

GENZYME CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
For the Three Months Ended March 31, 2009
(Amounts in thousands, except percentage and per share data)

	GAAP As Reported	FAS 123R Expense	NON-GAAP As Adjusted (1)	Items Formerly Excluded From Non-GAAP [(Income)/Expense]		
				Inventory Write-offs	Technology Purchase	Amortization
Income Statement Classification:						
Total revenues	\$ 1,148,871		\$ 1,148,871			
Cost of products and services sold	\$ (295,812)	\$ 7,234	\$ (288,578)	\$ 9,154		
<i>Gross margin</i>	74% \$ 853,059	\$ 7,234	75% \$ 860,293	\$ 9,154		
Selling, general and administrative	\$ (317,961)	\$ 23,836	\$ (294,125)			
Research and development	\$ (206,925)	\$ 13,536	\$ (193,389)		\$ 18,180	
Amortization of intangibles	\$ (57,598)		\$ (57,598)			\$ 57,598
Gains (losses) on investments in equity securities	\$ (576)		\$ (576)			
Other	\$ (979)		\$ (979)			
Investment income	\$ 5,350		\$ 5,350			
Summary:						
Income (loss) before income taxes	\$ 274,370	\$ 44,606	\$ 318,976	\$ 9,154	\$ 18,180	\$ 57,598
(Provision for) benefit from income taxes	29% \$ (78,884)	\$ (12,589)	29% \$ (91,473)	\$ (1,923)	\$ (6,544)	\$ (15,891)
Net income (loss)	\$ 195,486	\$ 32,017	\$ 227,503	\$ 7,231	\$ 11,636	\$ 41,707
Net income (loss) per share:						
Basic	\$ 0.72	\$ 0.12	\$ 0.84	\$ 0.03	\$ 0.04	\$ 0.15
Diluted	\$ 0.70	\$ 0.12	\$ 0.82	\$ 0.03	\$ 0.04	\$ 0.15
Weighted average shares outstanding:						
Basic	270,854		270,854			
Diluted	277,628		277,628			

Notes:

(1) Represents the adjusted Non-GAAP results of operations and financial position for Genzyme Corporation for the three months ended March 31, 2009. All other amounts presented herein represent previously reported amounts. 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.