

Wright Medical Group, Inc.
Reconciliation of Net Sales to Net Sales Excluding the Impact of Foreign Currency
(dollars in thousands--unaudited)

	Three Months Ended September 30, 2012		Nine Months Ended September 30, 2012	
	International Net Sales	Total Net Sales	International Net Sales	Total Net Sales
Net sales, as reported	\$ 44,612	\$ 110,363	\$ 155,270	\$ 360,299
Currency impact as compared to prior period	1,739	1,739	4,313	4,313
Net sales, excluding the impact of foreign currency	\$ 46,351	\$ 112,102	\$ 159,583	\$ 364,612

Wright Medical Group, Inc.
Reconciliation of As Reported Results to Non-GAAP Financial Measures
(in thousands, except per share data--unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30, 2012</u>	<u>September 30, 2011</u>	<u>September 30, 2012</u>	<u>September 30, 2011</u>
Operating (Loss) Income				
Operating (loss) income, as reported	\$ (4,016)	\$ (23,104)	\$ 8,921	\$ 488
<i>Reconciling items impacting Gross Profit:</i>				
Non-cash, stock-based compensation	359	356	1,053	1,063
Cost of sales - restructuring	—	1,900	435	1,900
Inventory step-up amortization	48	—	144	—
Employment matters ⁽¹⁾	—	99	—	99
Total	<u>407</u>	<u>2,355</u>	<u>1,632</u>	<u>3,062</u>
<i>Reconciling items impacting Selling, General and Administrative expenses:</i>				
Non-cash, stock-based compensation	2,188	1,715	6,879	5,083
U.S. governmental inquiries/DPA related	1,707	4,974	6,647	9,541
Distributor conversions	416	—	624	—
Employment matters	—	1,783	—	1,783
Product liability	—	13,199	—	13,199
Total	<u>4,311</u>	<u>21,671</u>	<u>14,150</u>	<u>29,606</u>
<i>Reconciling items impacting Research and Development expenses:</i>				
Non-cash, stock-based compensation	147	150	534	542
Employment matters ⁽¹⁾	—	135	—	135
Total	<u>147</u>	<u>285</u>	<u>534</u>	<u>677</u>
<i>Reconciling items impacting Amortization of Intangible Assets</i>				
Amortization of distributor non-competes	1,169	—	1,740	—
<i>Other Reconciling Items:</i>				
Restructuring charges	—	12,132	1,153	12,132
Operating income, as adjusted	<u>\$ 2,018</u>	<u>\$ 13,339</u>	<u>\$ 28,130</u>	<u>\$ 45,965</u>
Operating income, as adjusted, as a percentage of net sales	<u>1.8%</u>	<u>11.3%</u>	<u>7.8%</u>	<u>11.9%</u>

(1) Costs associated with settlement of certain employment matters and the hiring of a new CEO.

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(in thousands, except per share data--unaudited)

	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>September 30, 2012</u>	<u>September 30, 2011</u>	<u>September 30, 2012</u>	<u>September 30, 2011</u>
Net (Loss) Income				
(Loss) income before taxes, as reported	\$ (8,617)	\$ (24,627)	\$ 618	\$ (9,061)
<i>Pre-tax impact of reconciling items:</i>				
Non-cash, stock-based compensation	2,694	2,221	8,466	6,688
U.S. governmental inquiries/DPA related	1,707	4,974	6,647	9,541
Restructuring charges	—	14,032	1,588	14,032
Inventory step-up amortization	48	—	144	—
Distributor conversion and non-competes	1,585	—	2,364	—
Loss on interest rate swap termination	1,769	—	1,769	—
Non-cash interest expense on 2017 Convertible Notes	687	—	687	—
Derivatives mark-to-market adjustment	(2,330)	—	(2,330)	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	2,721	—	2,721	—
Employment matters (1)	—	2,017	—	2,017
Product liability provision	—	13,199	—	13,199
Write-off of deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	4,099
Income before taxes, as adjusted	264	11,816	22,674	40,515
(Benefit) provision for income taxes, as reported				
Non-cash, stock-based compensation	1,305	744	2,689	2,093
U.S. governmental inquiries/DPA related	146	1,873	2,295	3,371
Restructuring charges	—	4,574	620	4,574
Inventory step-up amortization	19	—	56	—
Distributor conversion and non-competes	477	—	816	—
Loss on interest rate swap termination	691	—	691	—
Non-cash interest expense on 2017 Convertible Notes	268	—	268	—
Derivatives mark-to-market adjustment	(910)	—	(910)	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	1,063	—	1,063	—
Employment matters ⁽¹⁾	—	720	—	720
Product liability provision	—	4,740	—	4,740
Write-off of deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	1,599
(Benefit) provision for income taxes, as adjusted	\$ (219)	\$ 4,069	\$ 8,274	\$ 14,342
Effective tax rate, as adjusted	(83.0%)	34.4 %	36.5 %	35.4 %
Net income, as adjusted	\$ 483	\$ 7,747	\$ 14,400	\$ 26,173

(1) Costs associated with settlement of certain employment matters and the hiring of a new CEO.

Wright Medical Group, Inc.
Reconciliation of As Reported Results to Non-GAAP Financial Measures
(continued)

	Three Months Ended		Three Months Ended	
	September 30, 2012		September 30, 2011	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net (loss) income	\$ (5,339)	\$ 483	\$ (16,045)	\$ 7,747
Interest expense on 2014 convertible notes	N/A	N/A	N/A	137
Diluted net (loss) income	\$ (5,339)	\$ 483	\$ (16,045)	\$ 7,884
Basic shares	38,907	38,907	38,406	38,406
Dilutive effect of stock options and restricted shares	N/A	379	—	130
Dilutive effect of 2014 convertible notes	N/A	N/A	N/A	891
Diluted shares	38,907	39,286	38,406	39,427
Net (loss) income per share, diluted	\$ (0.14)	\$ 0.01	\$ (0.42)	\$ 0.20
	Nine Months Ended		Nine Months Ended	
	September 30, 2012		September 30, 2011	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net income (loss)	\$ (68)	\$ 14,400	\$ (6,306)	\$ 26,173
Interest expense on 2014 convertible notes	N/A	N/A	N/A	1,066
Diluted net income (loss)	\$ (68)	\$ 14,400	\$ (6,306)	\$ 27,239
Basic shares	38,706	38,706	38,228	38,228
Dilutive effect of stock options and restricted shares	N/A	374	—	149
Dilutive effect of 2014 convertible notes	N/A	N/A	N/A	2,249
Diluted shares	38,706	39,080	38,228	40,626
Net income (loss) per share, diluted	\$ (0.00)	\$ 0.37	\$ (0.16)	\$ 0.67
	Three Months Ended		Nine Months Ended	
	September 30,	September 30,	September 30,	September 30,
	2012	2011	2012	2011
Net (Loss) Income per Diluted Share				
Net (loss) income, as reported, per diluted share	\$ (0.14)	\$ (0.42)	\$ (0.00)	\$ (0.16)
Interest expense on convertible notes	N/A	—	0.00	0.03
Effect of convertible notes on diluted shares	N/A	0.01	0.00	0.01
Non-cash, stock-based compensation	0.04	0.04	0.15	0.11
U.S. governmental inquiries/DPA related	0.04	0.08	0.12	0.15
Restructuring charges	—	0.24	0.02	0.23
Inventory step-up amortization	0.00	—	0.00	—
Distributor conversion and non-competes	0.03	—	0.04	—
Loss on interest rate swap termination	0.03	—	0.03	—
Non-cash interest expense on 2017 Convertible Notes	0.01	—	0.01	—
Derivatives mark-to-market adjustment	(0.04)	—	(0.04)	—
Write-off deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	0.04	—	0.04	—
Employment matters ⁽¹⁾	—	0.03	—	0.03
Product liability provision	—	0.22	—	0.21
Write-off deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	0.06
Net income, as adjusted, per diluted share	\$ 0.01	\$ 0.20	\$ 0.37	\$ 0.67

Wright Medical Group, Inc.
Reconciliation of Free Cash Flow
(dollars in thousands--unaudited)

	Three Months Ended		Nine Months Ended	
	September 30, 2012	September 30, 2011	September 30, 2012	September 30, 2011
Net cash provided by operating activities	16,639	9,770	57,752	48,786
Capital expenditures	(4,718)	(11,822)	(13,291)	(35,198)
Free cash flow	11,921	(2,052)	44,461	13,588