

EDWARDS LIFESCIENCES CORPORATION
Reconciliation of GAAP to Non-GAAP Financial Information

(in millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2007	2006	2007	2006
GAAP net income	\$34.9	\$36.1	\$68.1	\$82.0
Reconciling items:				
Special charges (gains), net				
Gain on sale of products	-	(4.5)	-	(10.2)
Impairment of assets	-	2.6	-	2.6
Litigation reserve	-	1.2	-	1.2
Gain on patent settlement	-	-	-	(20.2)
Realignment expenses	-	-	-	2.1
Subtotal special gains, net	-	(0.7)	-	(24.5)
Provision (benefit) for income taxes				
Tax effect on non-GAAP adjustments (1)	-	1.8	-	11.2
Tax benefit from reversal of valuation allowance	-	(3.7)	-	(3.7)
Subtotal provision (benefit) for income taxes, net	-	(1.9)	-	7.5
Non-GAAP net income	\$34.9	\$33.5	\$68.1	\$65.0
Non-GAAP earnings per share:				
Basic non-GAAP earnings per share	\$0.61	\$0.57	\$1.18	\$1.10
Diluted non-GAAP earnings per share (2)	\$0.57	\$0.54	\$1.11	\$1.04
Weighted average shares outstanding:				
Basic	57.5	58.8	57.7	59.0
Diluted	63.0	64.2	63.2	64.4

(1) The tax effect on non-GAAP adjustments is calculated using the relevant tax jurisdiction of the transaction applying the local statutory tax rate.

(2) Diluted non-GAAP earnings per share is calculated by adding back to net income \$1.0 million for the quarter in interest expense related to the convertible debt for the quarter, and \$2.0 million for the six month period, then dividing by the weighted average diluted shares outstanding.