

CONMED Completes Acquisition of C.R. Bard's Endoscopic Technologies Product Line

October 1, 2004 7:02 AM ET

- Expects to Add \$0.12 to FY05 EPS (Non-GAAP) -

- FY05 Free Cash Flow Anticipated to be \$75MM to \$80MM -

UTICA, N.Y., Oct. 1 /PRNewswire-FirstCall/ -- CONMED Corporation (Nasdaq: CNMD) announced today that, effective September 30, 2004, it has completed the acquisition of certain products of the Endoscopic Technologies business from C.R. Bard, Inc. (NYSE: BCR). As previously announced, the business consists of a comprehensive line of single-use medical devices employed by gastro-intestinal (GI) and pulmonary physicians to diagnose and treat diseases of the digestive tract and lungs using minimally invasive endoscopic techniques. The acquired Endoscopic product line had 2003 revenues approximating \$54 million and is the third largest domestic supplier of these types of products to the market.

Mr. Joseph Corasanti, President and Chief Operating Officer of CONMED, commented, "CONMED benefits from the marketing and manufacturing synergies created by the addition of the Endoscopic Technologies business unit to our Company. We believe the acquisition will add approximately \$0.12 to non-GAAP earnings per share in 2005 and also bring our total consolidated free cash flow in 2005 to the range of approximately \$75 to \$80 million. We are pleased to welcome our new employees to our Company. As we focus on ensuring a smooth transition from the Bard organization to CONMED, we look forward to providing our Endoscopic Technologies customers with the same responsive service in the future that they have experienced in the past."

The Endoscopic product line will continue to operate from Billerica, Massachusetts where its sales administration, marketing, research and development, quality and manufacturing administration units are located. Manufacturing of the products will be moved from Bard facilities to various CONMED facilities during the next six to nine months. The present Endoscopic Technologies sales force will continue to represent the product line becoming CONMED's fifth product-specific sales force in the United States. Outside the U.S., the product line will be sold direct in the U.K., France and Canada, and through distributors in the rest of the world.

CONMED financed the \$80 million purchase price (subject to adjustment) with its available cash and with borrowings under its revolving line of credit. CONMED will account for the purchase by valuing the assets and liabilities acquired, including an anticipated charge to expense for in-process research and development, in its quarter ended September 30, 2004.

Non-GAAP earnings per share exclude certain items that are unrelated to the ongoing operations of the business. In the third and fourth quarters of 2004, and in 2005, these items may include restructuring, in-process research and development, and integration charges as well as certain tax adjustments that are not currently determinable, but may be significant. For that reason, the Company is unable to provide GAAP (Generally Accepted Accounting Principles) earnings estimates at this time. Free cash flow means the Company's net income adjusted for any non-GAAP items plus depreciation, amortization, and the deferred income tax provision, less capital expenditures and increases in working capital.

CONMED Profile

CONMED is a medical technology company specializing in surgical devices and instruments for a wide range of surgical specialties including general surgery, arthroscopic sports medicine, and powered surgical instruments, such as drills and saws, for orthopedic, ENT, and neuro-surgery. The Company is also a leading developer, manufacturer and supplier of RF electrosurgery systems used routinely to cut and cauterize tissue in nearly all types of surgical procedures worldwide, endosurgery products such as trocars, clip applicators, scissors, and surgical staplers. The Company offers integrated operating room design and intensive care unit service managers. The Company also manufactures and sells a full line of ECG electrodes for heart monitoring and other patient care products. Headquartered in Utica, New York, the Company's 2,600 employees distribute its products worldwide from twelve locations.

Forward-Looking Information

This press release contains forward-looking statements based on certain assumptions and contingencies that involve risks and

uncertainties. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and relate to the Company's performance on a going-forward basis. The forward-looking statements in this press release involve risks and uncertainties which could cause actual results, performance or trends, including the above mentioned anticipated revenues and earnings, to differ materially from those expressed in the forward-looking statements herein or in previous disclosures. The Company believes that all forward-looking statements made by it have a reasonable basis, but there can be no assurance that management's expectations, beliefs or projections as expressed in the forward-looking statements will actually occur or prove to be correct. In addition to general industry and economic conditions, factors that could cause actual results to differ materially from those discussed in the forward-looking statements in this press release include, but are not limited to: (i) the failure of any one or more of the assumptions stated above, to prove to be correct; (ii) the risks relating to forward-looking statements discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2003; (iii) cyclical purchasing patterns from customers, end-users and dealers; (iv) timely release of new products, and acceptance of such new products by the market; (v) the introduction of new products by competitors and other competitive responses; (vi) the possibility that any new acquisition or other transaction may require the Company to reconsider its financial assumptions and goals/targets; and/or (vii) the Company's ability to devise and execute strategies to respond to market conditions.

SOURCE CONMED Corporation

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(CNMD BCR)

CO: CONMED Corporation; C.R. Bard, Inc.

ST: New York

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