BIOMET INC
Form 424B3
October 15, 2012

Filed Pursuant to Rule 424(b)(3)

Registration No. 333-183946

PROSPECTUS SUPPLEMENT

(to prospectus dated October 4, 2012 and the prospectus supplements dated October 9, 2012 and October 10, 2012)

BIOMET, INC.

$775,000,000 10% Senior Notes due 2017

$1,015,000,000 11 $^{5}/_{8}$% Senior Subordinated Notes due 2017

This prospectus supplement updates and supplements the prospectus dated October 4, 2012 and the prospectus supplements dated October 9, 2012 and October 10, 2012.

See the Risk Factors section beginning on page 5 of the prospectus 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 October 15, 2012.

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended August 31, 2012.

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 þ No ¨

BIOMET, INC. Yes þ 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 þ No ¨

BIOMET, INC. Yes þ 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	¨	Accelerated filer	¨
Non-accelerated filer	þ	Smaller reporting company	¨

BIOMET, INC.

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	þ	Smaller reporting company	¨

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 þ
BIOMET, INC.	Yes ¨	No þ

The number of shares of the registrants   common stock outstanding as of September 30, 2012:

LVB ACQUISITION, INC.	552,361,917 shares of common stock
BIOMET, INC.	1,000 shares of common stock

TABLE OF CONTENTS

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. Unless the context indicates otherwise, any reference in this report to the Company, we, us and our refer to LVB, Biomet, Inc. and its subsidiaries. Eac 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.

Item 1. Condensed Consolidated Financial Statements.
LVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Balance Sheets.

(in millions, except shares)

	(Unaudited) August 31, 2012	May 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 619.2	$ 492.4
Accounts receivable, less allowance for doubtful accounts receivables of $37.2 ($36.5 at May 31, 2012)	487.7	491.6
Investments	2.5	2.5
Income tax receivable	5.6	5.0
Inventories	650.2	543.2
Deferred income taxes	53.4	52.5
Prepaid expenses and other	145.0	124.1
Total current assets	1,963.6	1,711.3
Property, plant and equipment, net	668.2	593.6
Investments	15.2	13.9
Intangible assets, net	3,940.9	3,930.4
Goodwill	4,182.2	4,114.4
Other assets	81.1	56.8
Total assets	$ 10,851.2	$ 10,420.4
Liabilities & Shareholders Equity		
Current liabilities:		
Current portion of long-term debt	$ 35.7	$ 35.6
Accounts payable	107.7	116.2
Accrued interest	108.4	56.5
Accrued wages and commissions	99.0	122.0
Other accrued expenses	169.7	180.2
Total current liabilities	520.5	510.5
Long-term liabilities:		
Long-term debt, net of current portion	6,246.2	5,792.2
Deferred income taxes	1,192.4	1,257.8
Other long-term liabilities	200.5	177.8
Total liabilities	8,159.6	7,738.3
Commitments and contingencies		
Shareholders equity:		
Common stock, par value $0.01 per share; 740,000,000 shares authorized; 552,361,917 and 552,308,376 shares issued and outstanding	5.5	5.5
Contributed and additional paid-in capital	5,642.9	5,623.3
Accumulated deficit	(3,101.1)	(3,069.6)
Accumulated other comprehensive income	144.3	122.9
Total shareholders equity	2,691.6	2,682.1
Total liabilities and shareholders equity	$ 10,851.2	$ 10,420.4

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

4

LVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Statements of Operations and Comprehensive Loss.

(in millions)

	(Unaudited) For the Three Months Ended August 31, 2012	2011
Net sales	$ 707.4	$ 664.6
Cost of sales	228.1	215.3
Gross profit	479.3	449.3
Selling, general and administrative expense	296.1	261.6
Research and development expense	35.8	32.0
Amortization	78.4	83.0
Operating income (loss)	69.0	72.7
Interest expense	117.1	125.4
Other (income) expense	37.5	7.2
Other expense, net	154.6	132.6
Loss before income taxes	(85.6)	(59.9)
Benefit from income taxes	(54.1)	(20.7)
Net loss	(31.5)	(39.2)
Other comprehensive income (loss), net of tax:		
Change in unrealized holding value on available for sale securities	0.8	4.7
Interest rate swap unrealized gain (loss)	(2.6)	5.9
Foreign currency related gains (losses)	23.2	12.4
Unrecognized actuarial gain (loss) on pension assets		0.1
Other comprehensive income	21.4	23.1
Comprehensive loss	$ (10.1)	$ (16.1)

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

LVB Acquisition, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows.

(in millions)

(in millions)	(Unaudited) Three Months Ended August 31, 2012	August 31, 2011(1)
Cash flows provided by (used in) operating activities:		
Net loss	$ (31.5)	$ (39.2)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	120.6	129.8
Amortization and write off of deferred financing costs	7.0	2.8
Stock-based compensation expense	19.1	4.7
Loss on extinguishment of debt	38.0	
Provision for (recovery) of doubtful accounts receivable	1.3	(2.5)
Loss on impairment of investments		9.2
Deferred income taxes	(68.9)	(67.0)
Other	(1.3)	(0.6)
Changes in operating assets and liabilities, net of acquired assets:		
Accounts receivable	5.8	21.3
Inventories	(21.2)	(2.7)
Prepaid expenses	(4.2)	2.7
Accounts payable	(8.1)	(1.5)
Income taxes	(4.2)	22.4
Accrued interest	51.9	67.8
Accrued expenses and other	(18.8)	(24.1)
Net cash provided by operating activities	85.5	123.1
Cash flows provided by (used in) investing activities:		
Proceeds from sales/maturities of investments		33.7
Purchases of investments		(0.2)
Net proceeds from sale of property and equipment		0.1
Capital expenditures	(53.1)	(39.2)
Acquisitions, net of cash acquired - Trauma Acquisition	(280.0)	
Other acquisitions, net of cash acquired	(5.9)	(3.9)
Net cash used in investing activities	(339.0)	(9.5)
Cash flows provided by (used in) financing activities:		
Debt:		
Payments under European facilities	(0.4)	(0.5)
Payments under senior secured credit facilities	(8.5)	(8.9)
Proceeds from Senior notes	1,000.0	
Tender of Senior notes	(581.7)	
Payment of fees related to refinancing activities	(30.1)	
Equity:		
Repurchase of LVB Acquisition, Inc. shares		(0.3)
Net cash provided by (used in) financing activities	379.3	(9.7)
Effect of exchange rate changes on cash	1.0	(0.5)
Increase in cash and cash equivalents	126.8	103.4
Cash and cash equivalents, beginning of period	492.4	327.8
Cash and cash equivalents, end of period	$ 619.2	$ 431.2

Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	$ 62.5	$ 55.0
Income taxes	$ 22.0	$ 20.7

(1) Certain amounts have been adjusted to conform to the current presentation.

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

Biomet, Inc. and Subsidiaries Condensed Consolidated Balance Sheets.

(in millions, except shares)

(in millions)	(Unaudited) August 31, 2012	May 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 619.2	$ 492.4
Accounts receivable, less allowance for doubtful accounts receivables of $37.2 ($36.5 at May 31, 2012)	487.7	491.6
Investments	2.5	2.5
Income tax receivable	5.6	5.0
Inventories	650.2	543.2
Deferred income taxes	53.4	52.5
Prepaid expenses and other	145.0	124.1
Total current assets	1,963.6	1,711.3
Property, plant and equipment, net	668.2	593.6
Investments	15.2	13.9
Intangible assets, net	3,940.9	3,930.4
Goodwill	4,182.2	4,114.4
Other assets	81.1	56.8
Total assets	$ 10,851.2	$ 10,420.4
Liabilities & Shareholder s Equity		
Current liabilities:		
Current portion of long-term debt	$ 35.7	$ 35.6
Accounts payable	107.7	116.2
Accrued interest	108.4	56.5
Accrued wages and commissions	99.0	122.0
Other accrued expenses	169.7	180.2
Total current liabilities	520.5	510.5
Long-term liabilities:		
Long-term debt, net of current portion	6,246.2	5,792.2
Deferred income taxes	1,192.4	1,257.8
Other long-term liabilities	200.5	177.8
Total liabilities	8,159.6	7,738.3
Commitments and contingencies		
Shareholder s equity:		
Common stock, without par value; 1,000 shares authorized; 1,000 shares issued and outstanding		
Contributed and additional paid-in capital	5,648.4	5,628.8
Accumulated deficit	(3,101.1)	(3,069.6)
Accumulated other comprehensive income	144.3	122.9
Total shareholder s equity	2,691.6	2,682.1
Total liabilities and shareholder s equity	$ 10,851.2	$ 10,420.4

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

7

Biomet, Inc. and Subsidiaries Condensed Consolidated Statements of Operations and Comprehensive Loss.

(in millions)

	(Unaudited) For the Three Months Ended August 31, 2012	2011
Net sales	$ 707.4	$ 664.6
Cost of sales	228.1	215.3
Gross profit	479.3	449.3
Selling, general and administrative expense	296.1	261.6
Research and development expense	35.8	32.0
Amortization	78.4	83.0
Operating income (loss)	69.0	72.7
Interest expense	117.1	125.4
Other (income) expense	37.5	7.2
Other expense, net	154.6	132.6
Loss before income taxes	(85.6)	(59.9)
Benefit from income taxes	(54.1)	(20.7)
Net loss	(31.5)	(39.2)
Other comprehensive income (loss), net of tax:		
Change in unrealized holding value on available for sale securities	0.8	4.7
Interest rate swap unrealized gain (loss)	(2.6)	5.9
Foreign currency related gains (losses)	23.2	12.4
Unrecognized actuarial gain (loss) on pension assets		0.1
Other comprehensive income	21.4	23.1
Comprehensive loss	$ (10.1)	$ (16.1)

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

Biomet, Inc. and Subsidiaries Condensed Consolidated Statements of Cash Flows.

(in millions)

(in millions)	(Unaudited) Three Months Ended August 31, 2012	August 31, 2011[1]
Cash flows provided by (used in) operating activities:		
Net loss	$ (31.5)	$ (39.2)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	120.6	129.8
Amortization and write off of deferred financing costs	7.0	2.8
Stock-based compensation expense	19.1	4.7
Loss on extinguishment of debt	38.0	
Provision for (recovery) of doubtful accounts receivable	1.3	(2.5)
Loss on impairment of investments		9.2
Deferred income taxes	(68.9)	(67.0)
Other	(1.3)	(0.6)
Changes in operating assets and liabilities, net of acquired assets:		
Accounts receivable	5.8	21.3
Inventories	(21.2)	(2.7)
Prepaid expenses	(4.2)	2.7
Accounts payable	(8.1)	(1.5)
Income taxes	(4.2)	22.4
Accrued interest	51.9	67.8
Accrued expenses and other	(18.8)	(24.1)
Net cash provided by operating activities	85.5	123.1
Cash flows provided by (used in) investing activities:		
Proceeds from sales/maturities of investments		33.7
Purchases of investments		(0.2)
Net proceeds from sale of property and equipment		0.1
Capital expenditures	(53.1)	(39.2)
Acquisitions, net of cash acquired - Trauma Acquisition	(280.0)	
Other acquisitions, net of cash acquired	(5.9)	(3.9)
Net cash used in investing activities	(339.0)	(9.5)
Cash flows provided by (used in) financing activities:		
Debt:		
Payments under European facilities	(0.4)	(0.5)
Payments under senior secured credit facilities	(8.5)	(8.9)
Proceeds from Senior notes	1,000.0	
Tender of Senior notes	(581.7)	
Payment of fees related to refinancing activities	(30.1)	
Equity:		
Repurchase of LVB Acquisition, Inc. shares		(0.3)
Net cash provided by (used in) financing activities	379.3	(9.7)
Effect of exchange rate changes on cash	1.0	(0.5)
Increase in cash and cash equivalents	126.8	103.4
Cash and cash equivalents, beginning of period	492.4	327.8
Cash and cash equivalents, end of period	$ 619.2	$ 431.2

Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest	$ 62.5	$ 55.0
Income taxes	$ 22.0	$ 20.7

(1) Certain amounts have been adjusted to conform to the current presentation.

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

LVB ACQUISITION, INC.

BIOMET, INC.

Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1 Basis of Presentation.

The accompanying unaudited condensed consolidated financial statements include the accounts of LVB Acquisition, Inc. (LVB and Parent) and Biomet, Inc. and its subsidiaries (individually and collectively with its subsidiaries referred to as Biomet , and together with LVB, the Company , we , us , or our). Biomet is a wholly owned subsidiary of LVB. LVB has no other operations beyond its ownership of Biomet. Intercompany accounts and transactions have been eliminated in consolidation.

The unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP) for condensed financial information, the instructions to Form 10-Q and Article 10 of Regulation S-X. As a result, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the financial condition, results of operations and cash flows for the periods presented have been included. Operating results for the three months ended August 31, 2012 are not necessarily indicative of the results that may be expected for the fiscal year ending May 31, 2013. For further information, including the Company s significant accounting policies, refer to the audited consolidated financial statements and notes thereto included in the Company s Annual Report on Form 10-K for the fiscal year ended May 31, 2012 (the 2012 Form 10-K).

The May 31, 2012 balances have been derived from the audited financial statements included in the 2012 Form 10-K.

Recent Accounting Pronouncements

Goodwill Impairment Testing In September 2011, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2011-08, Intangibles-Goodwill and Other (Topic 350): Testing Goodwill for Impairment (ASU 2011-08). The new guidance is intended to simplify how entities test goodwill for impairment. It includes provisions that permit an entity to first assess qualitative factors in determining whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. The more-likely-than-not threshold is defined as having a likelihood of more than 50%. The new guidance is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. The changes to Topic 350 were effective for the Company beginning June 1, 2012 and will be applied prospectively. The Company is currently evaluating if this accounting pronouncement is expected to have a material impact on the Company s consolidated financial statements.

Note 2 Acquisition.

Trauma Acquisition

On May 24, 2012, DePuy Orthopaedics, Inc. accepted the Company s binding offer to purchase certain assets representing substantially all of DePuy s worldwide trauma business (Trauma Acquisition), which involves researching, developing, manufacturing, marketing, distributing and selling products to treat certain bone fractures or deformities in the human body, including certain intellectual property assets, and to assume certain liabilities, for approximately $280.0 million in cash. The Company acquired the DePuy worldwide trauma business to strengthen its trauma business and to continue to build a stronger presence in the global trauma market. Trauma Acquisition net sales for the three months ended August 31, 2012 was $38.8 million.

On June 15, 2012, the Company announced the initial closing of the transaction, acquiring DePuy s trauma operations in the U.S., the United Kingdom, Australia, New Zealand and Japan, as well as DePuy s trauma manufacturing operations in Le Locle, Switzerland. On July 13, 2012, the Company closed in Belgium, France, Germany, Luxembourg, The Netherlands, Portugal, South Africa, Spain, Ireland, Italy and the Switzerland non-manufacturing unit. In August, the Company closed on ten additional countries including China. Subsequent closings for the remaining countries will occur on a staggered basis and, in general, are expected to be completed within six months of the initial closing. DePuy affiliates will serve as the Company s interim distributors in these countries until these operations are fully transitioned to the Company. The remaining countries to close represent approximately 5% of historical sales levels of the acquired business.

The acquisition has been accounted for as a business combination. The preliminary purchase price was allocated to the acquired assets and liabilities based on the estimated fair value of the acquired assets at the date of acquisition. As of August 31, 2012 certain closings had not yet closed, therefore the Company recorded a preliminary allocation of the purchase price to acquired tangible and identifiable intangible assets and liabilities assumed based on their fair value at the initial acquisition date. The Company is in the process of obtaining valuations of certain tangible and intangible assets and determining certain employee liabilities. The Company expects to complete the purchase price allocation in fiscal year 2013 after all countries have closed and valuations are finalized.

Note 2 Acquisition, Continued.

The preliminary purchase price allocation at August 31, 2012 consisted of the following:

(in millions)	**August 31, 2012**
Inventory	$ 105.0
Prepaid expenses and other	8.2
Instruments	31.3
Other property, plant and equipment	23.3
Intangible assets	70.0
Goodwill	42.2
Preliminary purchase price	$ 280.0

The asset purchase agreement contains a provision requiring an adjustment to the purchase price if the amount of deli