

BIOMET INC
Form 424B3
April 07, 2014
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Filed Pursuant to Rule 424(b)(3)

Registration No. 333-188262

PROSPECTUS SUPPLEMENT

(to prospectus dated June 21, 2013 and the prospectus supplements dated July 11, 2013, July 18, 2013, August 29, 2013, August 29, 2013, October 1, 2013, October 8, 2013, October 8, 2013, October 11, 2013, November 4, 2013, January 8, 2014, January 14, 2014, February 4, 2014, February 21, 2014, March 7, 2014 and April 3, 2014)

BIOMET, INC.

\$1,825,000,000 6.500% Senior Notes due 2020

\$800,000,000 6.500% Senior Subordinated Notes due 2020

This prospectus supplement updates and supplements the prospectus dated June 21, 2013 and the prospectus supplements dated July 11, 2013, July 18, 2013, August 29, 2013, August 29, 2013, October 1, 2013, October 8, 2013, October 8, 2013, October 11, 2013, November 4, 2013, January 8, 2014, January 14, 2014, February 4, 2014, February 21, 2014, March 7, 2014 and April 3, 2014.

See the “Risk Factors” section beginning on page 6 of the prospectus, the “Risk Factors” section in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on August 29, 2013, the “Risk Factors” section in our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on October 11, 2013 and the “Risk Factors” section in our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on April 7, 2014 for a discussion of certain risks that you should consider before investing in the notes.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus supplement and the accompanying prospectus have been prepared for and may be used by Goldman, Sachs & Co. and any affiliates of Goldman, Sachs & Co. in connection with offers and sales of the notes related to market-making transactions in the notes affected from time to time. Goldman, Sachs & Co. or its affiliates may act as principal or agent in such transactions, including as agent for the counterparty when acting as principal or as agent for both counterparties, and may receive compensation in the form of discounts and commissions, including from both counterparties, when it acts as agents for both. Such sales will be made at prevailing market prices at the time of sale, at prices related thereto or at negotiated prices. We will not receive any proceeds from such sales.

You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized any person to provide you with any information or represent anything about us or this offering that is not contained in this prospectus supplement and the accompanying prospectus. If given or made, any such other information or representation should not be relied upon as having been authorized by us. This prospectus supplement and the accompanying prospectus does not offer to sell nor ask for offers to buy any of the securities in any jurisdiction where it is unlawful, where the person making the offer is not qualified to do so, or to any person who cannot legally be offered the securities. You should not assume that the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front cover of this prospectus supplement and the accompanying prospectus or the date of any document incorporated by reference herein.

The date of this prospectus supplement is April 7, 2014.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the quarterly period ended February 28, 2014.

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
OF 1934

For the transition period from _____ to _____.

Commission File Number 000-54505

Commission File Number 001-15601

LVB ACQUISITION, INC.
BIOMET, INC.
(Exact name of registrant as specified in its charter)

Delaware	26-0499682
Indiana	35-1418342
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

56 East Bell Drive, Warsaw, Indiana	46582
(Address of principal executive offices)	(Zip Code)
(574) 267-6639	
(Registrant's telephone number, including area code)	

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

LVB ACQUISITION, INC. Yes No

BIOMET, INC. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required

to submit and post such files).

LVB ACQUISITION, INC. Yes No

BIOMET, INC. Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

LVB ACQUISITION, INC.			
Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
BIOMET, INC.			
Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

LVB ACQUISITION, INC. Yes No

BIOMET, INC. Yes No

The number of shares of the registrants’ common stock outstanding as of March 31, 2014:

LVB ACQUISITION, INC. 552,401,196 shares of common stock

BIOMET, INC. 1,000 shares of common stock

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There is no information required to be reported under any items except those indicated below.

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PART I. FINANCIAL INFORMATION

Explanatory Note

This Form 10-Q is a combined quarterly report being filed separately by two registrants: LVB Acquisition, Inc. (“LVB”) and Biomet, Inc. (“Biomet”). Unless the context indicates otherwise, any reference in this report to the “Company,” “we,” “us” and “our” refer to LVB, Biomet and their subsidiaries. Each registrant hereto is filing on its own behalf all of the information contained in this quarterly report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

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Item 1. Condensed Consolidated Financial Statements.
LVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Balance Sheets
(in millions, except shares)

	(Unaudited)	
	February 28, 2014	May 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$212.4	\$355.6
Accounts receivable, less allowance for doubtful accounts receivables of \$32.7 (\$33.5 at May 31, 2013)	582.9	531.8
Inventories	684.4	624.0
Deferred income taxes	151.6	119.9
Prepaid expenses and other	135.0	141.3
Total current assets	1,766.3	1,772.6
Property, plant and equipment, net	690.9	665.2
Investments	27.0	23.0
Intangible assets, net	3,458.8	3,630.2
Goodwill	3,656.8	3,600.9
Other assets	97.0	102.8
Total assets	\$9,696.8	\$9,794.7
Liabilities & Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$33.2	\$40.3
Accounts payable	105.1	111.5
Accrued interest	35.4	56.2
Accrued wages and commissions	149.9	150.1
Other accrued expenses	320.8	206.0
Total current liabilities	644.4	564.1
Long-term liabilities:		
Long-term debt, net of current portion	5,798.5	5,926.1
Deferred income taxes	1,058.4	1,129.8
Other long-term liabilities	194.6	206.1
Total liabilities	7,695.9	7,826.1
Commitments and contingencies		
Shareholders' equity:		
Common stock, par value \$0.01 per share; 740,000,000 shares authorized; 552,401,196 and 552,359,416 shares issued and outstanding	5.5	5.5
Contributed and additional paid-in capital	5,676.2	5,662.0
Accumulated deficit	(3,722.9	) (3,693.0
Accumulated other comprehensive income (loss)	42.1	(5.9
Total shareholders' equity	2,000.9	1,968.6
Total liabilities and shareholders' equity	\$9,696.8	\$9,794.7

The accompanying notes are an integral part of the condensed consolidated financial statements.

Table of ContentsLVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in millions)

	(Unaudited) For the Three Months Ended		(Unaudited) For the Nine Months Ended		
	February 28, 2014	February 28, 2013 ⁽¹⁾	February 28, 2014	February 28, 2013 ⁽¹⁾	
Net sales	\$822.5	\$771.5	\$2,378.9	\$2,269.0	
Cost of sales	326.9	238.5	790.0	646.7	
Gross profit	495.6	533.0	1,588.9	1,622.3	
Selling, general and administrative expense	366.4	327.2	1,020.1	976.0	
Research and development expense	42.5	35.0	121.4	107.2	
Amortization	86.5	74.1	237.2	230.2	
Goodwill impairment charge	—	233.0	—	233.0	
Intangible assets impairment charge	—	101.1	—	101.1	
Operating income	0.2	(237.4) 210.2	(25.2)
Interest expense	81.1	88.8	274.4	310.8	
Other (income) expense	(0.5	) 10.9	5.4	172.4
Other expense, net	80.6	99.7	279.8	483.2	
Income (loss) before income taxes	(80.4) (337.1) (69.6) (508.4)
Provision (benefit) from income taxes	(14.5) (32.6) (39.7) (106.2)
Net income (loss)	(65.9) (304.5) (29.9) (402.2)
Other comprehensive income (loss), net of tax:					
Change in unrealized holding value on available-for-sale securities	1.1	1.5	2.4	3.6	
Interest rate swap unrealized gains (losses)	3.4	6.6	25.7	5.9	
Foreign currency related gains (losses)	(11.4) (63.9) 20.3	(56.2)
Unrecognized actuarial gains (losses)	(0.4	) 0.3	(0.4) —	
Other comprehensive income (loss)	(7.3) (55.5) 48.0	(46.7)
Comprehensive income (loss)	\$(73.2) \$(360.0) \$18.1	\$(448.9)

(1) Certain amounts have been reclassified to conform to the current presentation. See Note 1 to the condensed consolidated financial statements for a description of the reclassification. The accompanying notes are an integral part of the condensed consolidated financial statements.

Table of ContentsLVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows
(in millions)

	(Unaudited)	
	Nine Months Ended	
	February 28, 2014	February 28, 2013
Cash flows provided by (used in) operating activities:		
Net income (loss)	\$(29.9	) \$(402.2
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	378.4	364.8
Amortization and write off of deferred financing costs	18.6	27.3
Stock-based compensation expense	13.6	32.3
Loss on extinguishment of debt	—	155.2
Recovery of doubtful accounts receivable	—	(0.4
Realized gain on investments	—	(0.2
Goodwill and intangible assets impairment charge	—	334.1
Deferred income taxes	(126.5	) (165.4
Other	(6.2	) 5.9
Changes in operating assets and liabilities, net of acquired assets:		
Accounts receivable	(30.9	) (53.1
Inventories	(18.8	) (33.6
Prepaid expenses	4.4	(7.9
Accounts payable	(18.2	) (28.0
Income taxes	18.8	5.5
Accrued interest	(20.9	) (12.6
Accrued expenses and other	143.2	52.1
Net cash provided by operating activities	325.6	273.8
Cash flows provided by (used in) investing activities:		
Proceeds from sales/maturities of investments	19.0	5.5
Purchases of investments	(19.8	) (6.4
Net proceeds from sale of assets	0.8	14.0
Capital expenditures	(158.8	) (149.7
Acquisitions, net of cash acquired - 2012 Trauma Acquisition	—	(280.0
Acquisitions, net of cash acquired - 2013 Spine Acquisition	(148.8) —
Other acquisitions, net of cash acquired	(1.3	) (17.2
Net cash used in investing activities	(308.9	) (433.8
Cash flows provided by (used in) financing activities:		
Debt:		
Payments under European facilities	(2.3	) (1.0
Payments under senior secured credit facilities	(22.6	) (25.2
Proceeds under revolvers	159.3	80.0
Payments under revolvers	(63.0	) (80.0
Proceeds from senior notes due 2020 and term loans	870.5	3,396.2
Tender/retirement of senior notes due 2017 and term loans	(1,091.6	) (3,423.0
Payment of fees related to refinancing activities	(15.5	) (77.8
Equity:		
Option exercises	0.6	—
Repurchase of LVB Acquisition, Inc. shares	—	(0.1
Net cash used in financing activities	(164.6) (130.9
Effect of exchange rate changes on cash	4.7	15.9

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Increase (decrease) in cash and cash equivalents	(143.2) (275.0)
Cash and cash equivalents, beginning of period	355.6	492.4	
Cash and cash equivalents, end of period	\$212.4	\$217.4	
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	\$287.0	\$315.5	
Income taxes	\$69.7	\$49.0	

The accompanying notes are an integral part of the condensed consolidated financial statements.

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Biomet, Inc. and Subsidiaries Condensed Consolidated Balance Sheets
(in millions, except shares)

	(Unaudited)	
	February 28, 2014	May 31, 2013
Assets		
Current assets:		
Cash and cash equivalents	\$212.4	\$355.6
Accou		