

- ✓ Transformed quality
- ✓ Revitalized the pipeline
- ✓ Streamlined the organization
- ✓ Strengthened financial fundamentals
- ✓ Diversified product portfolio

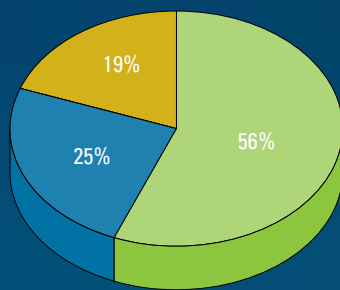
## Driving Success



**Boston  
Scientific**

*Delivering what's next.™*

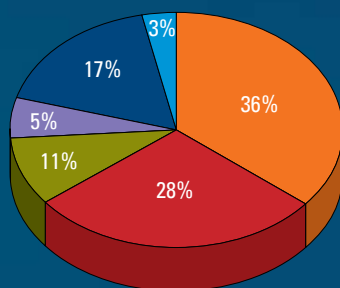
2008



### Sales by Geographic Segment

(in millions)	2008	2007	2006
● Domestic	4,487	4,522	4,415
● EMEA	1,960	1,833	1,631
● Inter-Continental	1,534	1,449	1,299
	<b>\$7,981</b>	<b>\$7,804</b>	<b>\$7,345</b>
Divested businesses	69	553	476
	<b>\$8,050</b>	<b>\$8,357</b>	<b>\$7,821</b>

2008



### Sales by Product Category

(in millions)	2008	2007	2006
● Interventional Cardiology	2,879	3,016	3,509
● Cardiac Rhythm Management	2,286	2,124	1,371
● Other Cardiovascular	837	839	845
● Neurovascular	360	352	326
○ Endosurgery	1,374	1,269	1,148
● Neuromodulation	245	204	146
	<b>\$7,981</b>	<b>\$7,804</b>	<b>\$7,345</b>
Divested businesses	69	553	476
	<b>\$8,050</b>	<b>\$8,357</b>	<b>\$7,821</b>

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 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.



## To Our Employees and Shareholders:

Three years ago we set out to address a range of issues critical to the continued success of Boston Scientific. We identified five key areas that required major change, and we initiated a strategy to drive that change and position the Company for the future.

2008 was the year our efforts came together and created a renewed foundation for sustainable, profitable growth. We have now transformed quality, revitalized our pipeline, streamlined the organization, strengthened our financial fundamentals and diversified our product portfolio.

We were able to do this thanks to the contributions of thousands of employees throughout the Company, who have been so essential to our progress.

We would like to share with you what we have done to execute this strategy and how each element has made Boston Scientific a stronger company.

### 1. TRANSFORMED QUALITY

We have driven the most pervasive change in the area of quality. Today we are a transformed company with a world-class quality system. While the Corporate Warning Letter remains in place pending final resolution of some Medical Device Report filing issues, the moratorium on new product approvals by the U.S. Food and Drug Administration (FDA) was effectively removed in 2008, and more than a dozen new products were approved during the year.

We are turning quality into a competitive advantage. The Quality Master Plan, our core planning tool, drives the continuous improvement of our quality system and will ensure that quality remains a top priority. The progress we have made in quality has allowed us to shift from correcting problems to preventing them, and from remediation back to innovation.

We understand that maintaining a world-class quality system requires permanently altering our culture, and we have done that. We will sustain the quality foundation we have created, and we will continue to build on it.

### 2. REVITALIZED THE PIPELINE

We saw abundant proof in 2008 that our pipeline is turning out exceptional products in virtually all our businesses.

In Cardiac Rhythm Management (CRM) we launched a host of new products, including our COGNIS® cardiac resynchronization therapy defibrillator (CRT-D) and TELIGEN® implantable cardioverter defibrillator (ICD). These are the smallest, thinnest high-energy devices available today, and they deliver what physicians are demanding for their patients: higher power, more efficiency, improved longevity and greater function in a smaller device.

Other new CRM products included the CONFIENT® ICD, which helps protect patients at risk of sudden cardiac death; the LIVIAN® CRT-D, which delivers individualized cardiac resynchronization and defibrillation therapies in one device; the upgraded LATITUDE® Patient Management System with enhanced remote monitoring capabilities; the new ALTRUA™ family of pacemakers, and the ACUITY™ Spiral left ventricular lead.

In our Cardiovascular business, FDA approval for the PROMUS® Everolimus-Eluting Coronary Stent System made Boston Scientific the only company to offer physicians the choice of two drugs – paclitaxel and everolimus – on separate drug-eluting stent (DES) platforms, allowing them to select the best option for their patients.

We also welcomed U.S., Japanese and Canadian approval of our second-generation TAXUS® Liberté® Paclitaxel-Eluting Coronary Stent System. This stent represents our latest advance in drug-eluting stent technology, with substantially thinner struts and a more flexible cell geometry for better deliverability, as well as uniform strut distribution designed specifically for drug elution.

The FDA also granted approval for our TAXUS® Express<sup>2</sup>® Atom™ Paclitaxel-Eluting Coronary stent system, a highly deliverable drug-eluting stent specifically designed for treating small vessels.

Other approvals included our Apex™ Coronary Balloon Catheter and our Carotid WALLSTENT® and Express® SD Renal stent systems.

Finally, our Endosurgery business launched the WallFlex® Biliary RX Stent in Europe and the SpyGlass® Direct Visualization System in the U.S. and Europe.

All these approvals represent vital progress in our ongoing effort to provide physicians the most innovative and effective new products for their patients.

One metric that sums up the progress we've made and highlights why we're so optimistic about our future is the percentage of our total revenue represented by new products. In 2009 we expect more than a third of our revenue – 38 percent – to come from new products.

This speaks to our accomplishments over the past several years, as well as the promise we see in every one of our businesses as we enter 2009. It's a credit to the entire organization, and we want to thank all our employees for the hard work and dedication that made it possible.

### 3. STREAMLINED THE ORGANIZATION

During 2008 we streamlined our organization by finalizing the sale of five non-strategic operating businesses. We also substantially completed the sale of our non-strategic public and private portfolio investments. Together, these transactions have created more than \$1.6 billion in after-tax proceeds.

In addition, we restructured several businesses, product franchises and geographic regions in order to leverage resources and strengthen our competitive positions.

We also increased our emphasis on talent and leadership development, targeted recruiting and more integrated decision-making processes.

These measures have realigned our cost structure, simplified our operating model and improved our organizational effectiveness. They represent important progress toward restoring profitable sales growth and increasing shareholder value.

### 4. STRENGTHENED FINANCIAL FUNDAMENTALS

In the midst of turbulent financial times, we continue to manage our debt portfolio, cash investments, cash flow and working capital conservatively. Strong cash flow helped us prepay \$1.4 billion of debt in 2008. Our next debt maturity is not due until April 2010, and we expect to meet this obligation without difficulty. Equally as impressive, in 2008 we reduced operating expenses by more than \$500 million while maintaining a \$1 billion investment in R&D. We also improved our adjusted operating income, our days sales outstanding and our days payables outstanding. During the first quarter of 2009 we prepaid \$500 million of bank debt and paid our remaining \$500 million obligation to Advanced Bionics, and we still have access to approximately \$2 billion of capital.

### 5. DIVERSIFIED PRODUCT PORTFOLIO

2008 was the year we essentially completed the integration of our CRM and Neuromodulation businesses, further diversifying our product portfolio into two new markets.

And with the launches of the COGNIS® CRT-D, the TELIGEN® ICD and the PROMUS® Stent System, it was also the year the marketplace witnessed for the first time the power of the Boston Scientific-Guidant combination.

The numbers demonstrate how effectively we have diversified. In 2005, nearly half our revenue came from coronary stents. In 2008, 28 percent came from CRM products, 23 percent from coronary stents and 49 percent from products representing Endoscopy, Interventional Cardiology, Neuromodulation, Neurovascular, Peripheral Interventions and Urology/Gynecology.

### Positioned For The Future

Thanks to our progress in these five key areas, we are now stronger, leaner and more diversified. We are in a much better position to accomplish our most important overall operating goals: driving profitable sales growth and increasing market share.

The news from 2008 provided ample evidence of our growth prospects. Our two largest markets – CRM and DES – continued to recover. Both are strengthening and expanding, and we continued to take market share in both.

In CRM, the fourth quarter of 2008 was the third consecutive quarter of double-digit sales growth in the United States, and for the year we reported our highest worldwide defibrillator revenue since 2004. Our CRM business is poised to take full advantage of the substantial investments we have made in quality, R&D and clinical sciences. In 2009, new products should account for two-thirds of CRM revenue, which we anticipate will further increase the sales and share growth we saw in 2008.

In addition, we are looking forward to the completion of our landmark MADIT-CRT clinical trial, which is expected in the first half of 2009. MADIT-CRT is designed to examine whether cardiac resynchronization therapy can slow the progression of heart failure in high-risk, minimally symptomatic patients. We believe this trial has the potential to significantly expand CRT-D indications.

2008 was the first full year of integration for our Electro-physiology and CRM businesses. This combination is helping

us capitalize on the potential of these two businesses by providing electrophysiologists a broader product offering of implantable devices and ablation therapies. Electrophysiology posted respectable growth in 2008 and is preparing for a number of product launches this year.

In DES, we exited 2008 with 49 percent of the U.S. market, and our unique two-drug offering makes share gains likely in 2009. In each quarter of 2008, U.S. DES penetration rates increased, and international rates also moved up during the year, as a growing body of clinical evidence reiterated the safety and efficacy of drug-eluting stents. We believe that based on our rich pipeline, we will not only maintain, but extend, our leadership in the DES market. At the close of the year, our lead over our nearest U.S. competitor was the greatest it has ever been in the current four-company environment: more than 20 percentage points. And we are on schedule to introduce our internally produced PROMUS® Element™ Stent System in the U.S., Japan and Europe. We expect a European launch later this year.

Year after year, our Endosurgery business has turned in solid, reliable performances, and 2008 was another good year. Several of the Endosurgery franchises grew double digits, and we maintained our leadership positions across the wide array of devices this business sells. The Endoscopy franchise is now approaching \$1 billion in annual revenue, testimony to more than two decades of providing innovative products that have consistently set the standard for patient care in the field. Our Urology/Gynecology franchise maintained its leadership in stone management devices and saw strong growth in its women's health business. We are looking forward to 2009 as we re-emphasize product development in Endosurgery and launch new products in a number of its franchises.

The Peripheral Interventions market expanded during the year, and we continued to hold the leading share in multiple product categories. Three new products were approved in late 2008, and they position us well for 2009. In addition, this year we expect to launch the Epic™ Vascular Stent in Europe, and we will conduct a clinical trial to support its commercialization in the United States.

Our Neurovascular business remained the market leader in 2008, and that market saw healthy growth. We plan to build on our leadership this year with U.S. and European launches of new coil and stent delivery products.

We were also encouraged by the performance of our Neuromodulation business, which grew 20 percent worldwide in 2008. This impressive growth was achieved in the face of product launches by our competitors, yet the business maintained its strong number two position in the U.S. market. In 2009, we plan to refine our technology through a number of enhancements that will allow physicians to expand the types of patients they treat. While Pain Management products are the current focus of our Neuromodulation business, we continue to explore additional therapeutic applications. Neuromodulation represents a small part of our total business today, but its long-term potential is considerable.

We are ready to build on this extensive progress, and we are fortunate to have experienced sales teams in place that will help us fulfill our potential in all our businesses.

International is where all our businesses come together under one roof. Over the past few years it has assumed greater and greater importance, and in 2008 more than 40 percent of our total revenue came from outside the United States. International is an area of substantial opportunity. We believe it can represent 50 percent of our total revenue in future years. We have recently launched a major initiative to create a more effective global strategy that will accelerate growth and help us realize an increased level of revenue.

We believe Boston Scientific is at an inflection point. We have put many of our challenges behind us, a revitalized pipeline is delivering on its enormous potential, and we are transitioning to a future marked by more sustainable and profitable growth. We are confident we will achieve a combination of top line growth and improved profit margins that will lead to improved bottom line growth in the years ahead. Five years from now, we expect our growth rate to be in the high single digits, with operating income of 30 percent.

## **A Responsible Corporate Citizen**

Before closing, we would like to comment on an obligation we take seriously, which is being a responsible corporate citizen.

Boston Scientific is committed to making more possible in the communities where we work and live. We bring this commitment to life by supporting health, education and research initiatives on a global, national and local basis. In 2008 Boston Scientific and The Boston Scientific Foundation contributed time, expertise

and more than \$25 million in direct support to a wide variety of organizations and institutions.

Through the Foundation, we fund non-profit organizations in our local communities and medical education fellowships at institutions throughout the United States. Our community grants support programs aimed at improving the lives of the economically disadvantaged by engaging in partnerships that promote long-term, systemic change. In 2008 the Foundation awarded 80 grants and more than 100 fellowships. We are pleased that in these difficult economic times we have been able to sustain our support for these organizations and institutions.

A prominent example of our ongoing commitment to patients is the Close the Gap program, which addresses disparities in cardiovascular care for underserved populations of women, black Americans and Latino Americans. Close the Gap increases awareness of cardiovascular risk factors, teaches health care providers about cultural beliefs and barriers to treatment, and advocates for measures that help ensure all patients receive the cardiovascular care they need. Boston Scientific is proud to have joined with leading clinicians to create this important program.

We would like to recognize Joel Fleishman, who will be retiring from our Board of Directors in May. For 17 years, Boston Scientific has been fortunate to have his guidance, judgment and counsel. We appreciate Joel's exceptional service and thank him for his friendship and many contributions.

We would also like to thank Nancy-Ann DeParle who recently resigned from the Board to become Director of the White House Office for Health Reform. The President and the nation will be well served by her wide-ranging expertise. We wish her every success in her new role.

We look forward to former U.S. Senator John Sununu joining the Board in April. He is a highly talented individual with broad experience in the areas of technology, science, business and government.

The current financial crisis has created hardship in virtually every corner of the world. Fortunately for Boston Scientific, our industry is more recession resistant than many others. However, we are well aware of the problems this recession could create for our industry and our Company, and we are closely monitoring the warning signs. And as we noted earlier, we continue to manage our finances conservatively.

## Our Strategy

Thanks to the efforts of our people, Boston Scientific is now a stronger company with a bright future. Our cash flow continues to be robust; we have plans in place to significantly improve profit margins; our intellectual property portfolio is unmatched, and our products are the market leaders in the majority of our businesses. We have a dedicated and talented senior management team and outstanding employees, all united by a shared commitment to helping physicians improve patients' lives.

Our strategy for the coming years – and our pledge to you, our employees and shareholders – is as follows:

***We will lead global markets for less-invasive medical devices by developing and delivering products and therapies that address unmet patient needs, provide superior clinical outcomes and demonstrate compelling economic value.***

***We will achieve leadership, drive profitable sales growth and increase shareholder value by focusing on:***

- **Customers**
- **Innovation**
- **Quality**
- **People**
- **Financial strength**

Thank you for your belief in our Company and your continued support of our mission.

Sincerely,



**Jim Tobin**  
President and Chief Executive Officer



**Pete Nicholas**  
Chairman of the Board

**March 6, 2009**

# Corporate Information

## DIRECTORS

### John E. Abele

Director; Founder

### Ursula M. Burns<sup>5</sup>

Director; President, Xerox Corporation

### J. Raymond Elliott<sup>1,4,5</sup>

Director; Retired Chairman, Zimmer Holdings, Inc.

### Joel L. Fleishman<sup>1,3,6,8</sup>

Director; Professor of Law and Public Policy, Duke University

### Marye Anne Fox, Ph.D.<sup>1,4</sup>

Director; Chancellor, University of California, San Diego

### Ray J. Groves<sup>2,3,6</sup>

Director; Ombudsman, Standard & Poor's; Retired Chairman and CEO, Ernst & Young LLP

### Kristina M. Johnson, Ph.D.<sup>2,4,6</sup>

Director; Provost and Senior Vice President of Academic Affairs, The Johns Hopkins University

### Ernest Mario, Ph.D.<sup>1,4,5</sup>

Director; Chairman and CEO, Capnia, Inc.

### N.J. Nicholas, Jr.<sup>4</sup>

Director; Private Investor

### Pete M. Nicholas

Director; Chairman of the Board, Founder

### John E. Pepper<sup>2,3</sup>

Director; Co-Chair, National Underground Railroad Freedom Center

### Uwe E. Reinhardt, Ph.D.<sup>1,3,5</sup>

Director; Professor of Economics and Public Affairs, Princeton University

### Warren B. Rudman<sup>2,6</sup>

Director; Former U.S. Senator; Of Counsel, Paul, Weiss, Rifkind, Wharton & Garrison; Co-Chair, Stonebridge International LLC

### John E. Sununu<sup>7</sup>

Director; Former U.S. Senator

## EXECUTIVE OFFICERS

### Donald S. Baim, M.D.

Executive Vice President, Chief Medical and Scientific Officer

### Brian R. Burns

Senior Vice President, Quality

### Jeffrey D. Capello

Senior Vice President, Chief Accounting Officer and Corporate Controller

### Fredericus A. Colen

Executive Vice President and Group President, CRM

### Paul Donovan

Senior Vice President, Corporate Communications

### James Gilbert

Executive Vice President, Strategy and Business Development

### William H. Kucheman

Senior Vice President and Group President, Cardiovascular

### Sam R. Leno

Executive Vice President for Finance and Information Systems and Chief Financial Officer

### William F. McConnell, Jr.

Senior Vice President, Sales, Marketing and Business Strategy, CRM

### David McFaul

Senior Vice President, International

### Stephen Moreci

Senior Vice President and Group President, Endosurgery

### Michael Onuscheck

Senior Vice President and President, Neuromodulation

### Timothy A. Pratt

Executive Vice President, Secretary and General Counsel

### Kenneth J. Pucel

Executive Vice President, Operations

### Lucia Luce Quinn

Executive Vice President, Human Resources

### James R. Tobin<sup>4</sup>

President and Chief Executive Officer; Director

## CORPORATE HEADQUARTERS

### Boston Scientific Corporation

One Boston Scientific Place

Natick, MA 01760-1537

508-650-8000

508-647-2200 (Investor Relations Facsimile)

www.bostonscientific.com

## REGIONAL HEADQUARTERS

### Boston Scientific International S.A.

Paris, France

### Boston Scientific Japan K.K.

Tokyo, Japan

## KEY FACILITIES

Clonmel, Ireland

Cork, Ireland

Coyol, Costa Rica

Dorado, Puerto Rico

Fremont, CA, U.S.A.

Galway, Ireland

Heredia, Costa Rica

Kawasaki, Japan

Kerkrade, The Netherlands

Letterkenny, Ireland

Maple Grove, MN, U.S.A.

Marlborough, MA, U.S.A.

Miami, FL, U.S.A.

Miyazaki, Japan

Mountain View, CA, U.S.A.

Natick, MA, U.S.A.

Plymouth, MN, U.S.A.

Quincy, MA, U.S.A.

Redmond, WA, U.S.A.

San Jose, CA, U.S.A.

Spencer, IN, U.S.A.

St. Paul, MN, U.S.A.

Tullamore, Ireland

Valencia, CA, U.S.A.

Washington, DC, U.S.A.

West Valley, UT, U.S.A.

## STOCKHOLDER INFORMATION STOCK LISTING

Boston Scientific Corporation common stock is traded on the NYSE under the symbol "BSX."

## TRANSFER AGENT

Inquiries concerning the transfer or exchange of shares, lost stock certificates, duplicate mailings or changes of address should be directed to the Company's Transfer Agent at:

### BNY Mellon Shareowner Services

480 Washington Boulevard

Jersey City, NJ 07310-1900

1-800-898-6713

www.bnymellon.com/shareowner/isd

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP

Boston, Massachusetts

## ANNUAL MEETING

The annual meeting for shareholders will take place on Tuesday, May 5, 2009, beginning at 10:00 a.m. at Bank of America, 100 Federal Street, Boston, MA 02110.

## INVESTOR INFORMATION REQUESTS

Investors, stockholders and security analysts seeking information about the Company should refer to the Company's website at [www.bostonscientific.com](http://www.bostonscientific.com) or call Investor Relations at 508-650-8555.

## OTHER INFORMATION

Copies of the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports are available free of charge through the Company's website at [www.bostonscientific.com](http://www.bostonscientific.com). Our Corporate Governance Guidelines, proxy statement and Code of Conduct – which applies to all our directors, officers and employees, including our Board of Directors, Chief Executive Officer, Chief Financial Officer and Chief Accounting Officer – are also available on our website.

Certifications of the Chief Executive Officer and Chief Financial Officer certifying the accuracy of the Company's public disclosures have been filed with the SEC as exhibits to the Annual Report on Form 10-K for the year ended December 31, 2008. In addition, our annual Chief Executive Officer certification for the previous year has been submitted to the NYSE.

## Copies of these reports are also available by directing requests to:

Investor Relations  
Boston Scientific Corporation  
One Boston Scientific Place  
Natick, MA 01760-1537  
508-650-8555  
508-647-2200 (Facsimile)  
[Investor\\_Relations@bsci.com](mailto:Investor_Relations@bsci.com)

## SAFE HARBOR FOR FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by words like "anticipate," "expect," "project," "believe," "plan," "estimate," "intend" and similar words. These forward-looking statements are based on our beliefs, assumptions and estimates using information available to us at the time and are not intended to be guarantees of future events or performance. Forward-looking statements include, among other things, statements regarding our growth strategy, our programs to enhance shareholder value, our financial performance, our revenue and operating income objectives, our market position and the marketplace for our products, new product development and launch, competitive offerings, litigation and our capital management strategy. Factors that may cause actual results to differ materially from those contemplated by the statements in this Annual Report can be found in our Form 10-K for the year ended December 31, 2008 under the headings "Risk Factors" and "Safe Harbor for Forward-Looking Statements."

Information above is accurate as of March 6, 2009.

<sup>1</sup> Member of the Audit Committee

<sup>2</sup> Member of the Executive Compensation and Human Resources Committee

<sup>3</sup> Member of the Nominating and Corporate Governance Committee

<sup>4</sup> Member of the Finance Committee

<sup>5</sup> Member of the Compliance and Quality Committee

<sup>6</sup> Member of the Legal Affairs Committee

<sup>7</sup> Effective April 1, 2009

<sup>8</sup> Retiring effective May 5, 2009

# OUR STRATEGY

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We will lead global markets for less-invasive medical devices by developing and delivering products and therapies that address unmet patient needs, provide superior clinical outcomes and demonstrate compelling economic value. We will achieve leadership, drive profitable sales growth and increase shareholder value by focusing on:

- > Customers
- > Innovation
- > Quality
- > People
- > Financial strength



**Boston  
Scientific**

*Delivering what's next.™*

CC.AR.WW.03.09