

Biomet, Inc.

Consolidated Statements of Operations
(In millions, unaudited)

**(Combined)*
Quarter Ended
August 31, 2007**

	<u>As Reported</u>	<i>Special Items (1)</i>	<i>Purchase Accounting (1)</i>	<u>As Adjusted</u>
Net sales	\$537.4			\$537.4
Cost of sales	<u>209.1</u>	<u>\$28.2</u>	<u>\$30.6</u>	<u>150.3</u>
Gross profit	328.3	(28.2)	(30.6)	387.1
<i>Gross profit percent</i>	61.1%			72.0%
Selling, general and administrative	381.5	172.3	-	209.2
Research and development	47.6	23.6	-	24.0
Amortization	45.7	-	45.2	0.5
IPRD	<u>392.8</u>	<u>-</u>	<u>392.8</u>	<u>-</u>
Operating income (loss)	(539.3)	(224.1)	(468.6)	153.4
Interest expense, net	(80.7)	-	-	(80.7)
Other income, net	<u>6.0</u>	<u>-</u>	<u>-</u>	<u>6.0</u>
Income (loss) before income taxes	(614.0)	(224.1)	(468.6)	78.7
Income taxes	<u>(77.2)</u>	<u>(78.3)</u>	<u>(30.1)</u>	<u>31.2</u>
<i>Tax rate</i>	12.6%	34.9%	6.4%	39.6%
Net income (loss)	<u>(\$536.8)</u>	<u>(\$145.8)</u>	<u>(\$438.5)</u>	<u>\$47.5</u>
Depreciation	28.5		1.7	26.8
Amortization	45.7	-	45.2	0.5
Interest expense, net	80.7	-	-	80.7
Other income, net	(6.0)	-	-	(6.0)
Income taxes	<u>(77.2)</u>	<u>(78.3)</u>	<u>(30.1)</u>	<u>31.2</u>
EBITDA	<u>(\$465.1)</u>	<u>(\$224.1)</u>	<u>(\$421.7)</u>	<u>\$180.7</u>

Note - As adjusted EBITDA for the first through the third quarter have changed slightly from what was previously reported primarily as a result of purchase accounting. The results for the 9 months ended February 29, 2008 are consistent with what was previously reported.

(1) See fiscal 2008 press release for descriptions of both special charges and purchase accounting.

* See Non-GAAP Financial Measures Disclosure Below for "Combined" Period Disclosed Herein.

Non-GAAP Financial Measures:

Management uses non-GAAP financial measures, such as net sales, excluding the impact of foreign currency (constant currency), operating income as adjusted, net income as adjusted, Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA (as defined by our bank agreement; the method to calculate this is likely to be different from methods used by other companies). *In addition, information for the period from June 1 to July 11, 2007 ("Predecessor" and the date which the merger of Biomet with a company owned by a consortium of private equity funds occurred, with Biomet as the surviving entity) and July 12 to May 31, 2008 (Successor) periods have been combined and are referred to as "Combined" in the press release and attached schedules. The combined presentation does not comply with U.S. GAAP, but is presented because we believe it provides the most meaningful comparison of our results. The results of the Successor are not comparable to the results of the Predecessor due to the difference in basis of presentation of purchase accounting as compared to historical cost. The term "as adjusted", a non-GAAP financial measure refers to financial performance measures that exclude certain income statement line items, such as interest, taxes, depreciation and amortization and/or excludes certain expenses as defined by our bank agreement, such as: restructuring charges, integration and facilities opening costs or other business optimization expenses, new systems design and implementation costs, certain start-up costs and costs related to consolidation of facilities, certain non-cash charges, advisory fees paid to the private equity owners, certain severance charges, purchase accounting costs, costs associated with stock option accounting, payments to distributors that are not in the ordinary course of business and other related charges. The Company's management believes that the presentation of these measures provides useful information to investors. These measures may assist investors in evaluating the Company's

operations, period over period. Management uses these measures internally for evaluation of the performance of the business, including the allocation of resources and the evaluation of results relative to team member performance compensation targets, including equity incentives. Investors should consider these non-GAAP measures only supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP in the United States.

Biomet, Inc.
Consolidated Statements of Operations
(In millions, unaudited)

	Quarter Ended			As Adjusted
	November 30, 2007			
	As Reported	Special Items (1)	Purchase Accounting (1)	
Net sales	\$607.2			\$607.2
Cost of sales	<u>244.6</u>	\$3.3	\$67.3	<u>174.0</u>
Gross profit	362.6	(3.3)	(67.3)	433.2
<i>Gross profit percent</i>	59.7%			71.3%
Selling, general and administrative	413.2	10.3	171.6	231.3
Research and development	21.9	-	-	21.9
Amortization	92.3	-	92.3	-
IPRD	<u>86.2</u>	-	<u>86.2</u>	-
Operating income (loss)	<u>(251.0)</u>	<u>(13.6)</u>	<u>(417.4)</u>	<u>180.0</u>
Interest expense, net	(148.7)	-	-	(148.7)
Other income, net	<u>(4.9)</u>	-	-	<u>(4.9)</u>
Income (loss) before income taxes	<u>(404.6)</u>	<u>(13.6)</u>	<u>(417.4)</u>	<u>26.4</u>
Income taxes	<u>(102.6)</u>	<u>(5.4)</u>	<u>(107.7)</u>	<u>10.5</u>
<i>Tax rate</i>	25.4%	39.7%	25.8%	39.8%
Net income (loss)	<u><u>(\$302.0)</u></u>	<u><u>(\$8.2)</u></u>	<u><u>(\$309.7)</u></u>	<u><u>\$15.9</u></u>
Depreciation	34.7		3.9	30.8
Amortization	92.3	-	92.3	-
Interest expense, net	148.7	-	-	148.7
Other income, net	4.9	-	-	4.9
Income taxes	<u>(102.6)</u>	<u>(5.4)</u>	<u>(107.7)</u>	<u>10.5</u>
EBITDA	<u><u>(\$124.0)</u></u>	<u><u>(\$13.6)</u></u>	<u><u>(\$321.2)</u></u>	<u><u>\$210.8</u></u>

Note - As adjusted EBITDA for the first through the third quarter have changed slightly from what was previously reported primarily as a result of purchase accounting. The results for the 9 months ended February 29, 2008 are consistent with what was previously reported.

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* See Non-GAAP Financial Measures Disclosure

**Quarter Ended
February 29, 2008**

	<u>As Reported</u>	<u>Special Items (1)</u>	<u>Purchase Accounting (1)</u>	<u>As Adjusted</u>
Net sales	\$603.1			\$603.1
Cost of sales	<u>262.1</u>	<u>\$7.0</u>	<u>\$72.4</u>	<u>182.7</u>
Gross profit	341.0	(7.0)	(72.4)	420.4
<i>Gross profit percent</i>	56.5%			69.7%
Selling, general and administrative	233.3	21.4	-	211.9
Research and development	23.6	1.9	-	21.7
Amortization	89.1	-	89.1	-
IPRD	-	-	-	-
Operating income (loss)	<u>(5.0)</u>	<u>(30.3)</u>	<u>(161.5)</u>	<u>186.8</u>
Interest expense, net	(142.6)	-	-	(142.6)
Other income, net	<u>(1.6)</u>	<u>-</u>	<u>-</u>	<u>(1.6)</u>
Income (loss) before income taxes	<u>(149.2)</u>	<u>(30.3)</u>	<u>(161.5)</u>	<u>42.6</u>
Income taxes	<u>(60.7)</u>	<u>(12.3)</u>	<u>(65.8)</u>	<u>17.4</u>
<i>Tax rate</i>	40.7%	40.6%	40.7%	40.8%
Net income (loss)	<u>(\$88.5)</u>	<u>(\$18.0)</u>	<u>(\$95.7)</u>	<u>\$25.2</u>
Depreciation	34.8		4.5	30.3
Amortization	89.1	-	89.1	-
Interest expense, net	142.6	-	-	142.6
Other income, net	1.6	-	-	1.6
Income taxes	<u>(60.7)</u>	<u>(12.3)</u>	<u>(65.8)</u>	<u>17.4</u>
EBITDA	<u>\$118.9</u>	<u>(\$30.3)</u>	<u>(\$67.9)</u>	<u>\$217.1</u>

Note - As adjusted EBITDA for the first through the third quarter have changed slightly from what was previously reported primarily as a result of purchase accounting. The results for the 9 months ended February 29, 2008 are consistent with what was previously reported.

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* See Non-GAAP Financial Measures Disclosure

Biomet, Inc.
Consolidated Statements of Operations
(In millions, unaudited)

	Quarter Ended			As
	May 31, 2008			
	As Reported	<i>Special Items (1)</i>	<i>Purchase Accounting (1)</i>	Adjusted
Net sales	\$635.6			\$635.6
Cost of sales	<u>201.2</u>	<u>\$4.0</u>	<u>\$4.5</u>	<u>192.7</u>
Gross profit	434.4	(4.0)	(4.5)	442.9
<i>Gross profit percent</i>	68.3%			69.7%
Selling, general and administrative	263.8	25.3	-	238.5
Research and development	23.1	0.9	-	22.2
Amortization	102.7	-	102.7	-
IPRD	-	-	-	-
Operating income (loss)	<u>44.8</u>	<u>(30.2)</u>	<u>(107.2)</u>	<u>182.2</u>
Interest expense, net	(144.6)	-	-	(144.6)
Other income, net	<u>(8.6)</u>	<u>-</u>	<u>-</u>	<u>(8.6)</u>
Income (loss) before income taxes	<u>(108.4)</u>	<u>(30.2)</u>	<u>(107.2)</u>	<u>29.0</u>
Income taxes	<u>(16.9)</u>	<u>(11.2)</u>	<u>(15.9)</u>	<u>10.2</u>
<i>Tax rate</i>	15.6%	37.1%	14.8%	35.2%
Net income (loss)	<u><u>(\$91.5)</u></u>	<u><u>(\$19.0)</u></u>	<u><u>(\$91.3)</u></u>	<u><u>\$18.8</u></u>
Depreciation	42.8		4.5	38.3
Amortization	102.7	-	102.7	-
Interest expense, net	144.6	-	-	144.6
Other income, net	8.6	-	-	8.6
Income taxes	<u>(16.9)</u>	<u>(11.2)</u>	<u>(15.9)</u>	<u>10.2</u>
EBITDA	<u><u>\$190.3</u></u>	<u><u>(\$30.2)</u></u>	<u><u>\$0.0</u></u>	<u><u>\$220.5</u></u>

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