

BARD

C. R. Bard, Inc. is a leading multinational developer, manufacturer, and marketer of innovative, life-enhancing medical technologies in the fields of Vascular, Urology, Oncology and Surgical Specialty products.

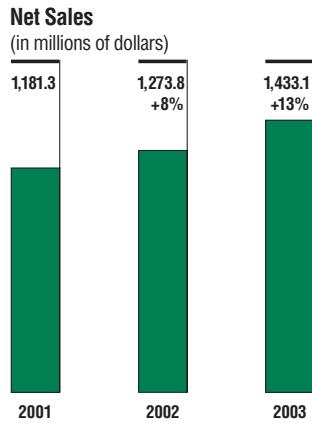
Bard markets its products and services worldwide to hospitals, individual healthcare professionals, extended care facilities and alternate site facilities.

Bard pioneered the development of single-patient-use medical products for hospital procedures; today Bard is dedicated to pursuing technological innovations that offer superior clinical benefits while helping to reduce overall costs.

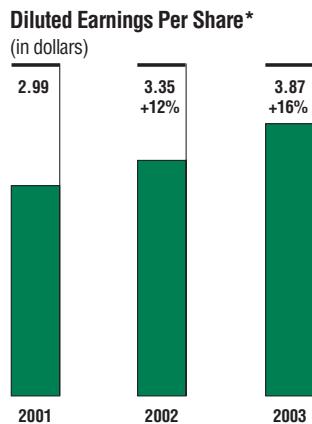
Contents

- 1** Financial Highlights
- 3** Letter to Shareholders
- 7** An Integrated Approach to Customers' Needs
- 16** Product Group Review
- 17** Charles Russell Bard Award Recipients
- 18** Board of Directors
- 19** Corporate Officers and Organization
- 20** Corporate Data
Form 10-K enclosed
in back cover pocket

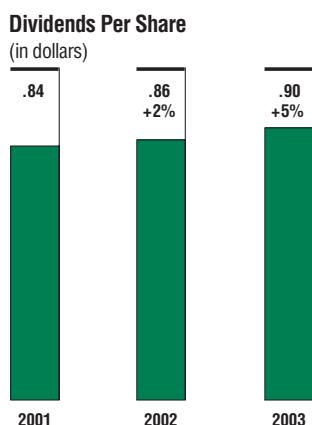
FINANCIAL HIGHLIGHTS



	(All dollar figures in thousands except per share data)		
	2001	2002	2003
Operations as of and for the year ended December 31:			
Net sales	\$ 1,181,300	\$ 1,273,800	\$ 1,433,100
Net income	\$ 143,200	\$ 155,000	\$ 168,500
Diluted earnings per share	\$ 2.75	\$ 2.94	\$ 3.20
Diluted earnings per share – excluding the items identified below	\$ 2.99	\$ 3.35	\$ 3.87
Dividends per share	\$ 0.84	\$ 0.86	\$ 0.90
Research and development expense	\$ 53,400	\$ 61,700	\$ 87,400
Number of employees	7,700	7,700	8,300
Closing stock price	\$ 64.50	\$ 58.00	\$ 81.25



*Excluding the items identified below



As discussed below, certain events in each of 2001, 2002 and 2003 affect the comparability of the company's results of operations between periods.

2001 – Included in the company's 2001 earnings is approximately \$12.3 million after tax (\$0.24 diluted earnings per share) of goodwill amortization. Goodwill amortization is not required for fiscal years beginning after December 15, 2001 per SFAS 142.

2002 – Included in the company's 2002 earnings are the following items: a charge related to the termination of the Tyco merger agreement of \$4.0 million after tax (\$0.08 diluted earnings per share), charges related to divisional and manufacturing consolidation projects of \$16.5 million after tax (\$0.31 diluted earnings per share), a charge for corporate severance related costs of \$4.2 million after tax (\$0.08 diluted earnings per share) and a gain from the reversal of certain legal accruals of \$3.0 million after tax (\$0.06 diluted earnings per share). The total of these items is \$21.7 million after tax (\$0.41 diluted earnings per share).

2003 – Included in the company's 2003 earnings are the following items: a charge for a legal verdict in the amount of \$35.5 million after tax (\$0.67 diluted earnings per share), a gain from a legal settlement of \$2.1 million after tax (\$0.04 diluted earnings per share) and the final adjustment of 2002 restructuring charges and reserves for certain items of \$1.8 million after tax (\$0.03 diluted earnings per share) and a charge for product line asset write-downs of \$3.6 million after tax (\$0.07 diluted earnings per share). The total of these items is \$35.2 million after tax (\$0.67 diluted earnings per share).

Certain prior-year amounts have been reclassified to conform with the current year presentation.

This report contains forward-looking statements, the accuracy of which is necessarily subject to risks and uncertainties. Please refer to our detailed statement regarding forward-looking information in the Annual Report on Form 10-K for the year ended December 31, 2003. A copy is enclosed with this mailing.



Timothy M. Ring
Chairman and
Chief Executive Officer

John H. Weiland
President and
Chief Operating Officer

TO OUR SHAREHOLDERS:

These are exciting times at Bard.

We are pleased to report that our company is performing exceedingly well. We achieved excellent financial results in 2003 and continued to make great progress with our strategic growth initiatives. This success emanates – in no small part – from the outstanding commitment of our employees and the leadership of our management team throughout the company.

At Bard we have a great sense of pride and optimism about the work we do in helping people lead longer, healthier and more productive lives. Our commitment to the patients we serve motivates us in our work every day and contributes to our success. Bard's consistent financial performance is a tribute to our employees, who have successfully converted their desire to help people into the ability to manufacture, distribute and market medical technologies that make a difference in patients' lives all over the world. We commend their efforts in achieving this goal.

In 2003, we completed our executive management transition following the retirement of William H. Longfield on August 7th, after an eight-year term as Bard's chairman and chief executive officer. Our Board of Directors and senior management team developed and executed a comprehensive succession plan and, as a result, it was business as usual at Bard during this seamless transition period. We want to recognize Bill's outstanding leadership during his tenure and look forward to our future collaboration as he continues to serve as a director of the company.

Looking back over Bard's excellent financial performance for the past five years, we have a lot to be excited about. Historically speaking, our company has never performed better. For 19 straight quarters, Bard has delivered consistent net sales growth of between 7 and 10 percent on a constant currency basis, and we hit a new high of 11 percent net sales growth in the fourth quarter of 2003. On all fronts, our financial achievements for the year were strong.

Full Year 2003 Financial Highlights:

- Net sales growth – 13% as reported; 9% constant currency
- Gross profit margin – 57.5% versus 54.3% in 2002
- R&D expenditures – \$87.4 million, up 42% over 2002
- Net income – \$168.5 million (up 9%) as reported
- Net income – \$203.7 million (up 15%) excluding the items identified in the financial highlights on page 1
- EPS – \$3.20 (up 9%) as reported
- EPS – \$3.87 (up 16%) excluding the items identified in the financial highlights on page 1
- Cash and short-term investments (at year end) – \$422.0 million
- Debt to total capital ratio (at year end) – 13.8%

At Bard we believe being a market leader – having a number one or two position – is critical to being successful in any market. We are disciplined in our application of this philosophy. In 2003, roughly 80% of our net sales came from product lines in which we are market leaders. Our diversified product portfolio – some 100 product lines covering nearly 10,000 product codes across our four businesses – balances the risks inherent in a competitive industry and contributes significantly to Bard's consistency and reliability.

One of our key operating imperatives is cultivating and advancing our relationships with customers – nearly a century-old practice at Bard. Our service to customers differentiates us in the industry because we develop a customized, flexible and integrated approach to meet their needs – providing a broad array of clinical and business solutions. Our call-point focused structure engenders natural collaboration between our sales force and clinicians, the true source of our innovation. This relationship creates Bard 'experts' who understand first-hand the needs of our customers and enable us to respond with innovative products and solutions targeted specifically to meet these opportunities. As you read through the pages of this annual report, you will see why we are confident of our approach – one that is particularly well suited to customers and differentiates us in the medical technology industry.

During this past year, Bard businesses brought many new products and therapies to market, expanding our leadership positions in several markets and creating momentum for future growth:

- In our endovascular business, we gained significant momentum throughout 2003. New products, such as our CONQUEST™ PTA balloon catheter, FLUENCY™ stent graft and RECOVERY® vena cava filter were major contributors. Our self-expanding peripheral stent products, led by our innovative LUMINEXX™ stent, continued to provide significant growth in this area. The RECOVERY filter was the first of its kind in the U.S. – giving clinicians greater flexibility in the use of vena cava filters. Clinical trials for our AV access stent graft have concluded, and our carotid stent trial will begin later this year. Joining the product line in 2004 is our VACORA™ vacuum assisted biopsy device, which will compete in the largest segment of the breast biopsy device market.
- In our specialty access business, we introduced our new HEMOSPLIT® dialysis access catheter with its proprietary split tip design. Entering the market at mid-year, it has met with strong demand and made a significant contribution to sales. Our implantable port and, in particular, our PICC catheter product lines continued to provide great growth in this business in 2003.



**Bard's Worldwide Operations Management Team
(from back to front clockwise)**

Mark Walaska, Staff Vice President – Manufacturing
Frank Maloit, Staff Vice President – Corporate Procurement
Scott Mummert, Director – Operational Excellence
Kevin Phoenix, Director – Facilities
John Moran, Staff Vice President – Manufacturing Projects
Ted Doorley, Staff Vice President – Manufacturing
Joe Cherry, Vice President – Operations

- Our soft tissue repair business continued its strong performance, growing more than 20 percent for the fourth consecutive year. Our ventral hernia repair franchise, led by our VENTRALEX™ and COMPOSIX® KUGEL® products, was the primary contributor to our performance in 2003. We were especially pleased to see strong growth in our international business. Today, with more than 75 percent of our soft tissue sales in the U.S., we see continued opportunity for growth abroad.

- In our urology business, the BARDEX® I.C. Foley catheter with BACTI-GUARD® silver coating continues to gain market share on its proven record for dramatically reducing urinary tract infections – benefiting both the patient and hospital.
- We also continued our solid growth in sales and market share within Bard's brachytherapy business, which provides outstanding clinical benefits to patients diagnosed with prostate cancer. During 2003, we made several small acquisitions to strengthen this franchise. They included certain assets of Prostate Services of America, Inc. and Imagyn Medical Technologies, Inc. and the assets of Source Tech Medical, LLC. These transactions reflect our strategy to be a consolidator in the brachytherapy business.

Operations Review

Over the past several years we have made significant improvements to our manufacturing structure and processes. Our efforts to refine purchasing, manufacturing and distribution have generated considerable savings for the company. Most important, these streamlining programs have provided the fuel we need to fund our long-term growth initiatives. We would like to acknowledge and thank our manufacturing employees all over the world for their continued dedication and commitment to operational excellence. At the helm of this tremendous effort, Joseph A. Cherry, vice president of operations, has provided the leadership, focus and determination to make it happen. Clearly, Joe has made an indelible mark on redefining Bard's future, and we thank him for his outstanding effort. The following illustrates a few of the more notable accomplishments in operations:

- Manufacturing cost improvements were the primary driver of the 3.2% increase in gross margins as a percent of net sales in 2003.
- In July, we broke ground on a 412,000 sq.ft. state-of-the-art distribution center in Covington, Georgia. This facility will allow us the flexibility to process consolidated orders for products from all of our businesses, to U.S. customers. We anticipate a Q2 2004 opening of this facility.
- In August, we completed a major expansion of our manufacturing facility in Kulim, Kedah, Malaysia, where we have enhanced and expanded existing production areas and constructed new laboratories. We also initiated

construction of a 170,000 sq.ft. world-class manufacturing facility in Humacao, Puerto Rico. Sized and designed to support Bard's strategic growth plans, this facility is expected to open in Q4 2005.

Long-term Growth Initiatives

As we have seen in 2003, the efficiencies generated from operations provide the funding to support our growth plans. While we continue to target at least 12 percent earnings growth for our shareholders, we are investing the incremental dollars generated from these improvements in three specific areas:

- **Technology Investment through Research and Development** – Our commitment to R&D investment is evidenced by an increase in R&D spending over the past two years, from \$53 million in 2001 to a run rate of nearly \$100 million in Q4 2003. We have implemented world-class R&D processes across our businesses to maximize the productivity of our efforts and create a steady stream of innovative technologies.
- **Business Development** – We will complement our R&D efforts with strategic acquisitions of technologies, product lines or businesses – targeting opportunities in the faster growing segments of our markets.
- **Sales Force Expansion** – In 2003, we increased our sales force by 10 percent in the U.S., concentrating on our fastest growing businesses. We are currently evaluating the size and deployment of our sales organizations in the balance of our U.S. businesses and in Europe.

In the next several years, we believe each of these initiatives has the potential to increase our revenue growth rate above the range we have consistently delivered during the last five years.

Another significant initiative underway is the implementation of an Enterprise Resource Planning (ERP) system, which will enable Bard to conduct business on a common platform with a consistent flow of information across the organization. Among its many benefits, the ERP system will enhance order processing, production planning and information accuracy and timeliness – while standardizing, integrating and simplifying our business processes. This new approach will allow us to leverage the scale of a \$1.4 billion enterprise in our business transactions, while maintaining the agility of a decentralized organization, deployed at the call-point level. The resources saved and efficiencies gained from these benefits will also help fuel investments for future growth.

Board and Organizational Changes

Throughout the year, our Board of Directors has provided expertise and guidance on a variety of issues, from succession planning to investment strategy. Their knowledge and counsel are vital, and their commitment to this company is steadfast. We thank each of them for their valuable contribution.

A TRIBUTE TO WILLIAM H. LONGFIELD



This year we bid farewell to one of our long-standing directors, Regina E. Herzlinger, who retired from the Board after 13 years of distinguished service. Regina, a professor of business administration at Harvard Business School, was truly a guiding light for our company, and we will miss her counsel. In 2003, we welcomed Theodore E. Martin to our Board. Ted was president and chief executive officer of Barnes Group Inc., a manufacturer of precision metal parts and distributor of industrial supplies, until his retirement in December 1998. We look forward to the insight and experience Ted will bring to the Board in the coming years.

Since our last annual report to shareholders, the Board elected five new corporate officers: Amy S. Paul and Brian P. Kelly to group vice president; Scott T. Lowry to vice president and treasurer; Brian R. Barry to vice president, regulatory and clinical affairs; and John A. DeFord, Ph.D., to vice president, science and technology. In 2003, we bid farewell to one of our distinguished corporate officers, James R. Adwers, M.D., our former vice president, medical affairs, who retired after more than eight years of exceptional service to Bard. We wish Jim well in his retirement.

Healthcare market dynamics play a significant role in the way our customers do business. Today, hospitals face unprecedented challenges including an aging population who require greater care, declining reimbursement rates and a demand for more technology-intensive treatments. As a result, hospital service costs and administrative expenses are increasing sharply and this trend promises to continue.

Bard recognizes these substantive challenges. Our approach to the market provides a comprehensive, integrated strategy that responds to many of the issues facing hospitals today. We believe this approach – combining clinical solutions with product innovation and integrated business programs – provides significant value to our customers by addressing many of their specific needs. Through our seven autonomous operating units and our sales and marketing organizations around the world, we stay close to the clinicians who use our products every day.

Complementing this structure is our Corporate Healthcare Services organization, which provides a broad business perspective across all of our product lines and works with U.S. customers to address economic and business issues. As a result, Bard is more than a supplier of products; we establish a collaborative relationship – a working partnership – with our customers.

In the pages that follow, we highlight a few examples of our flexible approach to help customers meet the demands of today's global healthcare market.

CLINICAL SOLUTIONS

PRODUCT INNOVATION

INTEGRATED BUSINESS PROGRAMS



I.V. Nurse Specialist Brenda McKay (left), of Christ Hospital in Cincinnati, Ohio, discusses PICC catheter placement at a patient's bedside with Bard Access Systems employees Paul Blackburn, RN, MNA (right), Senior Product Manager – PICC and Midline Catheters, Manager Clinical Education; and Territory Sales Manager Rick Naylor (center).

A Clinical Approach: The ASSESSMENT ADVANTAGESM Program

Bard's commitment to customers extends beyond providing an extensive array of products. We help customers address their daily challenges and improve patient outcomes with comprehensive clinical, educational and operational programs.

One such solution is the ASSESSMENT ADVANTAGESM program available through Bard Access Systems, a subsidiary of Bard, located in Salt Lake City, Utah. This program helps customers incorporate longer term vascular access solutions into the initial phase of care – enabling them to achieve better patient outcomes, reduce costs and standardize inventory.

"The ASSESSMENT ADVANTAGE program has made a tremendous difference in our hospital," I.V. Nurse Specialist, Brenda McKay, of Christ Hospital in Cincinnati, Ohio, attests. "Our nursing staff is happier because they get reliable vascular access for patients, and patients are happier because they get only one needlestick – not several. The radiology lab is able to focus on more technical procedures, and physicians no longer need to be called for difficult I.V. catheter placements. Hospital administration is thrilled with the significant cost savings of having nurses place PICC catheters at the bedside," McKay says.

More than 90 percent of patients admitted to a hospital require insertion of a vascular access device to deliver medication or nutrition during their hospital stay. Bard Access Systems is the market leader in vascular access devices and offers an extensive array of products including implantable ports, central and midline catheters, and peripherally inserted central catheters (PICCs).

Working closely with customers, Bard Access Systems realized that providing a broad offering of innovative vascular access devices wasn't always enough to ensure good clinical outcomes for patients. Bard needed to develop a way to help hospital staff break out of their traditional care patterns and determine, at admission, the most appropriate type of vascular access device that could be used for the duration of the patient's care.

When patients are admitted to a hospital, they frequently receive an intravenous catheter in their hand or forearm. The catheter often needs to be replaced due to blockages or vascular irritation from antibiotics, resulting in multiple

needlesticks. Patients who require longer-term venous access – even beyond their hospital stay – often have a PICC (or another catheter designed for long-term access to the central venous system) placed when they are ready to be discharged. Sometimes, this isn't the best approach.

A better outcome is achieved through Bard's ASSESSMENT ADVANTAGE program, in which patients are evaluated at admission – where clinicians determine whether the patient will need extended I.V. access. Those who do are identified as candidates for a PICC catheter. For the patient, this approach eliminates the need for multiple needlesticks and provides increased comfort and convenience. For the hospital, the insertion of a PICC catheter upon admission is cost effective and reduces the nurses' workload.

From her experience, Brenda acknowledges, "Multiple venipunctures are not cost effective and can result in unfavorable patient outcomes. While an I.V. catheter lasts 48 to 72 hours, a PICC lasts from 10 to 73 days."

Bard's ASSESSMENT ADVANTAGE program offers I.V. nurse specialists the training and resources they need to choose better solutions, like a PICC catheter, when appropriate. The program considers the patient's diagnosis, drug therapy, and medical condition and recommends treatment algorithms. This program allows nurses to master a technically challenging procedure – inserting a PICC catheter at bedside – increasing their skills and value to the institution. Currently, Bard provides training for more than 3,000 clinicians per year under this program.

To evaluate cost savings associated with placing a PICC catheter at the bedside versus the radiology suite, Brenda and her colleagues at Christ Hospital conducted a cost analysis. The savings per PICC placement were considerable: \$800 per line. Since they placed more than 1,000 lines last year, the hospital saved more than \$800,000.

Christ Hospital is just one of many customers who believe in Bard's commitment to enhancing clinical care. "We wouldn't be where we are today without the ASSESSMENT ADVANTAGE program," Brenda says. "It works."



Davol Territory Sales Manager Kyle Stephenson (left), provides insight on the unique design features of the VENTRALEX™ hernia repair patch to Dr. Stephen Wohlgemuth, a surgeon at Sentara Leigh Hospital in Norfolk, Virginia.

An Innovative Approach: VENTRALEX™ Hernia Patch

For decades, Bard has embraced three core operating values: quality, integrity and service. Several years ago, we added “innovation” as a fourth core value. Increasing our emphasis on innovation enables us to anticipate customers’ changing needs and increases our ability to respond with unique technology solutions.

We believe one of the primary reasons Bard is the market leader in the hernia repair business is that our creative team at Davol, our surgical specialties subsidiary located in Cranston, Rhode Island, knows the market intimately. Through their collaborative customer relationships and market research efforts, they discovered an unmet need; a hernia patch specifically designed to repair umbilical defects – or hernias of the navel area.

In 2000, a team of Davol employees gathered a group of general surgeons to review prototypes of new hernia repair devices. As the staff demonstrated one prototype in particular, they could sense the growing excitement in the room. The surgeons immediately noted this specific concept was exactly the solution they sought for the repair of umbilical hernias. An estimated 150,000 people suffer with umbilical hernias every year in the U.S., and surgeons were looking for a new device to simplify and perfect the procedure – while positively affecting patient outcomes.

With this valuable input, the company moved swiftly with product development, collaborating with surgeons throughout the process. Within nine months of the product’s initial concept, Davol introduced the VENTRALEX™ hernia patch to the market.

Stephen Wohlgemuth, MD, a surgeon at Sentara Hospital System and a partner at Norfolk Surgical Group in Norfolk, Virginia, recalls he had been searching for a mesh hernia repair patch with a material that would encourage tissue ingrowth, while minimizing the potential for unwanted adhesions of the bowel to the patch. He was delighted when he had the opportunity to work with the VENTRALEX patch for the first time. “This is the real deal,” he remembers thinking.

On one side of the small, round patch is a layer of polypropylene mesh material, which encourages tissue ingrowth to secure the patch in place and help close off the hernia. The other side of the patch has a smooth ePTFE, or expanded polytetrafluoroethylene, barrier that minimizes adhesions to the prosthesis – exactly the feature Dr. Wohlgemuth had been seeking.

The patch also has an innovative design that allows it to pop open and lie flat in the intra-abdominal space. This, and the device’s unique strap attachment, assist the surgeon in positioning the mesh patch accurately in the body.

Dr. Wohlgemuth began using the VENTRALEX patch immediately and has adopted the product for all of his adult umbilical hernia repairs. “Because the VENTRALEX patch is inserted with minimal manipulation in the abdominal area and held in place with intra-abdominal pressure and just a few sutures,” Dr. Wohlgemuth explains, “patients’ post-operative pain and discomfort are significantly reduced.” This helps shorten recovery time and allows patients to return to their normal daily routine, usually within a day or two. Umbilical hernias have a lower recurrence rate (about 1 percent) when repaired with surgical mesh prosthetic devices than do hernias repaired surgically with sutures alone (about 11 percent).

At Bard, we believe one of the best outcomes of a collaborative, innovative R&D process is the development of new products designed in conjunction with new procedures – one where the product is the procedure. The VENTRALEX patch is just such a product – defining a specific technique, and thus, making its use intuitive to surgeons. Dr. Wohlgemuth’s satisfaction with the VENTRALEX device has transcended his daily practice; in addition, he now works with Bard to train other surgeons in the use of new hernia repair technology.



Dr. Klaus Amendt (second from left), an internist and senior physician of the Angiology, Cardiology and Acute Geriatrics Department at Diakoniekrankenhaus Mannheim, a hospital in Mannheim, Germany, demonstrates the deployment of the LUMINEX™ vascular stent at Bard's Angiomed facilities in Karlsruhe, Germany. Conferring with Dr. Amendt are Angiomed team members (left to right), Sylvie Lombardi, Senior Manager, Research and Development; Jürgen Dorn, Project Manager, Research and Development; and Gerold Ehmen, Senior Product Manager, Vascular Stents.

An Innovative Approach: LUMINEXX™ Vascular Stent*

As a global company focused on innovation, Bard's 400 employee-strong R&D organization can respond by initiating product enhancements or developing new technologies targeted specifically to meet market needs.

Prior to the availability of vascular stents – tiny, tubular-shaped devices used to maintain the opening of veins and arteries – patients with peripheral arterial disease had limited clinical options. Patients who were unsuccessfully treated with balloon angioplasty or those with large occlusions had even fewer treatment choices.

Dr. Klaus Amendt, an internist and senior physician of the Angiology, Cardiology and Acute Geriatrics Department at Diakoniekrankenhaus Mannheim, a hospital in Mannheim, Germany, is all too familiar with the previous limitations in treating the disease *and* the value of the new stents from Bard. “The LUMINEXX™ vascular stent is a product that addresses not only the limitations of balloon angioplasty, it offers advantages over current stent technology,” Dr. Amendt explains.

The LUMINEXX stent is an innovative, self-expanding stent known for its visibility and radial force. The device is made of nitinol, a unique material with thermal memory that allows the stent to expand to a pre-set size and shape when exposed to body temperatures. With the recent market launch of the LUMINEXX stent with the PERFORMAXX GRIP™ stent deployment system, Bard has introduced its fourth generation of self-expanding nitinol stents in five years.

Dr. Amendt cites some of the advantages he sees with the LUMINEXX vascular stent. One of the device’s most distinguishing features is its four proprietary PUZZLE™ radiopaque markers at both ends of the stent. “Because of its markers, it works exceptionally well in arteries where visibility is crucial to accurate stent deployment,” Dr. Amendt says. He also values the LUMINEXX vascular stent design and configuration, which he believes limit growth of tissue around the device and improve the longevity of the stent once it is implanted.

“And unlike certain other stents, the LUMINEXX stent doesn’t shorten significantly during placement, allowing me to deploy it more accurately,” comments Dr. Amendt. The combination of these properties makes this nitinol self-expanding stent a preferred choice in many clinical applications.

The LUMINEXX vascular stent was developed by Angiomed, a Bard business located in Karlsruhe, Germany. Its innovation is evident in the design of the stent *and* the delivery system used to deploy it. The LUMINEXX vascular stent is mounted on the 6F BARD S.A.F.E.™** delivery system catheter, which offers the only “tipless” design in the market – a feature that helps increase stent placement accuracy.

Ultimately, the LUMINEXX vascular stent is good for patients, Dr. Amendt observes. “Peripheral arterial disease affects quality and length of life,” he explains. “Revascularization of blocked arteries can improve patients’ quality of life by limiting pain and increasing their ability to function. In the past, I couldn’t do anything for those patients with large blockages or for whom balloon angioplasty didn’t work – except send them for surgery. Now, with a simple outpatient procedure, I can open their vessels and keep them open longer.”

At Bard, we believe getting innovative products to market first doesn’t necessarily guarantee success. Being first to market with a product that meets our customers’ needs is a winning strategy...and one that we embrace.

*The LUMINEXX vascular stent is not currently available in the United States.

**S.A.F.E. denotes Secure Adhesive Free.



**Bard Regional Vice President Harriet Overbeck,
CHE (right), provides on-site consulting to Gary Wagner,
Assistant Vice President for Materials Management,
Inova Health System.**

Providing Business Solutions: Corporate Healthcare Services

In addition to meeting our customers' clinical needs with innovative technology and programs, Bard's unique approach enhances our ability to also address their economic and business issues. Nearly a decade ago, Bard established the Corporate Healthcare Services organization to improve our alignment with customers...taking into consideration their structure and the way they operate.

Corporate Healthcare Services includes a staff of senior sales executives who work with top-level administration at the largest, most prestigious hospitals, integrated delivery systems and group purchasing organizations in the U.S. These corporate Regional Vice Presidents (RVPs) focus on key administrative and financial personnel who are responsible for an institution's overall relationship with Bard. Along with representing a consolidated Bard, the RVPs work side-by-side with the professional sales representatives from each of our seven operating units – supporting their specific clinical focus with physicians and other healthcare professionals within their call points. This approach helps to guarantee that Bard products, programs and initiatives are addressing our customers' needs at all levels.

Gary Wagner, Assistant Vice President for Materials Management for Inova Health System in Falls Church, Virginia, has a great deal of firsthand experience with Bard's customer approach. Gary, who meets with his RVP, Harriet Overbeck, on a regular basis, says he values this approach for many reasons.

"Harriet can institute change, make commitments on behalf of Bard, and provide programs and services customized to meet the needs of my organization. In short, she can get things done," he explains. According to Gary, "Bard makes things happen much more quickly than many other suppliers. Within the Bard structure, the RVPs have the respect and authority to make a difference. In my experience, even when other companies have corporate positions similar to the Bard RVP, the individuals often don't have the same breadth of authority to represent their company."

Gary had a specific objective to reduce his supply chain budget and believed that the best opportunity to achieve this goal was to move to a more paperless transaction environment. Faced with the challenge of multiple procurement applications and processes in use across the facilities within his system,

Gary felt electronic order processing might be an approach that would help streamline these processes and reduce costs. "With the help of Bard's people, we were able to lay out a plan to utilize their e-commerce solution for Bard purchases. To make this work, they supported our efforts to clean up and standardize our electronic product files across all the facilities." According to Gary, "It is their willingness to jump in where and when I need them, in order to make doing business with Bard easier. The savings that I have realized from this initiative alone have contributed significantly to me meeting my supply chain budget."

"This assistance was invaluable to us," he explains. "It's this type of service and true integration with my institution that demonstrates the value of this approach." The foundation of trust he has established with Harriet and Bard has facilitated a relationship where each can communicate issues openly and freely.

"We had a scenario where some physicians suggested changes to improve a product," Gary explains. "Instead of just looking at other suppliers who made similar products, I wanted to give Bard the chance to address this opportunity." After speaking with Harriet, she assembled a team of Bard engineers and manufacturing representatives to meet with some of these physicians at Inova. Together, they are looking at ways to refine and improve the device from the physician's perspective.

"This is the type of service that sets Bard apart from many of our other suppliers," Gary says. "They listen to what we have to say and do what they can to help us accomplish our goals. It is a true business partnership."

"My RVP – and the entire Bard team that stands behind her – have demonstrated their commitment to my organization. I value our relationship and recognize Bard as a business partner, as well as a supplier."

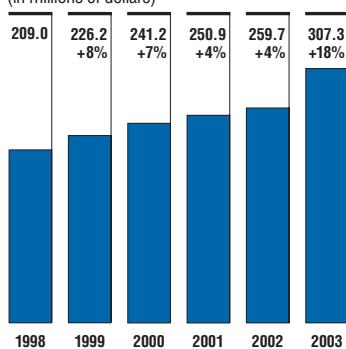
At Bard, we believe being a good partner...is good business. "Bard has demonstrated through actions, not just words, their interest in identifying and meeting customer needs," Gary explains.

PRODUCT GROUP REVIEW

Vascular

Net Sales

(in millions of dollars)



Five Year Compound Growth Rate: 8.0%

Key Products

Electrophysiology (EP)

Diagnostic Electrode Catheters
Therapeutic Electrode Catheters
Atrial Fibrillation Ablation*

Endovascular (Interventional Radiology)

Biopsy Products
Peripheral Angioplasty Catheters
Vena Cava Filters
Peripheral Vascular Stents
Stent Grafts

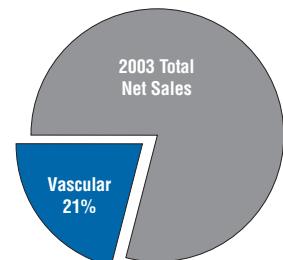
Grafts

Dialysis Access Grafts
Peripheral Vascular Grafts
Abdominal Thoracic Grafts

*Under Development

2003 Net Sales Growth

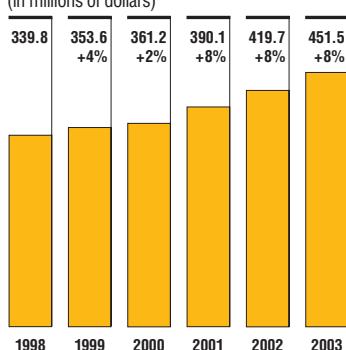
Vascular	Full Year 2003	
	Reported	Constant Currency
Electrophysiology	9%	1%
Endovascular	32%	23%
Grafts	7%	1%
Total Vascular	18%	11%



Urology

Net Sales

(in millions of dollars)



Five Year Compound Growth Rate: 5.8%

Key Products

Basic Drainage

Urinary Catheters and Trays
Infection Control Foley Catheters
Urine Collection Devices
Ureteral Catheters and Stents

Continence

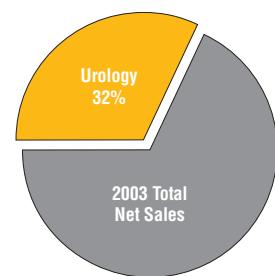
Injectable Bulking Agents
Surgical Continence Products (slings and sling materials)
Pelvic Floor Repair Products
Continence Management Devices

Urological Specialties

Brachytherapy Services, Seeds and Accessories
Specialty Foley Catheters
Stone Management Devices

2003 Net Sales Growth

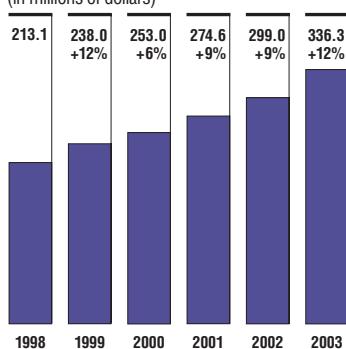
Urology	Full Year 2003	
	Reported	Constant Currency
Basic Drainage	7%	5%
Continence	8%	5%
Urological Specialties	8%	5%
Total Urology	8%	5%



Oncology

Net Sales

(in millions of dollars)



Five Year Compound Growth Rate: 9.6%

Key Products

Specialty Access

Implantable Ports
Chronic Catheters
PICCs and Midlines
Dialysis Access Catheters
Ultrasound Scanners

Gastrointestinal

Feeding Devices
Interventional Stents
Endoscopic Instruments
Biliary Devices
Bronchoscopy Devices

2003 Net Sales Growth

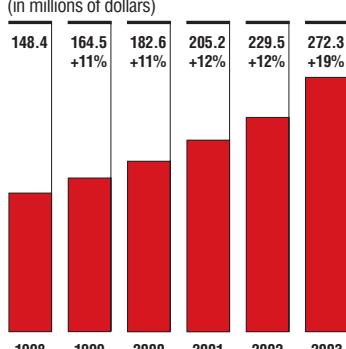
Oncology	Full Year 2003	
	Reported	Constant Currency
Specialty Access	20%	17%
Gastrointestinal	-4%	-6%
Total Oncology	12%	10%



Surgical Specialties

Net Sales

(in millions of dollars)



Five Year Compound Growth Rate: 12.9%

Key Products

Soft Tissue Reconstruction

Inguinal Hernia Repair Products
Ventral Hernia Repair Products

Performance Irrigation

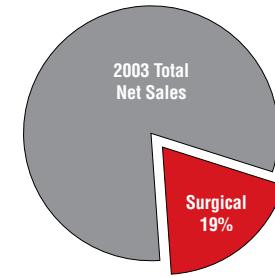
Orthopaedic and Hysteroscopic Devices
Laparoscopic Devices and Accessories

Hemostasis

Topical Blood Clotting Products

2003 Net Sales Growth

Surgical Specialties	Full Year 2003	
	Reported	Constant Currency
Soft Tissue	30%	27%
Performance Irrigation	-	-
Hemostasis	-7%	-7%
Total Surgical	19%	17%



CHARLES RUSSELL BARD AWARD RECIPIENTS

We are pleased to present to our shareholders the 2003 winners of the Charles Russell Bard Award. These outstanding employees were nominated by their colleagues for their exemplary performance and commitment to Bard's principles of Quality, Integrity, Service and Innovation. These individuals have also demonstrated the highest of personal values through a dedication to community and family.



From left to right seated:

Carey L. Sherry
Controller
Bard Urological
Covington, GA

Patricia M. Camfield
Executive Secretary
Bard Corporate
Murray Hill, NJ

From left to right standing:

Ana M^a Gonzalez
Sales and Marketing Manager
Bard de Espana
Barcelona, Spain

Bill Williams III
Director of Distribution
and Logistics
Corporate Healthcare Services
Covington, GA

John G. Warburton
Plant Manager
Bard Reynosa
Reynosa, Mexico

Philip A. Tessier
Senior Product Development
Engineer
Davol Inc.
Cranston, RI

Rhonda R. Largo
Senior Human Resources
Representative –
Training & Development
Bard Medical
Covington, GA

Abtihal Raji-Kubba
Director, Product Development
Bard Access Systems
Salt Lake City, UT

Noorizan Binti Din (not pictured)
Production Manager
Bard Sdn. Bhd.
Kulim, Kedah, Malaysia

BOARD OF DIRECTORS



Timothy M. Ring

Chairman and Chief Executive Officer of the Company since August 2003, having been Group President from April 1997 to August 2003, Group Vice President from December 1993 to April 1997; and Corporate Vice President – Human Resources from June 1992 to December 1993; age 46. Mr. Ring has been a director since August 2003 and is a member of the Executive Committee.



Marc C. Breslawsky

Chairman and Chief Executive Officer of Imagistics International Inc. (formerly Pitney Bowes Office Systems) (document imaging solutions) since December 2001, having been President and Chief Operating Officer of Pitney Bowes Inc. from 1996 to 2001, Vice Chairman from 1994 to 1996 and President of Pitney Bowes Office Systems from 1990 to 1994; age 61. Mr. Breslawsky has been a director since 1996 and is a member of the Audit Committee and Finance Committee. He is also a director of The United Illuminating Company and The Brink's Company.



T. Kevin Dunnigan

Chairman of Thomas & Betts Corporation (electrical connectors and components) since January 2004, having been a director since 1975 and having been Chairman, President and Chief Executive Officer from October 2000 to January 2004, Chairman from 1992 to May 2000, Chief Executive Officer from 1985 to 1997 and President from 1980 to 1994; age 66. Mr. Dunnigan has been a director since 1994 and is a member of the Executive Committee, Audit Committee, and Finance Committee. He is also a director of Deere & Company, PRO MACH, Inc. and Imagistics International Inc.



Herbert L. Henkel

Chairman, President and Chief Executive Officer of Ingersoll-Rand Company (manufacturer of industrial products and components) since May 2000, having been President and Chief Executive Officer since October 1999 and President and Chief Operating Officer from April to October 1999; President and Chief Operating Officer of Textron, Inc. from 1998 to 1999, having been President of Textron Industrial Products from 1995 to 1998; age 55. Mr. Henkel has been a director since 2002 and is a member of the Compensation Committee, Governance Committee and Regulatory Compliance Committee. He is also a director of Pitney Bowes Inc.



William H. Longfield

Retired Chairman, President and Chief Executive Officer of the Company since August 2003, having been Chairman, President and Chief Executive Officer since September 1995, President and Chief Executive Officer since June 1994 and President and Chief Operating Officer from September 1991 to June 1994; age 65. Mr. Longfield has been a director since 1990 and is a member of the Executive Committee, Finance Committee, and Regulatory Compliance Committee. He is also a director of Manor Care, Inc., West Pharmaceutical Services, Inc., Applera Corporation and Horizon Health Corporation.



Theodore E. Martin

Retired President and Chief Executive Officer of Barnes Group Inc. (manufacturer of precision metal parts and distributor of industrial supplies) since December 1998, having been Group Vice President from 1990 to 1995 and President and Chief Executive Officer since 1995; age 64. Mr. Martin has been a director since October 2003 and is a member of the Audit Committee, Finance Committee and Regulatory Compliance Committee. He is also a director of Ingersoll-Rand Company, Unisys Corporation and Applera Corporation.



Anthony Welters

President and Chief Executive Officer of AmeriChoice Corporation, a UnitedHealth Group Company, having been Chairman and Chief Executive Officer of AmeriChoice Corporation and its predecessor companies since 1989; age 49. Mr. Welters has been a director since 1999 and is a member of the Executive Committee, Compensation Committee, Governance Committee and Regulatory Compliance Committee. Mr. Welters is a recipient of the prestigious Horatio Alger award and serves as a director of the Horatio Alger Association. He is also a director of West Pharmaceutical Services, Inc. and serves as Vice Chairman of the Board of Trustees for the Morehouse School of Medicine in Atlanta.



Tony L. White

Chairman, President and Chief Executive Officer of Applera Corporation (formerly known as PE Corporation) (life science systems and products) since September 1995; age 57. Mr. White has been a director since 1996 and is a member of the Executive Committee, Governance Committee and Compensation Committee. He is also a director of Ingersoll-Rand Company and AT&T Corporation.

CORPORATE OFFICERS

Timothy M. Ring
Chairman and
Chief Executive Officer

John H. Weiland
President and
Chief Operating Officer

Todd C. Schermerhorn
Senior Vice President and
Chief Financial Officer

Brian P. Kelly
Group Vice President

Amy S. Paul
Group Vice President

James L. Natale
Senior Vice President and
President, Corporate Healthcare Services

Brian R. Barry
Vice President –
Regulatory and Clinical Affairs

Nadia J. Bernstein
Vice President,
General Counsel and Secretary

Joseph A. Cherry
Vice President –
Operations

John A. DeFord, Ph.D.
Vice President –
Science and Technology

Christopher D. Ganser
Vice President –
Regulatory Sciences

Charles P. Grom
Vice President and Controller

Vincent J. Gurnari, Jr.
Vice President –
Information Technology

Bronwen K. Kelly
Vice President –
Human Resources

Scott T. Lowry
Vice President and
Treasurer

Robert L. Mellen
Vice President –
Strategic Planning and
Business Development

Jean F. Miller
Assistant Secretary

ORGANIZATION

Bard Access Systems
J. C. Beasley
President
Salt Lake City, Utah

Bard Electrophysiology
T. P. Collins
President
Lowell, Massachusetts

Bard Endoscopic Technologies
B. P. Kelly
General Manager (acting)
Billerica, Massachusetts

Bard Medical
D. W. LaFever
President
Covington, Georgia

Bard Peripheral Vascular
J. D. McDermott
President
Tempe, Arizona

Bard Urological
B. S. Mirsky
President
Covington, Georgia

Corporate Healthcare Services
J. L. Natale
President
Murray Hill, New Jersey

Davol
B. P. Kelly
President
Cranston, Rhode Island

Government and Public Relations
H. P. Glass
Vice President
Gainesville, VA

Investor Relations
E. J. Shick
Vice President
Murray Hill, NJ

International: Asia, Americas, Australia
J. R. Kelleher
President

Bard Canada
P. R. Curry
Vice President and General Manager

Bard Australia
M. G. Wedlock
Managing Director

International: Japan
J. J. Bohan
President

Bard Europe
J. E. Last
President

Benelux/Nordic/South Africa
J. F. Grent
Area Vice President

Central Europe
H. J. Altenhoff
Area Vice President

Italy/Iberia/Middle East Export
F. Napolitano
Area Vice President

Angiomed
J. M. Spicer
General Manager

Bard France
F. Deleplanque
General Manager

Bard Hellas
S. Karagiannoglou
General Manager

Bard Iberia
J. Jorba
General Manager

Bard Limited
S. W. Atkinson
General Manager

Bard Nordic
K. M. Persson
General Manager

CORPORATE DATA

Corporate Offices

730 Central Avenue
Murray Hill, New Jersey 07974
(908) 277-8000
Web site: www.crbard.com

Auditors

KPMG LLP
150 John F. Kennedy Parkway
Short Hills, New Jersey 07078-2778

Stock Listed

New York Stock Exchange
Symbol: BCR

Annual Meeting

10:00 a.m., Wednesday, April 21, 2004
Dolce Hamilton Park
175 Park Avenue
Florham Park, New Jersey 07932

Shareholder Information

All investor relations inquiries or requests for additional or past copies of the company's Annual Report on Form 10-K or Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission should be addressed to:

Eric J. Shick
Vice President – Investor Relations
C. R. Bard, Inc.
730 Central Avenue
Murray Hill, New Jersey 07974
(908) 277-8413

Financial information is also available at www.crbard.com

Proposed Next Four Dividend Dates

2004 Record Date Payment Date

Second	May 3	May 14
Third	July 26	August 6
Fourth	October 25	November 5

2005

First	January 24	February 4
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Registrar and Transfer Agent

EquiServe Trust Company, N.A.
Stockholder Relations
P.O. Box 43069
Providence, Rhode Island 02940-3069
(800) 446-2617
Web site: www.equiserve.com

Please direct inquiries regarding change of address, lost certificates and other share transfer matters to the above address.

DirectSERVICE Program for Shareholders

Registered shareholders and non-shareholders may purchase Bard common stock at any time with a low fee structure compared with normal brokerage fees. Dividends may be reinvested in Bard stock at no cost to the shareholder. The program is a convenient and economical way for shareholders to initiate and increase their investment in Bard through the purchase of shares with voluntary cash payments and all or part of their dividends. Cash payments may be made by mail or through automatic monthly deductions from your bank account.

Direct Deposit of Dividends

Shareholders receiving a dividend check may have payments deposited directly into their checking or savings account at any financial institution participating in the ACH network. Through an Electronic Funds Transfer, your dividend can be deposited electronically on the dividend payment date. There is no charge to shareholders for this service.

For details or enrollment in the DirectSERVICE Program or for direct deposit of dividends, simply contact EquiServe, who administers these programs for Bard. Their address and convenient "800" numbers are shown below.

DirectSERVICE Program
for Shareholders of C. R. Bard, Inc.
c/o EquiServe Trust Company, N.A.
P.O. Box 43081
Providence, Rhode Island 02940-3081
e-mail: equiserve@equiserve.com

Existing shareholders: (800) 446-2617

Non-shareholders inquiring
about the program: (800) 828-1639

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