WRIGHT MEDICAL GROUP INC Form 425 October 28, 2014

Employee Town Hall October 28, 2014 CONTENTS ARE CONFIDENTIAL Filed by Wright Medical Group, Inc. pursuant to Rule to Rule 425

Under the Securities Act of 1933 Deemed filed pursuant to Rule 14a-12 Under the Securities Exchange Act of 1934 Subject Company: Wright Medical Group, Inc. Commission File No. 001-35823



Forward-Looking Statements
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This presentation includes forward-looking statements. These forward-looking statements generally can be identified by the usuch as anticipate, expect, plan, could, may, will, believe, estimate, forecast, goal, project, and meaning. Forward-looking statements in this presentation include, but are not limited to, statements about the benefits of the transaction; the combined company s plans, objectives, expectations and intentions with respect to future operations, productions.

services, the approvable status and anticipated final PMA approval of Wright s Augment® Bone Graft product, and the positi final approval is anticipated to have on the combined business. Each forward-looking statement contained in this presentation risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statement. A risks and uncertainties include, among others, uncertainties as to the timing of the transaction; uncertainties as to whether Torn shareholders and Wright shareholders will approve the transaction; the risk that competing offers will be made; the possibility closing conditions for the transaction may not be satisfied or waived, including that a governmental entity may prohibit, delay grant approval for the consummation of the transaction, or the terms of such approval; the effects of disruption from the transaction more difficult to maintain relationships with employees, customers, vendors and other business partners; the risk that sharehold connection with the transaction may result in significant costs of defense, indemnification and liability; other business effects, effects of industry, economic or political conditions outside of Wright s or Tornier s control; the failure to realize synergies a from the transaction or delay in realization thereof; the businesses of Wright and Tornier may not be combined successfully, or combination may take longer, be more difficult, time-consuming or costly to accomplish than expected; operating costs and but disruption following completion of the transaction, including adverse effects on employee retention and on Wright s and Torn business relationships with third parties; transaction costs; actual or contingent liabilities; the adequacy of the combined compa resources; failure or delay in ultimately obtaining FDA approval of Wright s Augment® Bone Graft for commercial sale in th failure to achieve the anticipated benefits from approval of Augment® Bone Graft, and the risks identified under the heading Wright s Annual Report on Form 10-K, filed with the SEC on February 24, 2014, and Tornier s Annual Report on Form 10-H SEC on February 21, 2014, as well as both companies subsequent Quarterly Reports on Form 10-Q and other information file company with the SEC. Wright and Tornier caution investors not to place considerable reliance on the forward-looking statem in this presentation. You are encouraged to read Wright s and Tornier s filings with the SEC, available at www.sec.gov, for a these and other risks and uncertainties. The forward-looking statements in this presentation speak only as of the date of this presentation and Wright and Tornier undertake no obligation to update or revise any of these statements. Wright s and Tornier s business to substantial risks and uncertainties, including those referenced above. Investors, potential investors, and others should give of consideration to these risks and uncertainties.

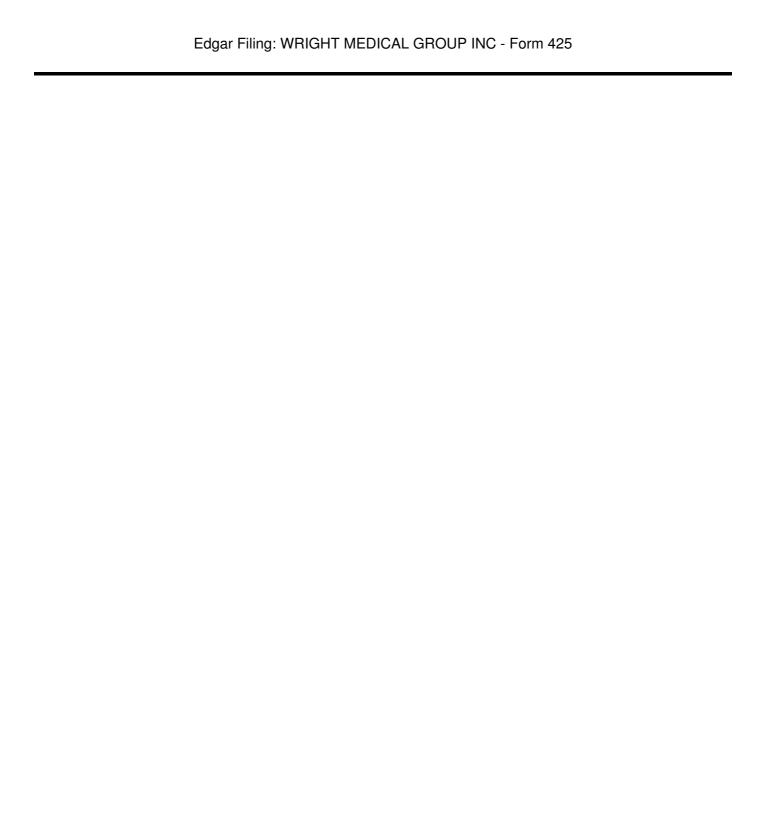
Wright and Tornier use non-GAAP financial measures, including EBITDA, as adjusted. Their respective management teams believe that the presentation of these measures provides useful information to investors and that these measures may assist investors in evaluating their respective company's operations, period over period. EBITDA is calculated by adding back to net income charges for interest, income taxes and depreciation and amortization expenses. While it is not possible to reconcile the adjusted EBITDA forecast in this presentation to the nearest metric under U.S. generally accepted accounting principles (GAAP) of the combined business without unreasonable effort, the adjusted EBITDA forecast excludes non-cash stock based compensation

expense and non-operating income and expense, as well as the expected impact of such items as transaction and transition costs, impacts from the sale of Wright s OrthoRecon business and costs associated with distributor conversions and non-competes, all of which may be highly variable, difficult to predict and of a size that could have substantial impact on the combined company's reported results of operations for a period. Investors should consider these non-GAAP measures only as a supplement to, not as a substitute for or as superior to, measures of financial performance prepared in accordance with GAAP.

Use of Non-GAAP Financial Measures

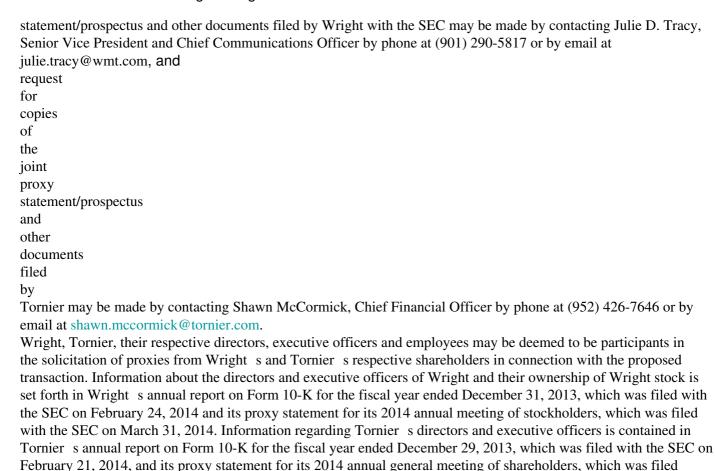
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#### Additional Information And Where To Find It

In connection with the proposed merger, Tornier plans to file with the U.S. Securities and Exchange Commission (SEC) a registration statement on Form S-4 that will include a joint proxy statement of Wright and Tornier that also constitutes a prospectus of Tornier. Wright and Tornier will make the joint proxy statement/prospectus available to their respective shareholders. Investors are urged to read the joint proxy statement/prospectus when it becomes available, because it will contain important information. The registration statement, definitive joint proxy statement/prospectus and other documents filed by Tornier and Wright with the SEC will be available free of charge at the SEC s website (www.sec.gov) and from Tornier and Wright. Requests for copies of the joint proxy



with the SEC on May 16, 2014. These documents can be obtained free of charge from the sources indicated above. Certain directors, executive officers and employees of Wright and Tornier may have direct or indirect interest in the

due

to

securities

transaction

holdings,

vesting

of

equity

awards

and

rights

to

severance

payments.

Additional

information regarding the participants in the solicitation of Wright and Tornier shareholders will be included in the joint proxy statement/prospectus.

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Yesterday s Announcements

Who Is Tornier?

Why this combination?

What happens after today?

How are we planning for the future?

Leadership s commitment to you

Conclusion & Summary

Q&A

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Augment is approvable for ankle and/or hindfoot fusion indications!!!

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Augment

®

Bone

Graft

approvable for

ankle

and/or
hindfoot fusion indications
Approvable
letter
indicates
that
FDA
determined
Augment
®
Bone
Graft to be safe and effective as an alternative to autograft for ankle
and/or hindfoot fusion indications
Final approval subject to customary preapproval inspections
Assuming
satisfactory
completion
of
this
activity
and
receipt
of
a
final
approval order from the FDA, commercial sale and distribution of
Augment
®
Bone
Graft
can
begin
in
the
U.S.
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A Breakthrough Biologic!

Nothing else like it on the market

Further accelerate growth

Bone repair, soft tissue indications CONTENTS ARE CONFIDENTIAL Unique solution for ankle and/or hindfoot Breakthrough biologic Platform for future growth opportunities

Challenging Third Quarter

Revenue fell short of expectations

Net

sales

for

Q3:

\$71.3 million
up 24% vs. last year
Normalizing for acquisitions, up 8% vs. last year
Total ankle sales growth of 25%
Slower growth rate than anticipated in our U.S. business
Increasing focus on core products and improving execution
Anticipating continued growth: new reps and acquired products
Continued strong growth from total ankle
International business strong; some short-term challenges
Supply planning
Negative currency rate impact
Updated our revenue guidance 9 CONTENTS ARE CONFIDENTIAL

Yesterday s Announcement to Combine
THE Premier Global Extremities-Biologics Company
Comprehensive Upper & Lower Extremity Product Portfolio
Accelerated Opportunities to Grow FASTER
Lower, Upper, & Bio
Three of Highest Growth Areas
Expanded
Scale and Scope

Double our revenue to over \$600M while maintaining our focus 10
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Generate long-term value for our
customers, employees, and shareholders

Important notes on the Announcement

Wright

&

Tornier

leaders

thrilled

once in a life time

opportunity and very bright future!

Business as usual

through the transaction close

Wright Medical Group N.V.

led by Bob Palmisano as CEO

and Tornier s Dave Mowry as COO

Pascal will continue to serve as Wright s COO until close and

will continue to stay highly involved through transition

Both

**Boards** 

of

Directors

voted

unanimously

to

combine

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Excitement

about the Deal

Familiar Name

and

Leadership

Unanimous

Decision

**Business As** 

Usual

```
Where We Will Operate
12
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2
nd
Floor
B
building
```

expansion

Staying in

Tennessee

Cherry Road

Expansion

Memphis: U.S. Headquarters

Wright Operations Center: Arlington

Lower Extremity and Biologics U.S. HQ: Memphis Augment

team continue to be based in Franklin

Upper Extremity U.S. HQ: Tornier s Minnesota facility

Incorporated in The Netherlands

Key Products Recent Strategic Initiatives

Extremities company with leadership position in Upper Extremities -- shoulder

NASDAQ:

#### **TRNX**

www.tornier.com

HQ in Netherlands; operations run out of U.S.,

France and Ireland

2013 revenue: \$311M

Products sold in 45 countries

1,076 employees globally

Aequalis Ascend

Flex Shoulder

System

Latitude EV

Elbow Prosthesis

Salto Talaris Total

Ankle Prosthesis

CannuLink

Intraosseous

**Fixation System** 

**Business Mix** 

**Company Summary** 

Transitioned US Sales organization into separate dedicated Upper and dedicated Lower Extremity reps, including a significant portion from Distributor to Direct

Global commercial launch of Aequalis Ascend Flex convertible shoulder system (July 2013)

First and only Japanese Reversed Shoulder approval received and commercial launch underway

Integration of OrthoHelix (acquired in 4Q12)

Tornier at a Glance

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\*2013 revenue

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59%

19%

17%

5%

Sports Med &

**Biologics** 

Large Joint

Lower Extremity

**Upper Extremity** 

59%

41% US

International

Summing Up: Compelling Strategic Rationale
THE Premier High-Growth Extremities-Biologics Company
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Once integrated, anticipate combined revenues growing in
mid-teens and adj. EBITDA margins approaching 20% in 3-4 years
Further
enhanced

by final FDA premarket approval of

Augment

®

Bone

Graft, a platform technology for future new product development Leading technologies & specialized sales forces addressing continuum of care through innovative solutions

Three cornerstones: Total Ankle, Shoulder Replacement, Biologics

Uniquely positioned in fastest growth areas of orthopaedics

Comprehensive Upper & Lower Extremity Product Portfolio 15
\*2013 revenue
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UPPER EXTREMITIES
LOWER EXTREMITIES
~10% of Revenue

59% of Revenue ~62% of Revenue 19% of Revenue BIOLOGICS

We speak a common language 16 CONTENTS ARE CONFIDENTIAL

We can achieve more as one company!

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EMPLOYEES

Larger, dynamic organization enhances career growth opportunities

CUSTOMERS

Combined products, sales, distribution, medical education and

relationships expands our reach
PATIENTS
Dedicated R&D will power innovation across combined portfolio
to enhance outcomes
SHAREHOLDERS
Significant potential upside & future growth prospects expected
from a larger, stronger, combined organization

What does this mean for employees TODAY?

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Close in 2015:

Deal is expected to close in the first half of 2015 and will require regulatory and shareholder approvals

Business as Usual: Customer Service is our Number One Priority

#### Execute

on operational objectives and individual goals

### No Immediate Changes:

Your role, responsibilities, salary and benefits remain the same; you may be requested to assist in integration planning.

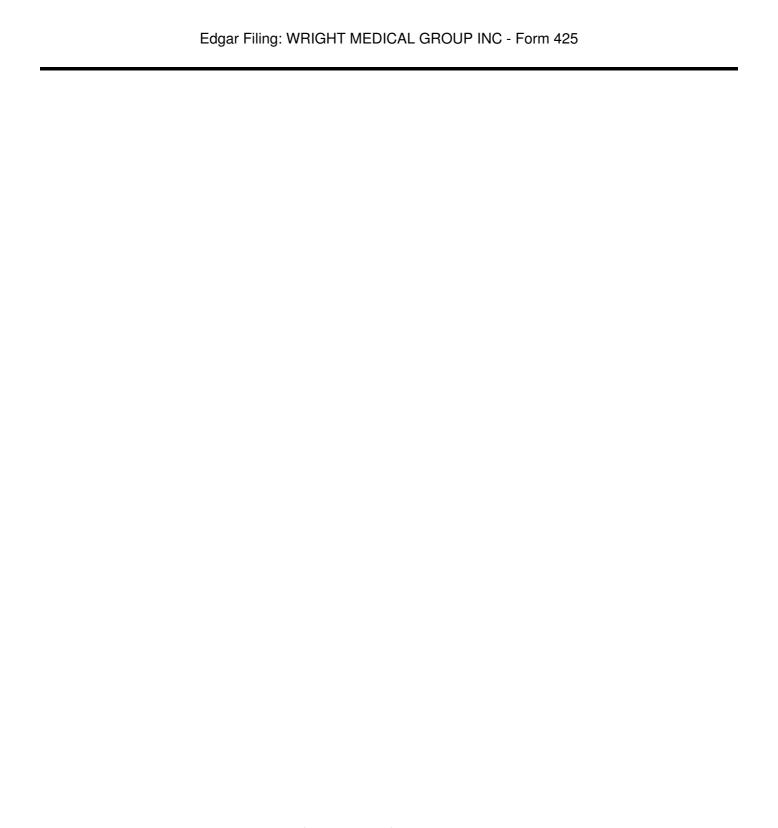
Transaction itself will not create any changes to 2014 bonus and benefit programs.

We will follow our normal process for reviewing and updating our bonus and benefit programs for 2015.

Until close, we remain independent companies and should continue to compete as vigorously as we did before the announcement

Significant Resources Dedicated to the Combination that will: How are we planning for the integration?
Vitally important that planning efforts do not distract us from remaining productive and executing on our objectives
19
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Identify best practices to leverage combined strengths,

maximize growth and deliver best-in-class service
Reposition and align strategic vision for both entities and
prepare
for
a
successful
Day
One
following
the
close
Pro-actively communicate as information becomes available



We expect to realize cost synergies totaling \$40 million to \$45 million from the following areas some examples:

Multiple ERP systems

Tornier

outsources	
most	
of	
its	
foot and	
and	
ankle	

we have

manufacturing

a world class manufacturing facility

We can eliminate duplicate public expenses, such as audit fees and stock exchange listing fees

These decisions have yet to be made

We understand the uncertainty this creates

We re asking for your patience

We do not have all of the answers yet Synergies and Timing We will communicate as much as we can, as fast as we can 20

Commitment to open & transparent communication

Future opportunity to meet with Tornier leadership

We will provide ongoing, frequent and timely updates:

In-person, department meetings

***	
Written	communication
* * 11111011	Communication

Human Resources office hours

Management team is dedicated to obtaining answers to your questions

Additional resources for employees:

Frequently Asked Questions (FAQs)

Email:

winningtogether@wmt.com

Intranet:

https://sharepoint.wmt.com/sites/winningtogether

Website:

www.ExtremitiesLeader.com

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A bright & exciting future as new Wright Medical! 22
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Premier HighGrowth ExtremitiesBiologics Company
Accelerated Growth
Opportunities

Significant Scale and Scope Better Serves Customers Increases Employee Development Opportunities Satisfies Shareholders

Q&A CONTENTS ARE CONFIDENTIAL