GENZYME CORPORATION

RECONCILIATION OF GAAP TO NON-GAAP EARNINGS - EXCLUDING AMORTIZATION
For the Year Ended December 31, 2008
(Amounts in thousands, except percentage and per share data)
REVISED FOR DISCONTINUED OPERATIONS - UNAUDITED

		GAAP	FAS 123R Expense	Discontinued Operations [3]		NON-GAAP As Adjusted [1]	Amortization	NON-GAAP Excluding Amortization
Income Statement Classification:								
Total revenues		$ 4,127,425	$ -	$ -		$ 4,127,425	$ -	$ 4,127,425
Cost of products and services sold		$ (855,113)	$ 18,294	$ -		$ (836,819)	$ -	$ (836,819)
Gross margin	79%	$ 3,272,312	$ 18,294		80%	$ 3,290,606		$ 3,290,606
Selling, general and administrative		$ (1,172,701)	$ 93,677	$ -		$ (1,079,024)	$ -	$ (1,079,024)
Research and development		$ (1,294,411)	$ 55,486	$ -		$ (1,238,925)	$ -	$ (1,238,925)
Amortization of intangibles		$ (212,552)	$ -	$ -		$ (212,552)	$ 212,552	$ -
Charge for impaired assets		$ (2,036)	$ -	$ -		$ (2,036)	$ -	$ (2,036)
Equity in income (loss) of equity method investments		$ 201	$ -	$ -		$ 201	$ -	$ 201
Minority interest		$ 2,217	$ -	$ -		$ 2,217	$ -	$ 2,217
Gains (losses) on investments in equity securities		$ (3,340)	$ -	$ -		$ (3,340)	$ -	$ (3,340)
Other		$ (1,789)	$ -	$ -		$ (1,789)	$ -	$ (1,789)
Investment income		$ 51,260	$ -	$ -		$ 51,260	$ -	$ 51,260
Interest Expense		$ (4,418)	$ -	$ -		$ (4,418)	$ -	$ (4,418)
Summary:								
Income (loss) from continuing operations before income taxes		$ 634,743	$ 167,457	$ -		$ 802,200	$ 212,552	$ 1,014,752
(Provision for) benefit from income taxes	32.66%	$ (207,315)	$ (50,657)	$ -	32.16%	$ (257,972)	$ (71,171)	$ (329,143)
Income (loss) from continuing operations		$ 427,428	$ 116,800			$ 544,228	$ 141,381	$ 685,609
Income (loss) from discontinued operations, net of tax		$ (6,347)	$ -	$ 6,347		$ -	$ -	$ -
Net income (loss)		$ 421,081	$ 116,800	$ 6,347		$ 544,228	$ 141,381	$ 685,609
Net income (loss) per share-basic:								
Income (loss) from continuing operations, net of tax		$ 1.59	$ 0.44	$ -		$ 2.03	$ 0.53	$ 2.55
Income (loss) from discontinued operations, net of tax		$ (0.02)	$ -	$ 0.02		$ -	$ -	$ -
Net income (loss)		$ 1.57	$ 0.44	$ 0.02		$ 2.03	$ 0.53	$ 2.55
Net income (loss) per share-diluted: [2]								
Income (loss) from continuing operations, net of tax		$ 1.52	$ 0.41	$ -		$ 1.93	$ 0.50	$ 2.43
Income (loss) from discontinued operations, net of tax		$ (0.02)	$ -	$ 0.02		$ -	$ -	$ -
Net income (loss)		$ 1.50	$ 0.41	$ 0.02		$ 1.93	$ 0.50	$ 2.43
Weighted average shares outstanding:								
Basic		268,490	268,490	268,490		268,490	268,490	268,490
Diluted [2]		285,595	285,595	285,595		285,595	285,595	285,595

Notes:

(1) Represents the Non-GAAP results of operations for Genzyme Corporation for the applicable period. We believe that certain Non-GAAP financial measures, when considered together with the GAAP figures, can enhance the overall understanding of the company's past financial performance and its prospects for the future. The Non-GAAP financial measures are included with the intent of providing investors with a more complete understanding of the trends underlying our operating results and financial position and are among the primary indicators management uses for planning and forecasting purposes and measuring the company's performance. Such Non-GAAP financial measures should not be considered in isolation or used as a substitute for GAAP. Earnings per share are calculated as net income (loss) divided by weighted average shares outstanding. Therefore, earnings per share may not add across due to rounding.

(2) Diluted earnings per share and diluted weighted average shares outstanding reflect the adoption of EITF 04-8. In accordance with the provisions of EITF 04-8, interest and debt fees related to our 1.25% convertible senior notes of $6,915K, net of tax, have been added back to net income and approximately 8,851K shares have been added to diluted weighted average shares outstanding for purposes of computing GAAP and Non-GAAP diluted earnings per share.

(3) Discontinued Operations represents the operations of Genzyme Genetics and Genzyme Diagnostics, net of tax.