

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

(in millions, except per share data)	Three Months Ended		Nine Months Ended	
	September 30, 2007	2006	September 30, 2007	2006
GAAP net income	\$29.1	\$27.8	\$97.2	\$109.8
Reconciling items:				
Special (gains) charges, net				
Gain on estimated insurance settlement	(2.5)	-	(2.5)	-
Restructure 3F Therapeutics agreements	-	2.0	-	2.0
Gain on patent settlement	-	-	-	(20.2)
Gain on sale of products	-	-	-	(10.2)
Impairment of assets	-	-	-	2.6
Realignment expenses	-	-	-	2.1
Litigation reserve	-	-	-	1.2
Subtotal special (gains) charges, net	(2.5)	2.0	(2.5)	(22.5)
Provision (benefit) for income taxes				
Tax effect on non-GAAP adjustments (1)	1.0	(0.8)	1.0	10.4
Tax benefit from reversal of valuation allowance	-	-	-	(3.7)
Subtotal provision (benefit) for income taxes, net	1.0	(0.8)	1.0	6.7
Non-GAAP net income	\$27.6	\$29.0	\$95.7	\$94.0
Non-GAAP earnings per share:				
Basic non-GAAP earnings per share	\$0.48	\$0.50	\$1.66	\$1.60
Diluted non-GAAP earnings per share (2)	\$0.46	\$0.47	\$1.57	\$1.51
Weighted average shares outstanding:				
Basic	57.1	58.2	57.5	58.8
Diluted	62.4	63.6	63.0	64.1

(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 \$3.0 million for the nine month period, then dividing by the weighted average diluted shares outstanding.