

ZIMMER BIOMET HOLDINGS, INC.
Reconciliation of Operating Profit & Margin to Adjusted Operating Profit & Margin
For the Quarterly and Year-to-Date Periods in Calendar Year Ending December 31, 2016
(in millions, unaudited)

	<u>Three Months Ended March 31, 2016</u>	<u>Three Months Ended June 30, 2016</u>	<u>Three Months Ended September 30, 2016</u>	<u>Three Months Ended December 31, 2016</u>	<u>Year Ended December 31, 2016</u>
Operating profit	\$ 245.5	\$ 201.6	\$ 195.5	\$ 185.3	\$ 827.9
Inventory step-up and other inventory and manufacturing related charges	178.3	156.6	22.8	104.5	462.2
Intangible asset amortization	126.6	133.8	164.3	141.2	565.9
Special items	<u>88.7</u>	<u>137.9</u>	<u>170.4</u>	<u>219.7</u>	<u>616.7</u>
Adjusted operating profit	<u>\$ 639.1</u>	<u>\$ 629.9</u>	<u>\$ 553.0</u>	<u>\$ 650.7</u>	<u>\$ 2,472.7</u>
Operating profit margin	12.9 %	10.4 %	10.7 %	9.2 %	10.8
Inventory step-up and other inventory and manufacturing related charges	9.4	8.1	1.2	5.2	6.0
Intangible asset amortization	6.6	6.9	9.0	7.0	7.4
Special items	<u>4.7</u>	<u>7.2</u>	<u>9.3</u>	<u>10.9</u>	<u>8.0</u>
Adjusted operating profit margin	<u>33.6 %</u>	<u>32.6 %</u>	<u>30.2 %</u>	<u>32.3 %</u>	<u>\$ 32.2</u>

ZIMMER BIOMET HOLDINGS, INC.
Reconciliation of Operating Profit (Loss) & Margin to Adjusted Operating Profit (Loss) & Margin
For the Quarterly and Annual Periods in Calendar Year Ending December 31, 2015
(in millions, unaudited)

	<u>Three Months Ended March 31, 2015</u>	<u>Three Months Ended June 30, 2015</u>	<u>Three Months Ended September 30, 2015</u>	<u>Three Months Ended December 31, 2015</u>	<u>Year Ended December 31, 2015</u>
Operating profit (loss)	\$ 269.9	\$ (132.1)	\$ 116.0	\$ 213.5	\$ 467.3
Inventory step-up and other inventory and manufacturing related charges	3.9	14.7	132.6	197.6	348.8
Intangible asset amortization	20.4	33.0	122.6	161.4	337.4
Certain claims	-	7.7	-	-	7.7
Special items	<u>86.8</u>	<u>469.2</u>	<u>195.9</u>	<u>79.9</u>	<u>831.8</u>
Adjusted operating profit	<u>\$ 381.0</u>	<u>\$ 392.5</u>	<u>\$ 567.1</u>	<u>\$ 652.4</u>	<u>\$ 1,993.0</u>
Operating profit (loss) margin	23.8 %	(11.3) %	6.6 %	11.0 %	7.8 %
Inventory step-up and other inventory and manufacturing related charges	0.3	1.3	7.5	10.3	5.8
Intangible asset amortization	1.8	2.8	7.0	8.3	5.6
Certain claims	-	0.7	-	-	0.1
Special items	<u>7.7</u>	<u>40.1</u>	<u>11.1</u>	<u>4.1</u>	<u>13.9</u>
Adjusted operating profit margin	<u>33.6 %</u>	<u>33.6 %</u>	<u>32.2 %</u>	<u>33.7 %</u>	<u>33.2 %</u>