

GENZYME CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
For the Quarter Ended September 30, 2007
(Amounts in thousands, except per share data)

| | NON-GAAP | Dilution Due to Common Stock Equivalents | Manufacturing Related | Acquisition Related | Amortization | FAS 123R Expense | GAAP As Reported |
|--|--------------|---|--------------------------|------------------------|--------------|---------------------|---------------------|
| Income Statement Classification: | | | | | | | |
| Total revenues | \$ 960,159 | | | | | | \$ 960,159 |
| Cost of products and services sold | \$ (227,060) | | \$ (11,773) | | | \$ (5,779) | \$ (244,612) |
| Selling, general and administrative | \$ (245,215) | | | | | \$ (25,091) | \$ (270,306) |
| Research and development | \$ (162,282) | | | | | \$ (13,518) | \$ (175,800) |
| Amortization of intangibles | \$ - | | | | \$ (49,819) | | \$ (49,819) |
| Equity in income (loss) of equity method investments | \$ 6,502 | | | \$ (19,150) | | | \$ (12,648) |
| Minority interest | \$ 5 | | | | | | \$ 5 |
| Gains (losses) on investments in equity securities | \$ 1,106 | | | | | | \$ 1,106 |
| Other | \$ 912 | | | | | | \$ 912 |
| Investment income | \$ 18,222 | | | | | | \$ 18,222 |
| Interest expense | \$ (1,474) | | | | | | \$ (1,474) |
| Summary: | | | | | | | |
| Income (loss) before income taxes | \$ 350,875 | \$ - | \$ (11,773) | \$ (19,150) | \$ (49,819) | \$ (44,388) | \$ 225,745 |
| (Provision for) benefit from income taxes -31.2% | \$ (109,558) | \$ - | \$ 4,274 | \$ 6,962 | \$ 17,797 | \$ 14,093 | \$ (66,432) |
| Net income (loss) | \$ 241,317 | \$ - | \$ (7,499) | \$ (12,188) | \$ (32,022) | \$ (30,295) | \$ 159,313 |
| Net income (loss) per share: | | | | | | | |
| Basic | \$ 0.918 | \$ - | \$ (0.029) | \$ (0.046) | \$ (0.122) | \$ (0.115) | \$ 0.606 |
| Diluted (1) | \$ 0.895 | \$ (0.024) | \$ (0.027) | \$ (0.044) | \$ (0.115) | \$ (0.109) | \$ 0.577 |
| Weighted average shares outstanding: | | | | | | | |
| Basic | 262,775 | | | | | | 262,775 |
| Diluted (1) | 269,520 | 9,686 | | | | | 279,206 |

(1) GAAP As-Reported 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 \$1.886K, net of tax, have been added back to net income and approximately 9,686K shares have been added to diluted weighted average shares for purposes of computing GAAP As-Reported diluted earnings per share.

GENZYME CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
For the Three Months Ended June 30, 2007
(Amounts in thousands, except per share data)

| | NON-GAAP | Dilution Due to Common Stock Equivalents | Stock Repurchase | Milestone Payment | Amortization | FAS 123R Expense | GAAP As Reported |
|--|---------------------|---|---------------------|----------------------|--------------------|---------------------|---------------------|
| Income Statement Classification: | | | | | | | |
| Total revenues | \$ 933,419 | | | | | | \$ 933,419 |
| Cost of products and services sold | \$ (210,733) | | | | | \$ (6,879) | \$ (217,612) |
| Selling, general and administrative | \$ (240,232) | | | | | \$ (43,018) | \$ (283,250) |
| Research and development | \$ (154,299) | | | \$ (25,000) | | \$ (21,862) | \$ (201,161) |
| Amortization of intangibles | \$ - | | | | \$ (49,465) | | \$ (49,465) |
| Equity in income (loss) of equity method investments | \$ 5,945 | | | | | | \$ 5,945 |
| Minority interest | \$ - | | | | | | \$ - |
| Gains (losses) on investments in equity securities | \$ 143 | | | | | | \$ 143 |
| Other | \$ (263) | | | | | | \$ (263) |
| Investment income | \$ 17,246 | | | | | | \$ 17,246 |
| Interest expense | \$ (3,621) | | | | | | \$ (3,621) |
| Summary: | | | | | | | |
| Income (loss) before income taxes | \$ 347,605 | \$ - | \$ - | \$ (25,000) | \$ (49,465) | \$ (71,759) | \$ 201,381 |
| (Provision for) benefit from income taxes | <u>\$ (108,940)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 9,072</u> | <u>\$ 17,654</u> | <u>\$ 20,782</u> | <u>\$ (61,432)</u> |
| Net income (loss) | <u>\$ 238,665</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (15,928)</u> | <u>\$ (31,811)</u> | <u>\$ (50,977)</u> | <u>\$ 139,949</u> |
| Net income (loss) per share: | | | | | | | |
| Basic | \$ 0.904 | \$ - | \$ - | \$ (0.060) | \$ (0.121) | \$ (0.193) | \$ 0.530 |
| Diluted (1) | \$ 0.881 | \$ (0.024) | \$ - | \$ (0.057) | \$ (0.113) | \$ (0.182) | \$ 0.506 |
| Weighted average shares outstanding: | | | | | | | |
| Basic | 263,911 | | | | | | 263,911 |
| Diluted (1) | 270,878 | 9,686 | | | | | 280,564 |

(1) GAAP As-Reported 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 \$1,886K, net of tax, have been added back to net income and approximately 9,686K shares have been added to diluted weighted average shares for purposes of computing GAAP As-Reported diluted earnings per share.

GENZYME CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
For the Three Months Ended March 31, 2007
(Amounts in thousands, except per share data)

| | NON-GAAP Before FIN 46, FAS 123R, Amortization, Net Gain on Equity Securities & EITF 04-8 | Dilution Due to Contingently Convertible Debt (EITF 04-8) | Gain/(Loss) on Investment in Equity Securities | Amortization | FAS 123R Expense | NON-GAAP Before Effect of FIN 46 | Effect of FIN 46 | GAAP As Reported |
|--|--|--|---|--------------------|---------------------|--|---------------------|---------------------|
| Income Statement Classification: | | | | | | | | |
| Total revenues | \$ 883,183 | | | | | \$ 883,183 | | \$ 883,183 |
| Cost of products and services sold | \$ (196,567) | | | | \$ (5,896) | \$ (202,463) | | \$ (202,463) |
| Selling, general and administrative | \$ (246,322) | | | | \$ (22,499) | \$ (268,821) | \$ (200) | \$ (269,021) |
| Research and development | \$ (146,347) | | | | \$ (12,312) | \$ (158,659) | \$ (7,461) | \$ (166,120) |
| Amortization of intangibles | \$ - | | | \$ (50,017) | | \$ (50,017) | | \$ (50,017) |
| Purchase of in-process research and development | \$ - | | | | | \$ - | | \$ - |
| Charge for impaired goodwill | \$ - | | | | | \$ - | | \$ - |
| Equity in income (loss) of equity method investments | \$ 1,782 | | | | | \$ 1,782 | \$ 3,830 | \$ 5,612 |
| Minority interest | \$ 81 | | | | | \$ 81 | \$ 3,831 | \$ 3,912 |
| Gain (loss) on investments in equity securities | \$ 1,940 | | \$ 10,848 | | | \$ 12,788 | | \$ 12,788 |
| Other | \$ (525) | | | | | \$ (525) | | \$ (525) |
| Investment income | \$ 16,219 | | | | | \$ 16,219 | \$ - | \$ 16,219 |
| Interest expense | \$ (4,188) | | | | | \$ (4,188) | | \$ (4,188) |
| Summary: | | | | | | | | |
| Income (loss) before income taxes | \$ 309,256 | \$ - | \$ 10,848 | \$ (50,017) | \$ (40,707) | \$ 229,380 | \$ - | \$ 229,380 |
| (Provision for) benefit from income taxes | (98,516) | - | (2,698) | 17,589 | 12,432 | (71,193) | - | (71,193) |
| Net income (loss) | <u>\$ 210,740</u> | <u>\$ -</u> | <u>\$ 8,150</u> | <u>\$ (32,428)</u> | <u>\$ (28,275)</u> | <u>\$ 158,187</u> | <u>\$ -</u> | <u>\$ 158,187</u> |
| Net income (loss) per share of Genzyme Stock: | | | | | | | | |
| Basic | \$ 0.800 | \$ - | \$ 0.031 | \$ (0.123) | \$ (0.107) | \$ 0.600 | \$ - | \$ 0.600 |
| Diluted (1) | \$ 0.780 | \$ 0.009 | \$ 0.029 | \$ (0.116) | \$ (0.101) | \$ 0.572 | \$ - | \$ 0.572 |
| Weighted average shares outstanding: | | | | | | | | |
| Basic | 263,476 | | | | | 263,476 | | 263,476 |
| Diluted (1) | 270,238 | 9,686 | | | | 279,924 | | 279,924 |

(1) GAAP As-Reported 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 \$1,249K, net of tax, have been added back to net income and approximately 9.7 million shares have been added to diluted weighted average shares for purposes of computing GAAP As-Reported diluted earnings per share.

GENZYME GENERAL
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
Year Ended December 31, 2006
(Amounts in thousands, except per share data)

| | Before Gains/(Charges), Amortization, FIN 46 & EITF 04-8 | Dilution Due to Common Stock Equivalents | OFT Settlement | Settlement of Tax Audits | Impairment of Goodwill | Gain/(Loss) on investments in equity securities | IPR&D | Amortization | FAS 123R Expense | NON-GAAP Before Effect of FIN 46 | Effect of FIN 46 | GAAP As Reported |
|--|--|--|-------------------|--------------------------|------------------------|---|---------------------|---------------------|---------------------|----------------------------------|------------------|--------------------|
| Income Statement Classification: | | | | | | | | | | | | |
| Total revenue | \$ 3,187,013 | | | | | | | | | \$ 3,187,013 | | \$ 3,187,013 |
| Cost of products and services sold | \$ (714,241) | | | | | | | | \$ (21,430) | \$ (735,671) | | \$ (735,671) |
| Selling, general and administrative | \$ (879,266) | | \$ (7,936) | | | | | | \$ (121,822) | \$ (1,009,024) | \$ (1,376) | \$ (1,010,400) |
| Research and development | \$ (565,375) | | | | | | | | \$ (65,248) | \$ (630,623) | \$ (19,328) | \$ (649,951) |
| Amortization of intangibles | \$ - | | | | | | | \$ (209,355) | | \$ (209,355) | | \$ (209,355) |
| Purchase of in-process research and development | \$ - | | | | | | \$ (552,900) | | | \$ (552,900) | | \$ (552,900) |
| Impairment of Goodwill | \$ - | | | | \$ (219,245) | | | | | \$ (219,245) | | \$ (219,245) |
| Equity in income (loss) of equity method investments | \$ 5,357 | | | | | | | | | \$ 5,357 | \$ 10,348 | \$ 15,705 |
| Minority interest | \$ 66 | | | | | | | | | \$ 66 | \$ 10,352 | \$ 10,418 |
| Gain on investments in equity securities | \$ 6,764 | | | | | \$ 66,466 | | | | \$ 73,230 | | 73,230 |
| Other | \$ (2,045) | | | | | | | | | \$ (2,045) | \$ - | \$ (2,045) |
| Investment income | \$ 55,997 | | | | | | | | | \$ 55,997 | \$ 4 | \$ 56,001 |
| Interest expense | \$ (15,478) | | | | | | | | | \$ (15,478) | \$ - | \$ (15,478) |
| Summary: | | | | | | | | | | | | |
| Pretax profit | \$ 1,078,792 | \$ - | \$ (7,936) | \$ - | \$ (219,245) | \$ 66,466 | \$ (552,900) | \$ (209,355) # | \$ (208,500) | \$ (52,678) | \$ - | \$ (52,678) |
| Provision for income taxes -31% | (336,090) | - | 2,920 | 31,748 | 69,823 | (24,459) | 148,565 | 77,043 | 66,331 | 35,881 | - | 35,881 |
| Net income allocated to Genzyme General Stock | <u>\$ 742,702</u> | <u>\$ -</u> | <u>\$ (5,016)</u> | <u>\$ 31,748</u> | <u>\$ (149,422)</u> | <u>\$ 42,007</u> | <u>\$ (404,335)</u> | <u>\$ (132,312)</u> | <u>\$ (142,169)</u> | <u>\$ (16,797)</u> | <u>\$ -</u> | <u>\$ (16,797)</u> |
| Net income per share of Genzyme General Stock: | | | | | | | | | | | | |
| Basic | \$ 2.844 | \$ - | \$ (0.019) | \$ 0.122 | \$ (0.572) | \$ 0.161 | \$ (1.548) | \$ (0.507) | \$ (0.544) | \$ (0.064) | \$ - | \$ (0.064) |
| Diluted (1) | \$ 2.77 | | \$ (0.019) | \$ 0.114 | \$ (0.537) | \$ 0.152 | \$ (1.548) | \$ (0.484) | \$ (0.520) | \$ (0.064) | \$ - | \$ (0.064) |
| Weighted average shares outstanding: | | | | | | | | | | | | |
| Basic | 261,124 | | | | | | | | | 261,124 | 261,124 | 261,124 |
| Diluted (1) | 268,016 | 6,892 | | | | | | | | 261,124 | 261,124 | 261,124 |

(1) GAAP As-Reported 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 \$1.9 million, net of tax, have been added back to net income and approximately 9.7 million shares have been added to diluted weighted average shares for purposes of computing GAAP As-Reported diluted earnings per share.

GENZYME GENERAL
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
Year Ended December 31, 2005
(Amounts in thousands, except per share data)

| | Before Gains/(Charges), Amortization, FIN 46 & EITF 04-8 | Dilution Due to Contingently Convertible Debt (EITF 04-8) | Manufacturing Related | Acquisition Related | Bone Care IPR&D | Verigen IPR&D | Amortization | NON-GAAP Before Effect of FIN 46 | Effect of FIN 46 | GAAP As Reported |
|--|--|--|--------------------------|------------------------|--------------------|-------------------|---------------------|--|---------------------|---------------------|
| Income Statement Classification: | | | | | | | | | | |
| Total revenue | \$ 2,734,842 | | | | | | | \$ 2,734,842 | | \$ 2,734,842 |
| Cost of products and services sold | \$ (600,526) | | (16,912) | (15,214) | | | | \$ (632,652) | | \$ (632,652) |
| Selling, general and administrative | \$ (787,049) | | | | | | | \$ (787,049) | \$ (790) | \$ (787,839) |
| Research and development | \$ (479,545) | | | | | | | \$ (479,545) | \$ (23,112) | \$ (502,657) |
| Amortization of intangibles | \$ - | | | | | | \$ (181,632) | \$ (181,632) | | \$ (181,632) |
| Purchase of in-process research and development | \$ - | | | \$ (7,000) | \$ (12,700) | \$ (9,500) | | \$ (29,200) | | \$ (29,200) |
| Equity in income (loss) of equity method investments | \$ (11,797) | | | | | | | \$ (11,797) | \$ 11,950 | \$ 153 |
| Minority interest | \$ - | | | | | | | \$ - | \$ 11,950 | \$ 11,950 |
| Other | \$ 4,163 | | | | | | | \$ 4,163 | \$ - | \$ 4,163 |
| Investment income | \$ 31,427 | | | | | | | \$ 31,427 | \$ 2 | \$ 31,429 |
| Interest expense | \$ (19,638) | | | | | | | \$ (19,638) | \$ - | \$ (19,638) |
| Summary: | | | | | | | | | | |
| Pretax profit | \$ 871,877 | | \$ (16,912) | \$ (22,214) | \$ (12,700) | \$ (9,500) | \$ (181,632) | \$ 628,919 | \$ - | \$ 628,919 |
| Provision for income taxes -31% | (268,670) | | 6,224 | 8,175 | | | 66,841 | \$ (187,430) | \$ - | \$ (187,430) |
| Net income allocated to Genzyme General Stock | <u>\$ 603,207</u> | | <u>\$ (10,688)</u> | <u>\$ (14,039)</u> | <u>\$ (12,700)</u> | <u>\$ (9,500)</u> | <u>\$ (114,791)</u> | <u>\$ 441,489</u> | <u>\$ -</u> | <u>\$ 441,489</u> |
| Net income per share of Genzyme General Stock: | | | | | | | | | | |
| Basic | \$ 2.368 | | \$ (0.042) | \$ (0.054) | \$ (0.050) | \$ (0.037) | \$ (0.450) | \$ 1.733 | \$ - | \$ 1.733 |
| Diluted | \$ 2.277 | \$ 0.026 | \$ (0.039) | \$ (0.051) | # \$ (0.052) | \$ (0.041) | \$ (0.423) | \$ 1.622 | \$ - | \$ 1.622 |
| Weighted average shares outstanding: | | | | | | | | | | |
| Basic | 254,758 | | | | | | | 254,758 | 254,758 | 254,758 |
| Diluted | 264,960 | 7,264 | | | | | | 272,224 | 272,224 | 272,224 |

Note: GAAP As-Reported diluted earnings per share and diluted weighted average shares outstanding have been revised to reflect the adoption of EITF 04-8.

GENZYME GENERAL
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
Year Ended December 31, 2004
(Amounts in thousands, except per share data)

| | Before Gains/(Charges), Amortization, FIN 46 & EITF 04-8 | Dilution Due to Contingently Convertible Debt (EITF 04-8) | Sangstat Acquisition-Related Costs | Convert Premium | Convert Fees | Exit Costs | | | | NON-GAAP Before Effect of FIN 46 | Effect of FIN 46 | GAAP As Reported |
|---|--|---|------------------------------------|-----------------|--------------|---------------|----------------------|--------------|--------------|----------------------------------|------------------|------------------|
| | | | | | | Oklahoma City | Generic Cyclosporine | Amortization | IPR&D | | | |
| Income Statement Classification: | | | | | | | | | | | | |
| Total revenue | \$ 2,201,145 | | | | | | | | | \$ 2,201,145 | | \$ 2,201,145 |
| Cost of products and services sold | \$ (576,582) | | \$ (3,937) | | | | | (8,067) | | \$ (588,586) | | \$ (588,586) |
| Selling, general and administrative | \$ (599,163) | | | | | | | | | \$ (599,163) | \$ (225) | \$ (599,388) |
| Research and development | \$ (377,944) | | | | | \$ (2,079) | | | | \$ (380,023) | \$ (11,779) | \$ (391,802) |
| Amortization of intangibles | \$ - | | | | | | | (109,473) | | \$ (109,473) | | \$ (109,473) |
| Purchase of in-process research and development | \$ - | | | | | | | | (254,520) | \$ (254,520) | | \$ (254,520) |
| Charge for impaired assets | \$ - | | | | | \$ (4,463) | | | | \$ (4,463) | | \$ (4,463) |
| Equity in loss of equity method investments | \$ (21,621) | | | | | | | | | \$ (21,621) | \$ 5,997 | \$ (15,624) |
| Minority interest | \$ - | | | | | | | | | \$ - | \$ 5,999 | \$ 5,999 |
| Gain (loss) on investments in equity securities | \$ (1,252) | | | | | | | | | \$ (1,252) | | \$ (1,252) |
| Other | \$ (357) | | | | | | | | | \$ (357) | | \$ (357) |
| Investment income | \$ 24,236 | | | | | | | | | \$ 24,236 | \$ 8 | \$ 24,244 |
| Interest Expense | \$ (28,585) | | | \$ (4,313) | \$ (5,329) | | | | | \$ (38,227) | | \$ (38,227) |
| Summary: | | | | | | | | | | | | |
| Pretax profit | \$ 619,877 | \$ - | \$ (3,937) | \$ (4,313) | \$ (5,329) | \$ (6,542) | \$ (8,067) | \$ (109,473) | \$ (254,520) | \$ 227,696 | \$ - | \$ 227,696 |
| Provision for income taxes | (191,828) | - | 1,449 | 1,587 | 1,961 | 2,407 | 2,969 | 40,286 | - | \$ (141,169) | \$ - | \$ (141,169) |
| Net income allocated to Genzyme Stock | \$ 428,049 | \$ - | \$ (2,488) | \$ (2,726) | \$ (3,368) | \$ (4,135) | \$ (5,098) | \$ (69,187) | \$ (254,520) | \$ 86,527 | \$ - | \$ 86,527 |
| Net income per share of Genzyme Stock: | | | | | | | | | | | | |
| Basic | \$ 1.874 | \$ - | \$ (0.011) | \$ (0.012) | \$ (0.015) | \$ (0.018) | \$ (0.022) | \$ (0.303) | \$ (1.115) | \$ 0.379 | \$ - | \$ 0.379 |
| Diluted | \$ 1.824 | \$ - | \$ (0.010) | \$ (0.011) | \$ (0.014) | \$ (0.017) | \$ (0.021) | \$ (0.284) | \$ (1.098) | \$ 0.369 | \$ - | \$ 0.369 |
| Weighted average shares outstanding: | | | | | | | | | | | | |
| Basic | 228,175 | 228,175 | 228,175 | # 228,175 | 228,175 | 228,175 | 228,175 | 228,175 | 228,175 | 228,175 | 228,175 | 228,175 |
| Diluted | 234,318 | 244,004 | 244,004 | 244,004 | 244,004 | 244,004 | 244,004 | 244,004 | 244,004 | 234,318 | 234,318 | 234,318 |

GENZYME GENERAL
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS
Year Ended December 31, 2003
(Amounts in thousands, except per share data)

| | Before Gains (Charges), Amortization, & EITF 04-8 | Dilution Due to Contingently Convertible Debt (EITF 04-8) | Tracking Stock Tax Benefit for Genzyme Biosurgery Disposition of CT Business | Impact of UK OFT Settlement | Sangstat Acquisition-Related Costs | TKT Settlement Costs | Impaired Equity Investments | Focal Restructuring | CT Device Exit Costs | IPR&D | Amortization | GAAP As Reported |
|---|---|--|---|-----------------------------------|--|----------------------------|-----------------------------------|------------------------|-------------------------|---------------------|--------------------|---------------------|
| Income Statement Classification: | | | | | | | | | | | | |
| Revenues | \$ 1,579,881 | | | \$ (5,064) | | | | | | | | \$ 1,574,817 |
| Cost of products and services sold | \$ (412,253) | | | | \$ (2,550) | | | \$ (3,858) | \$ (308) | | | \$ (418,969) |
| Selling, general and administrative | \$ (443,889) | | | \$ (5,843) | \$ (258) | \$ (1,550) | | \$ (1,958) | \$ (1,897) | | | \$ (455,395) |
| Research and development | \$ (294,088) | | | | \$ (137) | \$ (1,500) | | | | | | \$ (295,725) |
| Charge for impaired assets | \$ - | | | | | | | \$ (7,996) | | | | \$ (7,996) |
| Charge for in-process research and development | \$ - | | | | | | | | | \$ (158,000) | | \$ (158,000) |
| Gain (loss) on investments in equity securities | | | | | | | \$ (3,620) | | | | | \$ (1,201) |
| Amortization of intangibles | \$ - | | | | | | | | | | \$ (64,720) | \$ (64,720) |
| Summary: | | | | | | | | | | | | |
| Pretax profit (loss) | \$ 440,194 | | \$ - | \$ (10,907) | \$ (2,945) | \$ (3,050) | \$ (3,620) | \$ (13,812) | \$ (2,205) | \$ (158,000) | \$ (64,720) | \$ 180,935 |
| Provision for income taxes | (125,796) | | \$ 4,032 | 1,863 | 1,084 | 1,122 | 1,332 | 5,083 | 812 | - | 23,817 | (86,652) |
| Net income (loss) | <u>\$ 314,398</u> | | <u>\$ 4,032</u> | <u>\$ (9,044)</u> | <u>\$ (1,861)</u> | <u>\$ (1,928)</u> | <u>\$ (2,288)</u> | <u>\$ (8,729)</u> | <u>\$ (1,393)</u> | <u>\$ (158,000)</u> | <u>\$ (40,903)</u> | <u>\$ 94,283</u> |
| Net income (loss) per share: | | | | | | | | | | | | |
| Basic | \$ 1.433 | | \$ 0.018 | \$ (0.041) | \$ (0.008) | \$ (0.009) | \$ (0.010) | \$ (0.040) | \$ (0.006) | \$ (0.720) | \$ (0.186) | \$ 0.430 |
| Diluted | \$ 1.395 | \$ (0.002) | \$ 0.018 | \$ (0.040) | \$ (0.008) | \$ (0.009) | \$ (0.010) | \$ (0.039) | \$ (0.006) | \$ (0.699) | \$ (0.181) | \$ 0.419 (1) |
| Weighted average shares outstanding | | | | | | | | | | | | |
| Basic | 219,376 | | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 | 219,376 |
| Diluted | 225,419 | | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 | 225,976 (1) |

Note: GAAP As-Reported diluted earnings per share and diluted weighted average shares outstanding have been revised to reflect the adoption of EITF 04-8.

GENZYME GENERAL
COMBINED INCOME AND PER SHARE INFORMATION
For the Year Ended December 31, 2002
(Amounts in thousands, except per share data)

| | Before Gains (Charges) & Amortization | Novazyme Restructuring | Diagnostics Restructuring | Pompe CHO/Synpac Program | Recovery of Note Receivable Previously Written-off | Tax Benefit of Genzyme Biosurgery Asset Impairment | Argentina Bad Debt | (1) Failed Production Runs by Joint Venture | (2) Plant Shutdown Maintenance | (3) Damaged In-Transit Inventory | (4) Impaired Equity Investments | (5) Severance | (6) Reverse Excess Future Funding Obligation for Transgenic Program | (7) Write-off Engineering Costs | Amortization | GAAP As Reported |
|--|---|---------------------------|------------------------------|--------------------------------|---|---|-----------------------|---|---|---|--|------------------|---|--|--------------|---------------------|
| Income Statement Classification: | | | | | | | | | | | | | | | | |
| Cost of sales | \$ (257,916) | | \$ (2,856) | | | | | | \$ (2,832) | \$ (2,214) | | | | | | \$ (265,818) |
| Selling, general and administrative | \$ (323,380) | | | | | | \$ (2,500) | | | | | \$ (3,300) | \$ 5,497 | | | \$ (323,683) |
| Research and development | \$ (218,362) | \$ (1,968) | | \$ (8,786) | | | | | | | | \$ (927) | | | | \$ (230,043) |
| Amortization of intangibles | \$ - | | | | | | | | | | | | | | \$ (38,998) | \$ (38,998) |
| Charge for impaired assets | \$ - | | | | | | | | | | | | | \$ (13,986) | | \$ (13,986) |
| Other income (expense) | \$ 15,891 | | | | \$ 2,670 | | | \$ (3,604) | | | \$ (15,367) | | | | | \$ (410) |
| Summary: | | | | | | | | | | | | | | | | |
| Pretax profit | \$ 296,418 | \$ (1,968) | \$ (2,856) | \$ (8,786) | \$ 2,670 | \$ - | \$ (2,500) | \$ (3,604) | \$ (2,832) | \$ (2,214) | \$ (15,367) | \$ (4,227) | \$ 5,497 | \$ (13,986) | \$ (38,998) | \$ 207,247 |
| Provision for income taxes | (64,832) | 724 | 1,051 | 3,233 | (983) | 3,297 | 920 | 1,326 | 1,042 | 815 | 5,655 | 1,556 | (2,023) | 5,147 | 14,351 | (28,721) |
| Net income allocated to Genzyme General Stock | \$ 231,586 | \$ (1,244) | \$ (1,805) | \$ (5,553) | \$ 1,687 | \$ 3,297 | \$ (1,580) | \$ (2,278) | \$ (1,790) | \$ (1,399) | \$ (9,712) | \$ (2,671) | \$ 3,474 | \$ (8,839) | \$ (24,647) | \$ 178,526 |
| Net income per share of Genzyme General Stock: | | | | | | | | | | | | | | | | |
| Basic | \$ 1.0816 | \$ (0.006) | \$ (0.008) | \$ (0.026) | \$ 0.008 | \$ 0.015 | \$ (0.007) | \$ (0.0102) | \$ (0.008) | \$ (0.007) | \$ (0.045) | \$ (0.012) | \$ 0.016 | \$ (0.041) | \$ (0.115) | \$ 0.8341 |
| Diluted | \$ 1.0556 | \$ (0.006) | \$ (0.008) | \$ (0.025) | \$ 0.008 | \$ 0.015 | \$ (0.007) | \$ (0.0104) | \$ (0.008) | \$ (0.006) | \$ (0.044) | \$ (0.012) | \$ 0.016 | \$ (0.040) | \$ (0.112) | \$ 0.8137 |
| Weighted average shares outstanding: | | | | | | | | | | | | | | | | |
| Basic | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 | 214,038 |
| Diluted | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 | 219,388 |

Convertible debentures were not included in the computation of Genzyme General's dilutive earnings per share for the years ended December 31, 2002 because the conditions for conversion had not been met. The debentures are contingently convertible to 8.2