

**THE FOLLOWING TABLES ILLUSTRATE THE IMPACTS TO THE COMPANY'S PREVIOUSLY REPORTED RESULTS
AS FILED WITH THE SEC RESULTING FROM THE ADOPTION OF ASC 606
(in thousands except per share data)**

Revenue (grouping conformed to 2017 Guidance)	2016 FY	Q117	Q217	Q317	Q417	2017 FY	% Growth
U.S. Spinal Hardware & Other	551,469	139,375	141,857	135,169	148,424	564,825	2.4%
U.S. Surgical Support & Other	271,856	71,721	71,966	63,722	70,910	278,319	2.4%
International (including Puerto Rico)	138,747	38,768	46,750	48,540	52,318	186,376	34.3%
Total Revenue	962,072	249,864	260,573	247,431	271,652	1,029,520	7.0%

Revenue grouping reclass adjustments effective January 1, 2018	2016 FY	Q117	Q217	Q317	Q417	2017 FY	% Growth
U.S. Spinal Hardware & Other	9,144	2,123	2,086	1,742	1,787	7,738	*
U.S. Surgical Support & Other	(9,144)	(2,123)	(2,086)	(1,742)	(1,787)	(7,738)	*
International (including Puerto Rico)	-	-	-	-	-	-	*
Total Revenue	-	-	-	-	-	-	*

Revenue guidance ASC 606 adjustments effective January 1, 2018	2016 FY	Q117	Q217	Q317	Q417	2017 FY	% Growth
U.S. Spinal Hardware & Other	60	(851)	(1,174)	(380)	(430)	(2,835)	*
U.S. Surgical Support & Other	-	-	-	-	-	-	*
International (including Puerto Rico)	-	-	-	-	-	-	*
Total Revenue	60	(851)	(1,174)	(380)	(430)	(2,835)	*

Revenue (grouping conformed to 2018 Guidance)	2016 FY	Q117	Q217	Q317	Q417	2017 FY	% Growth
U.S. Spinal Hardware & Other	560,673	140,647	142,769	136,531	149,781	569,728	1.6%
U.S. Surgical Support & Other	262,712	69,598	69,880	61,980	69,123	270,581	3.0%
International (including Puerto Rico)	138,747	38,768	46,750	48,540	52,318	186,376	34.3%
Total Revenue	962,132	249,013	259,399	247,051	271,222	1,026,685	6.7%

IMPACT OF ASC 606

	2016 FY	Q117	Q217	Q317	Q417	2017 FY
Revenue	60	(851)	(1,174)	(380)	(430)	(2,835)
Cost of goods sold (excluding below amortization of intangible assets)	12	(170)	(235)	(76)	(86)	(567)
Gross profit	48	(681)	(939)	(304)	(344)	(2,268)
GAAP Gross margin %	80.0%	80.0%	80.0%	80.0%	80.0%	80.0%
Sales, Marketing & Administrative (SM&A)	(24)	(134)	(142)	(151)	21	(406)
GAAP Operating Expenses	(24)	(134)	(142)	(151)	21	(406)
GAAP Operating Profit (Loss)	72	(547)	(797)	(153)	(365)	(1,862)
GAAP income (loss) before income taxes	72	(547)	(797)	(153)	(365)	(1,862)
GAAP income tax expense (benefit) rate	37.5%	(37.5%)	(38.0%)	(41.8%)	32.3%	(24.4%)
GAAP income tax (expense) benefit	(27)	205	303	64	(118)	454
GAAP Net Income (Loss)	45	(342)	(494)	(89)	(483)	(1,408)

RECASTED TO CONFORM TO GUIDANCE IN ASC 606

	2016 FY	Q117	Q217	Q317	Q417	2017 FY
Revenue	962,132	249,013	259,399	247,051	271,222	1,026,685
Cost of goods sold (excluding below amortization of intangible assets)	240,105	61,443	66,186	65,507	75,305	268,441
Gross profit	722,027	187,570	193,213	181,544	195,917	758,244
GAAP Gross margin %	75.0%	75.3%	74.5%	73.5%	72.2%	73.9%
Sales, Marketing & Administrative (SM&A)	533,600	140,368	138,967	125,649	134,523	539,507
Research and Development (R&D)	47,999	12,414	12,572	12,720	12,719	50,425
Amortization of intangible assets	42,001	12,061	11,349	11,630	12,999	48,039
Litigation liability (gain) loss ¹	(43,310)	-	-	750	3,750	4,500
Business Transition Costs ²	18,138	55	1,369	345	2,518	4,287
GAAP Operating Expenses	598,428	164,898	164,257	151,094	166,509	646,758
GAAP Operating Profit (Loss)	123,599	22,672	28,956	30,450	29,408	111,486
Interest and other expense, net	(58,819)	(9,404)	(10,445)	(8,958)	(10,316)	(39,123)
GAAP income (loss) before income taxes	64,780	13,268	18,511	21,492	19,092	72,363
GAAP income tax expense (benefit) rate	45.2%	9.7%	36.6%	(54.0%)	(20.7%)	(10.4%)
GAAP income tax (expense) benefit	(29,309)	(1,285)	(6,776)	11,604	3,949	7,492
Add back Net Loss attributable to Non-Controlling Interest	(1,721)	(443)	(432)	(432)	(436)	(1,743)
GAAP Net Income (Loss)	37,192	12,426	12,167	33,528	23,477	81,598
GAAP WASO	54,102	57,786	58,330	52,794	51,857	55,193
GAAP EPS	\$ 0.69	\$ 0.22	\$ 0.21	\$ 0.64	\$ 0.45	\$ 1.48
	2016 FY					2017 FY
GAAP Net Income / (Loss)	37,192	12,426	12,167	33,528	23,477	81,598
Interest (Income) / Expense, net	39,429	9,662	9,944	8,819	9,156	37,581
Loss on repurchases of convertible notes	19,085	-	-	-	-	-
GAAP income tax (expense) benefit	(29,309)	(1,285)	(6,776)	11,604	3,949	7,492
Depreciation and amortization ³	101,438	29,158	28,856	29,858	32,055	119,927
EBITDA Margin	226,453	52,531	57,743	60,601	60,739	231,614
EBITDA Margin %	23.5%	21.1%	22.3%	24.5%	22.4%	22.6%
Stock based compensation	26,924	7,017	8,394	(427)	7,407	22,391
Litigation liability (gain) loss ¹	(43,310)	-	-	750	3,750	4,500
Non-cash purchase accounting related charges ⁴	14,747	-	-	136	404	540
Business Transition Costs ²	18,138	55	1,369	345	2,518	4,287
Adjusted EBITDA	242,952	59,603	67,506	61,405	74,818	263,332
Adjusted EBITDA Margin %	25.3%	23.9%	26.0%	24.9%	27.6%	25.6%
GAAP Gross Profit	722,027	187,570	193,213	181,544	195,917	758,244
Non-cash purchase accounting related charges ⁴	14,747	-	-	136	404	540
Non-GAAP Gross Profit	736,774	187,570	193,213	181,680	196,321	758,784
% of revenue	76.6%	75.3%	74.5%	73.5%	72.4%	73.9%
Non-GAAP SM&A	533,600	140,368	138,967	125,649	134,523	539,507
% of revenue	55.5%	56.4%	53.6%	50.9%	49.6%	52.5%
Non-GAAP R&D	47,999	12,414	12,572	12,720	12,719	50,425
% of revenue	5.0%	5.0%	4.8%	5.1%	4.7%	4.9%
Total Non-GAAP Operating Expenses	581,599	152,782	151,539	138,369	147,242	589,932
% of revenue	60.4%	61.4%	58.4%	56.0%	54.3%	57.5%
Non-GAAP Operating Profit	155,175	34,788	41,674	43,311	49,079	168,852
Non-GAAP Operating Margin	16.1%	14.0%	16.1%	17.5%	18.1%	16.4%
Non-GAAP Pre-Tax Income	133,691	29,660	35,573	38,010	42,487	145,730
Non-GAAP P&L Modeling Tax Rate	36.6%	35.1%	35.0%	31.1%	33.1%	33.4%
Non-GAAP Income Tax Expense	48,911	10,411	12,440	11,808	14,062	48,721
Add back Net Loss attributable to Non-Controlling Interest	1,721	443	432	432	436	1,743
Non-GAAP Net Income	86,501	19,692	23,565	26,634	28,861	98,752
Non-GAAP Tax Related to Exclusions	(19,602)	(9,126)	(5,664)	(23,412)	(18,011)	(56,213)
Non-GAAP WASO	51,981	52,683	52,743	51,751	51,857	52,345
Non-GAAP EPS	\$ 1.66	\$ 0.37	\$ 0.45	\$ 0.51	\$ 0.56	\$ 1.89

¹ Related to the Medtronic litigation matter.

² Costs related to acquisition, integration and business transition activities which include severance, relocation, consulting, leasehold exit costs, third party merger and acquisitions costs, contingent consideration fair value adjustments, and other costs directly associated to such activities.

³ Excludes the amortization associated with non-controlling interest.

⁴ Represents costs associated with non-cash purchase accounting adjustments, such as acquired inventory fair market value adjustments, which are amortized over the period in which underlying products are sold.