

CITIZENS FINANCIAL GROUP INC/RI
Form 424B4
July 29, 2015
Table of Contents

**Filed Pursuant to Rule 424(b)(4)
Registration Statement Nos. 333-205766**

\$250,000,000

4.350% Subordinated Notes due 2025

We are offering \$250,000,000 aggregate principal amount of our 4.350% subordinated notes due 2025 (the "notes").

Interest on the notes will be payable semi-annually in arrears on February 1 and August 1 of each year, commencing on February 1, 2016. Prior to July 3, 2025, the notes may not be redeemed. At any time on or after July 3, 2025 (30 days prior to their maturity date), the notes may be redeemed, in whole or in part, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

The notes will be our unsecured and subordinated obligations and will rank junior in right of payment to all of our existing and future indebtedness that is not by its terms subordinate to or equal in right of payment to the notes, equal in right of payment to all of our existing and future indebtedness that is issued on a pari passu basis and senior in right of payment to all of our existing and future indebtedness that is by its terms subordinate to the notes. None of our existing or future subsidiaries will guarantee our obligations under the notes, and the notes will be structurally subordinated to all existing and future liabilities of our existing and future subsidiaries.

We do not intend to apply for the listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system.

The notes are not deposits or other obligations of a bank and are not insured by the Federal Deposit Insurance Corporation ("FDIC") or any other governmental agency.

Investing in the notes involves risk. Before buying any notes, you should consider the risks that we have described in Risk Factors beginning on page 11 of this prospectus and on page 26 of our Annual Report on Form 10-K for

the fiscal year ended December 31, 2014 (the 2014 Form 10-K) incorporated by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Notes Total
Price to public ⁽¹⁾	100.000%	\$250,000,000
Underwriting discounts and commissions	0.450%	\$ 1,125,000
Proceeds to us ⁽¹⁾	99.550%	\$248,875,000

(1) Plus accrued interest, if any, from July 31, 2015.

The underwriters expect to deliver the notes to purchasers in book-entry form only through The Depository Trust Company (DTC or Depository), for the benefit of its participants, including Clearstream Banking, S.A. (Clearstream) and Euroclear Bank S.A./N.V. (Euroclear), on or about July 31, 2015. See Book-Entry; Delivery and Form.

Global Coordinator and Joint Book-Running Manager

BofA Merrill Lynch

Joint Book-Running Managers

Citigroup
Mizuho Securities

Credit Suisse
RBS

Prospectus dated July 28, 2015

Table of Contents

TABLE OF CONTENTS

	Page
<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	11
<u>Special Note Regarding Forward-Looking Statements</u>	46
<u>Use of Proceeds</u>	48
<u>Capitalization</u>	49
<u>Ratio of Earnings to Fixed Charges</u>	50
<u>Description of the Notes</u>	51
	Page
<u>Book-Entry: Delivery and Form</u>	59
<u>Material U.S. Federal Tax Consequences</u>	61
<u>Underwriting</u>	64
<u>Conflict of Interest</u>	66
<u>Legal Matters</u>	67
<u>Experts</u>	67
<u>Where You Can Find More Information</u>	67
<u>Information Incorporated By Reference</u>	67

In this prospectus, we, us, our and CFG refer to Citizens Financial Group, Inc. together with its consolidated subsidiaries, CBNA means Citizens Bank, N.A., CBPA means Citizens Bank of Pennsylvania, our banking subsidiaries means CBNA and CBPA, RBS means The Royal Bank of Scotland Group plc and the RBS Group means RBS together with its subsidiaries (other than CFG). Unless otherwise noted, when we refer to our peers or peer regional banks, we refer to BB&T, Comerica, Fifth Third Bancorp, KeyCorp, M&T Bank Corporation, The PNC Financial Services Group, Inc., Regions Financial, SunTrust Banks, Inc., and U.S. Bancorp. When we refer to our approximately 17,800 employees, we include the full-time equivalent of our approximately 17,130 full-time employees, 630 part-time employees, including employees on leave, and 580 positions filled by temporary employees.

Neither we nor the underwriters have authorized anyone to provide any information other than that contained or incorporated by reference in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the underwriters take responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are offering to sell, and seeking offers to buy, the notes only in jurisdictions where such offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the notes. Our business, financial condition, results of operations and prospects may have changed since that date.

We have proprietary rights to trademarks, trade names and service marks appearing in this prospectus that are important to our business. This prospectus also contains additional trade names, trademarks and service marks belonging to the RBS Group. Solely for convenience, the trademarks, service marks and trade names referred to in this prospectus are without the ® and ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks and trade names. All trademarks, service marks and trade names appearing in this prospectus are the property of their respective owners.

Within this prospectus, we reference certain industry and sector information and statistics. We have obtained this information and statistics from various independent third-party sources, including independent industry publications, reports by market research firms and other independent sources. Nothing in the data used or derived from third-party sources should be construed as advice. The SNL Financial LC, or SNL Financial, data included in this prospectus excludes all non-retail bank holding companies. The scope of non-retail banks is subject to the discretion of SNL Financial, but typically includes: industrial bank and non-depository trust charters, institutions with over 20% brokered deposits (of total deposits), institutions with over 20% credit card loans (of total loans), institutions deemed not to broadly participate in the banking services market and other non-retail competitor

Table of Contents

banks. Some data and other information are also based on our good faith estimates, which are derived from our review of internal surveys and independent sources. We believe these external sources and estimates are reliable, but have not independently verified them.

Percentage changes, per share amounts, and ratios presented in this prospectus are calculated using whole dollars.

Table of Contents

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary may not contain all of the information that you should consider before investing in the notes. Therefore, you should read the entire prospectus carefully, including the section entitled "Risk Factors" in this prospectus and the documents incorporated by reference in this prospectus as well as the audited consolidated financial statements and unaudited interim consolidated financial statements and related notes included in the documents incorporated by reference in this prospectus, before making an investment decision to invest in the notes.

Company Overview

We were the 13th largest retail bank holding company in the United States as of March 31, 2015, according to SNL Financial, with total assets of \$136.5 billion. Headquartered in Providence, Rhode Island, we deliver a broad range of retail and commercial banking products and services to individuals, small businesses, middle-market companies, large corporations and institutions. Our approximately 17,800 employees strive to meet the financial needs of customers and prospects through approximately 1,200 branches and approximately 3,200 automated teller machines operated in an 11-state footprint across the New England, Mid-Atlantic and Midwest regions and through our online, telephone and mobile banking platforms. We also maintain over 100 retail and commercial non-branch offices located both in our banking footprint and in eleven other states and the District of Columbia. As of March 31, 2015, our 11-state branch banking footprint contained approximately 30 million households and 3.1 million businesses according to SNL Financial, and approximately 75% of our loans were to customers located in our footprint. We conduct our banking operations through our two wholly-owned banking subsidiaries, Citizens Bank, N.A. and Citizens Bank of Pennsylvania.

As of March 31, 2015, we had loans and leases and loans held for sale of \$94.9 billion, deposits of \$99.0 billion and stockholders' equity of \$19.6 billion, and we generated revenues of \$1.2 billion for the three months ended March 31, 2015. We operate our business through two operating segments: Consumer Banking and Commercial Banking. As of March 31, 2015, the contributions of Consumer Banking and Commercial Banking to the loans and leases and loans held for sale in our operating segments were approximately 55% and 45%, respectively.

Consumer Banking serves retail customers and small businesses with annual revenues of up to \$25 million. Consumer Banking products and services include deposit products, mortgage and home equity lending, student loans, auto financing, credit cards, business loans and wealth management and investment services. Commercial Banking primarily targets companies and institutions with annual revenues of \$25 million to \$2.5 billion and strives to be the lead bank for its clients. Commercial Banking offers a full range of wholesale banking products and services, including lending and deposits, capital markets, treasury services, foreign exchange and interest hedging, leasing and asset finance, specialty finance and trade finance.

Table of Contents

The following table presents certain financial information for our segments as of and for the three months ended March 31, 2015 and as of and for the year ended December 31, 2014:

	As of and for the Three Months Ended March 31, 2015				As of and for the Year Ended December 31, 2014			
	Consumer Banking	Commercial Banking	Other ⁽¹⁾	Consolidated	Consumer Banking	Commercial Banking	Other ⁽¹⁾	Consolidated
	(dollars in millions)							
Total loans and leases and loans held for sale (average)	\$ 50,260	\$ 40,241	\$ 3,784	\$ 94,285	\$ 47,745	\$ 37,683	\$ 4,316	\$ 89,744
Total deposits and deposits held for sale (average)	67,518	21,932	6,195	95,645	68,214	19,838	4,513	92,565
Net interest income	533	276	27	836	2,151	1,073	77	3,301
Noninterest income	219	100	28	347	899	429	350	1,678
Total revenue	\$ 752	\$ 376	\$ 55	\$ 1,183	\$ 3,050	\$ 1,502	\$ 427	\$ 4,979
Net income	\$ 61	\$ 147	\$ 1	\$ 209	\$ 182	\$ 561	\$ 122	\$ 865

⁽¹⁾ Includes the financial impact of non-core, liquidating loan portfolios and other non-core assets and liabilities, our treasury activities, wholesale funding activities, securities portfolio, community development assets and other unallocated assets, liabilities, equity, revenues, provision for credit losses and expenses not attributed to the Consumer Banking or Commercial Banking segments. For a description of non-core assets, see Management's Discussion and Analysis of Financial Condition and Results of Operations Analysis of Financial Condition in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (the 2014 Form 10-K) and Quarterly Report on Form 10-Q for the three months ended March 31, 2015 (the Q1 2015 Form 10-Q), each incorporated by reference in this prospectus.

Repurchase Transaction

We have agreed to repurchase approximately \$250 million of our common stock directly from the RBS Group at a purchase price per share equal to the price per share of common stock to the public sold by the selling stockholder in a registered offering of our common stock (the Repurchase Transaction). The completion of the Repurchase Transaction will be subject to various conditions, including the completion of this offering and the common stock offering by the selling stockholder.

Recent Developments (Preliminary and Unaudited)

On July 21, 2015, we announced our preliminary financial results for the quarter ended June 30, 2015. Such financial results were included in our Current Report on Form 8-K filed with the SEC on July 28, 2015 (Q2 Form 8-K) and are incorporated by reference in this prospectus. The financial results included in the Q2 Form 8-K are preliminary and may change as a result of the completion of our financial closing procedures or any adjustments that may result from

the completion of the review of our consolidated financial statements. Accordingly, these unaudited results may materially differ from the actual results that will be reflected in our consolidated financial statements for the quarter ended June 30, 2015, when they are completed and publicly filed with the SEC on our Quarterly Report for the quarter ended June 30, 2015. The Q2 Form 8-K should be read in conjunction with Selected Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations, and our historical consolidated financial statements and the notes thereto in our 2014 Form 10-K and our Q1 2015 Form 10-Q each incorporated by reference in this prospectus.

Table of Contents

In connection with our preliminary results, we highlighted that:

We continue to execute broadly well against our key strategic initiatives. This has resulted in positive operating leverage, excluding restructuring charges and special items, which is delivering improved financial performance.

We have developed a series of new revenue and efficiency initiatives intended primarily to offset a slower build on select fee-based businesses, and the effect of net interest margin pressure.

The current forward Fed Funds curve creates a revenue gap in 2016 given our asset-sensitive balance sheet. As a result, achievement of our target of a 10% return on average tangible common equity (ROTCE) run rate by the end of 2016 is likely pushed out.

Other Information

We are subject to the supervision and regulation of the Board of Governors of the Federal Reserve System (the Federal Reserve Board). Our principal executive offices are located at One Citizens Plaza in Providence, Rhode Island, and our telephone number is (401) 456-7000.

Table of Contents

THE OFFERING

Issuer	Citizens Financial Group, Inc.
Notes offered by CFG	\$250,000,000 aggregate principal amount of subordinated notes due 2025.
Maturity date	August 1, 2025.
Interest rate	Interest on the notes will accrue at a rate of 4.350% per year.
Interest payment dates	Interest on the notes will be payable semi-annually in arrears on February 1 and August 1 of each year, commencing on February 1, 2016.
Ranking and subordination	The notes will be our unsecured and subordinated obligations and will rank (i) junior in right of payment to all of our existing and future indebtedness that is not by its terms subordinate or equal in right of payment to the notes, (ii) equal in right of payment to all of our existing and future indebtedness that is issued on a pari passu basis and (iii) senior in right of payment to all of our existing and future indebtedness that is by its terms subordinate to the notes. See Description of the Notes Subordination to Senior Indebtedness. None of our existing or future subsidiaries will guarantee our obligations under the notes, and the notes will be structurally subordinated to all existing and future liabilities of our existing and future subsidiaries. As of March 31, 2015, CFG had \$69 million of indebtedness outstanding that would have ranked senior in right of payment to the notes, \$2.4 billion of indebtedness outstanding that would have ranked equal in right of payment with the notes, and our subsidiaries had an aggregate of \$14.9 billion of liabilities (excluding deposits and deferred taxes) to which the notes would have been structurally subordinated.
Repurchase at option of holders	The notes are not redeemable at the option of the holders at any time.
Optional redemption	Prior to July 3, 2025, the notes may not be redeemed. At any time on or after July 3, 2025 (30 days prior to their maturity date), the notes may be redeemed, in whole or in part, at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

Further issuances

We may from time to time, without notice to or the consent of the registered holders of the notes, issue further notes ranking pari passu with the notes issued in this offering and with identical terms in all respects (or in all respects except for the offering price, the payment of interest accruing prior to the issue date of such further notes or the first payment of interest following the issue date of such further notes) and provide that such further notes may be consolidated and form a single series with the notes issued in this offering. Any further notes

Table of Contents

issued as part of a single series with the notes issued in this offering will have a separate CUSIP number unless such further notes are fungible with the notes issued in this offering for tax and securities law purposes.

Use of proceeds

The net proceeds to us from the sale of the \$250,000,000 aggregate principal amount of the notes offered by us, after deduction of the discount and estimated offering expenses payable by us, are anticipated to be approximately \$248,680,950. We intend to use the net proceeds received by us for the Repurchase Transaction. See Repurchase Transaction and Use of Proceeds.

Trustee

The Bank of New York Mellon

Governing law

New York

Form and denominations

The notes will be issued in registered form in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof. The notes will be evidenced by one or more global securities deposited with or on behalf of DTC and registered in the name of Cede & Co. as DTC's nominee.

No listing

We do not intend to apply for the listing of the notes on any securities exchange or for the quotation of the notes on any automated dealer quotation system.

Conflict of Interest

Because RBS Securities Inc., an underwriter for this offering, is our affiliate and an affiliate of The Royal Bank of Scotland Group plc (which will receive at least 5% of the proceeds of this offering), a conflict of interest under Financial Industry Regulatory Authority, Inc. (FINRA) Rule 5121 is deemed to exist. Accordingly, this offering will be conducted in accordance with that rule. See Underwriting Conflict of Interest.

CUSIP / ISIN

174610AJ4/US174610AJ46

Risk factors

Investing in the notes involves risks. You should consider carefully all of the information in this prospectus and any applicable final term sheet. In particular, you should consider carefully the specific risk factors described in Risk Factors beginning on page 11 of this prospectus and on page 26 of our 2014 Form 10-K incorporated by reference herein before

purchasing any notes.

Table of Contents**SUMMARY CONSOLIDATED FINANCIAL AND OTHER DATA**

We derived the summary consolidated operating data for the years ended December 31, 2014, 2013 and 2012 and the summary consolidated balance sheet data as of December 31, 2014 and 2013 from our audited consolidated financial statements incorporated by reference in this prospectus. We derived the summary consolidated balance sheet data as of December 31, 2012 from our audited consolidated financial statements, which are not included or incorporated by reference in this prospectus. We derived the summary consolidated operating data for the three months ended March 31, 2015 and 2014 and the summary consolidated balance sheet data as of March 31, 2015 from our unaudited interim consolidated financial statements incorporated by reference in this prospectus. We have prepared our unaudited interim consolidated financial statements on the same basis as our audited consolidated financial statements and, in our opinion, have included all adjustments, which include only normal recurring adjustments, necessary to present fairly in all material respects our financial position and results of operations. The results for any interim period are not necessarily indicative of the results that may be expected for the full year or any other period. Additionally, our historical results are not necessarily indicative of the results expected for any future period.

You should read the following summary consolidated financial data in conjunction with Selected Consolidated Financial Data, Management's Discussion and Analysis of Financial Condition and Results of Operations, and our historical consolidated financial statements and the notes thereto in our 2014 Form 10-K and our Q1 2015 Form 10-Q each incorporated by reference in this prospectus.

	For the Three Months Ended		For the Year Ended		
	March 31,		December 31,		
	2015	2014	2014	2013	2012
	(dollars in millions, except per share amounts)				
Operating Data:					
Net interest income	\$ 836	\$ 808	\$ 3,301	\$ 3,058	\$ 3,227
Noninterest income	347	358	1,678	1,632	1,667
Total revenue	1,183	1,166	4,979	4,690	4,894
Provision for credit losses	58	121	319	479	413
Noninterest expense	810	810	3,392	7,679	3,457
Noninterest expense, excluding goodwill impairment ⁽¹⁾	810	810	3,392	3,244	3,457
Income (loss) before income tax expense (benefit)	315	235	1,268	(3,468)	1,024
Income tax expense (benefit)	106	69	403	(42)	381
Net income (loss)	209	166	865	(3,426)	643
Net income, excluding goodwill impairment ⁽¹⁾	209	166	865	654	643
Net income (loss) per average common share basic ⁽²⁾	0.38	0.30	1.55	(6.12)	1.15
Net income (loss) per average common share diluted ⁽³⁾	0.38	0.30	1.55	(6.12)	1.15
Net income per average common share basic, excluding goodwill impairment ⁽¹⁾⁽²⁾	0.38	0.30	1.55	1.17	1.15
Net income per average common share diluted, excluding goodwill impairment ⁽¹⁾⁽²⁾	0.38	0.30	1.55	1.17	1.15

Table of Contents

	For the Three Months Ended		For the Year Ended		
	March 31, 2015	2014	2014	December 31, 2013	2012
	(dollars in millions, except per share amounts)				
Other Operating Data:					
Return on average common equity ⁽³⁾⁽⁶⁾	4.36%	3.48%	4.46%	(15.69)%	2.69%
Return on average common equity, excluding goodwill impairment ⁽¹⁾⁽⁶⁾	4.36	3.48	4.46	3.00	2.69
Return on average tangible common equity ⁽¹⁾⁽⁶⁾	6.53	5.24	6.71	(25.91)	4.86
Return on average tangible common equity, excluding goodwill impairment ⁽¹⁾⁽⁶⁾	6.53	5.24	6.71	4.95	4.86
Return on average total assets ⁽⁴⁾⁽⁶⁾	0.63	0.54	0.68	(2.83)	0.50
Return on average total assets, excluding goodwill impairment ⁽¹⁾⁽⁶⁾	0.63	0.54	0.68	0.54	0.50
Return on average total tangible assets ⁽¹⁾⁽⁶⁾	0.67	0.57	0.71	(3.05)	0.55
Return on average total tangible assets, excluding goodwill impairment ⁽¹⁾⁽⁶⁾	0.67	0.57	0.71	0.58	0.55
Efficiency ratio ⁽¹⁾	68.49	69.43	68.12	163.73	70.64
Efficiency ratio, excluding goodwill impairment ⁽¹⁾	68.49	69.43	68.12	69.17	70.64
Net interest margin ⁽⁵⁾⁽⁶⁾	2.77	2.89	2.83	2.85	2.89

	As of March 31,		As of December 31,	
	2015	2014	2013	2012
	(dollars in millions)			
Balance Sheet Data:				
Total assets	\$ 136,535	\$ 132,857	\$ 122,154	\$ 127,053
Loans and leases ⁽⁷⁾	94,494	93,410	85,859	87,248
Allowance for loan and lease losses	1,202	1,195	1,221	1,255
Total securities	25,086	24,676	21,245	19,417
Goodwill	6,876	6,876	6,876	11,311
Total liabilities	116,971	113,589	102,958	102,924
Deposits ⁽⁸⁾	98,990	95,707	86,903	95,148
Federal funds purchased and securities sold under agreements to repurchase	4,421	4,276	4,791	3,601
Other short-term borrowed funds	7,004	6,253	2,251	501
Long-term borrowed funds	3,904	4,642	1,405	694
Total stockholders' equity	19,564	19,268	19,196	24,129

Other Balance Sheet Data:

Asset Quality Ratios:

Allowance for loan and lease losses as a % of total loans and leases	1.27%	1.28%	1.42%	1.44%
Allowance for loan and lease losses as a % of nonperforming loans and leases	106	109	86	67
Nonperforming loans and leases as a % of total loans and leases	1.20	1.18	1.65	2.14
Capital ratios: ⁽⁹⁾				

Edgar Filing: CITIZENS FINANCIAL GROUP INC/RI - Form 424B4

CET 1 capital ratio ⁽¹⁰⁾	12.2	12.4	13.5	13.9
Tier 1 capital ratio ⁽¹¹⁾	12.2	12.4	13.5	14.2
Total capital ratio ⁽¹²⁾	15.5	15.8	16.1	15.8
Tier 1 leverage ratio ⁽¹³⁾	10.5	10.6	11.6	12.1

Table of Contents

- (1) These measures are non-GAAP financial measures. Please see **Non-GAAP Financial Measures** below for more information on the computation of these non-GAAP financial measures.
- (2) EPS information reflects a 165,582-for-1 forward stock split effective on August 22, 2014.
- (3) **Return on average common equity** is defined as net income (loss) divided by average common equity.
- (4) **Return on average total assets** is defined as net income (loss) divided by average total assets.
- (5) **Net interest margin** is defined as net interest income divided by average total interest-earning assets.
- (6) Operating ratios for the periods ended March 31, 2015 and 2014 are presented on an annualized basis.
- (7) Excludes loans held for sale of \$376 million, \$281 million, \$1.3 billion and \$646 million as of March 31, 2015 and December 31, 2014, 2013 and 2012, respectively.
- (8) Excludes deposits held for sale of \$5.3 billion as of December 31, 2013.
- (9) Basel III transitional rules for institutions applying the standardized approach to calculating risk-weighted assets became effective January 1, 2015. The capital ratios and associated components as of March 31, 2015 are prepared using the Basel III standardized transitional approach. The capital ratios and associated components for periods December 31, 2014 and prior are prepared under the Basel I general risk-based capital rule.
- (10) Common equity Tier 1 capital (CET1) under Basel III replaced the concept of Tier 1 common capital that existed under Basel I effective January 1, 2015. Common equity Tier 1 capital ratio as of March 31, 2015 represents CET1 divided by total risk-weighted assets as defined under Basel III standardized approach. The Tier 1 common capital ratio reported prior to January 1, 2015, represented Tier 1 common equity divided by total risk-weighted assets as defined under and Basel I general risk-based capital rule.
- (11) **Tier 1 capital ratio** is Tier 1 capital, which includes CET1 capital plus non-cumulative perpetual preferred equity that qualifies as additional Tier 1 capital, divided by total risk-weighted assets as defined under Basel III standardized approach.
- (12) **Total capital ratio** is total capital divided by total risk-weighted assets as defined under Basel III standardized approach.

(13) Tier 1 leverage ratio is Tier 1 capital divided by quarterly average total assets as defined under Basel III standardized approach.

Non-GAAP Financial Measures

Certain of the above financial measures, including return on average tangible common equity, return on average total tangible assets and the efficiency ratio are not recognized under accounting principles generally accepted in the United States (GAAP). We also present noninterest expense, net income (loss), return on average total tangible assets, return on average tangible common equity, return on average common equity, return on average total assets, efficiency ratio and net income per average common share (basic and diluted) excluding the 2013 \$4.4 billion pre-tax (\$4.1 billion after-tax) goodwill impairment charge. We believe these non-GAAP measures provide useful information to investors because these are among the measures used by our management team to evaluate our operating performance and make day-to-day operating decisions. In addition, we believe goodwill impairment, restructuring charges and special items in any period do not reflect the operational performance of the business in that period, and, accordingly, it is useful to consider these line items with and without goodwill impairment, restructuring charges and special items. We believe this presentation also increases comparability of period-to-period results.

We also consider pro forma capital ratios defined by banking regulators but not effective at each period end to be non-GAAP financial measures. Since analysts and banking regulators may assess our capital adequacy using these pro forma ratios, we believe they are useful to provide investors the ability to assess our capital adequacy on the same basis. Other companies may use similarly titled non-GAAP financial measures tNT SIZE="1"> **Attorney-in-Fact**

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Biomet Microfixation, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Jacksonville, State of Florida, on the 30th day of May, 2008.

BIOMET MICROFIXATION, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Adam Johnson	Manager (Principal Executive Officer)	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008
* Gary Blackall	Vice President Finance & Operations (Principal Financial Officer)	May 30, 2008
* J. Pat Richardson	Manager and Treasurer (Principal Accounting Officer)	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Biomet Orthopedics, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

BIOMET ORTHOPEDICS, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Jeffrey R. Binder	Manager (Principal Executive Officer)	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008
* Robert Vitoux	Vice President - Finance (Principal Financial Officer)	May 30, 2008
* J. Pat Richardson	Manager and Treasurer (Principal Accounting Officer)	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Biomet Sports Medicine, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

BIOMET SPORTS MEDICINE, LLC

By: *
Bradley J. Tandy
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	Manager	May 30, 2008
Bradley J. Tandy		
*	Manager	May 30, 2008
Gregory W. Sasso		
*	Manager and President (Principal Executive Officer)	May 30, 2008
David A. Nolan, Jr.		
*	Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		

*By: /s/ J. Pat Richardson
J. Pat Richardson
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Biomet Travel, Inc. has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

BIOMET TRAVEL, INC.

By: *
Jeffrey R. Binder
President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Jeffrey R. Binder	Director and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Director and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Daniel P. Florin	Director	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Blue Moon Diagnostics, Inc. has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

BLUE MOON DIAGNOSTICS, INC.

By: *
Jeffrey R. Binder
President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Jeffrey R. Binder	Director and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Dave A. Nolan, Jr.	Director and Vice President	May 30, 2008
* Bradley J. Tandy	Director	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson
Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Cross Medical Products, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on the 30th day of May, 2008.

CROSS MEDICAL PRODUCTS, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	Manager	May 30, 2008
Jeffrey R. Binder		
*	Manager	May 30, 2008
Bradley J. Tandy		
*	Manager and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		
*	General Manager (Principal Executive Officer)	May 30, 2008
Philip A. Mellinger		

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, EBI Holdings, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Parsippany, State of New Jersey, on the 30th day of May, 2008.

EBI HOLDINGS, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	Manager	May 30, 2008
Jeffrey R. Binder		
*	Manager	May 30, 2008
Bradley J. Tandy		
*	Manager and President (Principal Executive Officer)	May 30, 2008
Glen A. Kashuba		
*	Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, EBI, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Parsippany, State of New Jersey, on the 30th day of May, 2008.

EBI, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	Manager	May 30, 2008
Jeffrey R. Binder		
*	Manager	May 30, 2008
Bradley J. Tandy		
*	Manager and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		
*	President (Principal Executive Officer)	May 30, 2008
Glen A. Kashuba		

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, EBI Medical Systems, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Parsippany, State of New Jersey, on the 30th day of May, 2008.

EBI MEDICAL SYSTEMS, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Jeffrey R. Binder	Manager	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008
* Glen A. Kashuba	Manager and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Electro-Biology, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Parsippany, State of New Jersey, on the 30th day of May, 2008.

ELECTRO-BIOLOGY, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	Manager	May 30, 2008
Jeffrey R. Binder		
*	Manager	May 30, 2008
Bradley J. Tandy		
*	Manager and President (Principal Executive Officer)	May 30, 2008
Glen A. Kashuba		
*	Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Biomet Florida Services, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Palm Beach Gardens, State of Florida, on the 30th day of May, 2008.

BIOMET FLORIDA SERVICES, LLC

By: *
Steven Schiess
Manager and President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Steven Schiess	Manager and President (Principal Executive Officer)	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008
* J. Pat Richardson	Manager and Treasurer (Principal Financial Officer)	May 30, 2008
* Gary Blackall	Assistant Treasurer (Principal Accounting Officer)	May 30, 2008
* Scott Kanter	Assistant Treasurer (Principal Accounting Officer)	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Implant Innovations Holdings, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

IMPLANT INNOVATIONS HOLDINGS, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Steven Schiess	President (Principal Executive Officer)	May 30, 2008
* Edward G. Sabin	Senior Vice President - Finance and Administration (Principal Financial Officer)	May 30, 2008
* J. Pat Richardson	Treasurer (Principal Accounting Officer)	May 30, 2008
* Jeffrey R. Binder	Manager	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Interpore Cross International, LLC has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on the 30th day of May, 2008.

INTERPORE CROSS INTERNATIONAL, LLC

By: *
Jeffrey R. Binder
Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* J. Pat Richardson	Manager and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Philip A. Mellinger	General Manager (Principal Executive Officer)	May 30, 2008
* Jeffrey R. Binder	Manager	May 30, 2008
* Bradley J. Tandy	Manager	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Interpore Spine Ltd. has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Irvine, State of California, on the 30th day of May, 2008.

INTERPORE SPINE LTD.

By: *
Philip A. Mellinger
General Manager

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
*	General Manager (Principal Executive Officer)	May 30, 2008
Philip A. Mellinger		
*	Director and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
J. Pat Richardson		
*	Vice President	May 30, 2008
Daniel A. Williamson		
*	Director and Secretary	May 30, 2008
Bradley J. Tandy		
*	Director	May 30, 2008
Jeffrey R. Binder		

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Kirschner Medical Corporation has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Parsippany, State of New Jersey, on 30th day of May, 2008.

KIRSCHNER MEDICAL CORPORATION

By: *
Glen A. Kashuba
President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Glen A. Kashuba	Director and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Director and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Bradley J. Tandy	Director and Secretary	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Meridew Medical, Inc. has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

MERIDEW MEDICAL, INC.

By: *
Jeffrey R. Binder
President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Jeffrey R. Binder	Director and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Director and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Elaine C. Piper	Secretary	May 30, 2008
* Bradley J. Tandy	Director	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Thoramet, Inc. has duly caused this Post-Effective Amendment No. 1 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Warsaw, State of Indiana, on the 30th day of May, 2008.

THORAMET, INC.

By: *
Bradley J. Tandy
President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 1 to the Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Capacity	Date
* Bradley J. Tandy	Director and President (Principal Executive Officer)	May 30, 2008
* J. Pat Richardson	Director and Treasurer (Principal Financial Officer and Principal Accounting Officer)	May 30, 2008
* Elaine C. Piper	Secretary	May 30, 2008
* Daniel P. Florin	Director	May 30, 2008

*By: /s/ J. Pat Richardson
J. Pat Richardson

Attorney-in-Fact