

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2013		December 31, 2013	
	International	Total	International	Total
	Net Sales	Net Sales	Net Sales	Net Sales
Net sales, as reported	\$ 18,575	\$ 67,824	\$ 64,682	\$ 242,330
Currency impact as compared to prior period	294	294	1,237	1,237
Net sales, excluding the impact of foreign currency	\$ 18,869	\$ 68,118	\$ 65,919	\$ 243,567

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,	December 31,	December 31,	December 31,
	2013	2012⁽¹⁾	2013	2012⁽¹⁾
Operating Income from Continued Operations				
Operating (loss) income, as reported	\$ (23,240)	\$ 11,784	\$ (282,206)	\$ 11,817
<i>Reconciling items impacting Gross Profit:</i>				
Inventory step-up amortization	278	16	777	160
BioMimetic inventory write-down	1,301	—	2,280	—
Total	1,579	16	3,057	160
<i>Reconciling items impacting Selling, General and Administrative expense:</i>				
Distributor conversions	129	403	932	1,027
Transition costs - OrthoRecon divestiture	7,745	—	21,612	—
Due diligence, transaction and transition costs - BioMimetic & Biotech ⁽²⁾	2,270	1,798	12,893	1,798
Total	10,144	2,201	35,437	2,825
<i>Reconciling items impacting Amortization of Intangible Assets:</i>				
Amortization of distributor non-competes	630	812	2,802	1,946
<i>Reconciling items impacting Research and Development expense:</i>				
BioMimetic impairment charges	—	—	206,249	—
Total	—	—	206,249	—
<i>Other Reconciling Items:</i>				
Gain on sale of intellectual property	—	(15,000)	—	(15,000)
Restructuring charges	—	—	—	430
Operating (loss) income, as adjusted	\$ (10,887)	\$ (187)	\$ (34,661)	\$ 2,178
Operating (loss) income, as adjusted, as a percentage of net sales	(16.1)%	(0.3)%	(14.3)%	1.0%

- (1) Beginning in 2013, we do not adjust reported earnings for non-cash stock-based compensation expense in calculating adjusted earnings. 2012 adjusted earnings have been recast to reflect this change.
- (2) For the twelve months ended December 31, 2013, amount includes \$2.3 million of non-cash stock-based compensation expense related to the conversion of BioMimetic options to Wright Medical options.

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, 2013	December 31, 2012	December 31, 2013	December 31, 2012
EBITDA from Continuing Operations				
Net income, as reported	\$ (135,211)	\$ 1,644	\$ (280,168)	\$ (3,387)
Interest expense, net	4,061	3,910	16,040	10,113
Provision for income taxes	110,462	2,702	49,765	2
Depreciation	4,120	3,807	14,384	14,815
Amortization of intangible assets	1,750	1,491	7,476	4,417
EBITDA	<u>(14,818)</u>	<u>13,554</u>	<u>(192,503)</u>	<u>25,960</u>
<i>Reconciling items impacting EBITDA</i>				
Non-cash stock-based compensation expense ⁽¹⁾	2,481	1,845	9,658	7,839
Other (income) expense, net	(2,552)	3,528	(67,843)	5,089
Inventory step-up amortization	278	16	777	160
Distributor conversions	129	403	932	1,027
Due diligence, transaction and transition costs	10,015	1,798	34,505	1,798
BioMimetic impairment and other charges	1,301	—	208,529	—
Gain on sale of intellectual property	—	(15,000)	—	(15,000)
Restructuring charges	—	—	—	430
Adjusted EBITDA	<u>\$ (3,166)</u>	<u>\$ 6,144</u>	<u>\$ (5,945)</u>	<u>\$ 27,303</u>
Adjusted EBITDA as a percentage of net sales	<u>(4.7)%</u>	<u>10.5%</u>	<u>(2.5)%</u>	<u>12.8%</u>

(1) For the twelve months ended December 31, 2013, amount excludes \$2.3 million of non-cash stock-based compensation expense related to the conversion of BioMimetic options to Wright Medical options.

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, 2013	December 31, 2012 ⁽¹⁾	December 31, 2013	December 31, 2012 ⁽¹⁾
Net Income				
(Loss) income from continuing operations before taxes, as reported	\$ (24,749)	\$ 4,346	\$ (230,403)	\$ (3,385)
<i>Pre-tax impact of reconciling items:</i>				
Restructuring charges	—	—	—	430
Inventory step-up amortization	278	16	777	160
Distributor conversion and non-competes	759	1,215	3,734	2,973
Loss on interest rate swap termination	—	—	—	1,769
Non-cash interest expense on 2017 Convertible Notes	2,222	2,086	8,678	2,773
Derivatives mark-to-market adjustment	(2,000)	3,472	1,000	1,142
Transition costs - OrthoRecon divestiture	7,745	—	21,612	—
Due diligence, transaction and transition costs - BioMimetic & Biotech ⁽²⁾	2,270	1,798	12,893	1,798
BioMimetic impairment and other charges and CVR mark-to-market adjustments	460	—	147,381	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	—	2,721
Gain on previously held investment in BioMimetic	—	—	(7,798)	—
Gain on sale of intellectual property	—	(15,000)	—	(15,000)
Loss from continuing operations before taxes, as adjusted	(13,015)	(2,067)	(42,126)	(4,619)
Provision for income taxes, as reported	\$ 110,462	\$ 2,702	\$ 49,765	\$ 2
Restructuring charges	—	—	—	164
Inventory step-up amortization	103	1	295	57
Distributor conversion and non-competes	307	474	1,459	1,155
Loss on interest rate swap termination	—	—	—	691
Non-cash interest expense on 2017 Convertible Notes	849	727	3,390	996
Derivatives mark-to-market adjustment	(790)	1,310	391	420
Transition costs - OrthoRecon divestiture	3,025	—	8,442	—
Due diligence, transaction and transition costs - BioMimetic & Biotech ⁽²⁾	257	—	2,728	—
BioMimetic impairment and other charges and CVR mark-to-market adjustments	274	—	36,247	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	—	1,063
Valuation allowance	(119,623)	—	(119,623)	—
Gain on sale of intellectual property	—	(5,387)	—	(5,387)
Benefit for income taxes, as adjusted	\$ (5,136)	\$ (173)	\$ (16,906)	\$ (839)
Effective tax rate, as adjusted	39.5%	8.4%	40.1%	18.2%
Net loss from continuing operations, as adjusted	\$ (7,879)	\$ (1,894)	\$ (25,220)	\$ (3,780)
Net income from discontinued operations, as reported	\$ 182	\$ 3,708	\$ 6,223	\$ 8,671
Reconciling items related to discontinued operations, net of tax ⁽³⁾	\$ 2,259	\$ (1,428)	\$ (2,538)	\$ 4,115
Net (loss) income, as adjusted	\$ (5,438)	\$ 386	\$ (21,535)	\$ 9,006

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- (1) Beginning in 2013, we do not adjust reported earnings for non-cash stock-based compensation expense in calculating adjusted earnings. 2012 adjusted earnings have been recast to reflect this change.
 - (2) For the twelve months ended December 31, 2013, amount includes \$2.3 million of non-cash stock-based compensation expense related to the conversion of BioMimetic options to Wright Medical options.
 - (3) For the three month periods ended December 31, 2013 and 2012, amounts include the after tax impacts of \$0.6 million and \$0 of U.S. governmental inquiries and DPA costs, \$0.3 million and \$0.5 million of amortization of distributor non-competes, \$2.9 million and \$0 of transaction costs associated with the OrthoRecon divestiture, and \$0 and a \$2.4 million increase to management's estimate of the Company's probable insurance recovery for previously recognized costs associated with product liability claims. For the twelve month periods ended December 31, 2013 and 2012, amounts include \$2.9 million and \$6.6 million of U.S. governmental inquiries and DPA costs, \$1.5 million and \$1.1 million of amortization of distributor non-competes, \$10.9 million and \$0 of transaction costs associated with the OrthoRecon divestiture, a gain of \$19.4 million and \$2.4 for estimated product liability insurance recoveries, and \$0 and \$1.2 million of restructuring charges, respectively.

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

	Three Months Ended December 31, 2013		Three Months Ended December 31, 2012 ⁽¹⁾	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net (loss) income from continuing operations	\$ (135,211)	\$ (7,879)	\$ 1,644	\$ (1,894)
Interest expense on convertible notes	N/A	N/A	N/A	N/A
Diluted net (loss) income from continuing operations	\$ (135,211)	\$ (7,879)	\$ 1,644	\$ (1,894)
Diluted net income from discontinued operations	182	2,441	3,708	2,280
Diluted net (loss) income	(135,029)	(5,438)	5,352	386
Basic shares	46,897	46,897	38,959	38,959
Dilutive effect of stock options and restricted shares	N/A	N/A	383	383
Dilutive effect of convertible notes	N/A	N/A	N/A	N/A
Diluted shares	46,897	46,897	39,342	39,342
Net (loss) income from continued operations per share, diluted	\$ (2.88)	\$ (0.17)	\$ 0.04	\$ (0.05)
Net income from discontinued operations per share, diluted	\$ 0.00	\$ 0.05	\$ 0.09	\$ 0.06
Net (loss) income per share – diluted	\$ (2.88)	\$ (0.12)	\$ 0.14	\$ 0.01

(1) Beginning in 2013, we do not adjust reported earnings for non-cash stock-based compensation expense in calculating adjusted earnings. 2012 adjusted earnings have been recast to reflect this change.

	Twelve Months Ended December 31, 2013		Twelve Months Ended December 31, 2012 ⁽¹⁾	
	<u>As Reported</u>	<u>As Adjusted</u>	<u>As Reported</u>	<u>As Adjusted</u>
Basic net (loss) income from continuing operations	\$ (280,168)	\$ (25,220)	\$ (3,387)	\$ (3,780)
Interest expense on convertible notes	N/A	N/A	N/A	N/A
Diluted net loss from continuing operations	\$ (280,168)	\$ (25,220)	\$ (3,387)	\$ (3,780)
Diluted net income from discontinued operations	6,223	3,685	8,671	12,786
Diluted net (loss) income	(273,945)	(21,535)	5,284	9,006
Basic shares	45,265	45,265	38,769	38,769
Dilutive effect of stock options and restricted shares	N/A	N/A	317	317
Dilutive effect of convertible notes	N/A	N/A	N/A	N/A
Diluted shares	45,265	45,265	39,086	39,086
Net loss from continued operations per share, diluted	\$ (6.19)	\$ (0.56)	\$ (0.09)	\$ (0.10)
Net income from discontinued operations per share, diluted	\$ 0.14	\$ 0.08	\$ 0.22	\$ 0.33
Net (loss) income per share – diluted	\$ (6.05)	\$ (0.48)	\$ 0.14	\$ 0.23

(1) Beginning in 2013, we do not adjust reported earnings for non-cash stock-based compensation expense in calculating adjusted earnings. 2012 adjusted earnings have been recast to reflect this change.

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

	Three Months Ended		Twelve Months Ended	
	December 31, 2013	December 31, 2012 ⁽¹⁾	December 31, 2013	December 31, 2012 ⁽¹⁾
Net Income per Diluted Share				
Net (loss) income from continuing operations, as reported, per diluted share	\$ (2.88)	\$ 0.04	\$ (6.19)	\$ (0.09)
Interest expense on convertible notes	N/A	N/A	N/A	N/A
Effect of convertible notes on diluted shares	N/A	N/A	N/A	N/A
Restructuring charges	—	—	—	—
Inventory step-up amortization	0.00	0.00	0.01	0.00
Distributor conversion and non-competes	0.01	0.02	0.05	0.05
Loss on interest rate swap termination	—	—	—	0.03
Non-cash interest expense on 2017 Convertible Notes	0.03	0.03	0.12	0.05
Derivatives mark-to-market adjustment	(0.03)	0.05	0.01	0.02
Transition costs - OrthoRecon divestiture	0.10	—	0.29	—
Due diligence, transaction and transition costs - BioMimetic & Biotech	0.04	0.05	0.22	0.05
BioMimetic impairment and other charges and CVR mark-to-market adjustments	0.00	—	2.46	—
Write-off of deferred financing fees associated with Senior Credit Facility and 2014 Convertible Notes	—	—	—	0.04
Gain on previously held investment in BioMimetic	—	—	(0.17)	—
Valuation allowance	2.55	—	2.64	—
Gain on sale of intellectual property	—	(0.24)	—	(0.25)
Net loss, as adjusted, per diluted share ⁽²⁾	\$ (0.17)	\$ (0.05)	\$ (0.56)	\$ (0.10)

(1) Beginning in 2013, we do not adjust reported earnings for non-cash stock-based compensation expense in calculating

adjusted earnings. 2012 adjusted earnings have been recast to reflect this change.

(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, 2013	December 31, 2012	December 31, 2013	December 31, 2012
Net cash (used in) provided by operating activities	(42,322)	11,070	(36,601)	68,822
Capital expenditures	(15,018)	(6,032)	(37,530)	(19,323)
Free cash flow	(57,340)	5,038	(74,131)	49,499