and Bear Stearns, its financial advisors in connection with the merger, that, as of January 15, 2006, the date of the meeting of the Boston Scientific board of directors to approve the submission to Guidant of Boston Scientific's further revised offer to acquire Guidant, and based upon and subject to certain matters described in their respective opinions, the merger consideration to be paid by Boston Scientific was fair, from a financial point of view, to Boston Scientific. The opinions address only the fairness of the merger consideration to Boston Scientific from a financial point of view, do not address the merits of the underlying decision by Boston Scientific to engage in the merger and do not constitute a recommendation to any Boston Scientific stockholder as to how to vote on the proposals to amend the Boston Scientific Second Restated Certificate of Incorporation and to issue shares of Boston Scientific common stock to Guidant shareholders. The written opinions of Merrill Lynch and Bear Stearns, which set forth the assumptions made, matters considered and limitations on the review undertaken in connection with each of the opinions, are attached to this joint proxy statement/prospectus as Annexes C and D, respectively. You are urged to read the opinions carefully and in their entirety.

Opinions of Guidant's Financial Advisors (page 75)

In deciding to approve the merger agreement, the Guidant board of directors considered the separate opinions of JPMorgan and Morgan Stanley, its financial advisors in connection with the merger, that, as of January 24, 2006, the date of the meeting of the Guidant board of directors to approve the merger agreement, and which opinions were confirmed in writing on January 25, 2006 and based upon and subject to certain matters described in their respective opinions, the merger consideration contemplated by the merger agreement was fair, from a financial point of view, to Guidant shareholders. The opinions address only the fairness of the merger consideration to Guidant shareholders from a financial point of view, do not address the merits of the underlying decision by Guidant to engage in the merger and do not constitute a recommendation to any Guidant shareholder as to how to vote on the proposal to approve the merger agreement. The opinions also do not address the prices at which Boston Scientific common stock will trade following the consummation of the merger. The written opinions of JPMorgan and Morgan Stanley, which set forth the assumptions made, matters considered and limitations on the review undertaken in connection with each of the opinions, are attached to this joint proxy statement/prospectus as Annexes E and F, respectively. You are urged to read the opinions carefully and in their entirety.

Interests of Guidant Directors and Executive Officers in the Merger (page 89)

In considering the recommendation of the Guidant board of directors to vote in favor of the approval of the merger agreement, Guidant shareholders should be aware that the members of the Guidant board of directors and Guidant's executive officers have personal interests in the merger that are different from, or in addition to, the interests of other Guidant shareholders. These interests include the following:

all outstanding options to purchase Guidant common stock issued prior to December 15, 2004, the date of the original merger agreement among Johnson & Johnson, Shelby Merger Sub, Inc. and Guidant (the original Johnson & Johnson merger agreement), including those held by Guidant executive officers and directors, became fully exercisable upon receipt of Guidant shareholder approval of the original Johnson & Johnson merger agreement on April 27, 2005. Based upon options outstanding as of April 27, 2005, options held by Guidant's executive officers and directors relating to 794,175 shares of Guidant common stock vested upon receipt of

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Guidant shareholder approval of the original Johnson & Johnson merger agreement. Since receipt of Guidant shareholder approval of the original Johnson & Johnson merger agreement, Guidant has not issued any additional options to purchase Guidant common stock that would become exercisable upon receipt of Guidant shareholder approval of the merger with Boston Scientific;

all restrictions imposed on restricted stock granted prior to the date of the original Johnson & Johnson merger agreement, including restricted stock held by Guidant executive officers and directors, immediately lapsed upon receipt of shareholder approval of the original Johnson & Johnson merger agreement on April 27, 2005. Based upon grants outstanding as of April 27, 2005, restricted stock grants held by Guidant's executive officers and directors relating to 515,250 shares of Guidant common stock had their restrictions lapse upon receipt of shareholder approval of the original Johnson & Johnson merger agreement;

all outstanding options to purchase Guidant common stock existing at the time of the completion of the merger, including those held by Guidant executive officers and directors, will be assumed by Boston Scientific and will become options to purchase Boston Scientific common stock, with appropriate adjustments made to the number of shares and the exercise price under those options based on the value of the merger consideration at the time of the completion of the merger;

all restrictions imposed on restricted stock granted under Guidant's stock incentive plans prior to the date of the merger agreement with Boston Scientific, including restricted stock held by Guidant executive officers and directors, will immediately lapse upon receipt of Guidant shareholder approval of the merger. Based upon grants outstanding as of , 2006, restricted stock grants held by Guidant executive officers and directors relating to shares of Guidant common stock will be subject to accelerated vesting if Guidant shareholders approve the merger;

pursuant to the Abbott transaction agreement, all outstanding options to purchase Guidant common stock held immediately prior to the Abbott transaction closing by any Guidant employee transferred to Abbott will be extinguished and Boston Scientific will provide to the holder of each extinguished option either (i) a payment in cash equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, or (ii) a number of shares of Boston Scientific common stock with a fair market value as of the Abbott transaction closing date equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, determined by appropriately adjusting the number of shares subject to that option and the exercise price of that option based on the value of the merger consideration, as if the option holder had not been transferred to Abbott. The form of payment selected by Boston Scientific must apply to all Guidant employees transferred to Abbott;

Guidant's entry into the original Johnson & Johnson merger agreement, as well as its entry into the merger agreement with Boston Scientific, each constituted a "change in control" under Guidant's change in control plan, which generally entitled the executive officers of Guidant to certain severance payments and other benefits if any Guidant executive officer's employment is terminated during the period beginning with execution of the respective merger agreements and ending two years later (or two years after any later shareholder approval of the merger agreement or consummation of the merger, if the termination is either by Guidant without "cause" or by the executive officer for "good reason" (as those terms are defined in the plan));

Guidant shareholder approval of the original Johnson & Johnson merger agreement constituted, and shareholder approval of the merger agreement with Boston Scientific, as well as completion of the merger with Boston Scientific, will each constitute, a "change in control" under Guidant's

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change in control plan for purposes of establishing a 30-day period beginning on the one year anniversary of the change in control during which a Guidant executive officer may terminate his or her employment for any reason and receive severance payments and benefits; and

effective November 15, 2005, Ronald W. Dollens retired as Director, President and Chief Executive Officer of Guidant and James M. Cornelius, who previously served as non-executive Chairman of the Guidant board of directors, was appointed Chairman and interim Chief Executive Officer of Guidant. Pursuant to the terms of his appointment, Mr. Cornelius is expected to receive an annual salary of \$900,000 and a bonus of \$1.5 million payable upon the completion of the merger.

The Guidant board of directors was aware of these interests and considered them, among other matters, when adopting the merger agreement.

For a more complete description, see "*The Merger Interests of Guidant Directors and Executive Officers in the Merger*".

Arrangements with Abbott (page 96)

To address certain antitrust concerns that may be raised by the merger and to expedite the review of the merger by the relevant antitrust authorities in the United States and the European Union, Boston Scientific and Abbott entered into the Abbott transaction agreement pursuant to which, among other things, Abbott agreed to purchase the Guidant vascular and endovascular businesses for:

an initial payment of \$4.1 billion in cash at the Abbott transaction closing;

a milestone payment of \$250 million upon receipt of an approval from the United States Food and Drug Administration (the FDA) within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in the United States;

a milestone payment of \$250 million upon receipt of an approval from the Ministry of Health, Labor and Welfare of Japan (the Japanese Ministry of Health) within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in Japan; and

the assumption of certain liabilities relating to the Guidant vascular and endovascular businesses by Abbott.

The Abbott transaction closing is subject to, among other things, the satisfaction or waiver of all of the conditions to close the merger and is expected to occur prior to the closing of the merger.

In addition to receiving the initial payment of \$4.1 billion at the Abbott transaction closing, Abbott has agreed to lend Boston Scientific \$900 million on a subordinated basis. The loan will be payable on the fifth anniversary of the Abbott transaction closing and interest will accrue on the outstanding principal amount at a rate of 4.00% per annum.

At the Abbott transaction closing, Abbott will purchase \$1.4 billion in shares of Boston Scientific common stock based on a per share purchase price of the lower of (i) \$25.00 and (ii) the average closing price of Boston Scientific common stock during the five consecutive trading day period ending three trading days prior to the Abbott transaction closing. In addition, 18 months after the Abbott transaction closing, Boston Scientific will issue to Abbott additional shares of Boston Scientific common stock having an aggregate value of up to \$60 million (based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending five trading days prior to the date of issuance of those shares) to reimburse Abbott for the cost of borrowing \$1.4 billion to purchase the shares of Boston Scientific common stock.

Abbott has agreed not to sell any of these shares of Boston Scientific common stock for six months following the Abbott transaction closing unless the average price per share of Boston Scientific

common stock over any consecutive 20 day trading period exceeds \$30.00. In addition, during the 18-month period following the Abbott transaction closing, Abbott will not, in any one month period, sell more than 8.33% of these shares of Boston Scientific common stock. Abbott must apply a portion of the net proceeds from its sale of these shares of Boston Scientific common stock in excess of specified amounts, if any, to reduce the principal amount of the loan from Abbott to Boston Scientific.

As a part of the Abbott transaction, Boston Scientific and Abbott will also enter into supply and license and technology transfer arrangements with respect to the everolimus-based drug-eluting stent system currently in development by Guidant.

Boston Scientific's obligation to complete the merger is not conditioned on consummation of the Abbott transaction.

See also "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120.

Comparison of Rights of Common Stockholders of Boston Scientific and Guidant (page 142)

Guidant shareholders, whose rights are currently governed by the Guidant Amended Articles of Incorporation, the Guidant By-laws and Indiana law, will, upon completion of the merger, become stockholders of Boston Scientific and their rights will be governed by the Boston Scientific Second Restated Certificate of Incorporation (as amended as described in this joint proxy statement/prospectus), the Boston Scientific Restated By-laws and Delaware law.

The Boston Scientific Special Meeting

The special meeting of Boston Scientific stockholders will be held at _____, Boston, Massachusetts, at _____ a.m., local time, on _____, 2006. At the Boston Scientific special meeting, Boston Scientific stockholders will be asked to (i) adopt an amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock and (ii) approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Record Date; Shares Entitled to Vote (page 38)

Boston Scientific stockholders are entitled to vote at the Boston Scientific special meeting if they owned shares of Boston Scientific common stock as of the close of business on _____, 2006, the Boston Scientific record date.

On the Boston Scientific record date, there were _____ shares of Boston Scientific common stock entitled to vote at the Boston Scientific special meeting. Stockholders will have one vote at the Boston Scientific special meeting for each share of Boston Scientific common stock that they owned on the Boston Scientific record date.

Vote Required (page 38)

Adoption of the amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock requires the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock entitled to vote on the amendment. The approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement requires the affirmative vote of a majority of the shares of Boston Scientific common stock participating in the voting on the stock issuance.

Shares Owned by Boston Scientific Directors and Executive Officers (page 39)

On the Boston Scientific record date, directors and executive officers of Boston Scientific beneficially owned and were entitled to vote _____ shares of Boston Scientific common stock, which represented approximately _____ % of the shares of Boston Scientific common stock outstanding on that date. Of this number, _____ shares of Boston Scientific common stock, representing approximately _____ % of the shares of Boston Scientific common stock outstanding on the Boston Scientific record date, were beneficially owned by certain entities related to or affiliated with Pete M. Nicholas (the Nicholas entities), a founder of Boston Scientific and Chairman of the Boston Scientific board of directors, and _____ shares of Boston Scientific common stock, representing approximately _____ % of the shares of Boston Scientific common stock outstanding on the Boston Scientific record date, were beneficially owned by certain entities related to or affiliated with John E. Abele (the Abele entities), a founder of Boston Scientific and a member of the Boston Scientific board of directors.

Each Nicholas entity and Abele entity has entered into a voting agreement with Guidant pursuant to which the entity has agreed to vote the shares of Boston Scientific common stock beneficially owned by it in favor of the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement and against any proposal which would impede, prevent or materially delay the consummation of the merger, the adoption of the amendment to the Boston Scientific Second Restated Certificate of Incorporation or the approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

The Guidant Special Meeting

The special meeting of Guidant shareholders will be held at Guidant's corporate headquarters, 111 Monument Circle, Indianapolis, Indiana 46204-5129, at _____ a.m., local time, on _____, 2006. At the Guidant special meeting, Guidant shareholders will be asked to approve the merger agreement.

Record Date; Shares Entitled to Vote (page 42)

Guidant shareholders are entitled to vote at the Guidant special meeting if they owned shares of Guidant common stock as of the close of business on _____, 2006, the Guidant record date.

On the Guidant record date, there were _____ shares of Guidant common stock entitled to vote at the Guidant special meeting. Shareholders will have one vote at the Guidant special meeting for each share of Guidant common stock that they owned on the Guidant record date.

Vote Required (page 42)

Approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote on the Guidant record date.

Shares Owned by Guidant Directors and Executive Officers (page 43)

On the Guidant record date, directors and executive officers of Guidant beneficially owned and were entitled to vote _____ shares of Guidant common stock, which represented approximately _____ % of the shares of Guidant common stock outstanding on that date.

The Merger Agreement

The merger agreement is attached as Annex A to this joint proxy statement/prospectus. Boston Scientific and Guidant encourage you to read the merger agreement because it is the principal document governing the merger.

Conditions to the Completion of the Merger (page 105)

Boston Scientific and Guidant are obligated to complete the merger only if they satisfy, or in some cases, waive, several conditions, including the following:

the merger agreement has been approved by the affirmative vote of shareholders of Guidant representing a majority of the shares of Guidant common stock outstanding and entitled to vote at the Guidant special meeting;

(i) the amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock has been approved by the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock entitled to vote on the amendment and (ii) the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement has been approved by the affirmative vote of a majority of the shares of Boston Scientific common stock participating in the voting on the stock issuance;

the shares of Boston Scientific common stock to be issued to Guidant shareholders upon completion of the merger have been approved for listing on the New York Stock Exchange;

the waiting period applicable to the merger under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 has expired or has been terminated;

the European Commission has issued, or has been deemed to have issued, a decision under Article 6(1)(b), 8(1) or 8(2) of the European Commission merger regulation declaring the merger compatible with the Common Market;

no temporary restraining order, preliminary or permanent injunction or other judgment or court order or statute, law, rule, legal restraint or prohibition is in effect that prevents the completion of the merger;

the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, has been declared effective by the SEC and is not the subject of any stop order or proceedings seeking a stop order; and

other customary conditions set forth in the merger agreement.

In addition, Boston Scientific is obligated to complete the merger only if there is no pending suit, action or proceeding by any governmental entity:

seeking to restrain or prohibit the consummation of the merger;

seeking to impose limitations on the ownership of shares of Guidant common stock by Boston Scientific;

seeking to prohibit Boston Scientific from effectively controlling in any material respect the business or operations of Guidant;

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seeking any divestiture that is not required to be effected pursuant to the merger agreement; or

that has had, or would reasonably be expected to have, a material adverse effect on Boston Scientific or Guidant.

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Further, Boston Scientific is obligated to complete the merger only if there is no temporary restraining order, preliminary or permanent injunction or other judgment or court order or statute, law, rule, legal restraint or prohibition that is in effect that would reasonably be expected to result in any of the effects referred to in the list above.

Boston Scientific and Guidant have agreed that no effects on Guidant's business relating to or arising from any product recalls announced by Guidant prior to the date of the merger agreement or any related pending or future litigation, governmental investigations or other developments will be considered in determining whether a material adverse effect has occurred or is reasonably likely to occur for any purposes of the merger agreement or whether there is or may be any failure of any of the closing conditions to the merger.

For a more complete description of the conditions to completion of the merger, see "*The Merger Agreement Conditions to the Completion of the Merger*".

Termination of the Merger Agreement; Termination Fee (pages 110 through 113)

The merger agreement contains provisions addressing the circumstances under which Boston Scientific or Guidant may terminate the merger agreement. In addition, the merger agreement provides that, in several circumstances, Guidant may be required to pay Boston Scientific a termination fee of \$800 million and Boston Scientific may be required to pay Guidant a termination fee of \$800 million. In addition, if the merger agreement is terminated by Boston Scientific due to a breach of the merger agreement by Guidant or in circumstances that require Guidant to pay a termination fee to Boston Scientific, then Guidant must repay Boston Scientific for the \$705 million Johnson & Johnson termination fee previously reimbursed by Boston Scientific to Guidant.

For a more complete description, see "*The Merger Agreement Termination of the Merger Agreement*" and "*Fees and Expenses*".

Additional Terms (pages 116)

Subject to the terms and conditions of the merger agreement, Boston Scientific and Guidant have agreed to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other party in doing, all things necessary to consummate and make effective, in the most expeditious manner practicable, the merger and the other transactions contemplated by the merger agreement, including using reasonable best efforts to accomplish the following:

the taking of all acts necessary to cause the conditions to closing to be satisfied as promptly as practicable;

the obtaining of all necessary actions or nonactions, waivers, consents and approvals from governmental entities and the making of all necessary registrations and filings and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any governmental entity;

the avoidance of each and every impediment under any antitrust, merger control, competition or trade regulation law that may be asserted by any governmental entity with respect to the merger; and

the obtaining of all necessary consents, approvals or waivers from third parties, including any consents, approvals or waivers required in connection with any divestiture.

As a result of these requirements, Boston Scientific and Guidant may have to agree to divest certain assets. In that regard, Boston Scientific has agreed, if required, not to acquire the Guidant

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vascular and endovascular businesses, and would agree, if required, not to acquire any rights to Guidant's drug-eluting stent program, as well as to divest all assets of Boston Scientific that relate to cardiac ablation and beating heart surgery products, including Guidant's cardiac ablation and beating heart surgery assets collaterally impacted by the Guidant vascular and endovascular businesses, and all of Boston Scientific's equity interests in Cameron Health, Inc. Pursuant to the Abbott transaction agreement, Abbott has agreed to acquire the Guidant vascular and endovascular businesses and Boston Scientific will share Guidant's existing drug-eluting stent program with Abbott. See "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120.

Regulatory Matters (page 99)

United States antitrust laws prohibit Boston Scientific and Guidant from completing the merger until they have furnished certain information and materials to the Antitrust Division of the United States Department of Justice and the Federal Trade Commission (the FTC) and a required waiting period has ended. Boston Scientific and Guidant filed the required notification and report forms with the Antitrust Division and the FTC regarding the merger on February 6, 2006.

Both Boston Scientific and Guidant conduct business in member states of the European Union. Council Regulation No. 139/2004, as amended, and accompanying regulations require notification to, and approval by, the European Commission of specific mergers or acquisitions involving parties with worldwide sales and individual European Union sales exceeding specified thresholds before these mergers and acquisitions can be implemented. As is customary in connection with filings with the European Commission regarding merger transactions, Boston Scientific has submitted a draft filing regarding the merger to the European Commission. Boston Scientific will formally notify the European Commission of the merger when its discussions with the European Commission regarding the draft filing conclude.

During the last several weeks, Boston Scientific and Abbott have had significant discussions with the FTC and the European Commission regarding the merger and the Abbott transaction, and Boston Scientific expects that it will receive the necessary clearances and approvals from the relevant antitrust authorities for the merger on or before March 31, 2006.

Fees and Expenses (page 112)

Each of Boston Scientific and Guidant will pay its own fees and expenses in connection with the merger, except that they will share equally the expenses incurred in connection with the printing and mailing of the registration statement of which this joint proxy statement/prospectus is a part. In addition, Boston Scientific reimbursed Guidant for the \$705 million termination fee paid by Guidant to Johnson & Johnson in connection with the termination of the Johnson & Johnson merger agreement. If the merger agreement with Boston Scientific is terminated by Boston Scientific due to a breach of the merger agreement by Guidant or in circumstances that require Guidant to pay a termination fee to Boston Scientific, then Guidant must repay Boston Scientific for the \$705 million Johnson & Johnson termination fee previously reimbursed by Boston Scientific to Guidant.

For a more complete description of Guidant's repayment obligation, see "*The Merger Agreement Fees and Expenses.*"

Termination of Johnson & Johnson Merger Agreement (page 113)

On January 25, 2006, Guidant terminated the Johnson & Johnson merger agreement in accordance with its terms. In connection with the termination of the Johnson & Johnson merger agreement, Guidant paid Johnson & Johnson a termination fee of \$705 million. Pursuant to the terms of the merger agreement, Boston Scientific reimbursed Guidant for the full amount of the termination fee paid to Johnson & Johnson.

Market Prices and Dividend Information

Shares of Boston Scientific common stock and Guidant common stock are listed on the New York Stock Exchange. The following table presents the last reported sale prices of Boston Scientific common stock and Guidant common stock, as reported by the New York Stock Exchange Composite Transactions Tape on:

December 2, 2005, the last full trading day prior to the public announcement of Boston Scientific's proposal to acquire Guidant;

January 24, 2006, the last full trading day prior to the public announcement of the merger agreement; and

, 2006, the last full trading day prior to mailing this joint proxy statement/prospectus.

The table also presents the equivalent value of the merger consideration per share of Guidant common stock on those dates.

	Boston Scientific Common Stock	Guidant Common Stock	Equivalent Price Per Share of Guidant Common Stock(1)
December 2, 2005	\$ 27.33	\$ 61.82	\$ 80.00
January 24, 2006	\$ 24.00	\$ 76.78	\$ 80.00
, 2006	\$	\$	\$

(1) Calculated by adding (a) the cash portion of the merger consideration, or \$42.00, and (b) the market value of the stock portion of the merger consideration, which will equal \$38.00, assuming that the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger is between \$22.62 and \$28.86.

These prices will fluctuate prior to the closing date of the merger, and Boston Scientific and Guidant stockholders are urged to obtain current market quotations prior to making any decision with respect to the merger.

Boston Scientific has historically not paid regular quarterly dividends. Guidant declares and pays regular quarterly dividends. See "*Comparative Stock Prices and Dividends*".

Comparative Per Share Information

The following table sets forth for the periods presented certain per share data of Boston Scientific and Guidant on a historical basis and on an unaudited pro forma basis after giving effect to the merger under the purchase method of accounting, assuming that approximately 548.5 million shares of Boston Scientific common stock had been issued in exchange for all outstanding shares of Guidant common stock. The historical per share data of Boston Scientific and Guidant has been derived from, and should be read in conjunction with, the historical financial statements of Boston Scientific and Guidant incorporated by reference in this joint proxy statement/prospectus. See "*Where You Can Find More Information*". The unaudited pro forma per share data has been derived from, and should be read in conjunction with, the unaudited pro forma condensed consolidated financial statements included elsewhere in this joint proxy statement/prospectus. See "*Unaudited Pro Forma Condensed Consolidated Financial Statements*".

The Guidant unaudited pro forma equivalent data was calculated by multiplying the corresponding Boston Scientific unaudited pro forma consolidated data by an assumed exchange ratio of 1.6429 which is estimated using the average Boston Scientific closing price beginning two days before and ending two days after January 25, 2006, the date of the merger agreement. The actual exchange ratio will be based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger. The exchange ratio does not include the \$42.00 per share cash portion of the merger consideration and assumes that the merger will be completed on or before March 31, 2006. This data shows how each share of Guidant common stock would have participated in the net income and book value of Boston Scientific if the companies had always been consolidated for accounting and financial reporting purposes for all periods presented. These amounts, however, are not intended to reflect future per share levels of net income and book value of the combined company.

	Year Ended December 31, 2004	Unaudited Nine Months Ended September 30, 2005
BOSTON SCIENTIFIC HISTORICAL		
Per common share data:		
Net income:		
Basic	\$ 1.27	\$ 0.36
Assuming dilution	1.24	0.35
Unaudited book value per share	4.82	4.76
GUIDANT HISTORICAL		
Per common share data:		
Income from continuing operations:		
Basic	\$ 1.84	\$ 1.11
Assuming dilution	1.78	1.08
Dividends declared per common share	0.40	0.30
Unaudited book value per share	11.67	13.68
BOSTON SCIENTIFIC UNAUDITED PRO FORMA CONSOLIDATED WITH GUIDANT		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.56	\$ 0.08
Assuming dilution	0.54	0.08
Unaudited book value per share (basic)		13.36
GUIDANT UNAUDITED PRO FORMA EQUIVALENTS		
Per common share data:		
Income from continuing operations:		
Basic	\$ 0.92	\$ 0.13
Assuming dilution	0.89	0.13
Unaudited book value per share (basic)		21.95

Selected Historical Consolidated Financial Data of Boston Scientific

The following selected consolidated financial information of Boston Scientific as of and for each of the three years in the period ended December 31, 2004 has been derived from Boston Scientific's audited historical financial statements incorporated by reference in this joint proxy statement/prospectus. The consolidated financial statements for those periods were audited by Ernst & Young LLP, an independent registered public accounting firm. The following selected consolidated financial information for the years ended December 31, 2000 and December 31, 2001 and as of December 31, 2000, December 31, 2001 and December 31, 2002 has been derived from Boston Scientific's audited historical consolidated financial statements, which are not included or incorporated by reference in this joint proxy statement/prospectus. The following selected consolidated financial information of Boston Scientific as of and for the nine-month periods ended September 30, 2004 and September 30, 2005 has been derived from unaudited consolidated financial statements included in Boston Scientific's quarterly report on Form 10-Q for the period ended September 30, 2005 incorporated by reference in this joint proxy statement/prospectus, and, in the opinion of Boston Scientific management, includes all adjustments consisting only of normal recurring adjustments, necessary for a fair presentation of such information for the interim periods. The operating results for the nine months ended September 30, 2005 are not necessarily indicative of the results for the full year ending December 31, 2005. The following information should be read in conjunction with management's discussion and analysis of financial condition and results of operations of Boston Scientific and the consolidated financial statements and notes thereto of Boston Scientific incorporated by reference into this joint proxy statement/prospectus.

	Year Ended December 31,					Unaudited Nine Months Ended September 30,	
	2000	2001	2002	2003	2004	2004	2005
(in millions, except per share data)							
Operating Data:							
Net sales	\$ 2,664	\$ 2,673	\$ 2,919	\$ 3,476	\$ 5,624	\$ 4,024	\$ 4,743
Gross profit	1,832	1,754	2,049	2,515	4,332	3,060	3,699
Income before income taxes	527	44	549	643	1,494	1,035	453
Net income/(loss)	\$ 373	\$ (54)	\$ 373	\$ 472	\$ 1,062	\$ 765	\$ 294
Net income/(loss) per common share							
Basic	\$ 0.46	\$ (0.07)	\$ 0.46	\$ 0.57	\$ 1.27	\$ 0.91	\$ 0.36
Assuming dilution	\$ 0.46	\$ (0.07)	\$ 0.45	\$ 0.56	\$ 1.24	\$ 0.89	\$ 0.35
Balance Sheet Data (as of the period end):							
Total assets	\$ 3,427	\$ 3,974	\$ 4,450	\$ 5,699	\$ 8,170	\$ 7,983	\$ 8,076
Long-term debt	574	973	847	1,172	1,139	1,740	2,430
Stockholders' equity	\$ 1,935	\$ 2,015	\$ 2,467	\$ 2,862	\$ 4,025	\$ 4,005	\$ 3,901

Selected Historical Consolidated Financial Data of Guidant

The following selected consolidated financial information of Guidant as of and for each of the three years in the period ended December 31, 2004 has been derived from Guidant's audited historical financial statements incorporated by reference in this joint proxy statement/prospectus. The consolidated financial statements for those periods were audited by Ernst & Young LLP, an independent registered public accounting firm. The following selected consolidated financial information for the years ended December 31, 2000 and December 31, 2001 and as of December 31, 2000, December 31, 2001 and December 31, 2002 has been derived from Guidant's audited historical consolidated financial statements, which are not included or incorporated by reference in this joint proxy statement/prospectus. The following selected consolidated financial information of Guidant as of and for the nine-month periods ended September 30, 2004 and September 30, 2005 has been derived from the unaudited consolidated financial statements included in Guidant's quarterly report on Form 10-Q for the period ended September 30, 2005 incorporated by reference in this joint proxy statement/prospectus and, in the opinion of Guidant management, includes all adjustments consisting only of normal recurring adjustments, necessary for a fair presentation of such information for the interim periods. The operating results for the nine months ended September 30, 2005 are not necessarily indicative of the results for the full year ending December 31, 2005. The following information should be read in conjunction with management's discussion and analysis of financial condition and results of operations of Guidant and the consolidated financial statements and notes thereto of Guidant incorporated by reference into this joint proxy statement/prospectus.

	Year ended December 31,					Unaudited Nine Months Ended September 30,	
	2000	2001	2002	2003	2004	2004	2005
(in millions, except per share data)							
Operating Data:							
Net sales	\$ 2,464.3	\$ 2,636.8	\$ 3,120.9	\$ 3,644.8	\$ 3,765.6	\$ 2,797.4	\$ 2,722.4
Gross profit	1,894.0	2,023.9	2,378.9	2,767.4	2,844.0	2,107.8	1,980.7
Income from continuing operations	397.2	538.5	669.3	419.3	573.0	449.3	358.2
Net income	374.3	484.0	611.8	330.3	524.0	419.5	335.0
Earnings per share basic:							
Income from continuing operations	\$ 1.32	\$ 1.79	\$ 2.22	\$ 1.37	\$ 1.84	\$ 1.45	\$ 1.11
Loss from discontinued operations, net of income taxes	(0.08)	(0.18)	(0.19)	(0.29)	(0.16)	(0.10)	(0.07)
Net income	\$ 1.24	\$ 1.61	\$ 2.03	\$ 1.08	\$ 1.68	\$ 1.35	\$ 1.04
Earnings per share diluted:							
Income from continuing operations	\$ 1.28	\$ 1.76	\$ 2.19	\$ 1.34	\$ 1.78	\$ 1.40	\$ 1.08
Loss from discontinued operations, net of income taxes	(0.07)	(0.18)	(0.19)	(0.28)	(0.15)	(0.09)	(0.07)
Net income	\$ 1.21	\$ 1.58	\$ 2.00	\$ 1.06	\$ 1.63	\$ 1.31	\$ 1.01
Dividends declared per common share				\$ 0.24	\$ 0.40	\$ 0.30	\$ 0.30
Balance Sheet Data (as of period end):							
Total assets	\$ 2,521.4	\$ 2,916.8	\$ 3,716.1	\$ 4,640.1	\$ 5,372.2	\$ 5,155.0	\$ 5,984.7
Borrowing (long and short term)	808.9	760.0	368.5	948.3	659.2	776.9	355.1
Shareholders' equity	\$ 1,183.5	\$ 1,545.8	\$ 2,321.8	\$ 2,713.3	\$ 3,742.1	\$ 3,445.3	\$ 4,532.9

Selected Unaudited Pro Forma Condensed Combined Consolidated Financial Information

The following selected unaudited pro forma condensed consolidated financial information of Boston Scientific and Guidant combine the consolidated financial information of Boston Scientific for the year ended December 31, 2004, and as of and for the nine months ended September 30, 2005, with the consolidated financial information of Guidant for the year ended December 31, 2004, and as of and for the nine months ended September 30, 2005, assuming completion of the Abbott transaction. The selected unaudited pro forma condensed consolidated financial information is derived from the unaudited pro forma condensed consolidated financial statements contained elsewhere in this joint proxy statement/prospectus. See *"Unaudited Pro Forma Condensed Consolidated Financial Statements."*

Boston Scientific and Guidant present the unaudited pro forma condensed consolidated financial information for informational purposes only. The pro forma information is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had Boston Scientific and Guidant completed the merger on the dates indicated. In addition, the unaudited pro forma condensed consolidated financial information does not purport to project the future financial position or operating results of the combined company.

The unaudited pro forma condensed consolidated financial information includes preliminary estimates to reflect the sale of the Guidant vascular and endovascular businesses to Abbott for \$4.1 billion. Net sales, expenses, assets and liabilities directly associated with, or primarily related to, the Guidant vascular and endovascular businesses were eliminated.

Boston Scientific and Guidant prepared the unaudited pro forma condensed consolidated financial information using the purchase method of accounting with Boston Scientific treated as the acquiror. The unaudited pro forma condensed consolidated financial information does not give effect to any potential cost savings or other operating efficiencies that could result from the merger. In addition, Boston Scientific's cost to acquire Guidant will be allocated to the assets acquired and liabilities assumed based upon their estimated fair values as of the date of acquisition. The allocation is dependent upon certain valuations and other studies that have not progressed to a stage where there is sufficient information to make a definitive allocation. Accordingly, the purchase price allocation, pro forma adjustments and related amortization are preliminary and have been made solely for the purpose of providing unaudited pro forma condensed consolidated financial information in this joint proxy statement/prospectus.

	Year Ended December 31, 2004	Nine Months Ended September 30, 2005
(in millions, except per share data)		
Operating Data:		
Net sales	\$ 8,260	\$ 6,646
Gross profit	6,188	5,087
Income before income taxes	1,038	79
Net income from continuing operations	786	113
Net income from continuing operations per common share		
Basic	\$ 0.56	\$ 0.08
Assuming dilution	\$ 0.54	\$ 0.08
Balance Sheet Data (as of the period end):		
Total assets		\$ 36,626
Long-term debt		10,385
Stockholders' equity		\$ 18,967

RISK FACTORS

In addition to the other information included and incorporated by reference in this joint proxy statement/prospectus, Boston Scientific and Guidant stockholders should consider carefully the matters described below in determining whether to approve the merger, the merger agreement and the other related matters.

Risks Related to the Merger

Because the market price of Boston Scientific common stock may fluctuate, and the closing date of the merger is not yet ascertainable, Guidant shareholders cannot be certain of the precise value of the merger consideration they will receive in the merger.

Each share of Guidant common stock will be converted into the right to receive (i) \$42.00 in cash, (ii) a number of shares of Boston Scientific common stock equal to the exchange ratio, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. The exchange ratio will be determined by dividing \$38.00 by the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger (the reference price), so long as the reference price is between \$22.62 and \$28.86. The market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock may be greater or less than \$38.00 because the trading price of Boston Scientific common stock at the closing date of the merger may be different than the reference price used to calculate the exchange ratio. In addition:

if the reference price is less than \$22.62, the exchange ratio will be fixed at 1.6799. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be less than \$38.00 to the extent that the trading price of Boston Scientific common stock is less than \$22.62; and

if the reference price is greater than \$28.86, the exchange ratio will be fixed at 1.3167. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be greater than \$38.00 to the extent that the trading price of Boston Scientific common stock is more than \$28.86.

The prices of Boston Scientific common stock and Guidant common stock at the closing date of the merger or when the Boston Scientific common stock is received by Guidant shareholders may vary from their respective prices on the date of this joint proxy statement/prospectus and on the date of the Boston Scientific and Guidant special meetings. These prices may vary as a result of changes in the business, operations or prospects of Boston Scientific or Guidant, market assessments of the likelihood that the merger will be completed, the timing of the completion of the merger, the prospects of post-merger operations, regulatory considerations, general market and economic conditions and other factors.

In addition, if the merger is not closed by March 31, 2006, Boston Scientific has agreed to pay, as a part of the merger consideration, an additional \$0.0132 in cash per share of Guidant common stock for each day beginning on April 1, 2006 through the closing date of the merger. Based on the 333,836,398 shares of Guidant common stock outstanding as of January 1, 2006, Boston Scientific would have to pay an aggregate of approximately \$4.41 million in cash as additional merger consideration for each day beginning on April 1, 2006 through the closing date of the merger. While Boston Scientific and Guidant currently intend to close the merger by the end of the first quarter of 2006, no assurances can be made as to when the closing will occur or the aggregate amount of cash that will be payable to Guidant shareholders in connection with the merger.

The integration of Boston Scientific and Guidant following the merger and the separation of the Guidant vascular and endovascular businesses from Guidant's other businesses may present significant challenges.

Boston Scientific and Guidant may face significant challenges in combining their operations and product lines in a timely and efficient manner and retaining key Guidant personnel. In addition,

because Abbott will be acquiring the Guidant vascular and endovascular businesses prior to the consummation of the merger, these businesses will need to be separated from Guidant's other businesses before the closing of the merger. This integration will be complex and time-consuming, and the separation of the Guidant businesses required by the Abbott transaction will add complexity to the integration process. The failure to integrate Boston Scientific and Guidant successfully and to manage the challenges presented by the integration process successfully, including the retention of key Guidant personnel, may result in the combined company and its stockholders not achieving the anticipated potential benefits of the merger.

Boston Scientific will incur significant indebtedness in order to finance the merger, which will limit the combined company's operating flexibility.

In order to finance the cash portion of the merger consideration, Boston Scientific will borrow a significant amount of money. On September 30, 2005, on a pro forma basis after giving effect to the merger and the Abbott transaction, the combined company had \$10.4 billion in long-term debt outstanding. This level of indebtedness may:

require the combined company to dedicate a significant portion of its cash flow from operations to payments on its debt, thereby reducing the availability of cash flow to fund capital expenditures, to pursue other acquisitions or investments in new technologies and for general corporate purposes;

increase the combined company's vulnerability to general adverse economic conditions, including increases in interest rates; and

limit the combined company's flexibility in planning for, or reacting to, changes in or challenges relating to its business and industry.

In addition, the terms of the financing obligations to be incurred by Boston Scientific in order to finance the cash portion of the merger consideration will contain restrictions substantially similar to the restrictions contained in Boston Scientific's current financing obligations, including limitations on Boston Scientific's ability to, among other things:

increase consolidated leverage (total debt to earnings before interest, taxes, depreciation and amortization (EBITDA))

incur certain additional interest expense charges (EBITDA to interest expense);

incur additional indebtedness pursuant to receivables transactions;

create or incur liens;

sell all or substantially all of its assets; and

consolidate or merge with another entity.

These restrictions will be applicable to the combined company after the merger. In addition, to the extent that the credit ratings of the combined company are below pre-merger levels, borrowing costs may increase, and to the extent that the credit ratings are below investment grade, the restrictions in these financing obligations are expected to be more stringent and could include additional covenants, conditions to borrowing, subsidiary guarantees and stock pledges. A failure to comply with these restrictions could result in a default under these financing obligations or could require the combined company to obtain waivers from its lenders for failure to comply with these restrictions. The occurrence of a default that remains uncured or the inability to secure a necessary consent or waiver could have a material adverse effect on the combined company's business, financial condition and results of operations.

Boston Scientific expects that, upon consummation of the merger, the credit ratings of the combined company will be downgraded from Boston Scientific's current credit ratings and it is possible that the combined company's credit ratings could fall below investment grade.

Boston Scientific currently has investment grade credit ratings. However, upon consummation of the merger, Boston Scientific expects that the credit rating of the combined company will be downgraded in light of the substantial amount of debt it will have incurred in connection with the merger to a lower investment grade rating. It is also possible that the credit rating agencies could downgrade the credit ratings of the combined company to below investment grade. The credit ratings assigned to the combined company's indebtedness affect both its ability to obtain new financing and the cost of financing and credit. If the combined company's credit ratings were to be further downgraded, its borrowing costs may increase, it may become subject to more stringent covenants and its access to unsecured debt markets could be limited. In addition, the combined company may not be able to refinance its indebtedness on terms acceptable to it, if at all.

Boston Scientific and Guidant will incur transaction, integration and restructuring costs in connection with the merger.

Boston Scientific and Guidant expect to incur significant costs associated with transaction fees, professional services, taxes and other costs related to the merger and the Abbott transaction. Specifically, Boston Scientific and Guidant expect to incur approximately \$165 million for transaction costs related to the merger and the Abbott transaction. Furthermore, Guidant incurred a termination fee of \$705 million in connection with the termination of the Johnson & Johnson merger agreement, which termination fee was reimbursed in full by Boston Scientific. In addition, the combined company will incur integration and restructuring costs following the completion of the merger as the combined company integrates certain businesses of Guidant with those of Boston Scientific. Although Boston Scientific and Guidant expect that the realization of efficiencies related to the integration of the businesses may offset incremental transaction, merger-related and restructuring costs over time, no assurances can be made that this net benefit will be achieved in the near term, or at all.

Obtaining required approvals and satisfying closing conditions may delay or prevent completion of the merger.

Completion of the merger is conditioned upon the receipt of all material governmental authorizations, consents, orders and approvals, including the expiration or termination of the applicable waiting period, and any extension of the waiting period, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and approval by the European Commission under European Commission merger regulations. While the merger agreement requires certain divestitures, including the divestiture of the Guidant vascular and endovascular businesses, and the Abbott transaction agreement has been entered into in order to effect that divestiture prior to the merger, these consents, orders and approvals may impose conditions on, or require divestitures relating to, the divisions, operations or assets of Boston Scientific or Guidant in addition to the Abbott transaction and could require modification to the terms of the Abbott transaction agreement in a manner adverse to Boston Scientific or the combined company. These conditions or divestitures may jeopardize or delay completion of the Abbott transaction or the merger or may reduce the anticipated benefits of the Abbott transaction or the merger. Further, no assurance can be given that the required consents and approvals will be obtained or that the required conditions to closing will be satisfied, and, if all required consents and approvals are obtained and the conditions are satisfied, no assurance can be given as to the terms, conditions and timing of the approvals or that they will satisfy the terms of the merger agreement. Additionally, completion of the merger is conditioned on the absence of certain restraining orders or injunctions by judgment, court order or law that would restrain or prohibit consummation of the merger. Boston Scientific and Guidant have received recent claims related to the merger from plaintiffs seeking an injunction to prohibit consummation of the merger and other relief including monetary damages. See "*The Merger Agreement Conditions to the Completion of the Merger*"

for a discussion of other conditions to the completion of the merger and "*The Merger Regulatory Matters*" for a description of the regulatory approvals necessary in connection with the merger.

Boston Scientific's obligation to complete the merger is not conditioned on the consummation of the Abbott transaction.

Boston Scientific's obligation to complete the merger is not conditioned on the consummation of the Abbott transaction. If the Abbott transaction is not consummated or is delayed for any reason, Boston Scientific and Guidant may be required to seek an alternative transaction or transactions to address concerns raised by the applicable antitrust authorities, which could delay or prevent the consummation of the merger. In addition, if the Abbott transaction is not consummated, Boston Scientific may have to secure alternative debt and equity financing to that contemplated by the Abbott transaction, which may be on terms less favorable to Boston Scientific than the debt and equity financing to be provided as part of the Abbott transaction. Depending on how quickly Boston Scientific could secure such alternative financing, the operating flexibility and credit ratings of the combined company could be adversely affected.

Boston Scientific common stock may be affected by factors different from those affecting the price of Guidant common stock.

Upon completion of the merger, holders of Guidant common stock will become holders of Boston Scientific common stock. Boston Scientific's business is different from that of Guidant, and Boston Scientific's results of operations, as well as the price of Boston Scientific common stock, may be affected by factors different than those affecting Guidant's results of operations and the price of Guidant common stock. For a discussion of Boston Scientific's and Guidant's businesses and certain factors to consider in connection with such businesses, see "*Risks Related to the Combined Company*", as well as the respective sections entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" in each of Boston Scientific's and Guidant's annual reports on Form 10-K for the year ended December 31, 2004, and in their respective quarterly reports on Form 10-Q for the periods ended March 31, 2005, June 30, 2005 and September 30, 2005, and other documents incorporated by reference herein.

Boston Scientific stockholders' ownership percentage of Boston Scientific will be diluted and the merger will result in dilution to Boston Scientific's earnings per share.

In connection with the merger, Boston Scientific will issue to Guidant shareholders shares of Boston Scientific common stock. As a result of the issuance of these shares of Boston Scientific common stock, Boston Scientific stockholders will own a smaller percentage of Boston Scientific after the merger. The merger will also result in dilution to Boston Scientific's earnings per share. For more information on the dilution to Boston Scientific's earnings per share, see "*Unaudited Pro Forma Condensed Consolidated Financial Statements*."

Risks Related to the Combined Company

Since June of 2005, Guidant has issued a number of product advisories to physicians concerning its defibrillator and pacemaker systems due to reported adverse events and malfunctions that have adversely impacted its sales and market share and could have an adverse effect on the business, financial condition and results of operations of the combined company.

Since June of 2005, Guidant has issued a number of product advisories to physicians concerning its defibrillator and pacemaker systems due to reported adverse events and malfunctions described in more detail in "*The Merger Background to the Merger*" and Guidant's quarterly report on Form 10-Q for the period ended June 30, 2005, quarterly report on Form 10-Q for the period ended September 30, 2005 and other documents incorporated by reference into this joint proxy statement/prospectus. For the three months ended September 30, 2005, Guidant reported that its worldwide sales had decreased 14% compared to the same period in 2004, primarily due to the impact of various implantable defibrillator and pacemaker system field actions incurred through the third quarter of 2005, including certain

voluntary product recalls and physician notifications (product recalls). These product recalls included Guidant's voluntary decision on June 24, 2005 to temporarily stop selling Guidant's leading defibrillator systems, which were returned to the market beginning on August 2, 2005. The impact of the product recalls resulted in Guidant having a lower market share for implantable defibrillator and pacemaker systems for the third quarter of 2005 compared to the third quarter of the prior year. While Guidant has made progress in regaining market share and sales of these devices, there can be no assurance that the combined company will be able to regain that market share or sales, if at all. If the combined company is able to regain Guidant's prior market share and sales, there can be no assurance as to when the combined company's market share and sales will return to its pre-product recall levels, due to, among other things, customer perceptions of the product recalls, market acceptance of recently launched products, and regulatory and competitive developments. If the combined company is unable to regain market share and sales for its implantable defibrillator and pacemaker systems or does not regain market share and sales on a timely basis, these failures could have a material adverse effect on the business, financial condition and results of operations of the combined company. There can be no assurance that the combined company will not have product recalls concerning defibrillator and pacemaker systems in the future or that any product recalls would not have a material adverse effect on its business, financial condition and results of operations.

The FDA, the Department of Justice, and the SEC are conducting, and other governmental entities may commence, investigations of Guidant in connection with Guidant's product recalls which could have an adverse effect on the business, financial condition and results of operations of Guidant and the combined company.

The FDA, the Department of Justice, and the SEC are conducting, and other governmental entities may commence, investigations of Guidant in connection with Guidant's product recalls as described in more detail in Guidant's quarterly report on Form 10-Q for the period ended September 30, 2005 and in other documents incorporated by reference into this proxy statement/prospectus. While Guidant is cooperating with officials in connection with these investigations, Guidant cannot predict when these investigations will be resolved, the outcome of these investigations or their impact on Guidant or the combined company. An adverse outcome in any of these investigations could include the commencement of civil and/or criminal proceedings involving substantial fines, penalties and injunctive or administrative remedies, including the exclusion of Guidant and the combined company from government reimbursement programs. Additionally, if these investigations continue over a long period of time, they could divert the attention of management from the day-to-day operations of Guidant's and the combined company's business, impose significant administrative burdens on Guidant and the combined company and result in additional compliance or other costs. These potential consequences, as well as any material adverse outcome from any of these investigations, could have an adverse effect on Guidant's and the combined company's business, financial condition and results of operations.

The combined company will be subject to extensive domestic and foreign medical device regulation which may impede or hinder the approval process for their products and, in some cases, may not ultimately result in approval or may result in the recall or seizure of previously approved products.

The products, development activities and manufacturing processes of Boston Scientific and Guidant are, and of the combined company will be, subject to extensive and rigorous regulation by the FDA pursuant to the Federal Food, Drug, and Cosmetic Act (the FDC Act), by comparable agencies in foreign countries, and by other regulatory agencies and governing bodies. Under the FDC Act, medical devices must receive FDA clearance or approval before they can be commercially marketed in the United States. In addition, most major markets for medical devices outside the United States require clearance, approval or compliance with certain standards before a product can be commercially

marketed. The process of obtaining marketing approval or clearance from the FDA for new products, or with respect to enhancements or modifications to existing products could:

- take a significant period of time;
- require the expenditure of substantial resources;
- involve rigorous pre-clinical and clinical testing;
- require changes to the products; and
- result in limitations on the indicated uses of the product.

Even after products have received marketing approval or clearance, product approvals and clearances by the FDA can be withdrawn due to failure to comply with regulatory standards or the occurrence of unforeseen problems following initial approval. There can be no assurance that Boston Scientific, Guidant or the combined company will receive the required clearances from the FDA for new products or modifications to existing products on a timely basis or that any FDA approval will not be subsequently withdrawn. Later discovery of previously unknown problems with a product or manufacturer could result in fines, delays or suspensions of regulatory clearances, seizures or recalls of products, operating restrictions and/or criminal prosecution. The failure to receive product approval clearance on a timely basis, suspensions of regulatory clearances, seizures or recalls of products or the withdrawal of product approval by the FDA could have a material adverse effect on the business, financial condition and results of operations of the combined company.

The combined company may not meet regulatory quality standards applicable to its manufacturing processes, which could have an adverse effect on the business, financial condition and results of operations of the combined company.

As a device manufacturer, the combined company will be required to register with the FDA and will be subject to periodic inspection by the FDA for compliance with the FDA's Quality System Regulation (QSR) requirements, which require manufacturers of medical devices to adhere to certain regulations, including testing, quality control and documentation procedures. In addition, the federal Medical Device Reporting regulations will require the combined company to provide information to the FDA whenever there is evidence that reasonably suggests that a device may have caused or contributed to a death or serious injury or, if a malfunction were to occur, could cause or contribute to a death or serious injury. Compliance with applicable regulatory requirements is subject to continual review and is rigorously monitored through periodic inspections by the FDA. In the European Community, the combined company will be required to maintain certain International Organization for Standardization (ISO) certifications in order to sell its products and must undergo periodic inspections by notified bodies to obtain and maintain these certifications.

In that regard, each of Guidant and Boston Scientific is currently taking remedial action in response to certain deficiencies of its manufacturing quality systems as cited by the FDA in FDA warning letters to them. For example, on December 23, 2005, Guidant received an FDA warning letter citing certain deficiencies with respect to Guidant's manufacturing quality systems and record keeping procedures in its CRM facility in St. Paul, Minnesota. The FDA warning letter resulted from an extensive inspection by the FDA of these CRM facilities that was completed on September 1, 2005. Guidant received a follow-up letter from the FDA dated January 3, 2006. As stated in the FDA warning letter, until the deficiencies identified in the letter have been corrected, the FDA will not grant requests by Guidant for exportation certificates to foreign governments or approve pre-market submissions for Guidant's class III devices to which the deficiencies described are reasonably related. Boston Scientific also received several warning letters from the FDA in 2005 with respect to its global quality-control systems and in 2004 with respect to its auditory product line. In addition, on January 26, 2006, Boston Scientific received a corporate warning letter from the FDA notifying Boston Scientific of serious regulatory problems at three facilities and advising Boston Scientific that its corporate wide corrective action plan relating to three previous warning letters issued to Boston Scientific was

inadequate. As also stated in this FDA warning letter to Boston Scientific, the FDA will not grant requests by Boston Scientific for exportation certificates to foreign governments or approve pre-market approval applications for Boston Scientific's class III devices to which the quality control or current good manufacturing practices deficiencies described in the letter are reasonably related until the deficiencies described in the letter have been corrected.

Guidant and Boston Scientific may face enforcement actions in connection with their respective FDA warning letters, including injunctive relief and civil fines. While each of Guidant and Boston Scientific are working with the FDA to resolve these issues, this work has required and will continue to require the dedication of significant internal and external resources and there can be no assurances regarding the length of time it will take to resolve these issues, if at all. In addition, if the remedial actions taken by Guidant or Boston Scientific are not satisfactory to the FDA, they will be unable to obtain pre-approval clearance by the FDA for certain of their devices or authorization to sell certain devices to overseas markets. If the combined company or its manufacturers fail to adhere to QSR or ISO requirements, this could delay production of its products and lead to fines, difficulties in obtaining regulatory clearances, recalls or other consequences, which could in turn have a material adverse effect on the combined company's financial condition and results of operations.

In addition, in June 2003, Guidant entered into a five-year Corporate Integrity Agreement (CIA) with the Office of the Inspector General of the United States Department of Health and Human Services, as described more fully in Guidant's annual report on Form 10-K for year ended December 31, 2004. Regulatory enforcement action under the CIA could result in injunctions, payment of royalties or other damages, or fines or penalties, which could adversely affect the financial condition and results of operations of the combined company.

Pending and future patent litigation could be costly and disruptive to the combined company.

Boston Scientific and Guidant operate, and the combined company will operate, in an industry that is susceptible to significant patent litigation and, in recent years, it has been common for companies in the medical device field to aggressively challenge the intellectual property rights of other companies in order to prevent the marketing of new devices. Boston Scientific and Guidant are currently the subject of various patent litigation proceedings, including the proceedings described in more detail in their respective quarterly reports on Form 10-Q for the period ended September 30, 2005 and other documents incorporated by reference into this joint proxy statement/prospectus. Intellectual property litigation is expensive, complex and lengthy and its outcome is difficult to predict. Any pending or future patent litigation may result in royalty or other payments or injunctions that can prevent the sale of products and may significantly divert the attention of the combined company's technical and management personnel. In the event that the combined company's right to market any of its products is successfully challenged, and if it fails to obtain a required license or is unable to design around a patent, the combined company's business, financial condition and results of operations could be materially adversely affected.

The combined company may not be able to effectively protect its intellectual property rights which could have an adverse effect on the business, financial condition and results of operations of the combined company.

Patents and other proprietary rights are and will be essential to the business of the combined company, and its ability to compete effectively with other companies will be dependent upon the proprietary nature of its technologies. The combined company will rely upon trade secrets, know-how, continuing technological innovations and licensing opportunities to develop, maintain and strengthen its competitive position. Boston Scientific and Guidant pursue, and the combined company will pursue, a policy of generally obtaining patent protection in both the United States and abroad for patentable subject matter in their proprietary devices and also attempt, and will attempt, to review third-party patents and patent applications to the extent publicly available to develop an effective patent strategy, avoid infringement of third-party patents, identify licensing opportunities and monitor the patent claims of others. Boston Scientific and Guidant currently own numerous United States and foreign patents

and have numerous patent applications pending. Boston Scientific and Guidant also are party to various license agreements pursuant to which patent rights have been obtained or granted in consideration for cash, cross-licensing rights or royalty payments. No assurance can be made that any pending or future patent applications will result in issued patents, that any current or future patents issued to, or licensed by, Boston Scientific, Guidant or the combined company will not be challenged, invalidated or circumvented by their competitors, or that Boston Scientific's, Guidant's or the combined company's patents will not be found invalid.

In addition, the combined company may have to take legal action in the future to protect its patents, trade secrets or know-how or to assert them against claimed infringement by others. Any legal action of that type could be costly and time consuming to the combined company and no assurances can be made that any lawsuit will be successful. Boston Scientific and Guidant are, and the combined company will be, generally involved as both a plaintiff and a defendant in a number of patent infringement and other intellectual property-related actions. Boston Scientific and Guidant are involved in numerous patent related claims with their respective competitors, including Johnson & Johnson.

As part of the Abbott transaction agreement, Boston Scientific and Abbott agreed that, for a period of eight years from the closing of that transaction, they would not assert their intellectual property rights against any vascular intervention or endovascular products manufactured by the other. While the combined company will receive the benefit of this eight-year covenant not to sue from Abbott, it will forego any rights it might otherwise have had during this period with respect to any Abbott products that infringe the intellectual property of the combined company, including the right to receive royalty payments with respect to any alleged infringing products.

The invalidation of key patents or proprietary rights that Boston Scientific, Guidant or the combined company owns, or an unsuccessful outcome in lawsuits to protect their intellectual property, could have a material adverse effect on the combined company's business, financial position and results of operations.

Pending and future product liability claims and other litigation, including private securities litigation and shareholder derivative suits, may adversely affect the combined company's business, reputation and ability to attract and retain customers.

The design, manufacture and marketing of medical devices of the types that the combined company will produce entail an inherent risk of product liability claims. Many of the medical devices that the combined company will manufacture and sell are designed to be implanted in the human body for long periods of time or indefinitely. A number of factors could result in an unsafe condition or injury to, or death of, a patient with respect to these or other products that the combined company will manufacture or sell, including component failures, manufacturing flaws, design defects or inadequate disclosure of product-related risks or product-related information. These factors could result in product liability claims, a recall of one or more of the combined company's products or a safety alert relating to one or more of its products. Product liability claims may be brought by individuals or by groups seeking to represent a class.

Boston Scientific and Guidant are currently the subject of various product liability claims and other litigation, including private securities litigation and shareholder derivative suits including, but not limited to, the claims and litigation described in Boston Scientific's and Guidant's quarterly reports on Form 10-Q for the period ended September 30, 2005 and in other documents incorporated by reference into this joint proxy statement/prospectus. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Plaintiffs in these types of lawsuits often seek recovery of very large or indeterminate amounts and the magnitude of the potential loss relating to these lawsuits may remain unknown for substantial periods of time. In addition, the cost to defend against any future litigation may be significant. Further, Boston Scientific and Guidant are, and the combined company will be, largely self-insured for product liability claims. As a result of economic factors currently impacting the insurance industry, meaningful product liability insurance coverage has become unavailable due to its

economically prohibitive cost. The absence of third-party insurance coverage increases the potential exposure of the combined company to unanticipated claims and adverse decisions. Product liability claims, product recalls and other litigation in the future, regardless of their ultimate outcome, could have a material adverse effect on the combined company's business and reputation, and its ability to attract and retain customers for its products.

The combined company will face intense competition and may not be able to keep pace with the rapid technological changes in the medical devices industry, which could have an adverse effect on the business, financial condition and results of operations of the combined company.

The medical device market is highly competitive. The combined company will encounter significant competition across its product lines and in each market in which its products are sold from various medical device companies, some of which may have greater financial and marketing resources than the combined company. Boston Scientific's primary competitors have historically included: Guidant (including its subsidiary Advanced Cardiovascular Systems, Inc.), Johnson & Johnson (including its subsidiary, Cordis Corporation) and Medtronic, Inc. (including its subsidiary, Medtronic AVE, Inc.). Upon completion of the merger, Abbott will become a primary competitor of Boston Scientific in the interventional cardiology market. Guidant's primary competitors in the cardiac rhythm management (CRM) market have historically included: Medtronic, Inc. and St. Jude Medical, Inc. In addition, the combined company will face competition from a wide range of companies that sell a single or a limited number of competitive products or which participate only in a specific market segment, as well as from non-medical device companies, including pharmaceutical companies, which may offer non-surgical alternative therapies for disease states intended to be treated using the combined company's products.

Additionally, the medical device market is characterized by extensive research and development, and rapid technological change. Developments by other companies of new or improved products, processes or technologies, in particular in the drug-eluting stent or CRM markets, may make the combined company's products or proposed products obsolete or less competitive and may negatively impact the combined company's revenues. The combined company will be required to devote continued efforts and financial resources to develop or acquire scientifically advanced technologies and products, apply its technologies cost-effectively across product lines and markets, attract and retain skilled development personnel, obtain patent and other protection for its technologies and products, obtain required regulatory and reimbursement approvals and successfully manufacture and market its products. If the combined company fails to develop new products or enhance existing products, it could have a material adverse effect on its business, financial condition and results of operations.

The combined company will derive a significant portion of its revenue from the sale of drug-eluting coronary stent systems and a decline in the combined company's market share of drug-eluting stents may adversely affect the combined company's results of operations and financial condition.

Coronary stent revenues for the combined company on a pro forma basis represent approximately 20% of its consolidated net sales during the nine month period ending September 30, 2005. The combined company may experience declines in its United States drug-eluting stent revenues largely as a result of competitive pressures and a reduction in the United States market size as a result of lower re-intervention rates with drug-eluting stents as compared to bare-metal stents. Boston Scientific's TAXUS® drug-eluting stent system is currently one of only two drug-eluting stents available in the United States market. The combined company's share of the drug-eluting stent market, as well as unit prices, may be adversely impacted as additional significant competitors enter the drug-eluting stent market, which began during the third quarter of 2005 internationally and is expected to occur during 2007 in the United States. For instance, companies have recently obtained regulatory approval to market and sell their drug-eluting stents in the European market. In July 2005, Medtronic, Inc. received approval from European regulators to begin commercial sales of its Endeavor drug-eluting stent system in the European market. Guidant received similar regulatory approval to commence European sales of its XIENCE V drug-eluting stent system on January 30, 2006. Following Abbott's acquisition of

Guidant's drug-eluting stent portfolio, Abbott will sell XIENCE V in competition with Boston Scientific.

A material decline in the combined company's drug-eluting stent revenue would have a significant adverse impact on the combined company's future operating results. The most significant factors that may impact the size of the drug-eluting stent market and the combined company's position within that market include:

- entry of additional competitors in the United States and international markets;
- declines in the average selling prices of drug-eluting stent systems due to increased competition;
- unexpected variations in clinical results or product performance of the combined company's and its competitors' products;
- delays in the timing of new competitive product launches;
- delayed or limited regulatory approvals and reimbursement policies;
- litigation related to intellectual property used in the combined company's drug-eluting stent systems;
- continued physician confidence in the combined company's technology;
- the average number of stents used per procedure;
- a reduction in the overall number of procedures performed;
- the international adoption rate of drug-eluting stent technology; and
- the level of supply of the combined company's drug-eluting stent system and competitive stent systems.

The manufacture of the TAXUS® stent system involves the integration of multiple technologies, critical components, raw materials and complex processes. Significant favorable or unfavorable changes in forecasted demand, as well as disruptions associated with the TAXUS® stent manufacturing process, may impact the combined company's inventory levels and its ability to provide the TAXUS® stent system in sufficient quantities and mix. Variability in expected demand or the timing of the launch of next-generation products may result in excess or expired inventory positions and future inventory charges, which may adversely impact the combined company's results from operations. In addition, because the combined company expects to share with Abbott rights to Guidant's current XIENCE V drug-eluting stent program, delays in receipt of regulatory approvals for the XIENCE V drug-eluting stent system or material nonacceptance of these stents in the marketplace could adversely affect the results from operations of the combined company, as well as its ability to effectively differentiate itself from its competitors in the drug-eluting stent market as the leading company with two drug-eluting stent programs. However, there can be no assurance that regulatory authorities will permit the combined company to share with Abbott rights to Guidant's current XIENCE V drug-eluting stent program, which could adversely affect the financial condition and results of operations of the combined company.

The future growth of the combined company is dependent upon the development of new products, which requires significant research and development, clinical trials and regulatory approvals, all of which are very expensive and time-consuming and may not result in a commercially viable product.

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In order to develop new products and improve current product offerings, the combined company will focus its research and development programs largely on the development of next-generation and novel technology offerings across multiple programs and divisions. For example, Boston Scientific expects to launch its TAXUS® Liberté stent system in the United States during the second half of 2006 and its TAXUS® Express² stent system in Japan during the first half of 2007, subject to regulatory approval. Also, Guidant expects to launch its next generation implantable cardioverter defibrillator and cardiac resynchronization therapy defibrillator systems devices within the next 12 months, subject to regulatory approval. If the combined company is unable to develop and launch

these products as anticipated, the ability of the combined company to maintain or expand its market leadership positions in the drug-eluting stent or CRM market may be adversely impacted.

Further, the combined company anticipates increasing focus and spending on areas outside of drug-eluting stent and CRM technologies, primarily on technologies in which Boston Scientific and Guidant have already made significant investments, including neuromodulation, endoscopic systems, carotid stenting, vascular sealing, endovascular aortic repair and bifurcation stenting, but may also extend into other medical device opportunities. However, given their early stage of development, there can be no assurance that these technologies will achieve technological feasibility, obtain regulatory approval or gain market acceptance. In addition, due to the substantial amount of debt Boston Scientific will incur to finance the cash portion of the merger consideration, there can be no assurance that the combined company will have sufficient cash flow to finance continued investment in these technologies. If the combined company cannot generate sufficient cash flow to fund these activities, it may need to obtain additional financing. Additional equity financing may result in dilution to the holders of the combined company's stock and the combined company may not be able to obtain additional debt financing on attractive terms. No assurance can be made that the combined company will be able to obtain any additional financing on terms that are acceptable to the combined company, if at all. A delay in the development or approval of these technologies may adversely impact the combined company's future growth.

As a part of the regulatory process of obtaining marketing clearance from the FDA for new products, the combined company will conduct and participate in numerous clinical trials with a variety of study designs, patient populations and trial endpoints. Unfavorable or inconsistent clinical data from existing or future clinical trials conducted by the combined company, their competitors or third parties, or the market's perception of this clinical data, may adversely impact the combined company's ability to obtain product approvals from the FDA, its position in, and share of, the markets in which it participates and its business, results of operations and prospects.

Healthcare cost containment pressures and legislative or administrative reforms resulting in restrictive reimbursement practices of third-party payors or preferences for alternate therapies could decrease the demand for the combined company's products, the prices which customers are willing to pay for those products and the number of procedures performed using the combined company's devices, which could have an adverse effect on the business, financial condition and results of operations of the combined company.

The combined company's products will be purchased principally by hospitals or physicians, which typically bill various third-party payors, including governmental programs (e.g., Medicare and Medicaid), private insurance plans and managed care plans, for the healthcare services provided to their patients. The ability of customers to obtain appropriate reimbursement for their products and services from private and governmental third-party payors is critical to the success of medical technology companies. The availability of reimbursement affects which products customers purchase and the prices they are willing to pay. Reimbursement varies from country to country and can significantly impact the acceptance of new products and services. After the combined company develops a promising new product, it may find limited demand for the product unless reimbursement approval is obtained from private and governmental third-party payors. Further legislative or administrative reforms to the United States or international reimbursement systems in a manner that significantly reduces reimbursement for procedures using the combined company's medical devices or denies coverage for those procedures could have a material adverse effect on the combined company's business, financial condition and results of operations.

Major third-party payors for hospital services in the United States and abroad continue to work to contain healthcare costs. The introduction of cost containment incentives, combined with closer scrutiny of healthcare expenditures by both private health insurers and employers, has resulted in increased discounts and contractual adjustments to hospital charges for services performed and has shifted services between inpatient and outpatient settings. Initiatives to limit the increase of healthcare costs,

including price regulation, are also underway in several countries in which the combined company will do business. Hospitals or physicians may respond to these cost-containment pressures by substituting lower cost products or other therapies for the combined company's products. Additionally, in light of the Guidant product recalls, third-party payors may seek claims and further recourse against Guidant for the recalled defibrillator and pacemaker systems for which Guidant had previously received reimbursement.

Consolidation in the healthcare industry could lead to demands for price concessions or to the exclusion of some suppliers from certain of the combined company's significant market segments which could have an adverse effect on the business, financial condition and results of operations of the combined company.

The cost of healthcare has risen significantly over the past decade and numerous initiatives and reforms initiated by legislators, regulators and third-party payors to curb these costs have resulted in a consolidation trend in the healthcare industry, including hospitals. This in turn has resulted in greater pricing pressures and the exclusion of certain suppliers from important market segments as group purchasing organizations, independent delivery networks and large single accounts continue to consolidate purchasing decisions for some of Boston Scientific's and Guidant's hospital customers. Boston Scientific and Guidant expect that market demand, government regulation, third-party reimbursement policies and societal pressures will continue to change the worldwide healthcare industry, resulting in further business consolidations and alliances among the combined company's customers, which may reduce competition, exert further downward pressure on the prices of the combined company's products and may adversely impact the combined company's business, financial condition and results of operations.

The combined company may not be successful in its strategic acquisitions of, investments in or alliances with, other companies and businesses, which have been a significant source of historical growth for both Boston Scientific and Guidant.

Boston Scientific's and Guidant's strategic acquisitions, investments and alliances have historically been intended to expand further their ability to offer customers effective, quality medical devices that satisfy their interventional needs. These acquisitions, investments and alliances have historically been significant sources of growth for both Boston Scientific and Guidant. The success of any acquisition, investment or alliance that the combined company may undertake will depend on a number of factors, including:

the combined company's ability to identify suitable opportunities for acquisition, investment or alliance, if at all;

the combined company's ability to finance any future acquisition, investment or alliance on terms acceptable to the combined company, if at all;

whether the combined company is able to reach an acquisition, investment or alliance on terms that are satisfactory to the combined company, if at all; and

the combined company's ability to successfully integrate the acquired company or business with the combined company, including the ability to adequately fund acquired in-process research and development projects.

Boston Scientific and Guidant have entered into a significant number of strategic alliances with privately held and publicly traded companies. These alliances may involve equity investments and/or require a significant amount of additional financing. The success of these alliances is an important element of the combined company's growth strategy. However, the full benefit of these alliances is often dependent on the strength of the other companies' underlying technology and ability to execute. An inability to achieve regulatory approvals and launch competitive product offerings, or litigation related to these technologies, among other factors, may prevent the combined company from realizing the benefit of these alliances. If the combined company is unsuccessful in its acquisitions, investments and alliances, it may be unable to continue to grow its business significantly.

Because a significant percentage of the combined company's future growth is expected to come from international operations, changes in international economic or regulatory conditions could have a material impact on the combined company's business, financial condition and results of operations.

A significant percentage of the combined company's future growth is expected to come from its international operations. As a result, the combined company's revenues, costs of operations and net income could be affected by a number of international economic or regulatory conditions, including changes in foreign currency exchange rates, changes in economic or regulatory conditions from country to country, changes in a country's political condition, trade protection measures, intellectual property protection and other legal requirements and local tax issues. Further, international markets are also being affected by economic pressure to contain reimbursement levels and healthcare costs. The trend in countries around the world, including Japan, toward more stringent regulatory requirements for product clearance, changing reimbursement models and more vigorous enforcement activities has generally caused or may cause medical device manufacturers to experience more uncertainty, delay, greater risk and higher expenses. In addition, the combined company will be required to renew regulatory approvals in certain international jurisdictions, which may require additional testing and documentation. If sufficient resources are not available to renew these approvals or these approvals are not timely renewed, it may limit the combined company's ability to market its full line of existing products within these jurisdictions. Any significant changes in the competitive, political, legal, regulatory, reimbursement or economic environment where the combined company will conduct international operations may have a material impact on the combined company's business, financial condition and results of operations.

THE BOSTON SCIENTIFIC SPECIAL MEETING

Boston Scientific is furnishing this joint proxy statement/prospectus to Boston Scientific stockholders as of the Boston Scientific record date as part of the solicitation of proxies by the Boston Scientific board of directors for use at the Boston Scientific special meeting.

Date, Time and Place

The special meeting of Boston Scientific stockholders will be held on _____, 2006 at _____ a.m., local time, at _____, Boston, Massachusetts.

Purpose of the Special Meeting

At the Boston Scientific special meeting, Boston Scientific stockholders will be asked to consider and vote upon proposals to (i) adopt an amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock from 1,200,000,000 to 2,000,000,000, and (ii) approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement. It is currently contemplated that no other matters will be considered at the Boston Scientific special meeting.

The Boston Scientific board of directors believes that the merger and the proposals to amend the Boston Scientific Second Restated Certificate of Incorporation and to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement are in the best interests of Boston Scientific and its stockholders and unanimously approved the two proposals and recommends that Boston Scientific stockholders vote "FOR" the approval of the two proposals.

Record Date; Shares Entitled to Vote; Quorum

Only holders of record of Boston Scientific common stock at the close of business on _____, 2006, the Boston Scientific record date for the Boston Scientific special meeting, are entitled to notice of, and to vote at, the Boston Scientific special meeting and any adjournment or postponement of it. On the Boston Scientific record date, _____ shares of Boston Scientific common stock were issued and outstanding and held by approximately _____ holders of record.

A quorum is present at the Boston Scientific special meeting if a majority of all the shares of Boston Scientific common stock issued and outstanding on the Boston Scientific record date and entitled to vote at the Boston Scientific special meeting are represented at the Boston Scientific special meeting in person or by a properly executed proxy. Withholds, abstentions and broker non-votes (described below) will be treated as present at the Boston Scientific special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business. In the event that a quorum is not present at the Boston Scientific special meeting, it is expected that the meeting will be adjourned or postponed to solicit additional proxies. Holders of record of Boston Scientific common stock on the Boston Scientific record date are entitled to one vote per share on each matter submitted to a vote at the Boston Scientific special meeting.

Vote Required

The adoption of the amendment to the Boston Scientific Second Restated Certificate of Incorporation requires the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock entitled to vote on the amendment and the approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement requires the affirmative vote of a majority of the shares of Boston Scientific common stock participating in the voting on the stock issuance. Boston Scientific does not expect that any matter will be brought before the Boston Scientific special meeting other than the proposals to (i) adopt the

amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock from 1,200,000,000 to 2,000,000,000, and (ii) approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement. A properly executed proxy marked "abstain" with respect to any of these matters will not be voted "for" or "against" the proposals, but will be counted for purposes of determining the number of votes cast. Accordingly, an abstention will have the effect of a negative vote with respect to the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement. Any failure by a stockholder to submit a proxy or to vote in person at the Boston Scientific special meeting, including broker non-votes, will have the effect of a negative vote with respect to the amendment of the Boston Scientific Second Restated Certificate of Incorporation, but will have no effect with respect to the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Shares Owned by Boston Scientific Directors and Executive Officers

At the close of business on the Boston Scientific record date, directors and executive officers of Boston Scientific beneficially owned and were entitled to vote _____ shares of Boston Scientific common stock, which represented approximately _____ % of the shares of Boston Scientific common stock outstanding on that date. Of this number, _____ shares of Boston Scientific common stock, representing approximately _____ % of the shares of Boston Scientific common stock outstanding on the Boston Scientific record date, were beneficially owned by the Nicholas entities, and _____ shares of Boston Scientific common stock, representing approximately _____ % of the shares of Boston Scientific common stock outstanding on the Boston Scientific record date, were beneficially owned by the Abele entities.

Each Nicholas entity and Abele entity has entered into a voting agreement with Guidant pursuant to which the entity has agreed to vote the shares of Boston Scientific common stock beneficially owned by it in favor of the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement and against any proposal which would impede, prevent or materially delay the consummation of the merger, the adoption of the amendment to the Boston Scientific Second Restated Certificate of Incorporation or the approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Voting of Proxies

Stockholders of record may vote their shares by attending the Boston Scientific special meeting and voting their shares in person at the meeting, or by completing the enclosed proxy card, signing and dating it and mailing it in the enclosed envelope. No postage is required if your proxy card is mailed in the United States. Stockholders also may submit their proxy/vote by telephone or on the Internet by following the instructions provided in the enclosed proxy card. If a proxy card is signed by a stockholder of record and returned without specific voting instructions, the shares represented by the proxy will be voted "FOR" the proposals presented at the Boston Scientific special meeting.

Stockholders whose shares are held in "street name" must either instruct the record holder of their shares how to vote their shares or obtain a proxy from the record holder to vote at the Boston Scientific special meeting. Please check the voting form used by your bank, broker, nominee, fiduciary or other custodian for information on how to submit your instructions to them. Failure to provide voting instructions to your record holder will result in a "broker non-vote" for those shares held in street name. Shares represented by broker non-votes will not be voted "FOR" or "AGAINST" the proposals, but will be counted in determining whether or not a quorum exists.

Stockholders whose shares are held under the Boston Scientific 401(k) plan or GESOP will receive a single proxy card that covers both shares credited to your plan account(s) and shares that you own of record that are registered in the same name. If any of your plan accounts are not registered in the same name as your shares of record, you will receive separate proxy cards for your record and plan holdings. Properly completed and signed proxy cards will serve to instruct the trustees and fiduciaries of the Boston Scientific 401(k) plan and GESOP how to vote any Boston Scientific shares held in these plans on your behalf. The Boston Scientific 401(k) plan and GESOP trustees and fiduciaries may vote shares at their discretion for which timely instructions are not received.

The persons named as proxies by a stockholder may propose and vote for one or more adjournments of the Boston Scientific special meeting, including adjournments to permit further solicitations of proxies. Any adjournment may be made at any time by stockholders representing a majority of the votes present in person or by proxy at the Boston Scientific special meeting, whether or not a quorum exists, without further notice other than by an announcement made at the meeting. Boston Scientific does not currently intend to seek an adjournment of the Boston Scientific special meeting. No proxy voted against the two proposals will be voted in favor of any adjournment or postponement.

Boston Scientific does not expect that any matter other than the proposals to (i) adopt the amendment of the Boston Scientific Second Restated Certificate of Incorporation to increase the number of authorized shares of Boston Scientific common stock from 1,200,000,000 to 2,000,000,000, and (ii) approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement will be brought before the Boston Scientific special meeting. If, however, other matters are properly brought before the Boston Scientific special meeting, or any adjourned meeting, the persons named as proxies will vote in accordance with their judgment.

Revocability of Proxies

Stockholders of record may revoke their proxy at any time prior to the time it is voted at the meeting. Stockholders of record may revoke their proxy by:

submitting a written notice revoking their earlier vote or providing a properly completed and signed proxy card with a later date to Boston Scientific's Secretary;

submitting to Boston Scientific's transfer agent a properly completed and signed proxy card with a later date;

voting again telephonically or through the Internet (available until _____ p.m., local time, on _____, 2006); or

voting in person at the Boston Scientific special meeting.

Any written revocation or subsequent proxy card should be delivered to Boston Scientific Corporation, One Boston Scientific Place, Natick, Massachusetts 01760-1537, Attention: Secretary, or hand delivered to Boston Scientific's Secretary or his representative before the taking of the vote at the Boston Scientific special meeting.

Solicitation of Proxies

Boston Scientific is soliciting proxies for the Boston Scientific special meeting and will bear all expenses in connection with solicitation of proxies, except those expenses incurred in connection with the printing and mailing of this joint proxy statement/prospectus which will be shared equally by Boston Scientific and Guidant. Upon request, Boston Scientific will pay banks, brokers, nominees, fiduciaries or other custodians their reasonable expenses for sending proxy material to, and obtaining instructions from, persons for whom they hold shares.

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Boston Scientific has retained Innisfree M&A Incorporated to assist with the solicitation of proxies. Innisfree will receive customary fees as compensation for its services plus reimbursement for its related out-of-pocket expenses.

Boston Scientific expects to solicit proxies primarily by mail, but directors, officers and other employees of Boston Scientific or Innisfree may also solicit proxies in person or by Internet, telephone or mail. No additional compensation will be paid to directors, officers or other employees of Boston Scientific in connection with this solicitation.

Boston Scientific stockholders who receive more than one proxy card or voting instruction form have shares registered in different forms or in more than one account. Please complete, sign, date and return all proxy cards and provide instructions for all voting instruction forms received to ensure that all of your shares are voted.

THE GUIDANT SPECIAL MEETING

Guidant is furnishing this joint proxy statement/prospectus to Guidant shareholders as of the Guidant record date as part of the solicitation of proxies by the Guidant board of directors for use at the Guidant special meeting.

Date, Time and Place

The Guidant special meeting will be held on _____, 2006, at _____ a.m., local time, at Guidant's corporate headquarters, 111 Monument Circle, Indianapolis, Indiana 46204-5129. Please complete and return the enclosed request for admittance card as soon as possible if you plan to attend the Guidant special meeting. If you return the request card, Guidant will send you an admittance card.

Purpose of the Special Meeting

At the Guidant special meeting, Guidant shareholders will be asked to consider and vote upon a proposal to approve the merger agreement pursuant to which Galaxy Merger Sub will merge with and into Guidant, with Guidant becoming a wholly owned subsidiary of Boston Scientific, and each outstanding share of Guidant common stock will be converted into the right to receive (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. It is currently contemplated that no other matters will be considered at the Guidant special meeting.

The Guidant board of directors (with the exception of one director who was absent due to medical reasons) has unanimously determined that the merger and the other transactions contemplated by the merger agreement are in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "FOR" approval of the merger agreement.

Record Date; Shares Entitled to Vote; Quorum

Only holders of record of Guidant common stock at the close of business on _____, 2006, the Guidant record date for the Guidant special meeting, are entitled to notice of, and to vote at, the Guidant special meeting and any adjournment or postponement of it. On the Guidant record date, _____ shares of Guidant common stock were issued and outstanding and held by approximately _____ holders of record.

A quorum is present at the Guidant special meeting if a majority of all the shares of Guidant common stock issued and outstanding on the Guidant record date and entitled to vote at the Guidant special meeting are represented at the Guidant special meeting in person or by a properly executed proxy. Abstentions and broker non-votes (described below) will be treated as present at the Guidant special meeting for purposes of determining the presence or absence of a quorum for the transaction of all business. In the event that a quorum is not present at the Guidant special meeting, it is expected that the meeting will be adjourned or postponed to solicit additional proxies. Holders of record of Guidant common stock on the Guidant record date are entitled to one vote per share on each matter submitted to a vote at the Guidant special meeting.

Vote Required

The approval of the merger agreement requires the affirmative vote of the holders of a majority of the outstanding shares of Guidant common stock entitled to vote on the Guidant record date. Because the required vote of Guidant shareholders is based upon the number of outstanding shares of Guidant

common stock entitled to vote, rather than upon the shares actually voted, the failure by a shareholder to submit a proxy or to vote in person at the Guidant special meeting, including abstentions and broker non-votes, will have the same effect as a vote against approval of the merger agreement.

Shares Owned by Guidant Directors and Executive Officers

At the close of business on the Guidant record date, directors and executive officers of Guidant beneficially owned and were entitled to vote _____ shares of Guidant common stock, which represented approximately _____ % of the shares of Guidant common stock outstanding on that date.

Voting of Proxies

Shareholders of record may vote their shares by attending the Guidant special meeting and voting their shares in person at the meeting, or by completing the enclosed proxy card, signing and dating it and mailing it in the enclosed postage pre-paid envelope. Shareholders also may submit their proxy by telephone or on the Internet by following the instructions provided in the enclosed proxy card. If a proxy card is signed by a shareholder of record and returned without specific voting instructions, the shares represented by the proxy will be voted "FOR" the proposals presented at the Guidant special meeting.

Shareholders whose shares are held in "street name" must either instruct the record holder of their shares how to vote their shares or obtain a proxy from the record holder to vote at the Guidant special meeting. Please check the voting form used by your bank, broker, nominee, fiduciary or other custodian for information on how to submit your instructions to them. Failure to provide voting instructions to your record holder will result in a "broker non-vote" for those shares held in street name. Shares represented by broker non-votes will not be voted "FOR" or "AGAINST" the proposals, but will be counted in determining whether or not a quorum exists.

Shareholders whose shares are held under Guidant's employee stock ownership plan may instruct the plan trustee as to how to vote their shares. If a shareholder does not instruct the plan trustee as to how to vote his or her shares, the plan trustee may vote those shares at its discretion. Please consult the voting form used by the plan trustee for information on how to submit your instructions to the plan trustee.

The persons named as proxies by a shareholder may propose and vote for one or more adjournments of the Guidant special meeting, including adjournments to permit further solicitations of proxies. Any adjournment may be made at any time by shareholders representing a majority of the votes present in person or by proxy at the Guidant special meeting, whether or not a quorum exists, without further notice other than by an announcement made at the meeting. Guidant does not currently intend to seek an adjournment of the Guidant special meeting. No proxy voted against the proposal to approve the merger agreement will be voted in favor of any adjournment or postponement.

Guidant does not expect that any matter other than the proposal to approve the merger agreement will be brought before the Guidant special meeting. If, however, other matters are properly brought before the Guidant special meeting, or any adjourned meeting, the persons named as proxies will vote in accordance with their judgment.

Revocability of Proxies

Shareholders of record may revoke their proxy at any time prior to the time it is voted at the meeting. Shareholders of record may revoke their proxy by:

executing a later-dated proxy card relating to the same shares and delivering it to Guidant's Secretary by Internet, telephone or mail before the taking of the vote at the Guidant special meeting;

filing with Guidant's Secretary before the taking of the vote at the Guidant special meeting a written notice of revocation bearing a later date than the proxy card; or

attending the Guidant special meeting and voting in person (although attendance at the Guidant special meeting will not, in and of itself, revoke a proxy).

Any written revocation or subsequent proxy card should be delivered to Guidant Corporation, 111 Monument Circle, 29th Floor, Indianapolis, Indiana 46204-5129, Attention: Secretary, or hand delivered to Guidant's Secretary or his representative before the taking of the vote at the Guidant special meeting.

Solicitation of Proxies

Guidant is soliciting proxies for the Guidant special meeting and will bear all expenses in connection with solicitation of proxies, except those expenses incurred in connection with the printing and mailing of this joint proxy statement/prospectus which will be shared equally by Boston Scientific and Guidant. Upon request, Guidant will pay banks, brokers, nominees, fiduciaries or other custodians their reasonable expenses for sending proxy material to, and obtaining instructions from, persons for whom they hold shares.

Guidant has retained Georgeson Shareholder Communications, Inc. to assist with the solicitation of proxies. Georgeson will receive customary fees as compensation for its services plus reimbursement for its related out-of-pocket expenses.

Guidant expects to solicit proxies primarily by mail, but directors, officers and other employees of Guidant or Georgeson may also solicit proxies in person or by Internet, telephone or mail. No additional compensation will be paid to directors, officers or other employees of Guidant in connection with this solicitation.

Guidant shareholders who receive more than one proxy card or voting instruction form have shares registered in different forms or in more than one account. Please complete, sign, date and return all proxy cards and provide instructions for all voting instruction forms received to ensure that all of your shares are voted.

Guidant shareholders should not send stock certificates with their proxies. A transmittal form with instructions for the surrender of Guidant common stock certificates will be mailed to Guidant shareholders shortly after completion of the merger.

THE COMPANIES

Boston Scientific

Boston Scientific is a worldwide developer, manufacturer and marketer of medical devices that are used in a broad range of interventional medical specialties, including interventional cardiology, peripheral interventions, vascular surgery, electrophysiology, neurovascular intervention, oncology, endoscopy, urology, gynecology and neuromodulation. Since Boston Scientific was formed in 1979, Boston Scientific has advanced the practice of less invasive medicine by helping physicians and other medical professionals improve their patients' quality of life by providing alternatives to surgery and other medical procedures that are typically traumatic to the body. Boston Scientific's products are generally inserted into the human body through natural openings or small incisions in the skin and can be guided to most areas of the anatomy to diagnose and treat a wide range of medical problems.

Boston Scientific's products are offered for sale by two dedicated business groups: Cardiovascular and Endosurgery. The Cardiovascular organization focuses on products and technologies for use in interventional cardiology, peripheral interventions, vascular surgery, electrophysiology, and neurovascular procedures. The Endosurgery organization focuses on products and technologies for use in oncology, endoscopy, urology and gynecology procedures. In 2004, Boston Scientific also entered into the neuromodulation market.

Boston Scientific's mission is to improve the quality of patient care and the productivity of health care delivery through the development and advocacy of less invasive medical devices and procedures. This mission is accomplished through the continuing refinement of existing products and procedures and the investigation and development of new technologies that can reduce risk, trauma, cost, procedure time and the need for aftercare. Boston Scientific's approach to innovation combines internally developed products and technologies with those obtained externally through strategic acquisitions and alliances. Building relationships with development companies and inventors allows Boston Scientific to support its current franchises as well as expand into complementary businesses.

Boston Scientific was incorporated in Delaware in 1979. Boston Scientific's principal executive offices are located at One Boston Scientific Place, Natick, MA 01760-1537, and the telephone number at that address is (508) 650-8000.

Guidant

Guidant is a multinational company that designs, develops, manufactures and markets innovative, high quality, therapeutic medical devices for use in treating cardiac and vascular disease. Approximately 12,000 employees develop, manufacture and market Guidant's medical devices in nearly 100 countries, with key operations in the United States, Europe and Asia.

Guidant products that focus on the treatment of coronary arrhythmias, heart failure and coronary and peripheral disease include:

implantable defibrillator systems used to detect and treat abnormally fast heart rhythms (tachycardia) that could result in sudden cardiac death, including implantable cardiac resynchronization therapy defibrillator systems used to treat heart failure;

implantable pacemaker systems used to manage slow or irregular heart rhythms (bradycardia), including implantable cardiac resynchronization therapy pacemaker systems used to treat heart failure;

coronary stent systems for the treatment of coronary artery disease;

angioplasty systems, including dilatation catheters, guidewires and related accessories for the treatment of coronary artery disease;

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cardiac surgery systems to perform cardiac surgical ablation, endoscopic vessel harvesting and clampless beating-heart bypass surgery; and

peripheral systems, including those to treat biliary, peripheral vascular and carotid artery disease.

Guidant was incorporated in Indiana in September 1994 to be the parent of several of the medical device and diagnostics businesses of Eli Lilly and Company. In December 1994, Guidant consummated an initial public offering of a portion of its outstanding common shares. In September 1995, Eli Lilly and Company, by means of a split-off, disposed of all of its remaining interests in Guidant. The address of Guidant's principal executive offices is 111 Monument Circle, 29th Floor, Indianapolis, Indiana 46204-5129, and the telephone number at that address is (317) 971-2000.

THE MERGER

General

Pursuant to the merger agreement, Galaxy Merger Sub, a wholly owned subsidiary of Boston Scientific, will merge with and into Guidant. Guidant will be the surviving corporation and will become a wholly owned subsidiary of Boston Scientific. Under the terms of the merger agreement, holders of Guidant common stock will receive in exchange for each of their shares of Guidant common stock (i) \$42.00, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger.

Background to the Merger

On December 15, 2004, Guidant and Johnson & Johnson executed the original Johnson & Johnson merger agreement. Under the terms of the original Johnson & Johnson merger agreement, holders of Guidant common stock were to receive, for each share of Guidant common stock they own, (i) \$30.40 in cash and (ii) a number of shares of Johnson & Johnson common stock with a value, based upon the volume weighted average trading price of Johnson & Johnson common stock for the 15 trading days ending three trading days prior to the closing of the merger, of \$45.60, so long as the volume weighted average trading price per share of Johnson & Johnson common stock during that period was within the range of \$55.45 and \$67.09. Outside of this range, each share of Guidant common stock would have been converted into the right to receive (i) \$30.40 in cash and (ii) a fixed number of shares of Johnson & Johnson common stock equal to 0.6797, if the volume weighted average trading price was above the range, and 0.8224, if the volume weighted average trading price was below the range.

Following execution of the original Johnson & Johnson merger agreement, Guidant and Johnson & Johnson worked together to secure the various regulatory approvals required to close the transaction, particularly with respect to antitrust matters.

On April 27, 2005, Guidant shareholders approved the original Johnson & Johnson merger agreement at a special meeting of Guidant shareholders.

On May 23, 2005, Guidant issued a communication to physicians regarding a failure of Guidant's Ventak Prizm 2 DR Model 1861 implantable defibrillators that were manufactured before November 2002. On June 17, 2005, Guidant issued a communication to physicians regarding failures occurring in several additional Guidant products. The communication provided additional information relating to the May 2005 communication regarding the Ventak Prizm 2 DR Model 1861, as well as information regarding issues with respect to several of Guidant's other defibrillator products. At that time, the FDA indicated that it would be classifying these actions as recalls.

From June 2005 through late September 2005, Guidant issued a number of additional physician communications relating to failures occurring in certain Guidant products, including implantable cardioverter defibrillators, cardiac resynchronization therapy defibrillators and pacemakers. The FDA classified a number of these physician communications as recalls under FDA recall classifying standards. In connection with a June 24, 2005 physician notification regarding Guidant's Contak Renewal 3 and 4, AVT and Renewal RF devices, Guidant voluntarily removed these devices from distribution and advised physicians to discontinue implantation. In August 2005, the FDA commenced an investigation of Guidant, inspecting Guidant's CRM facilities in St. Paul, Minnesota, and issued a Form 483, noting several observations of non-compliance. During the summer and fall of 2005, Guidant

was also named in numerous product liability lawsuits and became the subject of various claims and governmental investigations.

On August 25, 2005, the European Commission issued a decision declaring the original Johnson & Johnson merger compatible with the Common Market. In connection with the European Commission's decision, Johnson & Johnson agreed to divest its Cordis steerable guidewires business in Europe and the Guidant endovascular solutions business in Europe and to pursue a remedy relating to the companies' endoscopic vessel harvesting products.

On September 29, 2005, James M. Cornelius, then non-executive Chairman of the Board of Guidant, met with Johnson & Johnson's Chairman of the Board and Chief Executive Officer to discuss the developments at Guidant and the impact of those events under the original Johnson & Johnson merger agreement. At this meeting, Johnson & Johnson's Chairman of the Board and Chief Executive Officer stated to Mr. Cornelius that Johnson & Johnson would like to discuss a renegotiation of the terms of the original Johnson & Johnson merger agreement in light of these events, and that any renegotiated price would have to represent a significant reduction from the price reflected in the original Johnson & Johnson merger agreement.

On November 1, 2005, Mr. Cornelius received an unsolicited call from Pete Nicholas, Chairman of the Boston Scientific board of directors, inquiring as to his availability for a meeting to discuss a possible business combination transaction involving the two companies.

On November 2, 2005, after consultation with Guidant's legal advisors, Mr. Cornelius informed Mr. Nicholas that in light of the original Johnson & Johnson merger agreement, he could not attend such a meeting. In accordance with the terms of the original Johnson & Johnson merger agreement, Guidant promptly notified Johnson & Johnson of this matter. On November 2, 2005, the FTC notified Johnson & Johnson that it had conditionally approved its acquisition of Guidant, subject to Johnson & Johnson divesting, licensing or terminating certain rights or assets of its businesses in drug-eluting stents, endoscopic vessel harvesting products and anastomotic assist devices.

Following receipt of FTC approval of the original Johnson & Johnson merger, Johnson & Johnson issued a public statement on November 2, 2005 that it continued to view Guidant's product recalls and the related developments as serious matters and that it believed that those events had resulted in a "material adverse effect" on Guidant under the terms of the original Johnson & Johnson merger agreement such that Johnson & Johnson was not required under the terms of that agreement to close the Johnson & Johnson merger. On the same day, Guidant issued a public statement stating that Guidant had informed Johnson & Johnson that the parties remained legally obligated to complete the Johnson & Johnson merger under the terms of the original Johnson & Johnson merger agreement.

Following Johnson & Johnson's public statement on November 2, 2005, members of senior management of Boston Scientific retained Merrill Lynch as Boston Scientific's financial advisor and Shearman & Sterling LLP as Boston Scientific's legal advisor in connection with the possibility of making a proposal to acquire Guidant.

In the morning of November 7, 2005, Guidant filed a civil suit against Johnson & Johnson in the United States District Court for the Southern District of New York. The complaint alleged that Johnson & Johnson was required to complete the acquisition of Guidant under the terms of the original Johnson & Johnson merger agreement and sought specific performance of the original Johnson & Johnson merger agreement.

Discussions between Guidant and Johnson & Johnson continued after the filing of the complaint and continued into the weekend of November 12 and 13, 2005, and resulted in an agreement to restructure the original Johnson & Johnson merger agreement to provide for adjusted merger consideration to be paid for each share of Guidant common stock of a combination of \$33.25 in cash and 0.493 shares of Johnson & Johnson common stock.

After the close of trading on the New York Stock Exchange on November 14, 2005, final terms were agreed between the parties and an amended and restated Johnson & Johnson merger agreement (the amended Johnson & Johnson merger agreement) was executed. On November 15, 2005, the parties issued a joint press release announcing their agreement.

Following the public announcement that Johnson & Johnson and Guidant had entered into the amended Johnson & Johnson merger agreement, from November 15 through November 21, 2005, members of senior management of Boston Scientific, along with Boston Scientific's financial and legal advisors, reviewed the possibility of making, and the terms of, a proposal to acquire Guidant. At or about that time, Mr. Nicholas determined that it would be helpful for Boston Scientific to retain Bear Stearns, in addition to Merrill Lynch, to further assist the Boston Scientific board of directors in connection with its consideration of the possible acquisition of Guidant.

On November 21, 2005, at a meeting of the Boston Scientific board of directors, senior members of Boston Scientific management, along with Boston Scientific's financial and legal advisors, provided preliminary information to the Boston Scientific board of directors regarding management's interest in possibly making a proposal to acquire Guidant. Following this board meeting and through November 28, 2005, members of senior management of Boston Scientific, along with Boston Scientific's financial and legal advisors, analyzed and formulated the terms of a potential proposal to acquire Guidant and, in connection with this proposal, had discussions with potential financing sources regarding the financing for a transaction.

On November 29, 2005, at a meeting of the Boston Scientific board of directors, senior members of Boston Scientific management, along with Boston Scientific's financial and legal advisors, provided the Boston Scientific board of directors with further information regarding a proposed transaction to acquire Guidant. The presentations to the Boston Scientific board of directors included (i) the terms of the proposal that Boston Scientific was considering making to Guidant, (ii) the terms of the financing that Boston Scientific would require if it were to acquire Guidant and the impact on Boston Scientific of that financing, including on its credit rating, (iii) the terms on which Guidant would be acquired, including the expectation that, if Boston Scientific was successful in its efforts to acquire Guidant, it would be required to enter into a merger agreement that was substantially similar to the amended Johnson & Johnson merger agreement (including with respect to the definition of "material adverse effect" contained in the amended Johnson & Johnson merger agreement), (iv) the limitations contained in the amended Johnson & Johnson merger agreement on Guidant's ability to enter into discussions regarding a takeover transaction with any person other than Johnson & Johnson, and the terms on which Guidant could terminate the amended Johnson & Johnson merger agreement, including the provision requiring that Guidant pay Johnson & Johnson a termination fee if the amended Johnson & Johnson merger agreement is terminated in circumstances involving a competing transaction to acquire Guidant, (v) the potential antitrust issues that could be raised by the proposed transaction and possible solutions to these issues, and (vi) the preliminary views of Boston Scientific's financial advisors as to the financial impact on Boston Scientific of the proposed transaction and the proposed price to be paid for Guidant. At that meeting, representatives of each of Bank of America, N.A. and Merrill Lynch expressed the willingness of their respective institutions to commit to provide the necessary financing for the proposed transaction and representatives of Bear Stearns expressed the willingness of Bear Stearns to participate in the financing. After extensive discussion by the members of the Boston Scientific board of directors of the proposed transaction, including in executive session, the Boston Scientific board of directors authorized Boston Scientific's senior management to make a proposal to acquire Guidant on the terms described at the meeting. Following this meeting and over the next several days, members of senior management of Boston Scientific, along with Boston Scientific's financial and legal advisors, finalized the terms of Boston Scientific's proposal to acquire Guidant, including the terms of the commitment letter that Boston Scientific was negotiating with Bank of America, N.A. and Merrill Lynch with respect to the financing necessary for the proposed transaction.

On December 2, 2005, at a meeting of the Boston Scientific board of directors, senior members of Boston Scientific management made a further presentation to the Boston Scientific board of directors regarding the terms of the proposal to acquire Guidant. Boston Scientific's legal advisors again reviewed the principal legal terms of the proposal, as well as the relevant provisions of the amended Johnson & Johnson merger agreement, and Boston Scientific's financial advisors reviewed the financial terms of the proposal. Following discussion, the Boston Scientific board of directors authorized the delivery of the proposal to Guidant and the execution by Boston Scientific of the commitment letter from Bank of America, N.A. and Merrill Lynch.

On December 5, 2005, Boston Scientific delivered a letter to Guidant proposing to acquire Guidant for a combination of \$36 in cash and a fixed number of shares of Boston Scientific common stock having a value of \$36 on or about the time, should it occur, that a definitive agreement was signed. Boston Scientific issued a public statement to this effect on the same day. Guidant made a public statement on the same day acknowledging receipt of the letter and stating the Guidant board of directors would consider the proposal and, in accordance with the terms of the amended Johnson & Johnson merger agreement, promptly forwarded copies of the materials it had received from Boston Scientific to Johnson & Johnson.

On December 7, 2005, at a meeting of the Guidant board of directors, Guidant's legal advisors reviewed Guidant's obligations to Johnson & Johnson under the amended Johnson & Johnson merger agreement with respect to Boston Scientific's proposal. Each of Guidant's financial advisors discussed their preliminary financial analyses of the merger consideration contemplated by Boston Scientific's proposal. After discussion, the Guidant board of directors made the requisite determination under the amended Johnson & Johnson merger agreement to provide information to Boston Scientific and enter into discussions with it regarding its proposal. Guidant issued a public statement to this effect on the same day, noting that the Guidant board of directors was not making any recommendation at that time with respect to Boston Scientific's proposal.

On December 7, 2005, Guidant and Boston Scientific executed a confidentiality agreement.

Between December 8, 2005 and January 6, 2006, Boston Scientific and Guidant each conducted a due diligence investigation of the other. In accordance with the terms of the amended Johnson & Johnson merger agreement, Guidant provided information about the status and details of the Boston Scientific proposal to Johnson & Johnson during this period, as well as copies of information that were provided by Guidant to Boston Scientific and its representatives during this period that had not previously been provided to Johnson & Johnson or its representatives. During this time, Boston Scientific's legal advisors sent a draft of a proposed merger agreement to Guidant's legal advisors, and the respective legal advisors discussed the terms of the proposed merger agreement.

During this period, Boston Scientific's legal advisors were engaged in discussions with the FTC and the European regulatory antitrust authorities regarding receipt of the necessary clearances for the proposed transaction, including possible actions that Boston Scientific would be prepared to make in connection with the receipt of these clearances. In that regard, during this period Boston Scientific also held discussions with various parties, including Abbott, regarding the possible purchase by Abbott of Guidant's vascular and endovascular businesses. The discussions between Boston Scientific and Abbott progressed to detailed negotiations between the parties of the financial terms on which Abbott would acquire these businesses from Guidant, and the terms on which Boston Scientific and Abbott would share rights to Guidant's drug-eluting stent program.

On January 6, 2006, at a meeting of the Guidant board of directors, Guidant management and its legal and financial advisors reviewed with the Guidant board of directors the diligence process with respect to Boston Scientific. Guidant management also discussed Guidant's business condition and outlook. Guidant's legal advisors updated the Guidant board of directors on the status of negotiations with Boston Scientific and its representatives.

On January 6, 2006, at a meeting of the Boston Scientific board of directors, senior members of Boston Scientific management made a detailed presentation to the Boston Scientific board of directors of the results of Boston Scientific's due diligence review of Guidant, including the impact on Guidant of its previously announced product recalls and related litigation. In addition, senior members of management of Boston Scientific made a detailed presentation to the Boston Scientific board of directors regarding the financial overview of the proposed transaction and the effect it would have on Boston Scientific from financial and business viewpoints. Senior management of Boston Scientific also described to the Boston Scientific board of directors the status of discussions with antitrust authorities regarding the proposed transaction, as well as the financial and other terms on which Abbott would acquire from Guidant its vascular and endovascular businesses and share with Boston Scientific rights to Guidant's drug-eluting stent program. Following discussions of these matters, senior management of Boston Scientific presented the Boston Scientific board of directors with the proposed terms of a definitive offer to acquire Guidant for a combination of \$36 in cash and a number of Boston Scientific shares worth approximately \$36 based on the average trading price for the 20 trading days ending three trading days prior to the date on which Guidant shareholders would vote to approve a transaction with Boston Scientific and a description of the proposed collar around the stock portion of the consideration. Then, Boston Scientific's financial advisors presented their financial analyses of the consideration proposed to be paid to Guidant shareholders in the offer, and each delivered its oral opinion, to the effect that, as of January 6, 2006, and based upon and subject to the matters described in its respective opinion, the consideration to be paid to Guidant shareholders in the offer was fair from a financial point of view to Boston Scientific. Boston Scientific's legal advisors reviewed the principal terms of the proposed merger agreement, including (i) the conditions to closing the proposed transaction, (ii) the fact that the material adverse effect definition contained in the proposed merger agreement required Boston Scientific to accept the consequences to Guidant's business of Guidant's previously announced product recalls and any related litigation, investigations or other developments, (iii) the termination provisions of the proposed merger agreement, including that Boston Scientific would be required to pay a substantial termination fee to Guidant if it failed to secure the necessary antitrust approvals for the proposed transaction, and (iv) the fact that Boston Scientific would be obligated to reimburse Guidant for the termination fee that would be payable to Johnson & Johnson if Guidant did enter into the proposed merger agreement with Boston Scientific. The Boston Scientific board of directors was also advised that holders of approximately 30% of Boston Scientific's shares were prepared to agree to vote their shares in favor of the proposed transaction. Following extended discussion, the Boston Scientific board of directors authorized the delivery of the definitive offer to Guidant.

In connection with its firm offer to acquire Guidant, Boston Scientific received a revised commitment letter from Bank of America, N.A. and Merrill Lynch in which they committed to provide, in the aggregate, financing of up to \$14 billion.

On January 8, 2006, Boston Scientific entered into the Abbott transaction agreement, pursuant to which Abbott would acquire the Guidant vascular and endovascular businesses for total consideration of \$4.3 billion, consisting of an upfront payment of \$3.8 billion in cash on or around the closing of Boston Scientific's acquisition of Guidant, a payment of \$250 million upon FDA approval of an everolimus-based drug-eluting stent product and an additional payment of \$250 million upon a similar approval in Japan. The Abbott transaction agreement also provided that Abbott would provide a \$700 million subordinated loan to Boston Scientific for five years at an annual interest rate of 5.25% and described the terms on which Abbott and Boston Scientific would share rights to Guidant's drug-eluting stent program.

Later in the day on January 8, 2006, Boston Scientific delivered a letter to Mr. Cornelius in which it offered to acquire Guidant for \$72 a share, and otherwise on the terms and conditions contained in that letter and the merger agreement that was attached to the letter and that had been executed by

Boston Scientific. Shortly after Boston Scientific delivered the offer letter to Mr. Cornelius, Mr. Nicholas and James R. Tobin, Chief Executive Officer of Boston Scientific, called Mr. Cornelius to inform him that the letter had been sent. Guidant made a public statement on the same day acknowledging receipt of Boston Scientific's offer and stating that the Guidant board of directors would evaluate all aspects of the offer with the assistance of its financial advisors and outside counsel. In addition, in accordance with the terms of the amended Johnson & Johnson merger agreement, Guidant promptly forwarded copies of the materials it had received from Boston Scientific to Johnson & Johnson.

On January 10, 2006, at a meeting of the Guidant board of directors, Guidant's legal advisors reviewed with the Guidant board of directors the principal terms of the offer received from Boston Scientific on January 8, 2006 and the specific differences between Boston Scientific's offer and the amended Johnson & Johnson merger agreement, as well as Guidant's obligations to Johnson & Johnson under the amended Johnson & Johnson merger agreement. Guidant's financial advisors discussed with the Guidant board of directors their financial analyses of the merger consideration contemplated by the January 8, 2006 Boston Scientific offer. No decisions regarding the Boston Scientific offer were made at this meeting.

On the morning of January 11, 2006, senior members of Johnson & Johnson met with Mr. Cornelius and Bernard E. Kury, Guidant's General Counsel, to discuss the benefits of a transaction between Johnson & Johnson and Guidant and to present Johnson & Johnson's revised offer of \$37.25 in cash and 0.493 shares of Johnson & Johnson common stock, having a value, based on the closing price of Johnson & Johnson common stock on January 10, 2006, of \$68.36 per share of Guidant common stock. Following discussion of the terms of that revised offer, Mr. Cornelius agreed to take Johnson & Johnson's revised offer to the Guidant board of directors for its consideration.

On January 11, 2006, at a meeting of the Guidant board of directors, the Guidant board of directors continued its discussion, with the input of its legal and financial advisors, of the offer received from Boston Scientific on January 8, 2006. Guidant's legal and financial advisors also reviewed with the Guidant board of directors Johnson & Johnson's revised offer as set forth in the proposed amendment no. 1 to the amended Johnson & Johnson merger agreement. After further discussion, the Guidant board of directors approved amendment no. 1 to the amended Johnson & Johnson merger agreement as being in the best interests of Guidant and its shareholders and authorized the execution and delivery of amendment no. 1 to the amended Johnson & Johnson merger agreement.

After the close of trading on the New York Stock Exchange on January 11, 2006, the Guidant board of directors accepted the revised offer from Johnson & Johnson and the parties executed amendment no. 1 to the amended Johnson & Johnson merger agreement, which reflected the terms of that offer. Following these actions, Mr. Cornelius called Mr. Tobin to inform him of the Guidant board of directors' determinations. On the same day, Johnson & Johnson and Guidant issued a joint press release announcing their agreement.

Following the announcement of the execution of amendment no. 1 to the amended Johnson & Johnson merger agreement, senior members of management of Boston Scientific, along with Boston Scientific's financial and legal advisors, discussed potential responses to amendment no. 1 to the amended Johnson & Johnson merger agreement, including the possible revision of the terms of Boston Scientific's January 8, 2006, offer.

On January 11, 2006, at a meeting of the Boston Scientific board of directors, senior members of Boston Scientific management presented the Boston Scientific board of directors with the proposed terms of a revised offer to acquire Guidant. The revised offer would increase the cash component of the proposed merger consideration by \$0.50 from \$36 per share to \$36.50 per share, and would increase the stock component of the proposed merger consideration by providing that the number of Boston Scientific shares issuable would equal approximately \$36.50, instead of \$36.00, based on the

average trading price for the 20 trading days ending three trading days prior to the date on which Guidant's shareholders would vote to approve a transaction with Boston Scientific, subject to the same collar. The revised offer would also provide that, if the transaction with Guidant was not completed by March 31, 2006, the proposed merger consideration would be increased by an amount in cash equal to \$0.012 per share for each day beginning on April 1, 2006 through the date of closing. Boston Scientific was also prepared to revise its proposed merger agreement with Guidant to provide that, if required, it would be prepared to divest all overlapping assets, and to extend the proposed termination date of the proposed merger agreement from June 30, 2006 to September 30, 2006. Boston Scientific's legal advisors reviewed the principal terms of the proposed revised offer, and Boston Scientific's financial advisors separately presented their financial analyses of the proposed consideration contemplated by the revised offer, and each delivered its oral opinion, to the effect that, as of January 11, 2006, and based upon and subject to the matters described in its respective opinion, the consideration contemplated by the revised offer was fair from a financial point of view to Boston Scientific. Following extended discussion, the Boston Scientific board of directors authorized the delivery of the revised definitive offer to Guidant. In connection with the submission of its revised offer, Boston Scientific received a revised commitment letter from Bank of America, N.A. and Merrill Lynch in which they committed to provide, in the aggregate, financing of up to \$14 billion.

On January 12, 2006, Boston Scientific delivered a letter to Mr. Cornelius outlining its revised offer to acquire Guidant for \$73 a share, and otherwise on the terms and conditions contained in that letter and in the revised merger agreement that was attached to the letter and that had been executed by Boston Scientific. Shortly after Boston Scientific delivered the revised offer letter to Mr. Cornelius, Mr. Nicholas called Mr. Cornelius to confirm that he had received and understood the revised offer and to discuss next steps. Boston Scientific's revised offer provided that it would expire by its terms at 4:00 p.m. EST on January 13, 2006, unless by that time the Guidant board of directors had determined that Boston Scientific's revised offer constituted a "superior proposal," as defined under the amended Johnson & Johnson merger agreement. In accordance with the terms of the amended Johnson & Johnson merger agreement, Guidant promptly forwarded copies of the materials it had received from Boston Scientific to Johnson & Johnson.

On January 13, 2006, senior members of Johnson & Johnson again met with Messrs. Cornelius and Kury to convey Johnson & Johnson's continued interest in a transaction with Guidant and to present Johnson & Johnson's revised offer of \$40.52 in cash and 0.493 shares of Johnson & Johnson common stock, having a value, based on the closing price of Johnson & Johnson common stock on January 13, 2006, of \$71.00 per share of Guidant common stock.

On January 13, 2006, the Guidant board of directors met to consider the terms of the revised offers received from both Boston Scientific and Johnson & Johnson. Guidant's legal and financial advisors reviewed with the Guidant board of directors Boston Scientific's revised offer received on January 12, 2006, as well as Johnson & Johnson's revised offer received on January 13, 2006 as set forth in the proposed amendment no. 2 to the amended Johnson & Johnson merger agreement. After further discussion, the Guidant board of directors approved amendment no. 2 to the amended Johnson & Johnson merger agreement as being in the best interests of Guidant and its shareholders and authorized the execution and delivery of amendment no. 2 to the amended Johnson & Johnson merger agreement.

After the close of trading on the New York Stock Exchange on January 13, 2006, the Guidant board of directors accepted the revised offer from Johnson & Johnson and the parties executed amendment no. 2 to the amended Johnson & Johnson merger agreement, which reflected the terms of that offer. Following these actions, Mr. Cornelius telephoned Mr. Tobin to inform him of the Guidant board of directors' determinations. On the same day, Guidant and Johnson & Johnson issued a joint press release announcing their agreement.

Following the announcement of the execution of amendment no. 2 to the amended Johnson & Johnson merger agreement, senior members of management of Boston Scientific, along with Boston Scientific's financial and legal advisors, discussed potential responses to amendment no. 2 to the amended Johnson & Johnson merger agreement, including the possible revision of the terms of Boston Scientific's January 12, 2006 offer.

During the weekend of January 14, 2006, members of senior management of Boston Scientific, along with Boston Scientific's financial and legal advisors, continued to review potential responses to amendment no. 2 to the amended Johnson & Johnson merger agreement. In addition, representatives of Boston Scientific and Abbott discussed possible revisions to the Abbott transaction agreement, under which Abbott would agree to increase the consideration to be paid by it for Guidant's vascular and endovascular businesses, and to increase the amount of the loan, and decrease the interest rate of that loan, to be made by Abbott to Boston Scientific. In addition, Boston Scientific and Abbott discussed the terms on which Abbott might subscribe for shares of Boston Scientific common stock, including the number of shares that Abbott would be prepared to purchase, and the timing of that purchase.

On January 15, 2006, at a meeting of the Boston Scientific board of directors, senior members of management presented the Boston Scientific board of directors with the proposed terms of a further revised offer to acquire Guidant. The further revised offer would increase the cash component of the proposed merger consideration by \$5.50 from \$36.50 per share to \$42.00 per share, and would increase the stock component of the proposed merger consideration by providing that the number of Boston Scientific shares issuable for each Guidant share would equal approximately \$38.00, instead of \$36.50, based on the average trading price for the 20 trading days ending three trading days prior to the date on which the proposed merger closed (rather than three days before the date of the Guidant shareholders meeting to approve the proposed transaction), and would decrease the bottom range of the collar by \$1. The revised offer would also provide that, if the transaction with Guidant was not completed by March 31, 2006, the proposed merger consideration would increase by an amount in cash equal to \$0.0132 per share for each day beginning on April 1, 2006 through the date of closing. Senior management of Boston Scientific also described to the Boston Scientific board of directors the terms of the proposed amendments to the Abbott transaction agreement, including the proposed increase to the amount of the consideration to be paid by Abbott for the Guidant assets and to the amount of the Abbott loan, as well as Abbott's agreement to acquire shares of Boston Scientific common stock for \$1.4 billion on or around the closing date of the proposed merger with Guidant. Boston Scientific's legal advisors reviewed the principal terms of the revised offer, and each of Boston Scientific's financial advisors separately presented its financial analyses of the proposed consideration contemplated by the offer and each delivered its oral opinion, subsequently confirmed in writing, to the effect that, as of January 16, 2006, and based upon and subject to the matters described in its respective opinion, the consideration contemplated by the revised offer was fair from a financial point of view to Boston Scientific. Following extended discussion, the Boston Scientific board of directors authorized the delivery of the further revised offer to Guidant. In connection with the submission of its further revised offer, Boston Scientific received an amended and restated commitment letter from Bank of America, N.A. and Merrill Lynch in which they committed to provide, in the aggregate, financing of up to \$14 billion.

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Also on January 16, 2006, Boston Scientific entered into two amendments to the Abbott transaction agreement. Under amendment no. 1 to the Abbott transaction agreement, the initial purchase price that Abbott had agreed to pay for Guidant's vascular and endovascular businesses was increased from \$3.8 billion to \$4.1 billion, the amount of the loan that Abbott had agreed to make to Boston Scientific was increased from \$700 million to \$900 million, and the interest rate on that loan was decreased from 5.25% to 4%. Under amendment no. 2 to the Abbott transaction agreement, Abbott agreed to purchase \$1.4 billion of Boston Scientific common stock (approximately 56 million shares), contingent upon the closing of the merger.

On January 17, 2006, Boston Scientific delivered a letter to Mr. Cornelius outlining its further revised offer to acquire Guidant for \$80 a share, and otherwise on the terms and conditions contained in that letter and in the revised merger agreement that was attached to the letter and that had been executed by Boston Scientific. After Boston Scientific delivered the further revised offer letter to Mr. Cornelius, Mr. Nicholas called Mr. Cornelius to confirm that he had received and understood the further revised offer and to discuss next steps. Boston Scientific's revised offer provided that it would expire by its terms at 5:00 p.m. EST on January 17, 2006, unless by that time the Guidant board of directors had determined that Boston Scientific's revised offer constituted a "superior proposal," as defined under the Johnson & Johnson merger agreement. If the Guidant board of directors did make such a determination, Boston Scientific's revised offer would remain open until 4:00 p.m. on January 25, 2006. In accordance with the terms of the Johnson & Johnson merger agreement, Guidant promptly forwarded copies of the materials it had received from Boston Scientific to Johnson & Johnson.

Later in the day on January 17, 2006, the Guidant board of directors met to consider the terms of the further revised offer received from Boston Scientific. Guidant's legal and financial advisors reviewed with the board Boston Scientific's further definitive offer. After extensive discussion, the Guidant board of directors determined that Boston Scientific's further revised definitive offer constituted a "superior proposal" as defined under the Johnson & Johnson merger agreement and gave notice to that effect to Johnson & Johnson.

Following this Guidant board of directors meeting, Mr. Cornelius telephoned Mr. Nicholas to inform him of the Guidant board of directors' determination, and Guidant issued a press release announcing its determination. In addition, Guidant sent a letter to Johnson & Johnson informing Johnson & Johnson of the Guidant board of directors' determination regarding Boston Scientific's revised offer and advising Johnson & Johnson of Guidant's intention, if the Boston Scientific offer remained a "superior proposal" as of 12:01 a.m. on January 25, 2006, to terminate the Johnson & Johnson merger agreement and concurrently with or after the termination enter into a merger agreement with Boston Scientific.

On January 24, 2006, at an evening meeting of the Guidant board of directors, Guidant's legal advisors reviewed in detail the principal terms of merger agreement with Boston Scientific, as well as the Guidant board of directors' fiduciary duties, both generally and in the specific context of the proposed transaction. Guidant's financial advisors presented their financial analyses of the merger consideration contemplated by the merger agreement and each delivered its oral opinion, subsequently confirmed in writing, to the effect that, as of January 24, 2006, and based upon and subject to the matters described in its respective opinion, the merger consideration contemplated by the merger agreement was fair from a financial point of view to Guidant shareholders. Following extended discussion, the Guidant board of directors (with the exception of one director who was absent due to medical reasons) unanimously determined in accordance with the Johnson & Johnson merger agreement that Boston Scientific's offer to acquire Guidant submitted on January 17, 2006 remained superior to the terms of the Johnson & Johnson merger agreement and authorized the termination of that agreement. The Guidant board of directors also approved the merger agreement with Boston Scientific as being in the best interests of Guidant and its shareholders and authorized the execution and delivery of the merger agreement. These determinations became effective as of 12:01 a.m. on

January 25, 2006. Following the board meeting, Mr. Cornelius telephoned Johnson & Johnson's Chairman of the Board and Chief Executive Officer who informed Mr. Cornelius that Johnson & Johnson had determined not to increase its last offer to acquire Guidant.

Early in the morning of January 25, 2006, Guidant delivered notice to Johnson & Johnson of its termination of the Johnson & Johnson merger agreement in accordance with its terms and executed the merger agreement with Boston Scientific. Guidant then announced its termination of the Johnson & Johnson merger agreement and the cancellation of the meeting of Guidant shareholders that had been scheduled for January 31, 2006 to approve the Johnson & Johnson merger agreement. Boston Scientific and Guidant then issued a joint press release announcing their execution of the merger agreement.

Between December 7, 2005 and January 25, 2006, representatives from Boston Scientific and Guidant from time to time had telephone conversations regarding Boston Scientific's access to information regarding Guidant for purposes of Boston Scientific's due diligence review of Guidant and the status of the proposed transaction between Boston Scientific and Guidant.

**Boston Scientific's Reasons for the Merger and Recommendation of the
Boston Scientific Board of Directors**

At a special meeting of the Boston Scientific board of directors held on January 15, 2006, the Boston Scientific board of directors unanimously determined that the merger is in the best interests of Boston Scientific and its stockholders and approved proposals to amend the Boston Scientific Second Restated Certificate of Incorporation in order to increase the number of authorized shares of Boston Scientific common stock and to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement, and recommends that Boston Scientific shareholders vote "**FOR**" approval of these proposals.

In reaching its decision to adopt the proposals and recommend that Boston Scientific stockholders vote to approve the proposals, the Boston Scientific board of directors, at its January 15, 2006 meeting, and at other meetings at which it had considered the proposed acquisition of Guidant, considered a number of factors, including the following:

Market Price. The Boston Scientific board of directors considered the value of the merger consideration to be paid by Boston Scientific in the merger, including the fact that Guidant shareholders will receive, for each share of Guidant common stock that they own, merger consideration consisting of (i) \$42.00 in cash, (ii) between 1.3167 and 1.6799 shares of Boston Scientific common stock, based on the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. The Boston Scientific board of directors also considered the historical stock prices of Boston Scientific and Guidant common stock.

Form of Merger Consideration. The Boston Scientific board of directors considered that the stock portion of the merger consideration will have a dilutive effect on the ownership of the current holders of Boston Scientific common stock. The Boston Scientific board of directors noted that because the stock portion of the merger consideration is subject to a collar, the dilution to existing Boston Scientific stockholders would be limited.

Business, Condition and Prospects. The Boston Scientific board of directors considered Guidant's financial condition, results of operations, business, competitive position, reputation, relationships with regulators, outstanding legal proceedings and investigations and business prospects, as well as current industry, economic, government regulatory and market conditions and trends. In particular, the Boston Scientific board of directors reviewed with Boston Scientific's management and advisors the basis and status of the Guidant recalls involving

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Guidant's defibrillator and pacemaker systems, including the FDA investigation and related legal proceedings, the impact of the Guidant recalls, governmental investigations and legal proceedings on Guidant's financial outlook, reputation and share of the CRM market and the potential recovery of Guidant's business in the CRM market and its future prospects. In addition, the Boston Scientific board of directors considered the current state of the CRM market generally and noted the potential for significant growth in the CRM market.

The Boston Scientific board of directors also reviewed Boston Scientific's future prospects if a merger with Guidant were not completed, and reviewed information with respect to the prospects of the combined company.

Strategic Advantages. The Boston Scientific board of directors considered its assessment of the complementary strengths of each of the companies and the experience of Boston Scientific in integrating acquired companies. The Boston Scientific board of directors also reviewed information with respect to the prospects of the combined company, including the potential to create significant value for Boston Scientific and Guidant shareholders through:

the combination of Boston Scientific's cardiovascular, endosurgery and neuromodulation businesses and Guidant's CRM business, which is expected to (i) create an opportunity to further diversify and expand the growth markets served by the combined company, (ii) give the combined company a leading position in the high growth area of CRM, and (iii) allow the combined company to become a market leader in the sales of cardiovascular devices;

the combined company's potential to generate consistent revenue, cash flow and earnings growth from its interventional cardiology and CRM businesses, which is expected to provide the combined company with a more diversified and strong cash flow to allow the combined company to service the debt incurred in connection with the merger and to seek to maintain an investment-grade credit rating;

the enhanced overall competitive positioning of the combined company, which is expected to be a preeminent cardiovascular device company with more than \$8.8 billion in combined revenue in 2006, offering a comprehensive portfolio of cardiovascular devices to patients and doctors;

the combination of the leadership positions and operating capabilities of Boston Scientific and Guidant which will create the opportunity to pursue revenue and operating synergies; and

the terms of the Abbott transaction agreement, and in particular the fact that Boston Scientific would obtain shared rights with Abbott to Guidant's everolimus-based drug-eluting stent program, which would allow Boston Scientific to differentiate itself from other participants in the drug-eluting stent market by being the leading company with two drug-eluting stent platforms.

Terms of the Merger Agreement. The Boston Scientific board of directors, with the assistance of its legal advisors, reviewed the terms of the merger agreement, the scope of the divestitures potentially required by Guidant and Boston Scientific in connection with the merger, the amount of the termination fee payable under certain circumstances described below and the September 30, 2006 termination date. In addition, the Boston Scientific board of directors noted that the definition of "material adverse effect" contained in the merger agreement excludes the effects on Guidant's business relating to, or arising from, any product recalls announced by Guidant prior to the date of the merger agreement or any related pending or future litigation, governmental investigations or other developments and any information in Guidant's SEC filings prior to the date of the merger agreement.

The Johnson & Johnson Merger Agreement. The Boston Scientific board of directors considered the terms of the Johnson & Johnson merger agreement, including the cost to Guidant of

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terminating that agreement in order to enter into the merger agreement with Boston Scientific, and the fact that Boston Scientific would be required to reimburse Guidant the \$705 million termination fee payable by Guidant to Johnson & Johnson. In addition, the Boston Scientific board of directors noted that Boston Scientific would be reimbursed the \$705 million termination fee by Guidant if the merger agreement were terminated under certain circumstances.

Financing Related to the Merger. The Boston Scientific board of directors considered the terms of the financing to be obtained in connection with the merger, as reflected in the commitment letter received from Merrill Lynch Capital Corporation, Merrill Lynch, Bank of America, N.A. and Banc of America Securities LLC. The Boston Scientific board of directors also considered the subordinated loan in the amount of \$900 million to be received from Abbott under the Abbott transaction and the 4.00% annual interest rate of that loan.

Terms of the Abbott Transaction Agreement. The Boston Scientific board of directors, with the assistance of its legal and financial advisors, reviewed the other terms of the Abbott transaction agreement, including that Abbott would pay an initial purchase price of \$4.1 billion in cash for the Guidant vascular and endovascular businesses, as well as potential milestone payments of \$500 million in the aggregate. In addition, the Boston Scientific board of directors noted that Abbott also agreed to:

make a five year subordinated loan of \$900 million to Boston Scientific;

purchase \$1.4 billion in shares of Boston Scientific common stock at the Abbott transaction closing; and

apply a share of the profits, if any, Abbott might receive from the sale by Abbott of any of those shares of Boston Scientific common stock to reduce the principal amount of the loan from Abbott to Boston Scientific.

Regulatory Matters. The Boston Scientific board of directors, with the assistance of its outside antitrust advisors, considered the regulatory risks relating to the merger, taking into account the discussions those advisors had with the FTC and other governmental entities in connection with obtaining regulatory approvals of the merger. In that regard, the Boston Scientific board of directors considered the provisions of the merger agreement requiring the divestiture of all overlapping assets, including assets relating to Guidant's existing drug-eluting stent program, and to pay a termination fee of \$800 million if the merger is not completed solely for antitrust reasons.

Potential Risks. The Boston Scientific board of directors considered a number of potential risks, as well as related mitigating factors, in connection with its evaluation of the merger. These risks include the potential diversion of management resources from operational matters and the opportunity costs associated with the merger prior to the completion or abandonment of the merger. Other risks considered by the Boston Scientific board of directors included:

the risk that the merger would not be consummated at all, despite the parties' efforts to cause it to occur;

the risk that the potential benefits of the merger may not be realized;

the risks arising from or related to the Guidant recalls, including the potential liability arising from the product liability and securities class action lawsuits filed against Guidant, the results of the governmental investigations of the Guidant recalls, customer perceptions of the Guidant recalls, market recovery, the inability to resolve Guidant's quality control issues at its manufacturing sites and that any liability or resolution to any of the foregoing issues may be more costly than anticipated;

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the risks arising from the challenges of integrating the businesses, management teams, strategies, cultures and organizations of the two companies;

the risk that the merger might not be consummated on a timely basis despite the parties' efforts and if the merger is not closed by March 31, 2006, the fact that the merger consideration will increase by an amount equal to \$0.0132 in cash per share of Guidant common stock for each day beginning on April 1, 2006 through the closing date of the merger;

the risks arising from the substantial financing obligations that will be incurred in order to finance the cash portion of the merger consideration, including that a portion of the combined company's cash flow will be dedicated to payments on its indebtedness and will not be available for other corporate purposes;

the impact of merger related costs and expenses, including integration expenses, on the combined company's financial position;

the risks arising from the outcome of any patent infringement and other intellectual property litigation in which Guidant is involved;

the risk that the combined company would not be able to maintain its investment-grade credit rating in light of the amount of debt it will incur in connection with the merger; and

other applicable risks described in the section of this joint proxy statement/prospectus entitled "*Risk Factors*" beginning on page 25.

In the judgment of Boston Scientific's board of directors, however, these potential risks were favorably offset by the potential benefits of the merger discussed above.

Opinions of Financial Advisors. The Boston Scientific board of directors considered the presentations delivered by Merrill Lynch and Bear Stearns and the oral opinions of Merrill Lynch and Bear Stearns to the Boston Scientific board of directors on January 15, 2006, to the effect that, as of the date of the opinions, and based on and subject to the matters set forth in the respective opinions, the merger consideration to be paid by Boston Scientific to Guidant shareholders was fair, from a financial point of view, to Boston Scientific. A copy of the Merrill Lynch written opinion is attached as Annex C to this joint proxy statement/prospectus and a copy of the Bear Stearns written opinion is attached as Annex D to this joint proxy statement/prospectus.

Additional Considerations. In the course of its deliberations on the merger, the Boston Scientific board of directors consulted with members of Boston Scientific management and Boston Scientific's legal, financial, accounting and tax advisors on various legal, business, regulatory and financial matters relating to the merger. Additional factors considered by the Boston Scientific board of directors in determining whether to approve the merger agreement and the merger and to adopt the proposals to amend the Boston Scientific Second Restated Certificate of Incorporation in order to increase the number of authorized shares of Boston Scientific common stock and to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement and recommend that Boston Scientific stockholders vote to approve those proposals included:

the fact that Boston Scientific stockholders will have an opportunity to vote on the proposals to amend the Boston Scientific Second Restated Certificate of Incorporation in order to increase the number of authorized shares of Boston Scientific common stock and to issue shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement;

the fact that holders of approximately 30% of the outstanding shares of Boston Scientific common stock have agreed to vote in favor of approving the amendment to the Boston

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Scientific Second Restated Certificate of Incorporation in order to increase the number of authorized shares of Boston Scientific common stock and approving the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement;

the fact the Boston Scientific board of directors does not have the right under the merger agreement to change its recommendation to Boston Scientific stockholders that they approve the amendment to Boston Scientific Second Restated Certificate of Incorporation in order to increase the number of authorized shares of Boston Scientific common stock and approve the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement, but does have the right to disclose to its stockholders any factual information required to be disclosed to its stockholders under applicable law, including any conclusions that would have been made by the Boston Scientific board of directors if that information had been available before the date of the merger agreement; and

the fact that Abbott had agreed to modify the terms of the Abbott transaction agreement in connection with Boston Scientific's January 17, 2006 revised offer to acquire Guidant, which allowed Boston Scientific to maintain a similar overall credit profile as it would have had under its previous lower offers to acquire Guidant.

The foregoing discussion is not intended to be exhaustive, but Boston Scientific believes it addresses the material information and factors considered by the Boston Scientific board of directors in its consideration of the merger, including factors that may support the merger, as well as factors that may weigh against it. In view of the variety of factors and the amount of information considered, the Boston Scientific board of directors did not find it practicable to quantify or otherwise assign relative weights to, and did not make specific assessments of, the specific factors considered in reaching its determination. In addition, the Boston Scientific board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and individual members of the Boston Scientific board of directors may have given different weights to different factors.

Guidant's Reasons for the Merger and Recommendation of the Guidant Board of Directors

At a special meeting held on January 24, 2006, the Guidant board of directors (with the exception of one director who was absent due to medical reasons) unanimously determined in accordance with the Johnson & Johnson merger agreement that the Boston Scientific offer remained superior to the terms of the Johnson & Johnson merger agreement and authorized the termination of that agreement, effective upon delivery of written notice to Johnson & Johnson. The Guidant board of directors (with the exception of one director who was absent due to medical reasons) also unanimously determined that the merger with Boston Scientific is in the best interests of Guidant and its shareholders, adopted the merger agreement and recommends that Guidant shareholders vote "FOR" approval of the merger agreement. These determinations became effective as of 12:01 a.m. on January 25, 2006. On January 25, 2006, Guidant terminated the Johnson & Johnson merger agreement and entered into the merger agreement with Boston Scientific.

In reaching its decision to adopt the merger agreement and recommend that Guidant shareholders vote to approve the merger agreement, the Guidant board of directors considered a number of factors, including the following:

Market Price. The Guidant board of directors considered the value of the merger consideration to be received by Guidant shareholders in the merger, including the fact that, if the average trading price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the completion of the merger is between \$22.62 and \$28.86, Guidant shareholders will receive, for each share of Guidant common stock that they own,

merger consideration with a value of \$80.00. This merger consideration would consist of \$42.00 in cash and \$38.00 in Boston Scientific common stock. The Guidant board of directors also considered the fact that, because the exchange ratio for the stock portion of the merger consideration becomes fixed outside this range, the value of the merger consideration to be received by Guidant shareholders will be less than \$80.00 to the extent that the average trading price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the completion of the merger falls below \$22.62 and will be more than \$80.00 to the extent that the average trading price of Boston Scientific common stock during that period rises above \$28.86. In addition, the Guidant board of directors considered that if the merger is not closed by March 31, 2006, Guidant shareholders will receive, for each share of Guidant common stock that they own, an additional \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. Under the terms of the Johnson & Johnson merger agreement, Guidant shareholders would have received, for each share of Guidant common stock that they own, merger consideration consisting of \$40.52 in cash and 0.493 shares of Johnson & Johnson common stock, which as of the close of business on January 24, 2006 would have had a value of \$29.26, based on the last reported sale price of Johnson & Johnson common stock as reported by the New York Stock Exchange Composite Transactions Tape.

Form of Merger Consideration. The Guidant board of directors considered that the stock portion of the merger consideration will permit Guidant shareholders to exchange their shares of Guidant common stock for shares of Boston Scientific common stock and retain an equity interest in the combined enterprise with the related opportunity to share in its future growth. The Guidant board of directors also reviewed Boston Scientific's current and historical results of operations, the trading prices for Boston Scientific common stock and considered its future prospects.

The Johnson & Johnson Merger Agreement. The Guidant board of directors considered the terms of the Johnson & Johnson merger agreement, including the value of the consideration to be received by Guidant shareholders under the Johnson & Johnson merger agreement. In addition, the Guidant board of directors evaluated the risks of not closing the merger with Johnson & Johnson and the costs of Guidant's termination of the Johnson & Johnson merger agreement, including the payment of a termination fee to Johnson & Johnson of \$705 million, the reimbursement of that termination fee by Boston Scientific and the potential repayment of that termination fee to Boston Scientific by Guidant if the merger agreement with Boston Scientific is terminated under certain circumstances.

Terms of the Merger Agreement. The Guidant board of directors, with the assistance of its legal advisors, reviewed the terms of the merger agreement, the scope of the divestitures potentially required in connection with the merger, the amount of the termination fees payable under certain circumstances described below and the outside termination date of September 30, 2006. In addition, the Guidant board considered that the definition of "material adverse effect" contained in the merger agreement excludes the effects on Guidant's business relating to, or arising from, any product recalls announced by Guidant prior to the date of the merger agreement or any related pending or future litigation, governmental investigations or other developments and any information in Guidant's SEC filings prior to the date of the merger agreement.

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Financing Related to the Merger. The Guidant board of directors considered the terms of the financing to be obtained by Boston Scientific in connection with the merger, as reflected in the commitment letter received from Merrill Lynch Capital Corporation, Merrill Lynch, Bank of America, N.A. and Banc of America Securities LLC. The Guidant board of directors also considered the subordinated loan in the amount of \$900 million to be received by Boston Scientific from Abbott under the Abbott transaction agreement and the terms, including interest rate, of that loan.

Terms of the Abbott Transaction Agreement. The Guidant board of directors, with the assistance of its legal and financial advisors, reviewed the other terms of the Abbott transaction agreement, including that Abbott would pay an initial purchase price of \$4.1 billion in cash for the Guidant vascular and endovascular businesses, as well as potential milestone payments of \$500 million in the aggregate. The board considered that Boston Scientific's obligation to complete the merger is not conditioned on consummation of the Abbott transaction and that the terms of the Abbott transaction agreement may change. In addition, the Guidant board of directors has noted that Abbott also agreed to:

make a five year subordinated loan of \$900 million to Boston Scientific with a 4.00% annual interest rate;

purchase \$1.4 billion in shares of Boston Scientific common stock at the Abbott transaction closing; and

apply a share of the profits, if any, Abbott might receive from the sale by Abbott of any of those shares of Boston Scientific common stock to reduce the principal amount of the loan from Abbott to Boston Scientific.

Business, Condition and Prospects. The Guidant board of directors considered information with respect to Guidant's financial condition, results of operations, business, competitive position, relationships with regulators, outstanding legal proceedings and investigations and business prospects, on both a historical and prospective basis, as well as current industry, economic, government regulatory and market conditions and trends.

Strategic Advantages. The Guidant board of directors considered reports from Guidant management and advisors as to the results of their review of Boston Scientific's business. The Guidant board of directors also considered its assessment of the complementary strengths of each of the companies and the compatibility of the corporate structures. The Guidant board of directors also reviewed information with respect to the prospects of the combined enterprise, including the potential for the combined enterprise to have a stronger competitive position and greater opportunities for growth than Guidant would have operating independently:

the combination of Boston Scientific's cardiovascular, endosurgery and neuromodulation businesses and Guidant's CRM business, which is expected to (i) create an opportunity to further diversify and expand the growth markets served by the combined company, (ii) give the combined company a leading position in the high growth area of CRM, and (iii) allow the combined company to become a market leader in the sales of cardiovascular devices;

the combined company's potential to generate consistent revenue, cash flow and earnings growth from its interventional cardiology and CRM businesses, which is expected to provide the combined company with a more diversified and strong cash flow to allow the combined company to service the debt incurred in connection with the merger and to seek to maintain an investment-grade credit rating;

the enhanced overall competitive positioning of the combined company, which is expected to be a preeminent cardiovascular device company with more than \$8.8 billion in combined revenue in 2006, offering a comprehensive portfolio of cardiovascular devices to patients and doctors; and

the combination of the leadership positions and operating capabilities of Boston Scientific and Guidant which will create the opportunity to pursue revenue and operating synergies.

Ability to Accept Superior Proposal Upon Payment of Termination Fee. The Guidant board of directors considered Guidant's ability to terminate the merger agreement prior to shareholder approval of the merger agreement in order to enter into an alternative transaction in response to a superior proposal. In this regard, Guidant may not solicit competing offers and would be required to pay an \$800 million termination fee and repay Boston Scientific for the \$705 million termination fee previously reimbursed by Boston Scientific to Guidant in connection with Guidant's termination of the Johnson & Johnson merger agreement in connection with accepting a superior proposal.

Regulatory Matters. The Guidant board of directors considered the required regulatory approvals for the merger, the prospects and anticipated timing of obtaining those approvals, Boston Scientific's undertakings in the merger agreement with regard to divestitures to the extent necessary to obtain regulatory approval and the amount of regulatory risk relating to the merger that Boston Scientific has agreed to assume, including its agreement that, if the merger is not completed solely for antitrust reasons, Boston Scientific will pay a termination fee to Guidant of \$800 million and that Boston Scientific would be required to agree to the divestiture of certain of its and Guidant's businesses in order to obtain the approval by antitrust authorities in connection with the merger in addition to the Abbott transaction.

Tax Treatment. The Guidant board of directors noted the expected tax treatment of the merger to Guidant shareholders, including the fact that the merger is not structured as a reorganization for United States federal income tax purposes which would generally have allowed Guidant shareholders to refrain from recognizing any gain from the receipt of the stock portion of the merger consideration.

Potential Risks. The Guidant board of directors considered a number of potential risks, as well as related mitigating factors, in connection with its evaluation of the merger, including:

the possibility that the merger might not be completed as a result of the failure to receive regulatory approvals or satisfy other closing conditions, including securing approvals from shareholders of both Guidant and Boston Scientific, which could result in significant distractions to Guidant's employees and increased expenses from an unsuccessful attempt to complete the merger;

as a practical matter, completion of the merger requires receipt of the financing outlined in the commitment letter received by Boston Scientific from Merrill Lynch Capital Corporation, Merrill Lynch, Bank of America, N.A. and Banc of America Securities LLC or alternative financing;

the merger is subject to United States and European regulatory review and approvals which could result in a period of delay of several months before the merger could be completed, creating the risk that adverse changes to the financial condition, results of operations, business, competitive position, reputation, relationships with regulators, outstanding legal proceedings and investigations and business prospects of either Guidant or Boston Scientific could result in fluctuation in the value of the stock portion of the merger consideration to be received by Guidant shareholders, could adversely affect the value of the combined company or could result in the failure to complete the merger;

under the terms of the merger agreement, prior to the completion or abandonment of the merger, Guidant is required to conduct its business only in the ordinary course consistent with past practice and subject to operational restrictions that are of particular concern to the Guidant board of directors because Guidant has been operating in a potential change of

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control environment and has been subject to those restrictions on its operations since December 2004;

the uncertainties involved in a prolonged change of control environment impose difficulties in retaining key management and sales personnel and motivating employees facing uncertainties about the future ownership and direction of Guidant;

the scope and terms of any remedy that may be required by regulators in order to secure approval for the merger are unknown at this time as are the possible effects thereof on the value of the combined company;

Guidant would be required to pay an \$800 million termination fee if the merger agreement is terminated under specified circumstances and Guidant later agrees to or consummates a takeover proposal with another company; and

Guidant would be required to repay Boston Scientific for the \$705 million termination fee reimbursed by Boston Scientific to Guidant in connection with the termination of the Johnson & Johnson merger agreement if the merger agreement with Boston Scientific is terminated under certain circumstances.

In the judgment of Guidant's board, however, these potential risks were more than offset by the potential benefits of the merger discussed above.

Opinions of Financial Advisors. The Guidant board of directors considered the presentations and opinions delivered by JPMorgan and Morgan Stanley on January 24, 2006, which opinions were confirmed in writing on January 25, 2006, to the effect that, as of the date of the opinions and based on and subject to the matters set forth in the respective opinions, the merger consideration was fair, from a financial point of view, to Guidant shareholders. A copy of JPMorgan's written opinion is attached as Annex E to this joint proxy statement/prospectus and a copy of Morgan Stanley's written opinion is attached as Annex F to this joint proxy statement/prospectus.

Additional Considerations. In the course of its deliberations on the merger, the Guidant board of directors consulted with members of Guidant's management and Guidant's legal, financial, accounting and tax advisors on various legal, business and financial matters. Additional factors considered by the Guidant board of directors in determining whether to adopt the merger agreement and recommend that Guidant shareholders vote to approve the merger agreement included:

the existence of severance benefits under Guidant severance plans for those employees whose employment may terminate under certain circumstances following the execution of the merger agreement; and

the fact that Guidant shareholders will have an opportunity to vote on the merger on the terms provided in the merger agreement.

The foregoing discussion is not intended to be exhaustive, but Guidant believes it addresses the material information and factors considered by the Guidant board of directors in its consideration of the merger, including factors that may support the merger as well as factors that may weigh against it. In view of the variety of factors and the amount of information considered, the Guidant board of directors did not find it practicable to, and did not make specific assessments of, quantify or otherwise assign relative weights to, the specific factors considered in reaching its determination. In addition, the Guidant board of directors did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to its ultimate determination, and individual members of Guidant's board of directors may have given different weights to different factors.

In considering the recommendation of the Guidant board of directors to approve the merger agreement, Guidant shareholders should be aware that certain executive officers and directors of Guidant have certain interests in the merger that may be different from, or in addition to, the interests of Guidant shareholders generally. The Guidant board of directors was aware of these interests and considered them when adopting the merger agreement and recommending that Guidant shareholders vote to approve the merger agreement. See " *Interests of Guidant Directors and Executive Officers in the Merger*".

Opinions of Boston Scientific's Financial Advisors

Overview

On December 4, 2005, Boston Scientific formally engaged both Merrill Lynch and Bear Stearns to act as its financial advisors in connection with the proposed merger, and to render opinions as to whether the consideration to be paid by Boston Scientific pursuant to the merger was fair from a financial point of view to Boston Scientific.

At a meeting of the Boston Scientific board of directors held on January 15, 2006, at which the Boston Scientific board of directors considered each of the merger agreement, the Abbott transaction agreement and the merger, each of Merrill Lynch and Bear Stearns rendered its respective oral opinion, which opinions were subsequently confirmed in written opinions dated as of January 15, 2006, that, as of that date and based upon and subject to the matters reviewed with the Boston Scientific board of directors and the assumptions and limitations contained in Merrill Lynch's and Bear Stearns' respective written opinions, the consideration to be paid by Boston Scientific for Guidant was fair, from a financial point of view, to Boston Scientific.

The full text of the Merrill Lynch opinion is attached as Annex C hereto, and the full text of the Bear Stearns opinion is attached as Annex D hereto. The descriptions of the Merrill Lynch and Bear Stearns opinions are qualified in their entirety by reference to the full text of the opinions set forth in Annexes C and D, respectively. Boston Scientific stockholders are urged to read the Merrill Lynch and Bear Stearns opinions in their entirety for a description of the procedures followed, assumptions made, matters considered and qualifications and limitations on the reviews undertaken by each of Merrill Lynch and Bear Stearns in connection with rendering its opinion.

Each of the Merrill Lynch and the Bear Stearns opinions was for the information of the Boston Scientific board of directors and addressed only the fairness of the consideration to be paid, as of the date of the opinion, from a financial point of view to Boston Scientific and does not constitute a recommendation to the Boston Scientific board of directors or any holders of Boston Scientific common stock as to how to vote in connection with the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation or the proposed issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

The Merrill Lynch and the Bear Stearns opinions do not address Boston Scientific's underlying decision to pursue the merger, the relative merits of the merger as compared with any alternative business strategies that might have existed for Boston Scientific or the effects of any other transaction in which Boston Scientific might engage. Neither Merrill Lynch nor Bear Stearns was asked to, nor did they, offer any opinion as to any term of the Abbott transaction agreement. In rendering its opinion, each of Merrill Lynch and Bear Stearns assumed, with the consent of the Boston Scientific board of directors, that each party to the merger agreement and the Abbott transaction agreement would comply with all of the material terms of the merger agreement and the Abbott transaction agreement. In addition, the opinions of Merrill Lynch and Bear Stearns do not address, and neither Merrill Lynch nor Bear Stearns was asked to address, the fairness to, or any other consideration of, the holders of any other class of securities, creditors or other constituencies of Boston Scientific. Merrill Lynch and Bear Stearns did not express any opinion as to the prices at which Boston Scientific common stock will trade following the announcement or consummation of the merger.

In preparing its opinion to the Boston Scientific board of directors, each of Merrill Lynch and Bear Stearns performed various financial and comparative analyses, including those described below. The summary set forth below does not purport to be a complete description of the analyses underlying Merrill Lynch's or Bear Stearns' opinion or the presentations made by Merrill Lynch and Bear Stearns to the Boston Scientific board of directors. The preparation of a fairness opinion is a complex analytic process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at its respective opinion, each of Merrill Lynch and Bear Stearns did not attribute any particular weight to any analysis or factor considered by it, but rather made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. Accordingly, each of Merrill Lynch and Bear Stearns believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors, or focusing on information presented in tabular format, without considering all of the analyses and factors or the narrative description of the analyses, would create a misleading or incomplete view of the process underlying its opinion.

In performing its respective analyses, each of Merrill Lynch and Bear Stearns made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of Merrill Lynch and Bear Stearns. Any estimates contained in the analyses performed by Merrill Lynch and Bear Stearns are not necessarily indicative of actual values or future results, which may be significantly more or less favorable than those suggested by those analyses. Additionally, estimates of the value of businesses or securities do not purport to be appraisals or to reflect the prices at which those businesses or securities might actually be sold. Accordingly, these analyses and estimates are inherently subject to substantial uncertainty. In addition, as described above, the opinions of Merrill Lynch and Bear Stearns were one of several factors taken into consideration by the Boston Scientific board of directors in making its determination to approve the merger. Consequently, Merrill Lynch's and Bear Stearns' analyses as described below should not be viewed as determinative of the decision of the Boston Scientific board of directors with respect to the fairness from a financial point of view of the merger consideration to be paid by Boston Scientific pursuant to the merger.

In arriving at its opinion, Merrill Lynch, among other things:

reviewed certain publicly available business and financial information relating to Boston Scientific and Guidant that it deemed to be relevant;

reviewed certain information, including financial forecasts, relating to the business, earnings, cash flow, assets, liabilities and prospects of Boston Scientific and Guidant, furnished to it by Boston Scientific, as well as the amount and timing of the synergies and the related expenses expected to result from the merger furnished to it by Boston Scientific;

conducted discussions with members of senior management and representatives of Boston Scientific and Guidant concerning the matters described in the first two clauses above, as well as their respective businesses and prospects before and after giving effect to the merger and the expected synergies;

reviewed the market prices and valuation multiples for Boston Scientific common stock and Guidant common stock and compared them with those of certain publicly traded companies that it deemed to be relevant;

reviewed the results of operations of Boston Scientific and Guidant and compared them with those of certain publicly traded companies that it deemed to be relevant;

reviewed the financial terms of certain other transactions that it deemed to be relevant;

participated in discussions and negotiations among representatives of Boston Scientific and Guidant and their financial and legal advisors;

reviewed the potential pro forma impact of the merger;

reviewed a draft dated January 14, 2006 of the merger agreement and certain exhibits and documents referenced therein;

reviewed the Abbott transaction agreement along with drafts dated January 14, 2006 of amendment no. 1 and amendment no. 2 to the Abbott transaction agreement; and

reviewed such other financial studies and analyses and took into account such other matters as it deemed necessary, including its assessment of general economic, market and monetary conditions.

In preparing its opinion, Merrill Lynch assumed and relied on the accuracy and completeness of all information supplied or otherwise made available to it, discussed with or reviewed by or for it, or that was publicly available. Merrill Lynch assumed no responsibility for independently verifying this information and did not undertake an independent evaluation or appraisal of any of the assets or liabilities of Boston Scientific or Guidant, nor was Merrill Lynch furnished with any such evaluation or appraisal. Merrill Lynch did not evaluate the solvency or fair value of Boston Scientific or Guidant under any state or federal laws relating to bankruptcy, insolvency or similar matters. In addition, Merrill Lynch did not assume any obligation to conduct any physical inspection of the properties or facilities of Guidant.

Merrill Lynch did not perform an independent analysis of the litigation related to the product recalls of Guidant's implantable defibrillator and pacemaker systems, and its opinion made no assumption concerning and did not take into account the financial consequences of the possible assertion of claims or outcomes or damages arising out of any such matters or product recalls, which claims, outcomes, damages or consequential effects could have a material impact on its opinion.

With respect to the financial forecast information furnished to or discussed with Merrill Lynch by Boston Scientific and Guidant did not take into account the financial consequences, claims, outcomes and the expected synergies furnished to or discussed with Merrill Lynch by Boston Scientific, Merrill Lynch assumed that all of this information had been reasonably prepared and reflected the best currently available estimates and judgments of the managements of Boston Scientific and Guidant, respectively, as to the expected future financial performance of Boston Scientific or Guidant, as the case may be, and the expected synergies. Merrill Lynch expressed no opinion as to this financial forecast information, including the expected synergies, or the assumptions on which they were based. In performing its analyses described below, Merrill Lynch assumed a merger consideration of \$80 per share, based on \$42 per share in cash and \$38 per share in common stock of Boston Scientific (subject to adjustment as described more fully in this joint proxy statement/prospectus). Merrill Lynch assumed for the purposes of its opinion that the additional portion, if any, of the merger consideration payable if the merger is not closed by March 31, 2006 would not be material with respect to the aggregate merger consideration or the outcomes of its analyses. For a description of the various factors that could affect the value of the merger consideration, see "*The Merger Merger Consideration*" and "*Risk Factors Risks Related to the Merger*" beginning on pages 94 and 25, respectively. Merrill Lynch also assumed that the transactions described in each of the merger agreement and the Abbott transaction agreement would be consummated without waiver or modification of any of the material terms or conditions contained therein by any party, and that the final form of the merger agreement and the Abbott transaction agreement would be substantially similar to the last draft that it reviewed.

In arriving at its opinion, Bear Stearns, among other things:

reviewed a draft dated January 14, 2006 of the merger agreement;

reviewed the Abbott transaction agreement along with drafts dated January 14, 2006 of amendment no. 1 and amendment no. 2 to the Abbott transaction agreement;

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reviewed Boston Scientific's and Guidant's Annual Reports to Stockholders and Annual Reports on Form 10-K for the years ended December 31, 2002, 2003 and 2004, their Quarterly Reports on Form 10-Q for the periods ended March 31, 2005, June 30, 2005 and September 30, 2005, their Current Reports on Form 8-K filed since December 31, 2004, the Johnson & Johnson Registration Statement on Form S-4 dated February 16, 2005 and all subsequent amendments thereto, and Guidant's Definitive Proxy Statement on Schedule 14A dated December 23, 2005;

reviewed certain operating and financial information, including forecasts, relating to Boston Scientific's and Guidant's businesses and prospects, all as prepared and provided to it by Boston Scientific management;

reviewed certain estimates of cost savings and other combination benefits expected to result from the merger, all as prepared and provided to it by Boston Scientific management;

met with certain members of Boston Scientific's and Guidant's senior management to discuss Boston Scientific's and Guidant's businesses, operations, historical and projected financial results and future prospects;

reviewed the historical prices and trading multiples of the Boston Scientific common stock and Guidant common stock;

reviewed publicly available financial data, stock market performance data and trading multiples of companies which it deemed generally comparable to Guidant;

reviewed the terms of recent mergers and acquisitions involving companies which it deemed similar to Guidant;

performed discounted cash flow analyses based on the forecasts and assumed synergies;

reviewed the pro forma financial results, financial condition and capitalization of Boston Scientific giving effect to the merger; and

conducted such other studies, analyses, inquiries and investigations as it deemed appropriate.

In preparing its opinion, Bear Stearns assumed and relied on the accuracy and completeness of all information supplied or otherwise made available to it, discussed with or reviewed by or for it, or that was publicly available. Bear Stearns assumed no responsibility for independently verifying this information and did not undertake an independent evaluation or appraisal of any of the assets or liabilities of Boston Scientific or Guidant, nor was Bear Stearns furnished with any such evaluation or appraisal. Bear Stearns did not evaluate the solvency or fair value of Boston Scientific or Guidant under any state or federal laws relating to bankruptcy, insolvency or similar matters. In addition, Bear Stearns did not assume any obligation to conduct any physical inspection of the properties or facilities of Guidant.

Bear Stearns did not perform an independent analysis of the litigation and product recalls related to Guidant's implantable defibrillator and pacemaker systems, and its opinion made no assumption concerning and did not take into account the potential consequences of any claims, damages or outcomes that may arise from such litigation and product recalls, which claims, damages, outcomes or consequences could have a material impact on its opinion.

With respect to the financial forecast information furnished to or discussed with Bear Stearns by Boston Scientific and Guidant (which excluded the impact of any claims or damages related to litigation or product recalls related to Guidant) and the expected synergies furnished to or discussed with Bear Stearns by Boston Scientific, Bear Stearns assumed that all of this information had been reasonably prepared and reflected the best currently available estimates and judgments of the managements of Boston Scientific and Guidant, respectively, as to the expected future financial performance of Boston Scientific or Guidant, as the case may be, and the expected synergies. Bear Stearns expressed no opinion as to this financial forecast information, including the expected synergies,

or the assumptions on which they were based. In performing its analyses described below, Bear Stearns assumed a merger consideration of \$80 per share, based on \$42 per share in cash and \$38 per share in common stock of Boston Scientific (subject to adjustment as described more fully in this joint proxy statement/prospectus). Bear Stearns assumed for the purposes of its opinion that the additional portion, if any, of the merger consideration payable if the merger is not closed by March 31, 2006 would not be material with respect to the aggregate merger consideration or the outcomes of its analyses. For a description of the various factors that could affect the value of the merger consideration, see "*The Merger Merger Consideration*" and "*Risk Factors Risks Related to the Merger*" beginning on pages 94 and 25, respectively. Bear Stearns also assumed that the transactions described in each of the merger agreement and the Abbott transaction agreement would be consummated without waiver or modification of any of the material terms or conditions contained therein by any party, and that the final form of the merger agreement and the Abbott transaction agreement would be substantially similar to the last draft that it reviewed.

Bear Stearns assumed that the merger and the Abbott transaction would each be consummated in a timely manner and in accordance with the terms of the merger agreement and the Abbott transaction agreement, respectively, without any limitations, restrictions, conditions, amendments or modifications, regulatory or otherwise, that collectively would have a material effect on Boston Scientific and Guidant. Bear Stearns did not express any opinion as to the terms and conditions of the Abbott transaction agreement and did not express any opinion as to the price or range of prices at which the shares of Boston Scientific common stock may trade subsequent to the announcement or consummation of the merger.

Each of Merrill Lynch's and Bear Stearns' respective opinions was necessarily based upon market, economic and other conditions as they existed and could be evaluated on, and on the information made available to Merrill Lynch and Bear Stearns as of January 15, 2006, and neither Merrill Lynch nor Bear Stearns has any obligation to update, revise or reaffirm its opinion. Merrill Lynch and Bear Stearns assumed that, in the course of obtaining the necessary regulatory or other consents or approvals for the proposed merger, no restrictions would be imposed that would have a material adverse effect on the contemplated benefits or consummation of the merger.

Financial Analysis

On January 15, 2006, in connection with preparing their respective opinions for the Boston Scientific board of directors, Merrill Lynch and Bear Stearns made a presentation of certain financial analyses of the proposed merger to the Boston Scientific board of directors.

The following is a summary of the material financial analyses that each of Merrill Lynch and Bear Stearns performed in connection with its opinion to the Boston Scientific board of directors dated January 15, 2006. The financial analyses summarized below include information presented in tabular format. In order to understand fully the financial analyses performed by Merrill Lynch and Bear Stearns, the tables must be read together with the accompanying text of each summary. The tables alone do not constitute a complete description of the financial analyses and if viewed in isolation could create a misleading or incomplete view of the financial analyses performed by Merrill Lynch and Bear Stearns. To the extent the following quantitative information reflects market data, except as otherwise indicated, Merrill Lynch and Bear Stearns based this information on market data as it existed prior to January 15, 2006. This information, therefore, does not necessarily reflect current or future market conditions.

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Sum-of-the-Parts Analysis. Merrill Lynch and Bear Stearns performed a sum-of-the-parts valuation of each of Guidant's businesses to be combined with Boston Scientific in order to derive an implied per share equity value for Guidant. Merrill Lynch and Bear Stearns utilized the following two scenarios for the Guidant businesses to be combined with Boston Scientific, both based upon projections and estimates developed by Boston Scientific's management and provided to Merrill Lynch and Bear Stearns: (i) "Scenario 1," which assumes a certain recovery time for Guidant's CRM business, and (ii) "Scenario 2," that assumes a more rapid recovery for Guidant's CRM business. Merrill Lynch and Bear Stearns utilized a multiples-based valuation methodology based on the trading multiples of selected comparable publicly traded companies; this valuation technique does not account for any control premiums or takeover premiums or synergies, but rather is based strictly on standalone valuations. Merrill Lynch and Bear Stearns specifically utilized the ratio of enterprise value (calculated as equity value, plus total debt, preferred stock and minority investments, less cash and cash equivalents) to estimated total revenue for calendar years 2006, 2007 and 2008, and the ratio of price per share to estimated earnings per share (P/E multiple) for calendar years 2006, 2007 and 2008 in its multiple-based methodology analysis. Merrill Lynch and Bear Stearns each examined and independently valued Guidant's CRM business, Guidant's cardiac surgery business and the share of Guidant's drug-eluting stent business that Boston Scientific will license from Abbott following the consummation of the transactions contemplated by the Abbott transaction agreement. Each of Merrill Lynch and Bear Stearns based its valuation analysis of (i) the CRM business on the trading multiples of certain selected comparable companies, particularly those of St. Jude Medical, Inc., (ii) the cardiac surgery business on the trading multiples of selected comparable publicly traded mid-cap companies operating in the medical device, medical apparatus or medical technology manufacturing markets, and (iii) the share of the Guidant's drug-eluting stent business that Boston Scientific will license from Abbott on the trading multiples of selected comparable publicly traded mid-cap companies operating in the medical device, medical apparatus or medical technology manufacturing markets. None of the foregoing comparable companies is identical to Boston Scientific or Guidant. Using these sum-of-the parts valuation analyses for each of Guidant's businesses to be combined with Boston Scientific, and adding the after-tax proceeds and benefits from the consummation of the transactions contemplated by the Abbott transaction agreement and Guidant's projected net cash balance at March 31, 2006 and subtracting the payment of the \$705 million termination fee payable to Johnson & Johnson pursuant to the terms of the Johnson & Johnson merger agreement, Merrill Lynch and Bear Stearns each estimated the implied total equity value of Guidant for Scenario 1 and Scenario 2.

Merrill Lynch and Bear Stearns then added the per share value of the expected synergies; the pre-tax synergies assumed were \$75 million for the nine months ended December 31, 2006, \$200 million for the year ended December 31, 2007 and \$400 million thereafter, and the estimated costs to achieve these synergies were \$100 million in each of the years 2006 and 2007. Based on these analyses, Merrill Lynch and Bear Stearns estimated the Guidant per share valuation range to be:

	Low	High
<i>Pre-Synergies</i>		
Implied Equity Value per Share	\$ 61.00	\$ 76.50
<i>With Synergies</i>		
Implied Equity Value per Share	\$ 70.75	\$ 86.25

Merrill Lynch and Bear Stearns compared the foregoing Scenario 1 and Scenario 2 per share values to the merger consideration.

Discounted Cash Flow Analysis. Merrill Lynch and Bear Stearns performed a discounted cash flow analysis for Guidant's business to be combined with Boston Scientific as of March 31, 2006, both including and excluding synergies, as the sum of the net present values of:

the estimated future free cash flows that Guidant's businesses to be combined with Boston Scientific would generate for the nine months ended December 31, 2006 through fiscal years ending December 31, 2011; and

the terminal value of Guidant's businesses to be combined with Boston Scientific at December 31, 2010 as a multiple of 2011 estimated earnings before interest, taxes, depreciation and amortization, or EBITDA.

The estimated future free cash flows were based on financial projections for Guidant's businesses to be combined with Boston Scientific provided by the management of Boston Scientific. The terminal values for Guidant's businesses to be combined with Boston Scientific were calculated based on a range of multiples of EBITDA ranging from 10.0x to 12.0x. Merrill Lynch and Bear Stearns used discount rates ranging from 9.0% to 10.0% for Guidant based upon each of Merrill Lynch's and Bear Stearns' judgments of the estimated weighted average cost of capital of comparable companies.

Based on the discounted cash flow analysis, Merrill Lynch and Bear Stearns derived the following implied range of values per share, using Scenario 1 (with and without the expected synergies) and Scenario 2 (with and without the expected synergies), for Guidant's businesses to be combined with Boston Scientific, adding the after-tax proceeds and benefits from the consummation of the transactions contemplated by the Abbott transaction agreement and Guidant's projected net cash balance at March 31, 2006 and subtracting the payment of the \$705 million termination fee payable to Johnson & Johnson pursuant to the terms of the Johnson & Johnson merger agreement:

	<u>Low</u>	<u>High</u>
<i>Pre-Synergies</i>		
Implied Equity Value per Share	\$ 67.00	\$ 83.25
<i>With Synergies</i>		
Implied Equity Value per Share	\$ 76.75	\$ 93.00

Merrill Lynch and Bear Stearns compared each of the values in this range to the merger consideration.

While discounted cash flow analysis is a widely accepted and practiced valuation methodology, it relies on a number of assumptions, including growth rates, terminal multiples and discount rates. The valuation derived from the discounted cash flow analysis is not necessarily indicative of Guidant's present or future value or results.

Pro Forma Merger Analysis. Merrill Lynch and Bear Stearns calculated the pro forma impact to revenue and earnings before interest and taxes, or EBIT, assuming consummation of the merger. Boston Scientific's management provided projections to each of Merrill Lynch and Bear Stearns for the years 2006 through 2011 (Merrill Lynch and Bear Stearns refer to these projections as the Boston Scientific Management Case). In addition, the Boston Scientific Wall Street estimates were based on the average of available Wall Street equity research analyst estimates for Boston Scientific (Merrill Lynch and Bear Stearns refer to these estimates as the Boston Scientific Street Case). The table that

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follows contains the resulting pro forma sales and adjusted EBIT range utilizing the Boston Scientific Street Case, Boston Scientific Management Case, Scenario 1 and Scenario 2:

Pro Forma	2007		2008		2009		2010		2011		'07-'11 CAGR	
	Low (1)	High (2)	Low (1)	High (2)	Low (1)	High (2)	Low (1)	High (2)	Low (1)	High (2)	Low (1)	High (2)
	(in billions)											
Sales	\$ 10.0	\$ 10.6	\$ 11.6	\$ 12.3	\$ 12.8	\$ 13.8	\$ 14.1	\$ 15.5	\$ 16.0	\$ 17.7	12%	14%
Adjusted EBIT	3.1	3.4	3.8	4.2	4.2	4.7	4.7	5.5	5.5	6.4	15%	17%

- (1) Based on the Boston Scientific Street Case and Scenario 1 and assuming the phasing in of expected synergies as described above.
- (2) Based on the Boston Scientific Management Case and Scenario 2 and assuming the phasing in of expected synergies as described above.

Merrill Lynch and Bear Stearns analyzed the impact of the merger on Boston Scientific's revenue and earnings growth rates. Merrill Lynch and Bear Stearns noted that this transaction substantially increased both Boston Scientific's 2007-2011 revenue and adjusted EPS growth rates by 300-600 basis points compared to standalone Boston Scientific Street Case and Management Case revenue compound annual growth rate (CAGR) and by 1,000-1,500 basis points compared to standalone Boston Scientific Street Case and Management Case adjusted EPS CAGR.

Merrill Lynch and Bear Stearns define adjusted EBIT as earnings before interest and taxes excluding amounts related to the following: (i) the effect of purchase price allocation on assets, including the write-off of in-process research and development, amortization of identifiable intangibles and the effect of write-up of assets to fair market value, (ii) merger-related costs, including integration costs and restructuring charges, (iii) costs associated with Guidant's ongoing litigation and (iv) other special non-operating charges.

Merrill Lynch and Bear Stearns also calculated the pro forma adjusted EPS expected to result from the merger based on both Scenario 1 and Scenario 2 forecasts for Guidant and utilizing the Boston Scientific Street Case and the Boston Scientific Management Case standalone EPS estimates. Merrill Lynch and Bear Stearns define adjusted EPS as GAAP EPS excluding amounts related to the following: (i) the effect of purchase price allocation on assets, including the write-off of in-process research and development, amortization of identifiable intangibles and the effect of write-up of assets to fair market value, (ii) merger-related costs, including integration costs and restructuring charges, (iii) costs associated with Guidant's ongoing litigation and (iv) other special non-operating charges. Merrill Lynch and Bear Stearns then compared these pro forma adjusted EPS estimates to Boston Scientific's estimated standalone adjusted EPS estimates and noted that the merger becomes accretive to Boston Scientific beginning in 2010 under the Boston Scientific Street Case and after 2011 under the Boston Scientific Management Case. The analysis assumed the consummation of the merger on March 31, 2006 and the phasing in of the expected synergies as described above. Following is the resulting pro forma adjusted EPS range utilizing the Boston Scientific Street Case, Boston Scientific Management Case, Scenario 1 and Scenario 2, and using a price of \$26.00 per Boston Scientific share:

	Low	High
2007E	\$ 1.40	\$ 1.54
2008E	\$ 1.84	\$ 2.03
2009E	\$ 2.10	\$ 2.39
2010E	\$ 2.46	\$ 2.86
2011E	\$ 2.96	\$ 3.42

As part of the merger consideration, Boston Scientific has agreed to a collar mechanism, whereby Boston Scientific will issue that number of shares of its common stock equal to the quotient

determined by dividing \$38.00 by the average per share closing price for the shares of Boston Scientific common stock on the New York Stock Exchange during the 20 consecutive trading day period ending three trading days prior to the closing of the merger and rounding the result to the nearest 1/10,000 of a share; provided, however, that if this quotient is less than 1.3167, the exchange ratio would be 1.3167 shares and if this quotient is greater than 1.6799, the exchange ratio would be 1.6799 shares. Based on the foregoing and a price of \$26.00 per Boston Scientific share, a one-dollar decrease in the price of Boston Scientific common stock would result in an approximate reduction of 1% in pro forma adjusted EPS, while a one-dollar increase in the price of Boston Scientific common stock would result in an approximate increase of 1% in pro forma adjusted EPS. Based on the foregoing and a price of \$26.00 per Boston Scientific share, should the price per Boston Scientific share decrease to \$22.62 (the lower band of the collar mechanism), the effect to pro forma adjusted EPS would be an approximate reduction of 5%. Based on the foregoing and a price of \$26.00 per Boston Scientific share, should the price per Boston Scientific share increase to \$28.86 (the upper band of the collar mechanism), the effect to pro forma adjusted EPS would be an approximate increase of 4%.

There can be no assurance that the combined company will be able to realize the synergies in the amounts estimated by management, or at all, following the merger. The actual results achieved by Boston Scientific may vary from projected results and the variations may be material.

Implied Future Stock Price Analysis. Merrill Lynch and Bear Stearns also analyzed implied future stock prices of Boston Scientific utilizing (i) independent Wall Street research estimates and (ii) estimates provided by Boston Scientific management. Merrill Lynch and Bear Stearns also reviewed the one-year forward P/E multiple for selected comparable publicly traded companies in order to ascertain whether the future trading multiples used for Boston Scientific, pro forma for the merger, were generally consistent with those observed for comparable publicly traded companies.

Using the 2007 pro forma adjusted EPS estimates based on Scenario 1 for Guidant and the Boston Scientific Management Case, Merrill Lynch and Bear Stearns applied one year forward P/E multiples ranging from 15.0x to 25.0x to calculate an implied stock price as of January 1, 2007. This P/E multiple range was derived based on the one-year forward P/E multiples of selected comparable publicly traded large-cap medical device companies (including Medtronic, Inc.; Baxter International Inc.; St. Jude Medical, Inc.; Stryker Corporation; and Zimmer Holdings, Inc.). The range of the one-year forward P/E multiples for the selected comparable publicly traded large-cap medical device companies was 17.7x to 30.2x, with the one-year forward P/E multiple mean and median of the selected comparable publicly traded large-cap medical device companies being 22.7x and 22.1x, respectively. Merrill Lynch and Bear Stearns observed the following implied one-year forward stock prices:

One-Year Forward P/E Multiple	Implied Stock Price at January 1, 2007
15.0x	\$ 22.36
20.0x	\$ 29.82
25.0x	\$ 37.27

There can be no assurances that Boston Scientific's stock price will trade at the prices described above and Merrill Lynch and Bear Stearns express no opinion as to the prices at which Boston Scientific common stock will trade subsequent to the announcement of the merger or at any point in the future.

Other Factors

In the course of preparing its opinion, each of Merrill Lynch and Bear Stearns also reviewed and considered other information and data, including the following:

the trading characteristics of Boston Scientific common stock and Guidant common stock;

the multiples exhibited and premiums paid in 11 precedent change of control transactions since 1995 ranging in transaction values from \$1,750 million to \$9,965 million (though no single company involved in these transactions operated in either the CRM or drug-eluting stent businesses and no transaction was identical to the merger);

historical market prices for Boston Scientific common stock and Guidant common stock, as well as the historical market prices for certain public comparable companies; and

selected research analysts' reports on Boston Scientific and Guidant, including stock price targets and pro forma merger analyses of those analysts.

Miscellaneous

Pursuant to the terms of its engagement letters, Boston Scientific agreed to pay each of Merrill Lynch and Bear Stearns a customary fee for its financial advisory services, a significant portion of which is contingent upon the completion of the merger. Boston Scientific also has agreed to reimburse each of Merrill Lynch and Bear Stearns for expenses reasonably incurred by it in performing its services, including fees and expenses of its legal counsel, and to indemnify it and related persons against liabilities, including certain liabilities under the United States federal securities laws, arising out of its engagement.

In conducting its analyses and arriving at its opinions, Merrill Lynch and Bear Stearns utilized a variety of generally accepted valuation methods. The analyses were prepared solely for the purpose of enabling Merrill Lynch and Bear Stearns to provide opinions to the Boston Scientific board of directors as to the fairness, from a financial point of view, to Boston Scientific of the merger consideration to be paid by Boston Scientific pursuant to the merger agreement and do not purport to be appraisals or necessarily reflect the prices at which businesses or securities actually may be sold, which are inherently subject to uncertainty. In connection with its analyses, Merrill Lynch and Bear Stearns made, and were provided by the management of Boston Scientific and the management of Guidant with, numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of Merrill Lynch, Bear Stearns, Boston Scientific and Guidant. Analyses based on estimates or forecasts of future results are not necessarily indicative of actual past or future values or results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of Boston Scientific, Guidant or their respective advisors, none of Boston Scientific, Merrill Lynch or Bear Stearns, nor any other person assumes responsibility if future results or actual values are materially different from these forecasts or assumptions.

Boston Scientific retained Merrill Lynch and Bear Stearns based upon each of Merrill Lynch's and Bear Stearns' respective experience and expertise. Both Merrill Lynch and Bear Stearns are internationally recognized investment banking and advisory firms. Each of Merrill Lynch and Bear Stearns, as part of its respective investment banking business, is regularly engaged in the valuation of businesses and securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate and other purposes.

The terms of the merger were determined through negotiations between Boston Scientific and Guidant and were approved by the Boston Scientific board of directors. Although Merrill Lynch and Bear Stearns provided advice to Boston Scientific during the course of these negotiations, the decision to enter into the merger was solely that of the Boston Scientific board of directors. As described above, the presentation and opinions of Merrill Lynch and Bear Stearns to the Boston Scientific board of directors were only one of a number of factors taken into consideration by the Boston Scientific board of directors in making its determination to approve and adopt the merger agreement and the

transactions contemplated by the merger agreement, including the merger and the Abbott transaction agreement. Merrill Lynch's and Bear Stearns' opinions were provided to the Boston Scientific board of directors to assist it in connection with its consideration of the merger and do not constitute a recommendation to any stockholder as to how to vote or take any other action with respect to the merger.

Merrill Lynch and Bear Stearns are currently providing and have, in the past, provided financial advisory and financing services to Boston Scientific and its affiliates and may continue to do so and have received, and may receive, fees for the rendering of these services. For example, Merrill Lynch served as a joint-book runner for Boston Scientific's offering of \$250 million 4.250% Notes due 2011 and \$250 million 4.250% Notes due 2017. Merrill Lynch also served as an underwriter for Boston Scientific's offering of \$600 million 5.45% Notes due 2014 and as a senior co-manager for Boston Scientific's offering of \$400 million 5.50% Notes due 2015 and \$350 million 6.25% Notes due 2035. In addition, in the ordinary course of its respective business, Merrill Lynch and Bear Stearns may actively trade Guidant common stock and other Guidant securities, as well as Boston Scientific common stock and other Boston Scientific securities for its own account and for the accounts of customers and, accordingly, may at any time hold a long or short position in those securities.

At the request of Boston Scientific and its affiliates, each of Merrill Lynch (including an affiliate of Merrill Lynch) and Bear Stearns has committed to participate as a lender in the bridge financing, term loan financing and revolving credit facility being provided to Boston Scientific, which will be used by Boston Scientific to finance the merger. Merrill Lynch and Bear Stearns and their respective affiliates will receive customary fees in connection with their participation in those financings.

Pro Forma Estimates Subsequent to January 15, 2006 Boston Scientific Board of Directors Meeting

Subsequent to the Boston Scientific board of directors meeting held on January 15, 2006, Boston Scientific revised some of the estimates it used in preparing its internal pro forma forecasts. In addition, Boston Scientific modified its definition of adjusted EPS to the following: GAAP EPS excluding amounts related to the following: (i) the effect of purchase price allocation on assets, including the write-off of in-process research and development, amortization of identifiable intangibles and the effect of write-up of assets to fair market value, (ii) merger-related costs, including integration costs and restructuring charges, (iii) costs associated with Guidant's ongoing litigation, (iv) stock compensation expense and (v) other special non-operating charges. Following is the resulting pro forma adjusted EPS low-high range using this modified definition: \$1.52 to \$1.66 in 2007, \$1.98 to \$2.17 in 2008, \$2.24 to \$2.54 in 2009, \$2.61 to \$3.02 in 2010, and \$3.13 to \$3.59 in 2011.

Opinions of Guidant's Financial Advisors

Opinion of JPMorgan

Pursuant to an engagement letter dated August 18, 2004, Guidant retained JPMorgan as a financial advisor in connection with the merger. At the meeting of the Guidant board of directors on January 24, 2006, JPMorgan rendered its oral opinion, subsequently confirmed in writing, to the Guidant board of directors that, based upon and subject to the matters set forth in JPMorgan's opinion, as of that date, the consideration to be received by Guidant shareholders in the merger was fair, from a financial point of view, to those shareholders. No limitations were imposed by the Guidant board of directors upon JPMorgan with respect to the investigations made or procedures followed by it in rendering its opinion, except that JPMorgan was not authorized to, and did not, solicit any expressions of interest from any other parties with respect to the sale of all or any part of Guidant or any other alternative transaction.

The full text of the written opinion of JPMorgan, dated January 25, 2006, which sets forth the assumptions made, matters considered and limits on the review undertaken by JPMorgan in rendering

its opinion, is attached as Annex E to this joint proxy statement/prospectus and is incorporated by reference into this joint proxy statement/prospectus. Guidant shareholders are urged to read the opinion carefully in its entirety. JPMorgan's written opinion is addressed to the Guidant board of directors, is directed only to the fairness, from a financial point of view, of the consideration to be received by Guidant shareholders in the merger and does not constitute a recommendation to any Guidant shareholder as to how the shareholder should vote at the Guidant special meeting. The summary of the opinion of JPMorgan set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion.

In arriving at its opinion, JPMorgan, among other things:

reviewed the merger agreement and the Abbott transaction agreement;

reviewed certain publicly available business and financial information concerning Guidant and Boston Scientific and the industries in which they operate;

compared the proposed financial terms of the merger with publicly available financial terms of transactions involving companies JPMorgan deemed relevant and the consideration received for those companies;

compared the financial and operating performance of Guidant and Boston Scientific with publicly available information concerning other companies JPMorgan deemed relevant and reviewed the current and historical market prices of Guidant common stock and Boston Scientific common stock and publicly traded securities of those other companies;

reviewed certain internal financial analyses and forecasts prepared by the managements of Guidant and Boston Scientific relating to their respective businesses;

reviewed estimates prepared by the managements of Guidant and Boston Scientific of the amount and timing of the cost savings and related expenses and synergies expected to result from the proposed merger; and

performed other financial studies and considered other information as JPMorgan deemed appropriate for the purposes of its opinion.

JPMorgan also held discussions with members of the managements of Guidant and Boston Scientific with respect to certain aspects of the merger, the past and current business operations of Guidant and Boston Scientific, the financial condition and future prospects and operations of Guidant and Boston Scientific, the effects of the merger on the financial condition and future prospects of Guidant and Boston Scientific and certain other matters that JPMorgan believed necessary or appropriate to its inquiry.

In giving its opinion, JPMorgan relied upon and assumed, without independent verification, the accuracy and completeness of all information that was publicly available or otherwise reviewed by JPMorgan, and JPMorgan has not assumed any responsibility or liability for this information. JPMorgan did not conduct any valuation or appraisal of any assets or liabilities, nor were any valuations or appraisals provided to JPMorgan. In relying on financial analyses and forecasts provided to JPMorgan, including synergies, JPMorgan assumed, at the direction of Guidant, that they were reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by the managements of Guidant and Boston Scientific as to the expected future results of operations and financial condition of Guidant and Boston Scientific to which those analyses or forecasts relate. JPMorgan expressed no view as to those analyses or forecasts, including the synergies or the assumptions on which they were based. JPMorgan also assumed that the merger will have the tax consequences described in discussions with, and materials furnished to JPMorgan by, representatives of Guidant, that the other transactions contemplated by the merger agreement will be consummated as described in the merger agreement and that the transactions contemplated by the Abbott transaction

agreement will be consummated as described in the Abbott transaction agreement. JPMorgan relied as to all legal matters relevant to the rendering of its opinion upon the advice of counsel. JPMorgan further assumed that all material governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without any material adverse effect on Guidant, Boston Scientific or on the contemplated benefits of the merger.

JPMorgan's opinion is based on economic, market and other conditions as in effect on, and the information made available to JPMorgan as of, the date of its opinion. Subsequent developments may affect the opinion, and JPMorgan does not have any obligation to update, revise or reaffirm that opinion. JPMorgan's opinion is limited to the fairness, from a financial point of view, of the consideration to be received by Guidant shareholders in the merger, and JPMorgan has expressed no opinion as to the underlying decision by Guidant to engage in the merger. JPMorgan expressed no opinion as to the price at which Boston Scientific common stock will trade at any future time.

JPMorgan was not authorized to and did not solicit any expressions of interest from any other parties with respect to the sale of all or any part of Guidant or any other alternative transaction. Consequently, JPMorgan assumed that the terms of the merger were the most beneficial terms from Guidant's perspective that could under the circumstances be negotiated among the parties to the merger, and JPMorgan expressed no opinion whether any alternative transaction might produce consideration for Guidant shareholders in an amount in excess of the consideration in the merger.

In accordance with customary investment banking practice, JPMorgan employed generally accepted valuation methods in reaching its opinion. The following is a summary of the material financial analyses utilized by JPMorgan in connection with providing its opinion.

Guidant Analysis

Selected Companies Analysis. Using publicly available information, JPMorgan compared selected financial data of Guidant with similar data for the following selected publicly traded large-cap cardiovascular companies:

Medtronic, Inc.

Boston Scientific Corporation

St. Jude Medical, Inc.

For each comparable company, JPMorgan used estimates of calendar year 2006 and 2007 results published in publicly available equity analyst research reports. For Guidant, JPMorgan used estimates of calendar year 2006 and 2007 results provided by Guidant management. JPMorgan reviewed per share equity values as a multiple of estimated calendar year 2006 and 2007 earnings per share, commonly referred to as EPS, for each of the comparable companies. JPMorgan then applied a range of selected multiples of estimated 2006 and 2007 EPS based on the comparable companies to corresponding financial data of Guidant in order to derive an implied per share equity reference range for Guidant. This analysis indicated an approximate implied per share equity reference range for Guidant of \$37.00 to \$44.00 based on estimated results for 2006 and \$49.00 to \$61.00 based on estimated results for 2007.

It should be noted that no company utilized in the analysis above is identical to Guidant.

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Selected Transactions Analysis. Using publicly available information, JPMorgan reviewed the following merger and acquisition transactions involving companies in the medical device industry:

Acquiror	Target
Medtronic, Inc.	Sofamor Danek Group, Inc.
Medtronic, Inc.	Arterial Vascular Engineering, Inc.
Boston Scientific Corporation	Schneider Worldwide
Johnson & Johnson	DePuy, Inc.
Johnson & Johnson	Cordis Corporation
General Electric Company	Amersham plc
Guidant Corporation	Intermedics Inc.
Zimmer Holdings, Inc.	Centerpulse AG

JPMorgan calculated a range of multiples of firm value to the latest 12 month earnings before interest, taxes, depreciation and amortization, commonly referred to as EBITDA, implied in these transactions. JPMorgan then applied a range of selected multiples for the selected transactions to corresponding data of Guidant in order to derive an implied per share equity reference range for Guidant. This analysis indicated an approximate implied per share equity reference range for Guidant of \$39.00 to \$50.00.

It should be noted that no company utilized in the analysis above is identical to Guidant and no transaction is identical to the merger.

Discounted Cash Flow Analysis. JPMorgan conducted a discounted cash flow analysis for the purpose of determining the implied fully diluted equity value per share for Guidant common stock on a standalone basis without giving effect to the proposed merger or any potential synergies. In conducting its analysis, JPMorgan considered two projected financial cases each prepared by Guidant management for the fiscal years 2006 through 2015. In the first case, referred to as management case 1, management assumed, among other things, a more rapid recovery for Guidant's CRM business. In the second case, referred to as management case 2, Guidant management assumed, among other things, a less rapid recovery for Guidant's CRM business.

For each scenario, JPMorgan calculated the unlevered free cash flows that Guidant is expected to generate during fiscal years 2006 through 2015. JPMorgan then calculated an implied range of terminal values for Guidant using a range of perpetuity growth rates for free cash flows from 3.50% to 4.50% and a range of discount rates from 9.75% to 10.75%. The unlevered free cash flows and the range of terminal values were then discounted to present value using a range of discount rates from 9.75% to 10.75%. The present value of the unlevered free cash flows and the range of terminal values were then adjusted for Guidant's cash and total debt as of December 31, 2005. This analysis indicated an approximate implied per share equity reference range for Guidant of \$57.00 to \$72.00 in the case of management case 1 and an approximate implied per share equity reference range for Guidant of \$53.00 to \$67.00 in the case of management case 2.

Boston Scientific Analysis

Selected Companies Analysis. Using publicly available information, JPMorgan compared selected financial data of Boston Scientific with similar data for the following selected publicly traded large-cap cardiovascular companies:

Medtronic, Inc.

St. Jude Medical, Inc.

For each comparable company, JPMorgan used estimates of calendar year 2006 and 2007 results published in publicly available equity analyst research reports. For Boston Scientific, JPMorgan used

estimates of calendar year 2006 and 2007 results based on internal estimates of Boston Scientific's management as adjusted by Guidant's management and adjusted, in each case, for normalized drug-eluting stent market share of 33%. JPMorgan reviewed per share equity values as a multiple of estimated calendar year 2006 and 2007 EPS. JPMorgan then applied a range of selected multiples of estimated 2006 and 2007 EPS based on the comparable companies to corresponding financial data of Boston Scientific in order to derive an implied per share equity reference range for Boston Scientific. This analysis indicated an approximate implied per share equity reference range for Boston Scientific of \$28.00 to \$35.00 based on estimated results for 2006 and \$27.00 to \$34.00 based on estimated results for 2007.

It should be noted that no company utilized in the analysis above is identical to Boston Scientific.

Discounted Cash Flow Analysis. JPMorgan conducted a discounted cash flow analysis for the purpose of determining the implied fully diluted equity value per share for Boston Scientific's common stock on a standalone basis. In conducting its analysis, JPMorgan considered three projected financial cases each based on internal estimates of Boston Scientific's management as adjusted by Guidant's management for the fiscal years 2006 through 2015. In the first case, Guidant management assumed, among other things, that Boston Scientific would have a 25% long-term share of the drug-eluting stent market. In the second case, Guidant management assumed, among other things, that Boston Scientific would have a 33% long-term share of the drug-eluting stent market. In the third case, Guidant management assumed, among other things, that Boston Scientific would have a 43% long-term share of the drug-eluting stent market.

For each scenario, JPMorgan calculated the unlevered free cash flows that Boston Scientific is expected to generate during fiscal years 2006 through 2015. JPMorgan calculated an implied range of terminal values for Boston Scientific using a range of perpetuity growth rates for free cash flows from 3.50% to 4.50% and a range of discount rates from 9.75% to 10.75%. The unlevered free cash flows and the range of terminal values were then discounted to present value using a range of discount rates from 9.75% to 10.75%. The present value of the unlevered free cash flows and the range of terminal values were then adjusted for Boston Scientific's cash and total debt as of December 31, 2005. This analysis indicated an approximate implied per share equity reference range for Boston Scientific of \$24.00 to \$32.00 in the first case, which assumed a 25% long-term share of the drug-eluting stent market; an approximate implied per share equity reference range for Boston Scientific of \$25.00 to \$33.00 in the second case, which assumed a 33% long-term share of the drug-eluting stent market; and an approximate implied per share equity reference range for Boston Scientific of \$26.00 to \$35.00 in the third case, which assumed a 43% long-term share of the drug-eluting stent market.

Pro Forma Analysis. JPMorgan analyzed the potential pro forma impact of the merger on Boston Scientific's pro forma earnings per share on a cash basis which excludes the estimated impact of the amortization of identifiable intangibles relating to Boston Scientific's acquisition of Guidant and on a GAAP basis. In this analysis, 2006, 2007 and 2008 earnings projections for Boston Scientific were based on earnings projections prepared by Boston Scientific's management as adjusted by Guidant's management and earnings projections for Guidant were based on management case 1 (including revenue synergies) and management case 2 (excluding revenue synergies). JPMorgan assumed, among other things, for purposes of this analysis, that the merger would close on December 31, 2005.

Based on this analysis, JPMorgan observed that for management case 1, the merger would result in earnings per share dilution for Boston Scientific shareholders on a cash basis of 35.9%, 23.2% and 10.0% for 2006, 2007 and 2008, respectively. For management case 2, JPMorgan observed that the merger would result in earnings per share dilution for Boston Scientific shareholders on a cash basis of 40.3%, 29.0% and 17.6% for 2006, 2007 and 2008, respectively.

JPMorgan also analyzed the pro forma impact of the merger on Boston Scientific's pro forma earnings per share on a GAAP basis. Based on this analysis, JPMorgan observed that for management

case 1, the merger would result in earnings per share dilution for Boston Scientific shareholders on a GAAP basis of 55.7%, 40.0% and 24.1% for 2006, 2007 and 2008, respectively. For management case 2, JPMorgan observed that the merger would result in earnings per share dilution for Boston Scientific shareholders on a GAAP basis of 60.2%, 46.2% and 32.0% for 2006, 2007 and 2008, respectively.

Other Factors. In rendering its opinion, JPMorgan also reviewed and considered other factors, including:

the implied value of the per share merger consideration based on illustrative closing prices of Boston Scientific common stock within and outside the high and low boundaries of the exchange ratio collar; and

the potential positive pro forma effect of the merger on Boston Scientific's projected revenue and EPS growth for 2005 through 2008.

The summary set forth above does not purport to be a complete description of the analyses or data utilized by JPMorgan. The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. JPMorgan believes that the summary set forth above and its analyses must be considered as a whole and that selecting portions thereof, without considering all of its analyses, could create an incomplete view of the processes underlying its analyses and opinion. JPMorgan based its analyses on assumptions that it deemed reasonable, including assumptions concerning general business and economic conditions and industry-specific factors. The other principal assumptions upon which JPMorgan based its analyses are set forth above under the description of each analysis. JPMorgan's analyses are not necessarily indicative of actual values or actual future results that might be achieved, which values may be higher or lower than those indicated. Moreover, JPMorgan's analyses are not and do not purport to be appraisals or otherwise reflective of the prices at which businesses actually could be bought or sold.

As a part of its investment banking business, JPMorgan and its affiliates are continually engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. JPMorgan was selected to advise Guidant with respect to the merger and deliver an opinion to the Guidant board of directors with respect to the merger on the basis of JPMorgan's experience and its familiarity with Guidant.

For services rendered in connection with the merger, Guidant has agreed to pay JPMorgan a fee based on the aggregate consideration payable in the merger, which is contingent upon the consummation of the merger. In addition, Guidant has agreed to reimburse JPMorgan for its reasonable expenses incurred in connection with its services, including reasonable fees of outside counsel, and will indemnify JPMorgan against certain liabilities, including liabilities arising under federal securities laws.

In addition, JPMorgan and its affiliates maintain commercial and investment banking and other business relationships with Guidant, Boston Scientific, Abbott and their respective affiliates, for which it receives customary fees. In the ordinary course of their businesses, JPMorgan and its affiliates may actively trade the debt and equity securities of Guidant, Boston Scientific or Abbott for their own accounts or for the accounts of customers and, accordingly, they may at any time hold long or short positions in those securities. In addition, JPMorgan served as sole book-runner and administrative agent for Guidant's \$500 million credit facility that expires in 2009 and Guidant's \$400 million credit facility that expires in 2007. JPMorgan also served as joint book-runner for Boston Scientific's offerings of \$600 million 5.45% Notes due 2014, \$400 million 5.50% Notes due 2015 and \$350 million 6.25% Notes due 2035.

Opinion of Morgan Stanley

Pursuant to an engagement letter effective October 11, 2004, as amended, Guidant retained Morgan Stanley as a financial advisor in connection with a potential merger. The Guidant board of directors selected Morgan Stanley to act as its financial advisor based on Morgan Stanley's qualifications, expertise, reputation and its knowledge of the business and affairs of Guidant. At the meeting of the Guidant board of directors on January 24, 2006, Morgan Stanley rendered its oral opinion, subsequently confirmed in writing as of January 25, 2006, that, as of that date and based upon and subject to the considerations set forth in its opinion, the consideration to be received by the holders of shares of Guidant common stock pursuant to the merger agreement was fair from a financial point of view to those holders.

The full text of Morgan Stanley's written opinion, dated January 25, 2006, which sets forth, among other things, the assumptions made, procedures followed, matters considered and qualifications and limitations of the review undertaken in rendering its opinion is attached as Annex F to this joint proxy statement/prospectus. The summary of Morgan Stanley's fairness opinion set forth in this joint proxy statement/prospectus is qualified in its entirety by reference to the full text of the opinion. Guidant shareholders should read this opinion carefully and in its entirety. Morgan Stanley's opinion is directed to the Guidant board of directors, addresses only the fairness from a financial point of view of the consideration to be received by Guidant shareholders pursuant to the merger agreement, and does not address any other aspect of the merger. Morgan Stanley's opinion does not constitute a recommendation to any Guidant shareholder as to how that shareholder should vote with respect to the proposed merger and should not be relied upon by any shareholder for that purpose. In addition, this opinion does not in any manner address the prices at which Boston Scientific common stock will trade following the consummation of the merger.

In connection with rendering its opinion, Morgan Stanley, among other things:

reviewed certain publicly available financial statements and other information of Guidant and Boston Scientific;

reviewed certain internal financial statements and other financial and operating data concerning Guidant and Boston Scientific prepared by the management of Guidant and Boston Scientific, respectively;

reviewed certain financial projections for Guidant and Boston Scientific prepared by the management of Guidant and Boston Scientific, respectively;

discussed the past and current operations and financial condition and the prospects of Guidant and Boston Scientific, including information relating to certain strategic, financial and operational benefits anticipated from the merger, with senior executives of Guidant and Boston Scientific, respectively;

discussed the strategic rationale for the merger with senior executives of Guidant and Boston Scientific;

reviewed the pro forma impact of the merger on Boston Scientific's earnings per share, consolidated capitalization and financial ratios;

reviewed the reported prices and trading activity for Guidant common stock and Boston Scientific common stock;

compared the financial performance of Guidant and the prices and trading activity of Guidant common stock with that of certain other comparable publicly-traded companies and their securities;

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compared the financial performance of Boston Scientific and the prices and trading activity of Boston Scientific common stock with that of certain other comparable publicly-traded companies and their securities;

reviewed the financial terms, to the extent publicly available, of certain comparable acquisition transactions;

participated in discussions among representatives of Guidant and Boston Scientific and their financial and legal advisors;

reviewed the draft merger agreement, the Abbott transaction agreement, and certain related documents; and

performed such other analyses and considered such other factors as Morgan Stanley deemed appropriate.

In arriving at its opinion, Morgan Stanley assumed and relied upon without independent verification the accuracy and completeness of the information reviewed by it for the purposes of its opinion. With respect to the financial projections, including information relating to certain strategic, financial and operational benefits anticipated from the merger, Morgan Stanley assumed that they were reasonably prepared on bases reflecting the best currently available estimates and judgments of the future financial performance of Guidant and Boston Scientific. With respect to developments related to certain of Guidant's products, Morgan Stanley has relied without independent investigation on the assessment of Guidant's senior management as to the effect of any such developments on the operations and financial condition and prospects of Guidant. In addition, Morgan Stanley assumed that the final merger agreement would be substantially in the form of the draft dated January 17, 2006 that Morgan Stanley reviewed and that the merger will be consummated in accordance with the terms set forth in the merger agreement and that the transactions contemplated by the Abbott transaction agreement will be consummated in accordance with the terms set forth therein, each with no material modification, waiver or delay. Morgan Stanley has also assumed that in connection with the receipt of all the necessary regulatory approvals for the proposed merger, no restrictions will be imposed that would have a material adverse effect on the contemplated benefits expected to be derived in the proposed merger. Morgan Stanley is not a legal, regulatory or tax expert and relied on the assessments provided by Guidant's advisors with respect to such issues. Morgan Stanley relied, without independent verification, on the assessments by management of Guidant and Boston Scientific of the timing and risks associated with the integration of Guidant and Boston Scientific and the validity of, and risks associated with, Guidant's and Boston Scientific's existing and future technologies, intellectual property, products, services and business models. Morgan Stanley did not make any independent valuation or appraisal of the assets or liabilities of Guidant, nor had it been furnished with any such appraisals. Morgan Stanley's opinion was necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of January 23, 2006.

In arriving at its opinion, Morgan Stanley was not authorized to solicit, and did not solicit, interest from any party with respect to the acquisition of Guidant or any of its assets. In addition, Morgan Stanley's opinion is limited to the fairness from a financial point of view of the consideration to be received by the holders of Guidant common stock in the merger and Morgan Stanley expresses no opinion as to the underlying decision by Guidant to engage in the merger or the strategic rationale for the merger. In connection with its opinion, Morgan Stanley expressed no opinion as to the relative merits of the merger as compared to any alternative transaction or whether such alternatives were achievable. Morgan Stanley provided advice to the Guidant board of directors during its negotiations with Boston Scientific but did not, however, recommend any specific merger consideration or recommend that any specific merger consideration constituted the only appropriate consideration.

The following is a summary of the material financial analyses performed by Morgan Stanley in connection with its oral opinion and the preparation of its written opinion. Some of these summaries

include information in tabular format. In order to understand fully the financial analyses used by Morgan Stanley, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the analyses.

Guidant Historical Share Price Analysis. Morgan Stanley reviewed the price performance and trading volumes of Guidant common stock during various periods ending on January 23, 2006. Morgan Stanley noted that the range of low and high closing prices of Guidant common stock during the 52 week period ending on January 23, 2006 was approximately \$57.00 and \$76.00. Morgan Stanley also noted the \$80.00 merger consideration as of January 23, 2006 (which is subject to adjustment based on the price of Boston Scientific common stock during a period prior to the completion of the merger and subject to a collar). The \$80.00 merger consideration was calculated on the basis that \$42.00 of the consideration consisted of cash and \$38.00 of the consideration consisted of Boston Scientific common stock based on an exchange ratio determined over a period prior to the completion of the merger. Morgan Stanley also noted that if the merger has not occurred on or prior to March 31, 2006, Guidant shareholders would be entitled to an amount of cash equal to \$0.0132 per day for each day during the period commencing April 1, 2006 through the date of closing of the merger.

Boston Scientific Historical Share Price Analysis. Morgan Stanley reviewed the price performance and trading volumes of Boston Scientific common stock during various periods ending on January 23, 2006. Morgan Stanley noted that the range of low and high closing prices of Boston Scientific common stock during the 52 week period ending on January 23, 2006 was approximately \$23.00 and \$35.00. The table below presents the absolute share prices of Boston Scientific common stock over the periods referenced.

Period Ending on January 23, 2006	Boston Scientific Common Stock Price
5-Year High	\$ 45.81
5-Year Low	\$ 7.50
5-Year Average	\$ 24.10
3-Year Average	\$ 31.79
1-Year Average	\$ 27.76
6-Month Average	\$ 25.60

In addition, Morgan Stanley compared the trading performance of Boston Scientific to the performance of other comparable publicly traded corporations and the S&P 500 Index. The table below presents the percentage change from January 24, 2001 through January 23, 2006 for Boston Scientific and a group of selected comparable companies and the S&P 500 Index.

Company/Market Index	Relative 5 Year Price Change
Boston Scientific Corporation	192%
St. Jude Medical Inc.	266%
Medtronic Inc.	10%
S&P 500 Index	-7%

Historical Exchange Ratio Analysis. Morgan Stanley analyzed the historical trading price of Boston Scientific relative to Guidant common stock based on closing prices between January 24, 2001 and January 23, 2006 and calculated the historical exchange ratios during the period implied by dividing the daily closing prices per share of Guidant common stock by those of Boston Scientific common stock and the average of those historical trading ratios for the 3-month, 6-month, 1-year, 3-year and 5-year periods ended on January 23, 2006. Morgan Stanley also calculated the exchange ratio implied by dividing \$80.00 (the value of the merger consideration as of January 23, 2006 for a share of Guidant

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common stock) by the closing price per share of Boston Scientific common stock on January 23, 2006. This analysis implied the following exchange ratios:

	Historical Exchange Ratio
At \$80.00	3.428x
3-Month Average	2.565x
6-Month Average	2.651x
1-Year Average	2.541x
3-Year Average	1.927x
5-Year Average	2.519x

Guidant Comparable Company Analysis. Morgan Stanley reviewed and analyzed certain market trading multiples for public companies similar to Guidant from a size and business mix perspective. The multiples analyzed for these comparable companies included, among others, the per share price divided by 2006 and 2007 estimated earnings per share. The earnings per share estimates for Guidant were based on the latest available reported median earnings per share estimate for Guidant of 12 research analysts that released updated estimates after Guidant lowered guidance for its fiscal quarter ended December 31, 2005 financial results on December 27, 2005 (research consensus estimates). The earnings per share estimates for Guidant were also based on two cases provided by Guidant management, management case 1 and management case 2, which represented updates to management's prior cases from December 2004, and which reflected the performance of the business since December 2004, but excluded the impact of any potential legal or regulatory actions. The earnings per share estimates for Boston Scientific were based on the latest available reported median earnings per share estimate of 24 research analysts (research consensus estimates). For the other publicly traded corporations, the earnings per share estimates were based on I/B/E/S consensus estimates (I/B/E/S refers to the database provided by I/B/E/S International Inc. of equity research analysts' estimates of future earnings of publicly traded companies). Morgan Stanley calculated these financial multiples and ratios based on publicly available financial data as of January 23, 2006. For purposes of this analysis, Morgan Stanley identified the following three publicly traded corporations:

Boston Scientific Corporation

Medtronic, Inc.

St. Jude Medical, Inc.

A summary of the reference range of market trading multiples and those multiples calculated for Guidant are set forth below:

Metric	Reference Range of Multiples	Implied Guidant Metric at \$80.00 Per Share Based on Research Consensus Estimates(1)	Implied Guidant Metric at \$80.00 Per Share Based on Management Case 1(1)	Implied Guidant Metric at \$80.00 Per Share Based on Management Case 2(1)
Price/2006 Earnings	12.5x 29.9x	47.1x	43.5x	43.5x
Price/2007 Earnings	11.3x 25.7x	30.8x	27.7x	29.0x

(1) \$80.00 based on a merger consideration of \$42.00 cash plus \$38.00 of Boston Scientific common stock per Guidant share and a closing market price of Boston Scientific common stock of \$23.34 on January 23, 2006.

Morgan Stanley calculated an implied valuation range for Guidant by applying various representative multiple ranges to the applicable Guidant earnings per share statistics based on information provided by management and other publicly available data. Based upon and subject to the

foregoing, Morgan Stanley calculated an implied valuation range for Guidant common stock of \$34.00 to \$41.00 per share based on the median 2006 earnings per share research consensus estimates. Morgan Stanley also calculated an implied valuation range for Guidant common stock of \$37.00 to \$44.00 per share based on the 2006 estimates from management case 1 and management case 2 provided by Guidant management. Morgan Stanley also calculated an implied valuation range for Guidant common stock of \$44.00 to \$55.00 per share based on the median 2007 research consensus estimate. Morgan Stanley also calculated an implied valuation range for Guidant common stock of \$49.00 to \$61.00 per share based on management case 1 2007 earnings and \$47.00 to \$58.00 based on management case 2 2007 earnings. Morgan Stanley noted that the per share implied merger consideration for Guidant common stock was \$80.00 per share as of January 23, 2006.

Although the foregoing companies were compared to Guidant for purposes of this analysis, Morgan Stanley noted that no company utilized in this analysis is identical to Guidant because of differences between the business mix, regulatory environment, operations and other characteristics of Guidant and the comparable companies. In evaluating the comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of Guidant, including the impact of competition on the business of Guidant and on the industry generally, industry growth and the absence of any material adverse change in the financial condition and prospects of Guidant or the industry or in the markets generally. Mathematical analysis (for example, determining the average or median) is not in itself a meaningful method of using comparable company data.

Boston Scientific Comparable Company Analysis. Morgan Stanley reviewed and analyzed certain public market trading multiples for public companies similar to Boston Scientific from a size and business mix perspective. The multiples analyzed for these comparable companies included, among others, the per share price divided by 2006 and 2007 estimated earnings per share. The earnings per share estimates for the comparable companies were based on I/B/E/S consensus estimates. Morgan Stanley calculated these financial multiples and ratios based on publicly available financial data as of January 23, 2006. For purposes of this analysis, Morgan Stanley identified the following two publicly traded corporations:

Medtronic, Inc.

St. Jude Medical, Inc.

A summary of the reference range of market trading multiples and those multiples calculated for Boston Scientific are set forth below:

Metric	Reference Range of Multiples	Boston Scientific Metric(1)
Price/2006 Earnings	24.3x 29.9x	12.5x
Price/2007 Earnings	20.9x 25.7x	11.3x
Price/2006 Earnings/Long Term Earnings Growth Rate	1.6x 1.8x	1.0x

(1) Based on the closing share price of Boston Scientific of \$23.34 as of January 23, 2006.

Morgan Stanley calculated an implied valuation range for Boston Scientific by applying various representative multiple ranges to the applicable Boston Scientific operating statistics. Based upon and subject to the foregoing, Morgan Stanley calculated an implied valuation range for Boston Scientific common stock of \$28.00 to \$35.00 per share based on the internal 2006 earnings per share estimates of Boston Scientific's management as adjusted by Guidant's management, and adjusted for a normalized long-term share of the drug-eluting stent market. Morgan Stanley also calculated an implied valuation range for Boston Scientific common stock of \$27.00 to \$34.00 per share based on the internal 2007

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earnings per share estimates of Boston Scientific's management as adjusted by Guidant's management, and adjusted for a normalized long-term share of the drug-eluting stent market. Morgan Stanley noted that the price per share of Boston Scientific common stock was \$23.34 as of January 23, 2006.

Although the foregoing companies were compared to Boston Scientific for purposes of this analysis, Morgan Stanley noted that no company utilized in this analysis is identical to Boston Scientific because of differences between the business mix, regulatory environment, operations and other characteristics of Boston Scientific and the comparable companies. In evaluating the comparable companies, Morgan Stanley made judgments and assumptions with regard to industry performance, general business, economic, regulatory, market and financial conditions and other matters, many of which are beyond the control of Boston Scientific, including the impact of competition on the business of Boston Scientific and on the industry generally, industry growth and the absence of any adverse material change in the financial condition and prospects of Boston Scientific or the industry or in the markets generally. Mathematical analysis (for example determining the average or median) is not in itself a meaningful method of using comparable company data.

Discounted Analyst Price Targets. Morgan Stanley reviewed published estimates for Guidant by Wall Street equity research analysts from December 27, 2005 through January 23, 2006. Morgan Stanley discounted the Wall Street analyst price targets to January 23, 2006 at Guidant's estimated cost of equity capital of approximately 10%, based on the capital asset pricing model, a theoretical financial model that is designed to estimate the cost of equity capital of a particular company based on that company's "Beta". A company's Beta is a metric designed to represent the systemic business risk and financial risk of the company versus the overall market. Wall Street equity research analyst price targets yielded an implied valuation of Guidant common stock of \$44.00 to \$64.00. Morgan Stanley noted that the per share implied merger consideration for Guidant common stock was \$80.00 per share as of January 23, 2006.

Morgan Stanley also reviewed published estimates for Boston Scientific by Wall Street equity research analysts from October 17, 2005 through January 23, 2006. Morgan Stanley discounted the Wall Street analyst price targets to January 23, 2006 at Boston Scientific's estimated cost of equity capital of approximately 10%, based on the capital asset pricing model (as discussed above). Wall Street analyst price targets yielded an implied valuation of Boston Scientific's common stock of \$21.00 to \$38.00. Morgan Stanley noted that the price per share of Boston Scientific common stock was \$23.34 as of January 23, 2006.

Guidant Discounted Cash Flow Analysis. Morgan Stanley performed a 10-year discounted cash flow analysis for Guidant, calculated as of December 31, 2005, of the estimated after-tax unlevered free cash flows for fiscal years 2006 through 2015, based on the two cases provided by Guidant management discussed above as management case 1 and management case 2. The analysis was conducted on a standalone basis without giving effect to the merger or any potential synergies. Morgan Stanley estimated a range of terminal values calculated in 2015 based on a range of terminal growth rates of 3.5% to 4.5%. Morgan Stanley discounted the unlevered free cash flow streams and the estimated terminal value to a present value at a range of discount rates from 9.5% to 10.5%. The discount rates utilized in this analysis were chosen based upon an analysis of the weighted average cost of capital of Guidant and other comparable companies. Based on the management case 1 projections and assumptions, the discounted cash flow analysis of Guidant yielded an implied valuation range of Guidant common stock of \$59.00 to \$75.00 per share. Based on the management case 2 projections and assumptions, the discounted cash flow analysis of Guidant yielded an implied valuation range of Guidant common stock of \$55.00 to \$69.00 per share. Morgan Stanley noted that the per share merger consideration for Guidant common stock was \$80.00 per share as of January 23, 2006.

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Boston Scientific Discounted Cash Flow Analysis. Morgan Stanley performed a 10-year discounted cash flow analysis for Boston Scientific, calculated as of December 31, 2005, of the estimated after-tax unlevered free cash flows for fiscal years 2006 through 2015. The analysis was conducted on a standalone basis without giving effect to the merger or any potential synergies. In conducting its analysis, Morgan Stanley considered three projected financial cases, each based on internal estimates of Boston Scientific's management as adjusted by Guidant's management, and assuming a 25%, 33% and 43% long-term share of the drug-eluting stent market. Morgan Stanley estimated a range of terminal values calculated in 2015 based on a range of terminal growth rates of 3.5% to 4.5%. Morgan Stanley discounted the unlevered free cash flow streams and the estimated terminal value to a present value at a range of discount rates from 9.5% to 10.5%. The discount rates utilized in this analysis were chosen based upon an analysis of the weighted average cost of capital of Boston Scientific and other comparable companies. Based on the projections and assuming a 25% long-term share of the drug-eluting stent market, the discounted cash flow analysis of Boston Scientific yielded an implied valuation range of Boston Scientific common stock of \$24.00 to \$32.00 per share. Based on the projections and assuming a 33% long-term share of the drug-eluting stent market, the discounted cash flow analysis of Boston Scientific yielded an implied valuation range of Boston Scientific common stock of \$25.00 to \$33.00 per share. Based on the projections and assuming a 43% long-term share of the drug-eluting stent market, the discounted cash flow analysis of Boston Scientific yielded an implied valuation range of Boston Scientific common stock of \$26.00 to \$35.00 per share. Morgan Stanley noted that the price per share of Boston Scientific common stock was \$23.34 as of January 23, 2006.

Pro Forma Analysis. Morgan Stanley analyzed the pro forma impact of the merger on Boston Scientific's pro forma earnings per share excluding the estimated impact of the amortization of identifiable intangibles relating to Boston Scientific's acquisition of Guidant for two scenarios. Both scenarios included pre-tax synergies of \$75 million in 2006, \$200 million in 2007 and \$400 million in 2008 and the estimated costs to achieve these cost synergies of \$100 million in each of 2006 and 2007. Such analysis considered 2006, 2007 and 2008 earnings projections for both Guidant and Boston Scientific. Guidant's earnings projections were based on management case 1 and management case 2, provided by Guidant management, and Boston Scientific's earnings projections were based on internal estimates of Boston Scientific's management as adjusted by Guidant's management. The first scenario was based on Guidant management case 1 and Boston Scientific financials, with the combined company achieving additional revenue synergies. For 2006, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 35.9%. For 2007, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 23.2%. For 2008, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 10.0%. The second scenario was based on Guidant management case 2 and Boston Scientific financials, with the combined company achieving no additional revenue synergies. For 2006, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 40.3%. For 2007, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 29.0%. For 2008, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 17.6%. Morgan Stanley observed that the compound annual growth rate of the pro forma combined earnings per share excluding the estimated impact of the amortization of identifiable intangibles relating to Boston Scientific's acquisition of Guidant from 2006 to 2008 would be 28.6% for the first scenario and 27.5% for the second scenario. Morgan Stanley also noted that the compound annual growth rate of the earnings per share for Boston Scientific on a standalone GAAP basis from 2006 to 2008 would be 8.2%.

Morgan Stanley also analyzed the pro forma impact of the merger on Boston Scientific's pro forma earnings per share on a GAAP basis (including the estimated impact of the amortization of identifiable intangibles relating to Boston Scientific's acquisition of Guidant) for both the first and second scenarios (described above). In the first scenario, for 2006, Morgan Stanley observed that the merger would

result in earnings per share dilution for Boston Scientific stockholders of 55.7%. For 2007, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 40.0%. For 2008, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 24.1%. In the second scenario, for 2006, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 60.2%. For 2007, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 46.2%. For 2008, Morgan Stanley observed that the merger would result in earnings per share dilution for Boston Scientific stockholders of 32.0%.

Morgan Stanley performed a variety of financial and comparable analyses for purposes of rendering its opinion. The preparation of a fairness opinion is a complex process and is not susceptible to partial analysis or summary description. In arriving at its opinion, Morgan Stanley considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor considered. Furthermore, Morgan Stanley believes that the summary provided and the analyses described above must be considered as a whole and that selecting any portion of the analyses, without considering all of them, would create an incomplete view of the process underlying Morgan Stanley's analysis and opinion. As a result, the ranges of valuations resulting from any particular analysis or combination of analyses described above should not be taken to be the view of Morgan Stanley with respect to the actual value of Guidant or Boston Scientific or their respective common stock, or the prices at which the stock shall trade at any time.

In performing its analyses, Morgan Stanley made numerous assumptions with respect to the industry performance, general business, regulatory and economic conditions and other matters, many of which are beyond the control of Morgan Stanley, Guidant or Boston Scientific. Any estimates contained in the analysis of Morgan Stanley are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by those estimates. The analyses performed were prepared solely as part of the analyses of Morgan Stanley of the fairness of the merger consideration to be received by holders of shares of Guidant common stock pursuant to the merger agreement from a financial point of view, and were prepared in connection with the delivery by Morgan Stanley of its oral opinion on January 24, 2006 to the Guidant board of directors, subsequently confirmed in writing as of January 25, 2006.

The opinion of Morgan Stanley was one of the many factors taken into consideration by the Guidant board of directors in making its determination to approve the proposed merger. The foregoing summary describes the material analyses performed by Morgan Stanley but does not purport to be a complete description of the analyses performed by Morgan Stanley.

Morgan Stanley is an internationally recognized investment banking and advisory firm. Morgan Stanley, as part of its investment banking business, is continuously engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, negotiated underwritings, competitive biddings, secondary distributions of listed and unlisted securities, private placements and valuations for corporate, estate and other purposes. In the ordinary course of its business, Morgan Stanley and its affiliates may from time to time trade in the securities or the indebtedness of Guidant, Boston Scientific, or Abbott and their affiliates for its own account, the accounts of investment funds and other clients under the management of Morgan Stanley and for the accounts of its customers and accordingly, may at any time hold a long or short position in any of those securities or indebtedness for any of those accounts. In the past, Morgan Stanley and its affiliates have provided financial advisory and financing services for Guidant and have received fees for the rendering of these services. In addition, Morgan Stanley is a participant in a \$500 million credit facility for Guidant that expires in 2009, and a \$1.2 billion and \$3 billion credit facility for Abbott that expires in 2008 and 2010, respectively. Morgan Stanley may also seek to provide similar services to Abbott, including potentially in connection with the merger, and may receive fees for the rendering of those services.

Guidant has agreed to pay Morgan Stanley customary fees in connection with the merger, a significant portion of which is contingent upon the consummation of the merger. Guidant has also agreed to reimburse Morgan Stanley for its fees and expenses incurred in performing its services. In addition, Guidant has agreed to indemnify Morgan Stanley and its affiliates, their respective directors, officers, agents and employees and each person, if any, controlling Morgan Stanley or any of its affiliates against certain liabilities and expenses, including certain liabilities under the federal securities laws, related to or arising out of Morgan Stanley's engagement and any related transactions.

Interests of Guidant Directors and Executive Officers in the Merger

In considering the recommendation of the Guidant board of directors with respect to the merger, Guidant shareholders should be aware that certain executive officers and directors of Guidant have certain interests in the merger that may be different from, or in addition to, the interests of Guidant shareholders generally. The Guidant board of directors was aware of the interests described below and considered them, among other matters, when adopting the merger agreement and recommending that Guidant shareholders vote to approve the merger agreement. These interests are summarized below.

Stock Options and Other Stock-Based Awards

Following the special meeting of Guidant shareholders convened for the purpose of approving the original Johnson & Johnson merger agreement on April 27, 2005, all outstanding options to purchase Guidant common stock issued under the stock plans adopted by vote of Guidant shareholders in 1994, 1996 and 1998, respectively, prior to the date of the original Johnson & Johnson merger agreement, including those held by executive officers and directors, became fully exercisable. Based upon options outstanding as of April 27, 2005, options held by Guidant's executive officers and directors relating to 794,175 shares of Guidant common stock vested and became immediately exercisable upon receipt of Guidant shareholder approval of the original Johnson & Johnson merger agreement. In addition, all restrictions imposed on restricted stock grants granted under the stock plans prior to the date of the original Johnson & Johnson merger agreement, including those held by Guidant executive officers and directors, immediately lapsed upon receipt of Guidant shareholder approval of the original Johnson & Johnson merger agreement. Based upon grants outstanding as of April 27, 2005, restricted stock grants held by Guidant's executive officers and directors relating to 515,250 shares of Guidant common stock had their restrictions lapse upon receipt of the Guidant shareholder approval of the original Johnson & Johnson merger agreement.

Under the stock plans, all restrictions imposed on restricted stock grants granted under the option plans prior to the date of the merger agreement with Boston Scientific, including restricted stock held by Guidant executive officers and directors, will immediately lapse upon receipt of shareholder approval of the merger. Based upon grants outstanding as of _____, 2006, restricted stock grants held by Guidant executive officers and directors relating to _____ shares of Guidant common stock will be subject to accelerated vesting if Guidant shareholders approve the merger. Since receipt of Guidant shareholder approval of the original Johnson & Johnson merger agreement, Guidant has not issued any additional options to acquire Guidant common stock that would become exercisable upon receipt of Guidant shareholder approval of the merger with Boston Scientific. Please see the table below for further details relating to grants of restricted stock held by Guidant's executives and directors that are subject to lapsing of restrictions.

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The following table sets forth, as of _____, 2006, the number of shares subject to grants of restricted stock held by Guidant's executives and directors:

Name	Number of Shares Subject to Grants of Restricted Stock
James M. Cornelius <i>Director, Chairman and interim Chief Executive Officer*</i>	
Maurice A. Cox <i>Director</i>	
Nancy-Ann DeParle <i>Director</i>	
Enrique C. Falla <i>Director</i>	
Michael Grobstein <i>Director</i>	
Kristina M. Johnson <i>Director</i>	
J.B. King <i>Director</i>	
J. Kevin Moore <i>Director</i>	
Mark Novitch <i>Director</i>	
Jack A. Shaw <i>Director</i>	
Eugene L. Step <i>Director</i>	
Ruedi E. Wager <i>Director</i>	
August M. Watanabe <i>Director</i>	
Ronald W. Dollens** <i>former Director, President and Chief Executive Officer</i>	
Keith E. Brauer <i>Vice President, Finance and Chief Financial Officer</i>	
R. Frederick McCoy, Jr.. <i>President, Cardiac Rhythm Management</i>	
Bernard E. Kury <i>Vice President, General Counsel and Secretary</i>	
Mark C. Bartell <i>President, U.S. Sales Operations</i>	
Guido J. Neels*** <i>former Chief Operating Officer</i>	
Other Guidant Executive Officers (12 People)	

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*
Effective November 15, 2005, Mr. Cornelius was appointed Chairman and Interim Chief Executive Officer.

**
Mr. Dollens retired effective November 15, 2005.

Mr. Neels retired as Chief Operating Officer effective November 30, 2005.

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Under the terms of the merger agreement, all outstanding options to purchase Guidant common stock existing at the time of the completion of the merger, including those held by executive officers and directors, will be assumed by Boston Scientific and will become options to purchase Boston Scientific common stock, with appropriate adjustments to be made to the number of shares and the exercise price under those options based on the value of the merger consideration at the time of the completion of the merger.

Pursuant to the Abbott transaction agreement, all outstanding options to purchase Guidant common stock held immediately prior to the Abbott transaction closing by any Guidant employee transferred to Abbott will be extinguished and Boston Scientific will provide to the holder of each extinguished option either (i) a payment in cash equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, or (ii) a number of shares of Boston Scientific common stock with a fair market value as of the Abbott transaction closing date equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, determined by appropriately adjusting the number of shares subject to that option and the exercise price of that option based on the value of the merger consideration, as if the option holder had not been transferred to Abbott. The form of payment selected by Boston Scientific must apply to all Guidant employees transferred to Abbott. For a more complete description of the treatment of Guidant stock options, see " *Effect on Awards Outstanding Under Guidant Stock Incentive Plans*".

Under the terms of the merger agreement, each former restricted share of Guidant common stock will be converted into (i) \$42.00 in cash and (ii) a number of unrestricted shares of Boston Scientific common stock equal to the exchange ratio.

Change in Control Plan

Each of Guidant's executive officers (other than Mr. Cornelius) is a participant in the change in control plan.

Under the change in control plan, upon a "change in control" of Guidant, an executive officer is entitled to severance payments and other benefits (as summarized below) if the executive officer's employment is terminated within two years following a change in control by Guidant without "cause" or by the employee for "good reason" (each as defined in the change in control plan), or if the executive officer's employment is terminated by the executive officer for any reason within the 30-day period beginning on the one year anniversary of a Guidant shareholder approval of a definitive agreement or the completion of a change of control transaction. Within 15 days of the eligible termination, Guidant must pay the executive officer a single lump-sum cash payment equal to three times the sum of the executive officer's annual base salary at the time of termination (or, if greater, at the time of the change in control) and the greater of the executive officer's target incentive bonus for the year of the termination or the incentive bonus earned for the year immediately prior to the change in control.

Under the change in control plan, in general a "change in control" of Guidant occurs upon the following events:

the acquisition by any person, directly or indirectly, of 20% or more of Guidant's voting shares;

Guidant shareholder approval of certain business transactions, including transactions like the merger with Boston Scientific;

Guidant's entering into a definitive agreement (such as the merger agreement with Boston Scientific) which, if consummated, would result in a change in control; and

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the Guidant board of directors adopting a resolution to the effect that a change in control has occurred.

Guidant's entry into the original Johnson & Johnson merger agreement, as well as its entry into the merger agreement with Boston Scientific, constituted a change in control under the change in control plan. Guidant shareholder approval of the original Johnson & Johnson merger agreement constituted, and Guidant shareholder approval of the merger agreement with Boston Scientific and the completion of the merger will constitute, a change in control for purposes of establishing the 30-day period commencing on the one year anniversary of that approval or completion during which a Guidant executive officer may terminate his or her employment for any reason and be entitled to severance payments (as described above).

If a Guidant executive officer's employment terminates and he or she is entitled to receive severance payments under the change in control plan, the executive officer would also receive:

continued welfare benefits at the combined company's sole expense for three years following the date of termination at the level for which the executive officer was eligible at the time of the termination of employment or immediately prior to the change in control, whichever provides coverage more favorable to the executive officer;

three years of additional age and service credit for Guidant pension plan purposes and the crediting of severance benefits as pensionable earnings pro-rata over the three-year severance period;

to the extent not already vested and exercisable, immediate acceleration of any stock options or other stock-based awards as of the date of termination;

payment of any accrued bonus (or, if greater, the pro-rata target bonus for the year of the termination) and any deferred compensation (unless the obligation to pay these amounts is subject to payment under a grantor (i.e., "rabbi") trust);

outplacement services and, if applicable, relocation expenses; and

a gross-up for any "golden parachute" excise tax that may be payable by the executive officer under Section 4999 of the Internal Revenue Code, and any income and employment withholding taxes on the gross-up payment, with respect to the severance payments and other benefits paid to the executive officer (whether under the change in control plan or otherwise).

Certain of the payments and benefits provided under the change in control plan may need to be adjusted to satisfy the requirements of new Section 409A of the Internal Revenue Code (relating to taxation of certain deferred compensation benefits).

Ronald W. Dollens, former President and Chief Executive Officer of Guidant, has informed Guidant that he has agreed to waive any severance payments and other benefits to which he would be entitled in connection with the merger under the change in control plan. The terms of James M. Cornelius' appointment as Chairman and interim Chief Executive Officer of Guidant provide that he shall not be entitled to any severance payments or any other benefits in connection with the merger under the change in control plan.

The following chart sets forth, for each of Guidant's executive officers, the estimated value of the cash severance pay and other benefits due the executive officer (based on levels of pay and other circumstances as of _____, 2006), excluding the amount of any excise tax gross-up and the value of any stock options and other stock based awards that vested or for which restrictions lapsed (or will vest or

will lapse) (See " *Stock Options and Other Stock-Based Awards*"), if applicable, if the executive officer's termination is a "covered termination" under the change in control plan:

Name	Payment and Benefit Amounts (\$)
James M. Cornelius <i>Chairman and interim Chief Executive Officer</i>	*
Ronald W. Dollens <i>former Director, President and Chief Executive Officer</i>	**
Keith E. Brauer <i>Vice President, Finance and Chief Financial Officer</i>	
R. Frederick McCoy, Jr. <i>President, Cardiac Rhythm Management</i>	
Bernard E. Kury <i>Vice President, General Counsel and Secretary</i>	
Mark C. Bartell <i>President, U.S. Sales Operations</i>	
Guido J. Neels*** <i>former Chief Operating Officer</i>	
Other Guidant Executive Officers (11 People)	

*
The terms of Mr. Cornelius' appointment as Chairman and interim Chief Executive Officer of Guidant provide that he shall not be entitled to any severance payments or any other benefits in connection with the merger under the change in control plan.

**
Mr. Dollens has informed Guidant that he has agreed to waive any severance payments and other benefits to which he would be entitled in connection with the merger under the change in control plan.

Mr. Neels retired as Chief Operating Officer effective November 30, 2005.

Resignation of Ronald W. Dollens as Director, President and Chief Executive Officer and Appointment of James M. Cornelius as Chairman and interim Chief Executive Officer

Effective November 15, 2005, Ronald W. Dollens retired as Director, President and Chief Executive Officer of Guidant and James M. Cornelius, who previously served as non-executive Chairman of the Guidant board of directors, was appointed Chairman and interim Chief Executive Officer of Guidant. Pursuant to the terms of his appointment, Mr. Cornelius will receive an annual salary of \$900,000 and a bonus of \$1.5 million payable upon the completion of the merger.

Indemnification and Insurance

The merger agreement provides that all rights to indemnification and exculpation from liabilities for acts or omissions occurring at or prior to the effective time of the merger existing in favor of current or former directors or officers of Guidant under the Guidant Amended Articles of Incorporation, the Guidant By-laws or indemnification agreements will be assumed by the surviving corporation in the merger and will continue in full force and effect in accordance with their terms following completion of the merger.

The merger agreement also provides that for six years after the effective time of the merger, Boston Scientific will maintain directors' and officers' liability insurance for acts or omissions occurring at or prior to the effective time of the merger, covering each person who was, as of the date of the merger agreement, covered by Guidant's directors' and officers' liability insurance, on terms no less favorable than those in effect as of the date of the merger agreement.

Merger Consideration

At the effective time of the merger, each share of Guidant common stock (other than shares owned by Guidant, Boston Scientific and Galaxy Merger Sub) will be converted into the right to receive (i) \$42.00 in cash, (ii) a number of shares of Boston Scientific common stock equal to the exchange ratio, and (iii) if the merger is not closed by March 31, 2006, \$0.0132 in cash for each day beginning on April 1, 2006 through the closing date of the merger. The exchange ratio will be determined by dividing \$38.00 by the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending three trading days prior to the closing date of the merger, so long as the reference price is between \$22.62 and \$28.86. The market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock may be greater or less than \$38.00 because the trading price of Boston Scientific common stock at the closing date of the merger may be different than the reference price used to calculate the exchange ratio. In addition:

if the reference price is less than \$22.62, the exchange ratio will be fixed at 1.6799. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be less than \$38.00 to the extent that the trading price of Boston Scientific common stock is less than \$22.62; and

if the reference price is greater than \$28.86, the exchange ratio will be fixed at 1.3167. This means that the market value of the Boston Scientific common stock received in exchange for each share of Guidant common stock will be greater than \$38.00 to the extent that the trading price of Boston Scientific common stock is more than \$28.86.

Holders of Guidant common stock will receive cash for any fractional shares of Boston Scientific common stock they otherwise would have received in the merger. Each Guidant shareholder who would otherwise have been entitled to receive a fraction of a share of Boston Scientific common stock will receive cash in an amount equal to the product obtained by multiplying (i) the fractional share interest to which that Guidant shareholder would otherwise be entitled by (ii) the closing price for a share of Boston Scientific common stock on the closing date of the merger as reported on the New York Stock Exchange Composite Transactions Tape.

The merger agreement provides that, if between the date of the merger agreement and the effective time of the merger:

the outstanding shares of Boston Scientific common stock are changed into a different number of shares or a different class, by reason of the occurrence or record date of any stock dividend, subdivision, reclassification, recapitalization, split, combination, exchange of shares or similar transaction; or

Boston Scientific engages in any spin off or split off,

then, in any case, the exchange ratio will be appropriately adjusted to reflect that action.

Financing of the Merger

In connection with the financing of the cash consideration of the merger, Boston Scientific has received a commitment letter from Merrill Lynch Capital Corporation, Merrill Lynch, Bank of America, N.A. and Banc of America Securities LLC in which they committed to provide, in the aggregate, financing of up to \$14 billion. In addition, under the terms of the Abbott transaction agreement and at the closing of the Abbott transaction, Abbott has agreed to (i) pay an initial purchase price of \$4.1 billion in cash for the Guidant vascular and endovascular businesses, (ii) make a five year subordinated loan of \$900 million to Boston Scientific at a 4.00% annual interest rate and (iii) purchase \$1.4 billion in shares of Boston Scientific common stock. For a more detailed description of the Abbott transaction agreement, see "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120, and for information about certain risks related to the financing provided pursuant to the Abbott transaction agreement, see "Risk Factors", beginning on page 25.

Ownership of Boston Scientific Following the Merger

Based on the number of outstanding shares of Guidant common stock on the Guidant record date, the number of outstanding shares of Boston Scientific common stock on _____, 2006 and assuming an exchange ratio of _____ and that 56 million shares of Boston Scientific common stock will be issued to Abbott pursuant to the Abbott transaction agreement, Boston Scientific and Guidant anticipate that Guidant shareholders will own approximately _____ % of the outstanding shares of Boston Scientific common stock following the merger.

Conversion of Shares; Procedures for Exchange of Certificates; Fractional Shares

The conversion of Guidant common stock into the right to receive the merger consideration will occur automatically at the effective time of the merger. As soon as reasonably practicable after the completion of the merger, Mellon Investor Services LLC, Boston Scientific's exchange agent and paying agent, will send a letter of transmittal to each former holder of record of shares of Guidant common stock. The transmittal letter will contain instructions for obtaining the merger consideration, including the shares of Boston Scientific common stock, the cash portion of the merger consideration and cash for any fractional shares of Boston Scientific common stock, in exchange for shares of Guidant common stock. **Guidant shareholders should not return stock certificates with the enclosed proxy.**

After the effective time of the merger, each certificate that previously represented shares of Guidant common stock will no longer be outstanding, will be automatically canceled and retired, will cease to exist and will represent only the right to receive the merger consideration as described above.

Until holders of certificates previously representing Guidant common stock have surrendered those certificates to the exchange agent for exchange, those holders will not receive dividends or distributions on the Boston Scientific common stock into which those shares have been converted with a record date after the effective time of the merger and will not receive cash for any fractional shares of Boston Scientific common stock. When holders surrender those certificates, they will receive any dividends with a record date after the effective time of the merger and a payment date on or prior to the date of surrender and any cash for fractional shares of Boston Scientific common stock, in each case without interest.

In the event of a transfer of ownership of Guidant common stock that is not registered in the transfer agent's records of Guidant, payment of the merger consideration as described above will be made to a person other than the person in whose name the certificate so surrendered is registered if:

the certificate is properly endorsed or otherwise is in proper form for transfer; and

the person requesting the exchange pays any transfer or other taxes resulting from the payment of the merger consideration as described above to a person other than the registered holder of the certificate.

No fractional shares of Boston Scientific common stock will be issued to any Guidant shareholder upon surrender of certificates previously representing Guidant common stock. Each Guidant shareholder who would otherwise have been entitled to receive a fraction of a share of Boston Scientific common stock will receive cash in an amount equal to the product obtained by multiplying (1) the fractional share interest to which the holder would otherwise be entitled by (2) the closing price for a share of Boston Scientific common stock on the closing date of the merger as reported on the New York Stock Exchange Composite Transactions Tape.

Effective Time of the Merger

The merger will become effective upon the filing of the articles of merger with the Secretary of State of the State of Indiana or any later time as is agreed upon by Boston Scientific and Guidant and specified in the articles of merger. The filing of the articles of merger will occur as soon as practicable

after satisfaction or waiver of the conditions to the completion of the merger described in the merger agreement.

Stock Exchange Listing of Boston Scientific Common Stock

It is a condition to the completion of the merger that the shares of Boston Scientific common stock issuable to:

Guidant shareholders in the merger; and

holders of options to acquire shares of Guidant common stock, which will be converted into options to acquire shares of Boston Scientific common stock,

have been approved for listing on the New York Stock Exchange, subject to official notice of issuance.

Delisting and Deregistration of Guidant Common Stock

If the merger is completed, Guidant common stock will be delisted from the New York Stock Exchange and the Pacific Stock Exchange and will be deregistered under the Securities Exchange Act of 1934, as amended.

Arrangements with Abbott

To address certain antitrust concerns that may be raised by the merger and to expedite the review of the merger by the relevant antitrust authorities in the United States and the European Union, Boston Scientific and Abbott entered into the Abbott transaction agreement pursuant to which, among other things, Abbott agreed to purchase the Guidant vascular and endovascular businesses for:

an initial payment of \$4.1 billion in cash at the Abbott transaction closing;

a milestone payment of \$250 million upon receipt of an approval from the FDA within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in the United States;

a milestone payment of \$250 million upon receipt of an approval from the Japanese Ministry of Health within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in Japan; and

the assumption of certain liabilities relating to the Guidant vascular and endovascular businesses by Abbott.

The Abbott transaction closing is subject to, among other things, the satisfaction or waiver of all of the conditions to close the merger and is expected to occur prior to the closing date of the merger.

In addition to receiving the initial payment of \$4.1 billion at the Abbott transaction closing, Abbott has agreed to lend Boston Scientific \$900 million on a subordinated basis. The loan will be payable on the fifth anniversary of the Abbott transaction closing and interest will accrue on the outstanding principal amount at a rate of 4.00% per annum.

At the Abbott transaction closing, Abbott will purchase \$1.4 billion in shares of Boston Scientific common stock based on a per share purchase price of the lower of (i) \$25.00 and (ii) the average closing price of Boston Scientific common stock during the five consecutive trading day period ending three trading days prior to the Abbott transaction closing. In addition, 18 months after the Abbott transaction closing, Boston Scientific will issue to Abbott additional shares of Boston Scientific common stock having an aggregate value of up to \$60 million (based on the

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average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending five trading days prior to the date of issuance of those shares) to reimburse Abbott for the cost of borrowing \$1.4 billion to purchase the shares of Boston Scientific common stock.

Abbott has agreed not to sell any of these shares of Boston Scientific common stock for six months following the Abbott transaction closing unless the average price per share of Boston Scientific

common stock over any consecutive 20 day trading period exceeds \$30.00. In addition, during the 18-month period following the Abbott transaction closing, Abbott will not, in any one month period, sell more than 8.33% of these shares of Boston Scientific common stock. If Abbott or any of its affiliates sells any shares of Boston Scientific common stock, the entire portion of the net proceeds from any sale that are greater than 110% but equal to or less than 120% of Abbott's purchase price for those shares will be applied by Abbott toward the reduction of the principal amount of the loan by Abbott to Boston Scientific and half of the net proceeds from any sale that are greater than 120% of the purchase price paid by Abbott for those shares will be applied by Abbott toward the reduction of the principal amount of the loan.

As a part of the Abbott transaction, Boston Scientific and Abbott will also enter into supply and license and technology transfer arrangements with respect to the everolimus-eluting stent system currently in development by Guidant.

Boston Scientific's obligation to complete the merger is not conditioned on consummation of the Abbott transaction.

See also "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120.

Material United States Federal Income Tax Consequences of the Merger

The following is a summary of the material United States federal income tax consequences of the merger to United States Holders (as defined below) of Guidant common stock whose shares are converted into the right to receive the merger consideration pursuant to the merger. This summary is based on the Internal Revenue Code of 1986, as amended, applicable Treasury Regulations, and administrative and judicial interpretations thereof, all as in effect as of the date of this joint proxy statement/prospectus, and all of which may change, possibly with retroactive effect. This summary assumes that shares of Guidant common stock are held as capital assets (generally, property held for investment). It does not address all of the United States federal income tax consequences that may be relevant to United States Holders in light of their particular circumstances, or to other types of holders, including, without limitation:

banks, insurance companies or other financial institutions;

broker-dealers;

traders;

expatriates;

tax-exempt organizations;

persons who are not United States Holders;

pass-through entities and persons who are investors in a pass-through entity;

persons who are subject to alternative minimum tax;

persons who hold their shares of common stock as a position in a "straddle" or as part of a "hedging" or "conversion" transaction;

persons deemed to sell their shares of Guidant common stock under the constructive sale provisions of the Internal Revenue Code;

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persons that have a functional currency other than the United States dollar; or

persons who acquired their shares of Guidant common stock upon the exercise of stock options or otherwise as compensation.

In addition, this discussion does not address any United States state or local or non-United States tax consequences of the merger.

Boston Scientific and Guidant urge each Guidant shareholder to consult its own tax advisor regarding the United States federal income or other tax consequences of the merger to the shareholder.

For purposes of this discussion, a "United States Holder" means a holder of Guidant common stock who is, for United States federal income tax purposes:

a citizen or resident of the United States;

a corporation or an entity treated as a corporation created or organized in, or under the laws of, the United States, any state thereof or the District of Columbia;

an estate the income of which is subject to United States federal income taxation regardless of its source; or

a trust (i) (a) the administration over which a United States court can exercise primary supervision and (b) all of the substantial decisions of which one or more United States persons have the authority to control or (ii) that has a valid election in effect to be treated as a United States person.

If a partnership (or other entity treated as a partnership for United States federal income tax purposes) holds Guidant common stock, the tax treatment of a partner in the partnership (or other entity) will generally depend upon the status of the partner and the activities of the partnership (or other entity). If you are a partner of a partnership (or other entity) holding Guidant common stock, you should consult your tax advisor regarding the tax consequences of the merger.

Consequences of the Merger

The receipt of the merger consideration in exchange for shares of Guidant common stock pursuant to the merger will be a taxable transaction for United States federal income tax purposes. In general, a United States Holder who receives the merger consideration in exchange for shares of Guidant common stock pursuant to the merger will recognize capital gain or loss for United States federal income tax purposes equal to the difference, if any, between (i) the fair market value of the Boston Scientific common stock as of the effective time of the merger and the amount of cash received and (ii) the holder's adjusted tax basis in the shares of Guidant common stock exchanged for the merger consideration pursuant to the merger. Any gain or loss would be long-term capital gain or loss if the holding period for the shares of Guidant common stock exceeds one year at the effective time of the merger. Long-term capital gains of noncorporate United States Holders (including individuals) generally are eligible for preferential rates of United States federal income tax. There are limitations on the deductibility of capital losses under the Internal Revenue Code.

A United States Holder's aggregate tax basis in Boston Scientific common stock received in the merger will equal the fair market value of the stock as of the effective time of the merger. The holding period of the Boston Scientific common stock received in the merger will begin on the day after the merger.

Backup Withholding

Backup withholding at a rate of 28% may apply to payments made in connection with the merger. Backup withholding will not apply, however, to a holder who (1) furnishes a correct taxpayer identification number and certifies that it is not subject to backup withholding on the substitute Internal Revenue Service Form W-9 included in the letter of transmittal to be delivered to holders of Guidant common stock prior to completion of the merger, (2) provides a certification of non-United States status on the applicable Internal Revenue Service Form W-8 (typically Internal Revenue Service Form W-8BEN) or appropriate successor form or (3) is otherwise exempt from backup withholding. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against the holder's United States federal income tax liability provided the required information is timely furnished to the Internal Revenue Service. Please consult your own tax advisor to see if you

qualify for exemption from backup withholding and, if so, to understand the procedure for obtaining that exemption.

THE FOREGOING DOES NOT PURPORT TO BE A COMPLETE ANALYSIS OF THE POTENTIAL TAX CONSIDERATIONS RELATING TO THE MERGER, AND IS NOT TAX ADVICE. THEREFORE, HOLDERS OF GUIDANT COMMON STOCK ARE URGED TO CONSULT THEIR TAX ADVISORS AS TO THE SPECIFIC TAX CONSEQUENCES TO THEM OF THE MERGER, INCLUDING THE APPLICABILITY OF UNITED STATES FEDERAL, STATE OR LOCAL, NON-UNITED STATES AND OTHER TAX LAWS.

Regulatory Matters

United States Antitrust

Under the Hart-Scott-Rodino Antitrust Improvements Act and related rules, certain transactions, including the merger, may not be completed until notifications have been given and information has been furnished to the Antitrust Division of the Department of Justice and the FTC and the specified waiting period requirements have been satisfied. Boston Scientific and Guidant expect to file Notification and Report Forms with the Antitrust Division of the Department of Justice and the FTC regarding the merger shortly. At any time before or after the effective time of the merger, the Antitrust Division, the FTC or others (including states and private parties) could take action under the antitrust laws, including seeking to prevent the merger, to rescind the merger or to conditionally approve the merger upon the divestiture of assets of Boston Scientific or Guidant. There can be no assurance that a challenge to the merger on antitrust grounds will not be made or, if a challenge is made, that it would not be successful.

Europe

Both Boston Scientific and Guidant conduct business in member states of the European Union. Council Regulation (EC) No. 139/2004, as amended, and accompanying regulations require notification to, and approval by, the European Commission of specific mergers or acquisitions involving parties with worldwide sales and individual European Union sales exceeding specified thresholds before these mergers and acquisitions can be implemented. As is customary in connection with filings with the European Commission regarding merger transactions, Boston Scientific has submitted a draft filing regarding the merger to the European Commission. Boston Scientific will formally notify the European Commission of the merger when its discussions with the European Commission regarding the draft filing conclude.

During the last several weeks, Boston Scientific and Abbott have had significant discussions with the FTC and the European Commission regarding the merger and the Abbott transaction, and Boston Scientific expects that it will receive the necessary clearances and approvals from the relevant antitrust authorities for the merger on or before March 31, 2006.

Other Laws

In addition to the regulatory approvals described above, filings with or the consent of other governmental agencies may be required to be obtained prior to the effective time of the merger. Boston Scientific and Guidant are currently in the process of reviewing whether other filings or approvals may be required or advisable.

General

It is possible that any of the governmental entities with which filings have been made may seek additional regulatory concessions or impose additional conditions or states or private parties may commence litigation to prevent the completion of the merger. There can be no assurance that:

Boston Scientific or Guidant will be able to satisfy or comply with any conditions imposed;

compliance or non-compliance will not have adverse consequences on Boston Scientific after completion of the merger; or

litigation, if any, will be resolved favorably by Boston Scientific and Guidant.

See "*The Merger Agreement Conditions to the Completion of the Merger*".

Dissenters' Rights

Under Delaware law, holders of Boston Scientific common stock will not be entitled to dissenters' rights in connection with the merger because they will not be receiving any merger consideration in the merger.

Under Indiana law, holders of Guidant common stock will not be entitled to dissenters' rights in connection with the merger because shares of Boston Scientific common stock are traded on the New York Stock Exchange.

Guidant's Rights Plan

The Guidant board of directors adopted a shareholder rights plan on December 15, 2004 and adopted amendments to the shareholder rights plan effective as of November 14, 2005 and January 25, 2006, respectively. To implement the shareholder rights plan, on December 14, 2004, Guidant declared a dividend of one preferred share purchase right, which Boston Scientific and Guidant refer to in this joint proxy statement/prospectus as a "right", for each outstanding share of Guidant common stock to shareholders of record at the close of business on December 27, 2004. Each right entitles the registered holder to purchase from Guidant a unit consisting of one one-thousandth of a share of Series A Participating Preferred Stock at a purchase price of \$325 per unit, subject to adjustment.

The rights are not exercisable until the earlier of:

10 business days following a public announcement that a person or group has acquired 15% or more of the outstanding shares of Guidant common stock (thereby becoming an "acquiring person" under the shareholder rights plan); or

10 business days following the commencement of a tender offer or exchange offer that would result in a person or group becoming an acquiring person.

The date on which the rights are exercisable as described above is referred to in this joint proxy statement/prospectus as the "distribution date".

Until the distribution date, the rights will be evidenced only by shares of Guidant common stock and will be transferred with and only with Guidant common stock. After the distribution date, rights certificates will be mailed to holders of record of the Guidant common stock as of the close of business on the distribution date.

In the event that a person becomes an acquiring person, subject to certain exceptions for offers that the independent directors of the Guidant board of directors determine to be fair and not inadequate and to otherwise be in the best interests of Guidant and its shareholders, each holder of a right other than the acquiring person will have the right to receive Guidant common stock having a value equal to two times the exercise price of the right. In the event that, at any time following the date on which a person becomes an acquiring person, Guidant engages in certain types of merger or other business combination transactions, each holder of a right other than the acquiring person will have the right to receive common stock of the acquiring company having a value equal to two times the exercise price of the right. At any time after a person becomes an acquiring person and prior to their acquisition of 50% or more of the outstanding Guidant common stock, the Guidant board of directors may exchange the rights (other than rights owned by the acquiring person), in whole or in part, for one share of Guidant common stock, or one one-thousandth of a share of the Series A Participating Preferred Stock, per right (subject to adjustment). At any time until 10 business days following the date

on which a person becomes an acquiring person, Guidant may redeem the rights in whole, but not in part, at a price of \$0.001 per right.

Pursuant to the terms of the merger agreement, the Guidant board of directors has taken all actions necessary in order to render the rights granted to the holders of the Guidant common stock pursuant to Guidant's shareholder rights plan inapplicable to the execution of the merger agreement and the consummation of the merger. Accordingly, the rights expire at the earlier of (1) the effective time of the merger or (2) at 5:00 p.m. (New York City time) on December 15, 2014, unless that date is extended or the rights are earlier redeemed or exchanged. Guidant's shareholder rights plan will be ineffective after the closing date of the merger.

Guidant Employee Benefits Matters

The merger agreement provides that:

for a period of 12 months following the merger, the employees of Guidant and its subsidiaries who remain in the employment of the surviving corporation and its subsidiaries will receive employee benefits that in the aggregate are substantially comparable to the employee benefits provided to those employees immediately prior to the merger;

for the six-month period immediately following the expiration of the 12-month period following the merger, the employees of Guidant and its subsidiaries who remain in the employment of the surviving corporation and its subsidiaries will receive employee benefits that in the aggregate are substantially comparable to either the employee benefits provided to those employees immediately prior to the merger or the employee benefits provided to similarly situated employees of Boston Scientific and its subsidiaries;

for a period of not less than 18 months following the merger, employees of Guidant and its subsidiaries who remain in the employment of the surviving corporation and its subsidiaries will receive base salary or wage rates that are not less than those in effect for those employees immediately prior to the merger, except that neither Boston Scientific nor the surviving corporation nor any of their subsidiaries will have any obligation to issue, or adopt any plans or arrangements providing for the issuance of, shares of capital stock, warrants, options, stock appreciation rights or other rights in respect of any shares of capital stock of any entity or any securities convertible or exchangeable into shares of capital stock pursuant to any plans or arrangements; and

no plans or arrangements of Guidant or any of its subsidiaries providing for the issuance of capital stock or rights in the capital stock of Guidant or otherwise will be taken into account in determining whether employee benefits are substantially comparable in the aggregate.

Boston Scientific and Guidant have agreed that nothing contained in the merger agreement should be construed as requiring, and Guidant should take no action that would have the effect of requiring, Boston Scientific or the surviving corporation to continue any specific employee benefit plans or to continue the employment of any specific person.

Boston Scientific has also agreed that, for the following purposes but not otherwise under the employee benefit plans of Boston Scientific, it will cause the surviving corporation to recognize the service of each Guidant employee who remains employed by the surviving corporation as if an employee's service had been performed with Boston Scientific:

for purposes of eligibility for vacation under Boston Scientific's vacation program;

for purposes of eligibility and participation under any health or welfare plan maintained by Boston Scientific (other than any post-employment health or post-employment welfare plan);

for purposes of eligibility for the company matching contribution under the Boston Scientific 401(k) plan (it being understood that each employee who was participating in Guidant's 401(k)

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plan immediately prior to becoming eligible to participate in the Boston Scientific 401(k) plan shall be immediately eligible for the company matching contribution under the Boston Scientific 401(k) plan); and

unless covered under another arrangement with or of Guidant, for benefit accrual purposes under Boston Scientific's severance plan (but in the case of any severance plan and with respect to each plan or program that is the subject of any of the four bullet points above, solely to the extent that Boston Scientific makes that plan or program available to employees of the surviving corporation, it being Boston Scientific's current intention to do so).

With respect to any welfare plan maintained by Boston Scientific in which Guidant employees are eligible to participate after the merger, the merger agreement provides that Boston Scientific will, and will cause the surviving corporation to:

waive all limitations as to preexisting conditions and exclusions with respect to participation and coverage requirements applicable to Guidant employees to the extent those conditions and exclusions were satisfied or did not apply to Guidant employees under the welfare plans maintained by Guidant prior to the merger; and

provide each Guidant employee with credit for any co-payments and deductibles paid prior to the effective time in satisfying any analogous deductible or out-of-pocket requirements to the extent applicable under any Boston Scientific plan.

Subject to the requirements discussed in this section, Boston Scientific has agreed to assume all obligations under, and honor in accordance with their terms, and to cause the surviving corporation to honor in accordance with their terms, each Guidant benefit plan and agreement. Boston Scientific has acknowledged and agreed that the merger will constitute a "change in control" within the meaning of those plans and agreements which include a definition of that (or substantially similar) concept.

Notwithstanding the foregoing, the merger agreement provides that the provisions above relating to employee matters shall apply only with respect to those employees who are covered under Guidant benefit plans that are maintained primarily for the benefit of employees employed in the United States (including those employees regularly employed outside the United States to the extent they participate in Guidant benefit plans). With respect to any employees not described in the preceding sentence, Boston Scientific will, and will cause the surviving corporation and its subsidiaries to, comply with all applicable laws, directives and regulations relating to employees and employee benefits matters applicable to them.

Effect on Awards Outstanding Under Guidant Stock Incentive Plans

Under the merger agreement, the Guidant board of directors must adopt, as soon as practicable, any resolutions or take any other actions as may be required to effect the following:

each Guidant stock option outstanding immediately prior to the merger shall be amended and converted into an option to acquire, on the same terms and conditions as were applicable under the Guidant stock option, the number of shares of Boston Scientific common stock (rounded down to the nearest whole share) equal to the sum of:

the product of (A) the number of shares of Guidant common stock subject to the Guidant stock option and (B) the exchange ratio; and

the product of (A) the number of shares of Guidant common stock subject to the Guidant stock option and (B) the quotient obtained by dividing (x) \$42.00 by (y) the average trading price of Boston Scientific common stock for the 15 trading days ending three trading days prior to the consummation of the merger at an exercise price per share of Boston Scientific common stock (rounded up to the nearest whole cent) equal to the quotient obtained by dividing (1) the aggregate exercise price for the shares of Guidant common stock subject to the Guidant stock option by (2) the aggregate number of shares of Boston Scientific

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common stock to be subject to the Guidant stock option after giving effect to the adjustments in this and the two preceding bullet points; and

make any other changes to the Guidant stock incentive plans as Boston Scientific and Guidant may agree are appropriate to give effect to the merger.

All restrictions imposed on restricted stock and options granted prior to the date of the original Johnson & Johnson merger agreement, including restricted stock held by Guidant executive officers and directors, immediately lapsed upon receipt of shareholder approval of the original Johnson & Johnson merger agreement. All restrictions imposed on restricted stock granted under Guidant's stock incentive plans prior to the date of the merger agreement with Boston Scientific, including restricted stock held by Guidant executive officers and directors, will immediately lapse upon receipt of Guidant shareholder approval of the merger.

The merger agreement further provides that the Guidant board of directors must adopt, as soon as practicable, any resolutions or take any other actions as may be required to provide that with respect to the Guidant employee stock purchase plan:

participants will not increase their payroll deductions or purchase elections from those in effect on the date of the merger agreement;

each participant's outstanding right to purchase shares of Guidant common stock under the Guidant employee stock purchase plan will terminate on the day immediately prior to the day on which the merger occurs, provided that all amounts allocated to each participant's account under the Guidant employee stock purchase plan as of that date will then be used to purchase from Guidant whole shares of Guidant common stock at the applicable price determined under the terms of the Guidant employee stock purchase plan for the then outstanding offering periods using that date as the final purchase date for each particular offering period; and

the Guidant employee stock purchase plan will terminate immediately following those purchases of Guidant common stock.

In addition, Guidant must ensure that, following the merger, no holder of a Guidant stock option (or former holder of a Guidant stock option) or any participant in any Guidant stock incentive plan or other Guidant benefit plan or agreement will have any right under any plan to acquire any capital stock or other equity interest in Guidant or the surviving corporation (including "phantom" stock or stock appreciation rights).

Boston Scientific has agreed that as soon as practicable following the merger, it will deliver to the holders of Boston Scientific stock options that were converted from Guidant options appropriate notices setting forth those holders' rights pursuant to the respective stock incentive plans and the contracts evidencing the grants of those options, which shall provide, among other things, that those options and contracts have been assumed by Boston Scientific and will continue in effect on the same terms and conditions (subject to the adjustments described in this section).

The merger agreement provides that, except as otherwise described by this section and except to the extent required under the respective terms of the converted options, all restrictions or limitations on transfer and vesting with respect to converted options, to the extent that those restrictions or limitations shall not have already lapsed, and all other terms of the converted options, shall remain in full force and effect with respect to those converted options after giving effect to the merger and their assumption by Boston Scientific as set forth above.

In addition, as soon as practicable following the merger, Boston Scientific must prepare and file with the SEC a registration statement on Form S-8 (or another appropriate form) registering shares of Boston Scientific common stock subject to issuance upon the exercise of the converted options. Guidant will cooperate with, and assist Boston Scientific in the preparation of, that registration statement. Boston Scientific must keep the registration statement effective (and maintain the current

status of the prospectus required by the registration statement) for so long as any converted options remain outstanding.

Notwithstanding the foregoing, pursuant to the Abbott transaction agreement, all outstanding options to purchase Guidant common stock held immediately prior to the Abbott transaction closing by any Guidant employee transferred to Abbott will be extinguished and Boston Scientific will provide to the holder of each extinguished option either (i) a payment in cash equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, or (ii) a number of shares of Boston Scientific common stock with a fair market value as of the Abbott transaction closing date equal to the excess of the aggregate fair market value of the Guidant common stock subject to the option over the aggregate exercise price of the option, net of any applicable withholding taxes, determined by appropriately adjusting the number of shares subject to that option and the exercise price of that option based on the value of the merger consideration, as if the option holder had not been transferred to Abbott. The form of payment selected by Boston Scientific must apply to all Guidant employees transferred to Abbott.

Resale of Boston Scientific Common Stock

Boston Scientific common stock to be issued in the merger will not be subject to any restrictions on transfer arising under the Securities Act of 1933, as amended, except for shares issued to any Guidant shareholder who may be deemed to be an "affiliate" of Guidant or Boston Scientific for purposes of Rule 145 under the Securities Act. It is expected that each affiliate will agree not to transfer any Boston Scientific common stock received in the merger except in compliance with the resale provisions of Rule 144 or 145 under the Securities Act or as otherwise permitted under the Securities Act. The merger agreement requires Guidant to use its reasonable efforts to cause its affiliates to enter into those agreements. This joint proxy statement/prospectus does not cover resales of Boston Scientific common stock received by any person upon completion of the merger, and no person is authorized to make any use of this joint proxy statement/prospectus in connection with any resale.

Notices to Guidant Shareholders Resident in Canada and Canadian Resale Restrictions

Notices to Guidant Shareholders Resident in Canada

The Boston Scientific common stock that is being distributed to holders of Guidant common stock that reside in a province of Canada is being distributed under an exemption from the registration and prospectus requirements of Canadian provincial securities laws.

Canadian Resale Restrictions

The provincial securities laws in all provinces of Canada require the first trade in the Boston Scientific common stock to be made in accordance with certain conditions, including that no unusual effort is made to prepare the market or to create a demand for shares of Boston Scientific common stock and no extraordinary commission or consideration is paid in respect of the trade. In addition, when selling the shares, holders resident in a province of Canada must use a dealer appropriately registered in that province or rely on an exemption from the registration requirements of that province. If a holder requires advice on any applicable prospectus or registration exemption, the holder should consult its own legal advisor.

THE MERGER AGREEMENT

This is a summary of the material provisions of the merger agreement. The merger agreement, which is attached as Annex A to this joint proxy statement/prospectus and is incorporated herein by reference, contains the complete terms of that agreement. You should read the entire merger agreement carefully.

The merger agreement has been included to provide you with information regarding its terms. It is not intended to provide any other factual information about Boston Scientific and Guidant. That information can be found elsewhere in this joint proxy statement/prospectus and in the other public filings made by Boston Scientific or Guidant with the SEC, which are available without charge at www.sec.gov.

The merger agreement contains representations and warranties the parties made to each other as of specific dates. The assertions embodied in those representations and warranties were made solely for purposes of the contract between Boston Scientific and Guidant and may be subject to important qualifications and limitations agreed by Boston Scientific and Guidant in connection with negotiating its terms. Moreover, certain representations and warranties may not be accurate or complete as of any specified date because they are subject to a contractual standard of materiality different from those generally applicable to stockholders or were used for the purpose of allocating risk between Boston Scientific and Guidant rather than establishing matters as facts. For the foregoing reasons, you should not rely on the representations and warranties as statements of factual information.

Conditions to the Completion of the Merger

Conditions to Boston Scientific's and Guidant's Obligations to Complete the Merger. Each party's obligation to effect the merger is subject to the satisfaction or waiver of various conditions that include, in addition to other customary closing conditions, the following:

the merger agreement has been approved by the affirmative vote of shareholders of Guidant representing a majority of the shares of Guidant common stock outstanding and entitled to vote at the Guidant special meeting;

(i) the amendment to the Boston Scientific Second Restated Certificate of Incorporation has been approved by the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock entitled to vote on the amendment at the Boston Scientific special meeting and (ii) the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement has been approved by the affirmative vote of a majority of the outstanding shares of Boston Scientific common stock participating in the voting on the stock issuance;

the shares of Boston Scientific common stock to be issued to:

Guidant shareholders upon completion of the merger; and

holders of options to acquire shares of Guidant common stock, which will be converted into options to acquire shares of Boston Scientific common stock, have been approved for listing on the New York Stock Exchange, subject to official notice of issuance;

the waiting period applicable to the merger under the Hart-Scott-Rodino Antitrust Improvements Act has expired or has been terminated;

the European Commission has issued, or has been deemed to have issued, a decision under Article 6(1)(b), 8(1) or 8(2) (and/or, as may be the case, any national competition authority in the European Community to which all or part of the case may have been transferred has issued, or has been deemed to have issued, a decision with similar effect) of the European Commission merger regulation declaring the merger compatible with the Common Market;

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no temporary restraining order, preliminary or permanent injunction or other court order or statute, law, rule, legal restraint or prohibition is in effect that prevents the completion of the merger; and

the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, has been declared effective by the SEC and is not the subject of any stop order or proceedings seeking a stop order.

Conditions to Boston Scientific's Obligation to Complete the Merger. Boston Scientific's obligation to effect the merger is further subject to satisfaction or waiver of the following additional conditions:

the representations and warranties of Guidant relating to:

capitalization;

authority and noncontravention;

the absence of recent changes in the compensation and benefits for certain key personnel of Guidant, including increases in compensation or benefits, grants or increases in severance or termination pay, the entry into or amendment of employment and other similar contracts, the removal of restrictions in benefit plans or the adoption of new benefit plans for those personnel;

agreements that may restrict the ability of affiliates of Guidant to compete (other than any agreement that only restricts Guidant's ability to compete) in any line of business, geographic area or customer segment;

the vote required by Guidant shareholders to approve the merger agreement;

the adoption of the merger agreement by the board of directors of Guidant and the inapplicability of state takeover statutes to the merger; and

the taking of all action by Guidant to render its shareholder rights plan inapplicable with respect to the merger that are qualified as to materiality or material adverse effect are true and correct, and those representations and warranties that are not so qualified by materiality or material adverse effect are true and correct in all material respects, in each case as of the date of the merger agreement and as of the closing date of the merger as though made on the closing date, or if those representations and warranties expressly relate to an earlier date, then as of that date.

the representations and warranties of Guidant relating to various other agreements that either (1) may restrict the ability of Guidant or any of its subsidiaries' ability to compete in any line of business, geographic area or customer segment or (2) relate to the distribution, sale, supply, licensing, co-promotion or manufacturing of any products or services are true and correct as of the date of the merger agreement and as of the closing date of the merger as though made on the closing date, except to the extent that the facts or matters which make those representations and warranties not true and correct as of those dates, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on the reasonably expected benefits of the merger to Boston Scientific;

all the other representations and warranties of Guidant set forth in the merger agreement are true and correct as of the date of the merger agreement and as of the closing date of the merger as though made on the closing date, or if those representations and warranties expressly relate to an earlier date, then as of that date, except to the extent that the facts or matters which make those representations and warranties not true and correct as of those dates, without giving effect to any qualifications or limitations as to materiality or material adverse effect set forth in those representations and warranties, individually or in the aggregate, have not had and would not reasonably be expected to have a material adverse effect on Guidant;

Guidant has performed in all material respects all obligations required to be performed by it under the merger agreement on or prior to the date on which the merger is to be completed;

there is no pending suit, action or proceeding by any governmental entity (i) seeking to restrain or prohibit the consummation of the merger or any other transaction contemplated by the merger agreement or seeking to obtain from Boston Scientific, Galaxy Merger Sub or Guidant, or any other affiliate of Boston Scientific, any damages that are material in relation to Guidant, (ii) seeking to impose limitations on the ability of Boston Scientific or any affiliate of Boston Scientific to hold, or exercise full rights of ownership of, any shares of capital stock of the surviving corporation, including the right to vote those shares on all matters properly presented to the stockholders of the surviving corporation, (iii) seeking to prohibit Boston Scientific or any of its subsidiaries from effectively controlling in any material respect the business or operations of Guidant or any of its affiliates, (iv) seeking any divestiture that is not required to be effected pursuant to the terms of the merger agreement or (v) that has had or would reasonably be expected to have a material adverse effect on Guidant or Boston Scientific; and

there is no temporary restraining order, injunction or other court order or statute, law, rule, legal restraint or prohibition that is in effect that would reasonably be expected to result in any of the effects referred to in the immediately preceding clause.

Conditions to Guidant's Obligation to Complete the Merger. Guidant's obligation to effect the merger is further subject to satisfaction or waiver of the following additional conditions:

the representations and warranties of Boston Scientific and Galaxy Merger Sub relating to authority and noncontravention and the vote required by Boston Scientific stockholders to approve the amendment to the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set forth in the merger agreement which are qualified as to materiality or material adverse effect are true and correct, and those representations and warranties that are not so qualified by materiality or material adverse effect are true and correct in all material respects, in each case as of the date of the merger agreement and as of the closing date of the merger as though made on the closing date, or if those representations and warranties expressly relate to an earlier date, then as of that date;

all the other representations and warranties of Boston Scientific and Galaxy Merger Sub set forth in the merger agreement are true and correct as of the date of the merger agreement and as of the closing date of the merger as though made on the closing date, or if those representations and warranties expressly relate to an earlier date, then as of that date, except to the extent that the facts or matters which make those representations and warranties not true and correct as of those dates, without giving effect to any qualifications or limitations as to materiality or material adverse effect set forth in those representations and warranties, individually or in the aggregate, have not had and would not reasonably be expected to have a material adverse effect on Boston Scientific; and

Boston Scientific and Galaxy Merger Sub have performed in all material respects all obligations required to be performed by them under the merger agreement on or prior to the date on which the merger is to be completed.

Important Definitions. The merger agreement provides that a "material adverse effect" or "material adverse change" means, when used in connection with Guidant or Boston Scientific, any change, effect, event, occurrence or state of facts, or any development which, individually or in the aggregate, would reasonably be expected to result in any change or effect that is materially adverse to the business, financial condition or results of operations of Guidant and its subsidiaries, taken as a whole, or Boston Scientific and its subsidiaries, taken as a whole, as the case may be, other than any change, effect, event, occurrence, state of facts or development:

relating to the financial or securities markets or the economy in general;

relating to the industry in which Guidant operates or the industry in which Boston Scientific operates, as the case may be, in general to the extent that that change, effect, event, occurrence, state of facts or development does not disproportionately impact Guidant or Boston Scientific;

resulting from any divestiture required to be effected pursuant to the merger agreement;

relating to any failure, in and of itself, by Guidant or Boston Scientific, as applicable, to meet any internal or published projections, forecasts or revenue or earnings prediction; or

with respect solely to Guidant, relating to any effect on Guidant's business relating to, or arising from, any product recalls announced by Guidant prior to the date of the merger agreement, or any related pending or future litigation, governmental investigations or other developments.

Boston Scientific and Guidant can provide no assurance that all of the conditions precedent to the merger will be satisfied or waived by the party permitted to do so. Neither Boston Scientific nor Guidant can at this point determine whether it would resolicit proxies in the event that it decides to waive any of the items listed above. Each of Boston Scientific's and Guidant's decisions would depend upon the facts and circumstances leading to their respective decisions to complete the merger and whether Boston Scientific or Guidant believes there has been a material change in the terms of the merger and its effect on Boston Scientific or Guidant and their respective stockholders. In making this determination, Boston Scientific and Guidant would consider, among other factors, the reasons for the waiver, the effect of the waiver on the terms of the merger, whether the requirement being waived was necessary in order to make the transaction fair to Boston Scientific or Guidant shareholders from a financial point of view, the availability of alternative transactions and the prospects of Boston Scientific or Guidant as an independent entity. If either Boston Scientific or Guidant determines that a waiver of a condition would materially change the terms of the merger, it will resolicit proxies.

No Solicitation

The merger agreement provides that Guidant will not, nor will it authorize or permit any of its subsidiaries, any of their respective directors, officers or employees or any investment banker, financial advisor, attorney, accountant or other advisor, agent or representative retained by it or any of its subsidiaries to, directly or indirectly through another person:

solicit, initiate or knowingly encourage, or take any other action designed to, or which could reasonably be expected to lead to, a takeover proposal, as described below; or

enter into, continue or otherwise participate in any discussions or negotiations regarding, or furnish to any person any information, or otherwise cooperate in any way with, any takeover proposal.

The merger agreement provides that the term "takeover proposal" means an inquiry, proposal or offer from any person relating to, or that could reasonably be expected to lead to:

any direct or indirect acquisition or purchase, in one transaction or a series of transactions, of assets (including equity securities of any subsidiary of Guidant) or business that constitute 15% or more of the revenues, net income or assets of Guidant and its subsidiaries, taken as a whole, or 15% or more of any class of equity securities of Guidant;

any tender offer or exchange offer that, if consummated, would result in any person beneficially owning 15% or more of any class of equity securities of Guidant; or

any merger, consolidation, business combination, recapitalization, liquidation, dissolution, joint venture, binding share exchange or similar transaction involving Guidant or any of its subsidiaries pursuant to which any person or the shareholders of any person would own 15% or more of any class of equity securities of Guidant or of any resulting parent company of Guidant;

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in each case, other than the transactions contemplated by the merger agreement.

The merger agreement provides further that, notwithstanding the restrictions described above, if, at any time prior to the time Guidant shareholders have adopted the merger agreement:

Guidant receives a bona fide written takeover proposal that the Guidant board of directors determines (after consultation with outside counsel and a financial advisor of nationally recognized reputation) constitutes or is reasonably likely to lead to a superior proposal, as described below; and

that takeover proposal was not solicited after the date of the merger agreement and did not otherwise result from a breach by Guidant of the no solicitation provisions described above;

Guidant may:

furnish information about Guidant and its subsidiaries to the person making the takeover proposal pursuant to a customary confidentiality agreement not less restrictive to that person than the confidentiality provisions of the confidentiality agreement between Guidant and Boston Scientific, provided that all of the information to be furnished is also, or has previously been, provided to Boston Scientific; and

participate in discussions or negotiations regarding the takeover proposal.

The merger agreement provides that the term "superior proposal" means any bona fide offer made by a third party that, if consummated, would result in a person (or its shareholders) owning, directly or indirectly, more than 80% of the shares of Guidant common stock then outstanding (or of the surviving entity in a merger or the direct or indirect parent of the surviving entity in a merger) or all or substantially all the assets of Guidant, which the Guidant board of directors reasonably determines (after consultation with a financial advisor of nationally recognized reputation) to be:

more favorable to the Guidant shareholders from a financial point of view than the merger (taking into account all the terms and conditions of the proposal and the merger agreement (including any changes to the financial terms of the merger agreement proposed by Boston Scientific in response to the offer or otherwise)); and

reasonably capable of being completed, taking into account all financial, legal, regulatory and other aspects of the proposal.

The merger agreement provides further that neither the Guidant board of directors nor any committee of the Guidant board of directors may:

withdraw, modify in a manner adverse to Boston Scientific, or publicly propose to withdraw, or modify in a manner adverse to Boston Scientific, the adoption or recommendation by the Guidant board of directors of the merger agreement, the merger or other transactions contemplated by the merger agreement;

adopt or recommend, or publicly propose to adopt or recommend, any takeover proposal; or

adopt or recommend, or publicly propose to adopt or recommend, or allow Guidant or any of its subsidiaries to execute or enter into, any letter of intent, memorandum of understanding, agreement in principle, merger agreement, acquisition agreement, option agreement, joint venture agreement, partnership agreement or other similar contract constituting or related to, or that is intended to or could reasonably be expected to lead to, any takeover proposal.

Notwithstanding the above, at any time prior to the time Guidant shareholders have approved the merger agreement with Boston Scientific, the Guidant board of directors may:

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withdraw its recommendation of the merger agreement and the merger or recommend the approval of a takeover proposal if the Guidant board of directors determines in good faith, after consultation with outside counsel and a financial advisor of nationally recognized reputation that

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(i) a material adverse effect with respect to Boston Scientific has occurred and (ii) as a result of that material adverse effect a withdrawal is consistent with its fiduciary duties to Guidant shareholders under applicable law; or

in response to a takeover proposal that the Guidant board of directors reasonably determines, after consultation with outside counsel and a financial advisor of nationally recognized reputation, constitutes a superior proposal and that was unsolicited and made after the date of the merger agreement and that did not otherwise result from a breach of the no solicitation provisions described above, (i) withdraw its recommendation of the merger agreement and the merger or recommend the approval of that takeover proposal or (ii) terminate the merger agreement and enter into an agreement or contract constituting or related to, or that is intended to or could reasonably be expected to lead to, that takeover proposal.

No withdrawal of the Guidant board of directors' recommendation of the merger agreement and the merger or recommendation of a takeover proposal, or termination of the merger agreement by Guidant, in response to a takeover proposal that constitutes a superior proposal may be made until after the fifth business day following Boston Scientific's receipt of written notice from Guidant advising Boston Scientific that the Guidant board of directors intends to take that action and specifying the terms and conditions of the superior proposal. In determining whether to take that action, the Guidant board of directors must take into account any changes to the financial terms of the merger agreement proposed by Boston Scientific in response to its receipt of the notice from Guidant or otherwise.

In addition to the no solicitation provisions described above, the merger agreement provides that Guidant must promptly advise Boston Scientific orally and in writing of any takeover proposal, the material terms and conditions of any takeover proposal and the identity of the person making any takeover proposal and if the Guidant board of directors is considering, or has decided to consider, whether any change, effect, event, occurrence, state of facts or development constitutes a material adverse effect with respect to Boston Scientific. Guidant must keep Boston Scientific fully informed in all material respects of the status and details, including any changes, of any takeover proposal and must provide to Boston Scientific copies of all correspondence and other written material sent or provided by any person to Guidant or any of its subsidiaries that describes any of the terms or conditions of any takeover proposal as soon as practicable after receipt or delivery of that correspondence or other written material and keep Boston Scientific fully informed in all material respects of the status and details of any determination by the Guidant board of directors with respect to a potential material adverse effect with respect to Boston Scientific.

Nothing in the merger agreement prohibits the Guidant board of directors from taking and disclosing to Guidant shareholders a position contemplated by Rule 14e-2(a) under the Exchange Act or making a statement required under Rule 14a-9 under the Exchange Act or making any disclosure to Guidant shareholders that is required by applicable law, except that in no event may Guidant or the Guidant board of directors take, or agree to take, any action prohibited by the no solicitation provisions described above.

Termination of the Merger Agreement

The merger agreement may be terminated at any time prior to the effective time of the merger, even if the merger agreement has been adopted by Guidant shareholders and the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to the Guidant shareholders on the terms and conditions set forth in the merger agreement have been approved by Boston Scientific stockholders:

by mutual written consent of Boston Scientific, Galaxy Merger Sub and Guidant;

by either Boston Scientific or Guidant, if the merger has not been completed by September 30, 2006, except that this right to terminate the merger agreement will not be available to any party

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whose willful breach of a representation or warranty in the merger agreement or whose other action or failure to act has been a principal cause of or resulted in the failure of the merger to be consummated on or before that date;

by either Boston Scientific or Guidant, if there exists a restraining order, injunction or other court order or statute, law, rule, legal restraint or prohibition, in any case that has become final and cannot be appealed and which prevents the completion of the merger;

by either Boston Scientific or Guidant, if Guidant shareholders do not approve the merger agreement at the Guidant special meeting duly convened or at any adjournment or postponement of that meeting;

by either Boston Scientific or Guidant, if Boston Scientific stockholders do not approve the amendment of the Boston Scientific Second Restated Certificate of Incorporation or the issuance of shares of Boston Scientific common stock to the Guidant shareholders on the terms and conditions set forth in the merger agreement at the Boston Scientific special meeting duly convened or at any adjournment or postponement of that meeting;

by either Boston Scientific or Guidant, if the other party has breached or failed to perform any of its representations, warranties, covenants or agreements set forth in the merger agreement, which breach or failure to perform would give rise to the failure of a condition to the merger and has not been or cannot be cured within 30 calendar days following receiving written notice from the other party of that breach or failure to perform;

by Boston Scientific, if there exists a restraining order, injunction or other court order or statute, law, rule, legal restraint or prohibition that has become final and nonappealable, in any case that (i) seeks to restrain or prohibit the consummation of the merger or any other transaction contemplated by the merger agreement or seeks to obtain from Boston Scientific, Galaxy Merger Sub or Guidant, or any other affiliate of Boston Scientific, any damages that are material in relation to Guidant, (ii) seeks to impose limitations on the ability of Boston Scientific or any affiliate of Boston Scientific to hold, or exercise full rights of ownership of, any shares of capital stock of the surviving corporation, including the right to vote the surviving corporation's shares on all matters properly presented to the stockholders of the surviving corporation, (iii) seeks to prohibit Boston Scientific or any of its affiliates from effectively controlling in any material respect the business or operations of Guidant or any of its affiliates, (iv) seeks any divestiture that is not required to be effected pursuant to the terms of the merger agreement or (v) has had or would reasonably be expected to have a material adverse effect with respect to Guidant or Boston Scientific;

by Boston Scientific, if the Guidant board of directors:

fails publicly to reaffirm its adoption and recommendation of the merger agreement, the merger or the other transactions contemplated by the merger agreement within 10 business days of receipt of a written request by Boston Scientific to provide a reaffirmation following a takeover proposal;

withdraws, or modifies in a manner adverse to Boston Scientific, or proposes to withdraw, or modify in a manner adverse to Boston Scientific, its approval, recommendation or declaration of advisability of the restated merger agreement, or the merger or recommends, adopts or approves, or proposes publicly to recommend, adopt or approve, any takeover proposal; or

by Guidant in accordance with the terms and subject to the conditions described in " *No Solicitation*".

Fees and Expenses

General. The merger agreement provides that each party will pay its own fees and expenses in connection with the merger agreement, the merger and the transactions contemplated by the merger agreement, whether or not the merger is completed, except that Boston Scientific and Guidant will each pay one-half of the expenses incurred in connection with printing and mailing of the registration statement of which this joint proxy statement/prospectus is a part.

Termination Fee. Guidant must pay to Boston Scientific a termination fee of \$800 million in each of the following circumstances:

the merger agreement is terminated by Boston Scientific pursuant to its right described in the eighth bullet point under "*Termination of the Merger Agreement*" (other than following the occurrence of a material adverse effect with respect to Boston Scientific);

the merger agreement is terminated by Guidant in accordance with the terms and subject to the conditions described in "*No Solicitation*"; or

prior to Guidant's shareholders approving the merger agreement, a takeover proposal is made to Guidant or directly to Guidant shareholders generally or otherwise becomes publicly known or any person publicly announces an intention, whether or not conditional, to make a takeover proposal, the merger agreement is terminated by either Boston Scientific or Guidant pursuant to their respective rights described in the second (but only if a vote to obtain Guidant shareholder approval of the merger agreement is not held or the shareholder meeting has not been held) or fourth bullet points under "*Termination of the Merger Agreement*" and within 12 months after that termination, Guidant enters into a definitive agreement to consummate, or consummates, the transactions contemplated by any takeover proposal (for purposes of this circumstance, the term "takeover proposal" has the same meaning as described under "*No Solicitation*", except that references to 15% are replaced by 35%).

Boston Scientific must pay Guidant a termination fee of \$800 million in each of the following circumstances:

Boston Scientific stockholders do not approve the amendment to the Boston Scientific Second Restated Certificate of Incorporation or the issuance of shares of Boston Scientific common stock to the Guidant shareholders on the terms and conditions set forth in the merger agreement and the merger agreement is terminated by either Boston Scientific or Guidant;

the Boston Scientific special meeting is not held and the merger agreement is terminated by either Boston Scientific or Guidant pursuant to their respective rights described in the second bullet point under "*Termination of the Merger Agreement*";

the merger agreement is terminated by either Boston Scientific or Guidant pursuant to their respective rights described in the second, third or sixth bullet points under "*Termination of the Merger Agreement*" and at the time of that termination all of the conditions set forth in "*Conditions to the Completion of the Merger*" have been satisfied or waived, except for the conditions described in the second, third, fourth and fifth bullet points under "*Conditions to the Completion of the Merger Conditions to Boston Scientific's and Guidant's Obligations to Complete the Merger*" and the conditions described in the fifth and sixth bullet points under "*Conditions to the Completion of the Merger Conditions to Boston Scientific's Obligation to Complete the Merger*" (in the case of the conditions described in the fourth bullet point under "*Conditions to the Completion of the Merger Conditions to Boston Scientific's and Guidant's Obligations to Complete the Merger*" and the conditions described in the fifth and sixth bullet points under "*Conditions to Completion of the Merger Conditions to Boston Scientific's Obligations to Complete the Merger*", only to the extent that the conditions set forth therein have

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not been satisfied due to a suit, action or proceeding by any national governmental entity or the imposition of a restraint, in either case relating to competition, merger control, antitrust or similar laws).

Reimbursement of Johnson & Johnson Termination Fee. Guidant was required to pay a termination fee of \$705 million to Johnson & Johnson in connection with the termination of the Johnson & Johnson merger agreement. Upon payment of the termination fee to Johnson & Johnson, Boston Scientific reimbursed Guidant for the full amount of that termination fee. Guidant must repay Boston Scientific for the \$705 million Johnson & Johnson termination fee previously reimbursed by Boston Scientific to Guidant in each of the following circumstances:

the merger agreement with Boston Scientific is terminated by Boston Scientific pursuant to its rights described in the sixth bullet point under " *Termination of the Merger Agreement*"; or

the merger agreement is terminated in circumstances requiring payment of a termination fee by Guidant to Boston Scientific as described under " *Fees and Expenses Termination Fee*".

Conduct of Business Pending the Merger

Under the merger agreement, each of Boston Scientific and Guidant has agreed that, during the period from the date of the merger agreement to the effective time of the merger, except as consented to by the other party, it will, and will cause each of its subsidiaries to, carry on its business in the ordinary course consistent with past practice and, to the extent consistent with its ordinary course of conduct, use all commercially reasonable efforts to preserve intact its current business organizations, keep available the services of its current officers, employees and consultants and preserve its relationships with customers, suppliers, licensors, licensees, distributors and others having business dealings with Guidant. Without limiting the generality of the foregoing, during the period from the date of the merger agreement to the effective time of the merger, Guidant has also agreed to specific restraints relating to the following:

the declaration or payment of dividends (other than, among other things, regular cash dividends in respect of Guidant common stock not exceeding \$0.10 per share per fiscal quarter);

the alteration of share capital, including, among other things, stock splits, combinations or reclassifications;

the repurchase or redemption of capital stock;

the issuance or sale of capital stock or other voting securities;

amendments to its articles of incorporation or by-laws, or the indenture for its existing 6.15% senior unsecured notes due 2006;

the acquisition of assets or other entities;

the sale, lease or mortgaging of assets;

the incurrence or guarantee of indebtedness;

the making of capital expenditures;

the extension of loans, advances, capital contributions or investments;

the payment, discharge or settlement of material claims or liabilities;

the waiver or assignment of material claims;

the waiver or modification of material contracts;

the entrance into certain types of agreements;

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compensation and benefit matters with respect to directors, executive officers and key employees;

the making of material tax elections; and

the revaluation of assets and changes in accounting policies.

In addition, without limiting the generality of the foregoing, during the period from the date of the merger agreement to the effective time of the merger, Boston Scientific has agreed to specific restraints relating to the following:

amendments to the Boston Scientific Second Restated Certificate of Incorporation and the Boston Scientific Restated By-laws;

the taking of any action that could cause Boston Scientific's proposed financing not to be available in connection with its obligation to pay Guidant shareholders the merger consideration;

the declaration or payment of dividends;

the alteration of share capital, including among other things, stock splits, combinations or reclassifications;

the repurchase or redemption of capital stock;

the issuance or sale of capital stock or other voting securities;

the acquisition of assets or other entities;

the sale, lease or mortgaging of assets;

the entrance into certain types of agreements; and

the revaluation of assets or changes in accounting policies.

Representations and Warranties

The merger agreement contains customary representations and warranties relating to, among other things:

corporate organization and similar corporate matters of Boston Scientific, Galaxy Merger Sub and Guidant;

subsidiaries of Guidant;

capital structure of Boston Scientific, Galaxy Merger Sub and Guidant;

authorization, execution, delivery, performance and enforceability of, and required consents, approvals, orders and authorizations of governmental authorities relating to, the merger agreement and related matters of Boston Scientific, Galaxy

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Merger Sub and Guidant;

documents filed by each of Boston Scientific and Guidant with the SEC and the accuracy of information contained in those documents;

absence of undisclosed liabilities of Boston Scientific and Guidant;

compliance with the Sarbanes-Oxley Act by Boston Scientific and Guidant and other matters relating to internal controls of Boston Scientific and Guidant;

accuracy of information supplied by each of Boston Scientific, Galaxy Merger Sub and Guidant in connection with this joint proxy statement/prospectus and the registration statement of which it is a part;

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absence of material changes or events concerning Boston Scientific and Guidant;

pending or threatened material litigation of Boston Scientific and Guidant;

certain contracts and agreements of Boston Scientific and Guidant;

compliance with applicable laws, including environmental laws, by Boston Scientific and Guidant;

absence of changes in benefit plans and labor relations matters of Guidant;

matters relating to the Employee Retirement Income Security Act for Guidant;

absence of excess parachute payments to any director, officer, employee or consultant of Guidant or its affiliates;

filing of tax returns and payment of taxes by Boston Scientific and Guidant;

title to Boston Scientific and Guidant's properties and Boston Scientific and Guidant's compliance with the terms of their respective material leases;

intellectual property rights of Boston Scientific and Guidant;

required stockholder vote of Boston Scientific and shareholder vote of Guidant;

satisfaction of the requirements of certain state takeover statutes and provisions of the Guidant Amended Articles of Incorporation and the Guidant By-laws by Guidant;

engagement and payment of fees of brokers, investment bankers, finders and financial advisors of Boston Scientific and Guidant;

receipt of fairness opinions by Guidant from its financial advisors;

inapplicability of the shareholder rights plan between Guidant and EquiServe Trust Company;

compliance by Boston Scientific and Guidant with applicable regulatory and governmental requirements;

termination of the Johnson & Johnson merger agreement by Guidant;

organization and operations of Galaxy Merger Sub; and

financing and availability to Boston Scientific of sufficient funds to effect the merger.

The representations and warranties of each of Boston Scientific and Guidant have been made solely for the benefit of the other party and those representations and warranties should not be relied on by any other person. In addition, those representations and warranties:

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will not survive consummation of the merger and, other than certain representations and warranties relating to broker and advisor fees, cannot be the basis for any claims under the merger agreement by the other party after termination of the merger agreement except if willfully and materially breached;

may be intended not as statements of actual fact, but rather as a way of allocating risk between the parties;

may have been modified by the disclosure schedules attached to the merger agreement;

are subject to the materiality standard described in the merger agreement, which may differ from what may be viewed as material by you; and

were made only as of the date of the merger agreement or another date as is specified in the merger agreement.

Additional Terms

Subject to the terms and conditions of the merger agreement, Boston Scientific and Guidant have agreed to use all reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary to consummate and make effective, in the most expeditious manner practicable, the merger and the other transactions contemplated by the merger agreement, including using reasonable best efforts to accomplish the following:

taking of all acts necessary to cause the conditions to closing to be satisfied as promptly as practicable;

obtaining of all necessary actions or nonactions, waivers, consents and approvals from governmental entities and the making of all necessary registrations and filings and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any governmental entity;

the avoidance of each and every impediment under any antitrust, merger control, competition or trade regulation law that may be asserted by any governmental entity with respect to the merger so as to enable the closing to occur as soon as reasonably possible; and

obtaining of all necessary consents, approvals or waivers from third parties, including any consents, approvals or waivers required in connection with any divestiture.

The merger agreement further provides that Boston Scientific and Guidant must:

duly file with the FTC and the Antitrust Division of the Department of Justice the notification and report form required under the Hart-Scott-Rodino Act; and

duly make all notifications and other filings required (1) under the European Commission merger regulation or (2) under any other applicable competition, merger control, antitrust or similar law that Guidant and Boston Scientific deem advisable or appropriate, in each case with respect to the transactions contemplated by the merger agreement and as promptly as practicable.

The merger agreement further provides that Boston Scientific and Guidant must:

cooperate with the other party to the extent necessary to assist the other party in the preparation of its antitrust filings and, if requested, to promptly amend or furnish additional information in those filings;

use their reasonable best efforts to furnish to each other all information required for any filing, form, declaration, notification, registration and notice, other than confidential or proprietary information not directly related to the transactions contemplated by the merger agreement, and to keep the other party reasonably informed with respect to the status of each clearance, approval or waiver sought from a governmental entity in connection with the transactions contemplated by the merger agreement and the material communications between either party and the governmental entity;

promptly notify the other party of any communications from or with any governmental entity with respect to the transactions contemplated by the merger agreement;

permit the other party to review and discuss in advance any proposed written or any oral communication with any governmental entity;

not participate in any meeting or have any communication with any governmental entity unless it has given the other party an opportunity to consult with it in advance and to attend and participate in the meeting;

furnish the other party with copies of all filings and communications between it and any governmental entity with respect to the transactions contemplated by the merger agreement; and

furnish the other party with any necessary information and reasonable assistance as the other may reasonably request in connection with its preparation of necessary filings or submissions of information to any governmental entity.

Boston Scientific and Guidant have agreed that neither party will, nor will it permit any of its subsidiaries to, acquire or agree to acquire any business, person or division thereof, or otherwise acquire or agree to acquire any assets if the entering into of a definitive agreement relating to or the consummation of that acquisition, could reasonably be expected to materially increase the risk of not obtaining the applicable clearance, approval or waiver from an antitrust authority with respect to the transactions contemplated by the merger agreement.

The merger agreement provides that Guidant and the Guidant board of directors must (1) use reasonable best efforts to ensure that no state takeover law or similar law is or becomes applicable to the merger agreement, the merger or any of the other transactions contemplated by the merger agreement and (2) if any state takeover law or similar law becomes applicable to the merger agreement, the merger or any of the other transactions contemplated by the merger agreement, use reasonable best efforts to ensure that the merger and the other transactions contemplated by the merger agreement may be consummated as promptly as practicable on the terms contemplated by the merger agreement and otherwise to minimize the effect of the law on the merger agreement, the merger and the other transactions contemplated by the merger agreement.

Notwithstanding the foregoing or any other provision of the merger agreement, Boston Scientific has agreed, if required, not to acquire the Guidant vascular and endovascular businesses, as well as to divest all assets of Boston Scientific that relate to cardiac ablation and beating heart surgery products, including Guidant's cardiac ablation and beating heart surgery assets collaterally impacted by Boston Scientific's agreement not to acquire the Guidant vascular and endovascular businesses, and all of Boston Scientific's equity interests in Cameron Health, Inc. Pursuant to the Abbott transaction agreement, Abbott has agreed to acquire the Guidant vascular and endovascular businesses and Boston Scientific will obtain the right to share Guidant's existing drug-eluting stent program with Abbott. See "*Agreements Related to the Merger The Abbott Transaction Agreement*" beginning on page 120.

Guidant has agreed, if requested by Boston Scientific, to assume and agree to perform all of Boston Scientific's obligations under the Abbott transaction agreement (other than with respect to the equity issuance pursuant to the terms of that agreement), including that Guidant will assume Boston Scientific's obligation to, and will, consummate the sale of the Guidant vascular and endovascular businesses to Abbott prior to the completion of the merger.

Articles of Incorporation and By-laws of the Surviving Corporation

The merger agreement provides that the Guidant Amended Articles of Incorporation will be amended to read in their entirety as set forth in Exhibit A to the merger agreement and, as so amended, will be the articles of incorporation of the surviving corporation until changed or amended. The merger agreement further provides that the By-laws of Galaxy Merger Sub, as in effect immediately prior to the completion of the merger, will be the by-laws of the surviving corporation until changed or amended. For a summary of certain provisions of the current Guidant Amended Articles of Incorporation, By-laws and the associated rights of Guidant shareholders, see "*Comparison of Rights of Common Stockholders of Boston Scientific and Guidant*".

Amendment; Extension and Waiver

Subject to applicable law:

the merger agreement may be amended by mutual consent of the parties in writing at any time, before or after the merger agreement has been approved by the shareholders of Guidant and the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement have been approved by the stockholders of Boston Scientific, except that no amendment may be entered into which requires further approval by Guidant shareholders or Boston Scientific stockholders unless that approval is obtained; and

at any time prior to the effective time of the merger, a party may, by written instrument signed on behalf of that party:

extend the time for performance of any of the obligations or other acts of any other party to the merger agreement;

waive inaccuracies in representations and warranties of any other party contained in the merger agreement or in any related document; or

waive compliance by any other party with any agreements or conditions in the merger agreement, except that no waiver may be made after the merger agreement has been approved by the shareholders of Guidant or after the amendment of the Boston Scientific Second Restated Certificate of Incorporation and the issuance of shares of Boston Scientific common stock to Guidant shareholders have been approved by the stockholders of Boston Scientific, which requires further approval by Boston Scientific or Guidant stockholders unless the approval is obtained.

AGREEMENTS RELATED TO THE MERGER

The Voting Agreements

This is a summary of the material provisions of the voting agreements. The form of voting agreement, which is attached as Annex B to this joint proxy statement/prospectus and is incorporated herein by reference, contains the complete terms of these agreements. You should read the form of voting agreement carefully.

The Nicholas entities and the Abele entities have entered into voting agreements with Guidant. By entering into the voting agreements, each entity has agreed to vote the Boston Scientific common stock beneficially owned by it:

in favor of the proposed amendment to the Boston Scientific Second Restated Certificate of Incorporation to increase the authorized number of shares of Boston Scientific common stock from 1,200,000,000 to 2,000,000,000;

in favor of the proposed issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement; and

against any proposal, action or transaction which would impede, frustrate, prevent or materially delay the consummation of the merger and the other transactions contemplated by the merger agreement, the voting agreements, the approval of the amendment to the Boston Scientific Second Restated Certificate of Incorporation or the approval of the issuance of shares of Boston Scientific common stock to Guidant shareholders on the terms and conditions set out in the merger agreement.

Each entity may vote the Boston Scientific common stock beneficially owned by it on all other matters in a manner determined by the entity.

The Nicholas entities and the Abele entities have appointed Guidant, the Chief Executive Officer of Guidant and the Secretary of Guidant as irrevocable proxy and attorney in fact to vote the shares of Boston Scientific common stock beneficially owned by each entity in the manner indicated in the three bullet points above.

As of the Boston Scientific record date, the Nicholas entities beneficially owned _____ shares of Boston Scientific common stock in the aggregate and the Abele entities beneficially owned _____ shares of Boston Scientific common stock in the aggregate, which represented approximately ____% and ____% of all of the outstanding shares of Boston Scientific common stock, respectively.

Neither the Nicholas entities nor the Abele entities were paid any additional consideration in connection with entering into their respective voting agreements.

Both the Nicholas entities and the Abele entities have agreed, subject to limited exceptions, not to sell, transfer, pledge, encumber, assign or otherwise dispose of, or enter into any contract, option or other arrangement or understanding with respect to the sale, transfer, pledge, encumbrance, assignment or other disposition of any shares of Boston Scientific common stock beneficially owned or acquired by those entities until the termination of their respective voting agreements.

Each of the voting agreements will terminate upon the earliest to occur of the time the merger becomes effective, the termination of the merger agreement in accordance with its terms or receipt of written notice of termination of the voting agreement by Guidant to the respective entity.

The Abbott Transaction Agreement

This is a summary of the material provisions of the Abbott transaction agreement. The Abbott transaction agreement, which is included as an exhibit to the registration statement on Form S-4, of which this joint proxy statement/prospectus forms a part, filed by Boston Scientific with the SEC, contains the complete terms of this agreement and is incorporated herein by reference. See also "Where You Can Find More Information" on page 163. You should read the entire Abbott transaction agreement carefully.

General. The Abbott transaction agreement outlines the general terms and conditions of the proposed purchase of the assets used primarily in, or related primarily to, the Guidant vascular and endovascular businesses by Abbott, Abbott's proposed purchase of Boston Scientific common stock, supply arrangements for drug-eluting stents, the sharing of certain rights between Boston Scientific and Abbott to the drug-eluting stent portfolio of Guidant and a loan by Abbott to Boston Scientific. Boston Scientific's obligation to complete the merger is not conditioned on consummation of the Abbott transaction.

Consideration to be Paid. Abbott will pay an aggregate purchase price of up to \$4.6 billion to Boston Scientific for the purchase of the Guidant vascular and endovascular businesses. The aggregate purchase price includes:

an initial payment of \$4.1 billion in cash at the Abbott transaction closing;

a milestone payment of \$250 million upon receipt of an approval from the FDA within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in the United States; and

a milestone payment of \$250 million upon receipt of an approval from the Japanese Ministry of Health within ten years after the Abbott transaction closing to market and sell an everolimus-eluting stent in Japan.

In addition, Abbott has agreed to assume certain liabilities relating to the Guidant vascular and endovascular businesses.

Excluded Assets. Guidant's rights, property or assets which are used both by the Guidant vascular and endovascular businesses and by any other Guidant businesses which are not primarily used in or related to the Guidant vascular and endovascular businesses and which are not reasonably capable of being transferred to Abbott will not be included in the assets purchased by Abbott. In addition, if necessary to obtain regulatory approval of the transaction, Abbott has agreed to dispose of assets acquired from Guidant related to carotid stent systems, Abbott carotid stent assets or any other assets not material to the Guidant vascular and endovascular businesses, or to exclude those assets from its purchase of the Guidant vascular and endovascular businesses.

Conditions to the Obligation to Complete the Transactions. The obligations of Boston Scientific and Abbott to consummate the transactions contemplated by the Abbott transaction agreement are subject to the fulfillment or written waiver of each of the following conditions:

the representations and warranties of the other party to the Abbott transaction agreement are true and correct as of the Abbott transaction closing and have the same force and effect as if made as of the closing (or, if the representations and warranties are made as of another date, as of that date), except in either case where any failure of any representations and warranties to be so true and correct would not materially delay or prevent the consummation of the transactions contemplated in the Abbott transaction agreement, and the covenants and agreements contained in the Abbott transaction agreement to be complied with by the other party on or before the Abbott transaction closing shall have been complied with in all material respects;

any waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 or the applicable Council Regulation of the European Union applicable to the Abbott transaction, and any agreement with a governmental authority not to consummate the transactions contemplated

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by the Abbott transaction agreement, have expired or will have been terminated, and Boston Scientific or Abbott, as the case may be, has obtained all authorizations, consents, orders and approvals of all governmental authorities that, if not received, would make any of the transactions contemplated by the Abbott transaction agreement or any other agreements contemplated by the Abbott transaction agreement illegal or otherwise prohibit the consummation of those transactions;

no governmental authority has enacted, issued, promulgated, enforced or entered any law or governmental order that has the effect of making the transactions contemplated by the Abbott transaction agreement illegal or otherwise prohibiting the consummation of those transactions; and

all of the respective conditions to Boston Scientific's, Galaxy Merger Sub's and Guidant's obligations to consummate the merger, as set forth in the merger agreement, have been satisfied or waived, and each of Boston Scientific and Galaxy Merger Sub has notified Guidant, and Guidant has notified Boston Scientific and Galaxy Merger Sub, in writing that it is ready, willing and able to consummate the merger.

Share Purchase and Issuance. At the Abbott transaction closing, Abbott will purchase \$1.4 billion in shares of Boston Scientific common stock based on a per share purchase price of the lower of (i) \$25.00 and (ii) the average closing price of Boston Scientific common stock during the five consecutive trading day period ending three trading days prior to the Abbott transaction closing. In no event will the number of shares of Boston Scientific common stock purchased by Abbott under the transaction agreement equal or exceed 5% of the total number of shares of Boston Scientific common stock outstanding immediately following the consummation of the merger and in that event the aggregate purchase price of the shares of Boston Scientific common stock will be adjusted accordingly.

In addition, 18 months after the Abbott transaction closing, Boston Scientific will issue to Abbott the number of shares of Boston Scientific common stock equal to:

Abbott's cost of borrowing to purchase the shares of Boston Scientific common stock for the 18-month period commencing on the date of the Abbott transaction closing (to the extent greater than \$10 million and less than \$70 million and adjusted by the application of certain proceeds of the sales of shares of Boston Scientific common stock); divided by

the average closing price of Boston Scientific common stock during the 20 consecutive trading day period ending five trading days prior to the end of that 18-month period.

Restrictions on Transfer. Abbott and its affiliates have agreed not to sell or otherwise dispose of any of these shares of Boston Scientific common stock for six months following the Abbott transaction closing unless the average closing price of the Boston Scientific common stock during any consecutive 20 day trading period during the six month period exceeds \$30.00 per share, in which case Abbott may sell the purchased shares of Boston Scientific common stock in accordance with Abbott's registration rights described below. In addition, for a period of 18 months following the Abbott transaction closing, neither Abbott nor its affiliates will, during any one month period, sell or otherwise dispose of more than 8.33% of the shares of Boston Scientific common stock purchased by Abbott at the Abbott transaction closing.

Registration Rights. Boston Scientific will use its reasonable best efforts to file and have declared effective, on or prior to the date of the Abbott transaction closing, a registration statement with respect to the issuance of shares of Boston Scientific common stock to Abbott. To the extent that the share issuance has not been registered on or prior to the date of the Abbott transaction closing, Boston Scientific will file a shelf registration statement with respect to the shares of Boston Scientific common stock issuable to Abbott as promptly as practicable following the Abbott transaction closing, and thereafter use its reasonable best efforts to have the shelf registration statement declared effective and to keep the shelf registration statement continuously effective for at least two years after the shelf

registration statement is first declared effective. Boston Scientific and Abbott will each indemnify the other party (including the other party's affiliates, officers and directors and, in the case of Boston Scientific, its agents and underwriters) for losses arising from their respective material misstatements or omissions in the registration statement or shelf registration statement.

Supply Arrangements. &n