

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

	Three Months Ended December 31, 2012		Twelve Months Ended December 31, 2012	
	International Net Sales	Total Net Sales	International Net Sales	Total Net Sales
Net sales, as reported	\$ 52,820	\$ 123,477	\$ 208,090	\$ 483,776
Currency impact as compared to prior period	1,030	1,030	5,346	5,346
Net sales, excluding the impact of foreign currency	<u>\$ 53,850</u>	<u>\$ 124,507</u>	<u>\$ 213,436</u>	<u>\$ 489,122</u>

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Operating Income				
Operating income, as reported	\$ 15,223	\$ 4,105	\$ 24,144	\$ 4,593
<i>Reconciling items impacting Gross Profit:</i>				
Non-cash, stock-based compensation	347	349	1,401	1,412
Cost of sales - restructuring	—	571	435	2,471
Employment matters ⁽¹⁾	—	—	—	99
Inventory step-up amortization	16	32	158	32
Total	363	952	1,994	4,014
<i>Reconciling items impacting Selling, General and Administrative expense:</i>				
Non-cash, stock-based compensation	2,018	1,945	8,898	7,028
U.S. governmental inquiries/DPA related	(54)	3,379	6,593	12,920
Distributor conversions	403	—	1,027	—
Due diligence and transactions costs	1,798	—	1,798	—
Employment matters ⁽¹⁾	—	—	—	1,783
Product liability insurance recovery	(2,432)	—	(2,432)	—
Product liability provision	—	—	—	13,199
Total	1,733	5,324	15,884	34,930
<i>Reconciling items impacting Amortization of Intangible Assets:</i>				
Amortization of distributor non-competes	1,290	—	3,029	—
<i>Reconciling items impacting Research and Development expense:</i>				
Non-cash, stock-based compensation	141	126	675	668
Employment matters ⁽¹⁾	—	—	—	135
Total	141	126	675	803
<i>Other Reconciling Items:</i>				
Gain on sale of intellectual property	(15,000)	—	(15,000)	—
Restructuring charges	—	2,273	1,153	14,405
Operating income, as adjusted	\$ 3,750	\$ 12,780	\$ 31,879	\$ 58,745
Operating income, as adjusted, as a percentage of net sales	3.0%	10.1%	6.6%	11.5%

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

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	Three Months Ended		Twelve Months Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Net Income				
Income (loss) before taxes, as reported	\$ 7,943	\$ 2,406	\$ 8,561	\$ (6,655)
<i>Pre-tax impact of reconciling items:</i>				
Non-cash, stock-based compensation	2,507	2,420	10,974	9,108
U.S. governmental inquiries/DPA related	(54)	3,379	6,593	12,920
Restructuring charges	—	2,844	1,588	16,876
Inventory step-up amortization	16	32	158	32
Distributor conversion and non-competes	1,693	—	4,055	—
Loss on interest rate swap termination	—	—	1,769	—
Non-cash interest expense on 2017 Convertible Notes	2,086	—	2,773	—
Derivatives mark-to-market adjustment	3,472	—	1,142	—
Due diligence and transactions costs	1,798	—	1,798	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	2,721	—
Employment matters ⁽¹⁾	—	—	—	2,017
Product liability insurance recovery	(2,432)	—	(2,432)	—
Product liability provision	—	—	—	13,199
Gain on sale of intellectual property	(15,000)	—	(15,000)	—
Deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	4,099
Income before taxes, as adjusted	2,029	11,081	24,700	51,596
Provision (benefit) for income taxes, as reported	\$ 2,591	\$ 1,243	\$ 3,277	\$ (1,512)
Non-cash, stock-based compensation	1,078	853	3,767	2,946
U.S. governmental inquiries/DPA related	85	1,754	2,380	5,125
Restructuring charges	—	1,591	620	6,165
Inventory step-up amortization	1	12	57	12
Distributor conversion and non-competes	661	—	1,456	—
Loss on interest rate swap termination	—	—	691	—
Non-cash interest expense on 2017 Convertible Notes	727	—	996	—
Derivatives mark-to-market adjustment	1,310	—	420	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	1,063	—
Employment matters ⁽¹⁾	—	—	—	720
Product liability insurance recovery	(853)	—	(853)	—
Product liability provision	—	—	—	4,740
Gain on sale of intellectual property	(5,387)	—	(5,387)	—
Deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	1,599
IRS audit liability	—	(1,041)	—	(1,041)
Provision for income taxes, as adjusted	\$ 213	\$ 4,412	\$ 8,487	\$ 18,754
Effective tax rate, as adjusted	10.5%	39.8%	34.4%	36.3%
Net income, as adjusted	\$ 1,816	\$ 6,669	\$ 16,213	\$ 32,842

(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	
	December 31, 2012		December 31, 2011	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net income	\$ 5,352	\$ 1,816	\$ 1,163	\$ 6,669
Interest expense on convertible notes	N/A	N/A	N/A	137
Diluted net income	\$ 5,352	\$ 1,816	\$ 1,163	\$ 6,806
Basic shares	38,959	38,959	38,430	38,430
Dilutive effect of stock options and restricted shares	383	383	243	243
Dilutive effect of convertible notes	N/A	N/A	N/A	891
Diluted shares	39,342	39,342	38,673	39,564
Net income per share, diluted	\$ 0.14	\$ 0.05	\$ 0.03	\$ 0.17

	Twelve Months Ended		Twelve Months Ended	
	December 31, 2012		December 31, 2011	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net income (loss)	\$ 5,284	\$ 16,213	\$ (5,143)	\$ 32,842
Interest expense on convertible notes	N/A	N/A	N/A	1,203
Diluted net income	\$ 5,284	\$ 16,213	\$ (5,143)	\$ 34,045
Basic shares	38,769	38,769	38,279	38,279
Dilutive effect of stock options and restricted shares	317	317	N/A	136
Dilutive effect of convertible notes	N/A	N/A	N/A	1,909
Diluted shares	39,086	39,086	38,279	40,324
Net income per share, diluted	\$ 0.14	\$ 0.41	\$ (0.13)	\$ 0.84

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Net Income per Diluted Share				
Net income (loss), as reported, per diluted share	\$ 0.14	\$ 0.03	\$ 0.14	\$ (0.13)
Interest expense on convertible notes	N/A	0.00	N/A	0.03
Effect of convertible notes on diluted shares	N/A	(0.00)	N/A	0.01
Non-cash, stock-based compensation	0.04	0.04	0.18	0.15
U.S. governmental inquiries/DPA related	0.00	0.04	0.11	0.19
Restructuring charges	—	0.03	0.02	0.27
Inventory step-up amortization	0.00	0.00	0.00	0.00
Distributor conversion and non-competes	0.03	—	0.07	—
Loss on interest rate swap termination	—	—	0.03	—
Non-cash interest expense on 2017 Convertible Notes	0.03	—	0.05	—
Derivatives mark-to-market adjustment	0.05	—	0.02	—
Due diligence and transactions costs	0.05	—	0.05	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	0.04	—
Employment matters ⁽¹⁾	—	—	—	0.03
Product liability insurance recovery	(0.04)	—	(0.04)	—
Product liability provision	—	—	—	0.21
Gain on sale of intellectual property	(0.24)	—	(0.25)	—
Deferred financing fees and transaction costs associated with Convertible Notes Tender Offer	—	—	—	0.06
IRS audit liability	—	0.03	—	0.03
Net income, as adjusted, per diluted share ⁽²⁾	\$ 0.05	\$ 0.17	\$ 0.41	\$ 0.84

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

(2) Reconciling items may not add to total net income, as adjusted, per diluted share due to rounding differences.

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
Net cash provided by operating activities	11,070	12,655	68,822	61,441
Capital expenditures	(6,032)	(11,759)	(19,323)	(46,957)
Free cash flow	5,038	896	49,499	14,484