

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY Stryker Corporation and Subsidiaries

(in millions, except per share amounts)

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Gain (Loss)	Total
<i>Balances at January 1, 2006</i>	\$ 40.5	\$ 452.0	\$2,802.5	\$ 5.2	\$3,300.2
Net earnings for 2006	—	—	777.7	—	777.7
Unrealized losses on securities, net of \$0.4 income tax benefit	—	—	—	(0.9)	(0.9)
Unfunded pension gains, net of \$1.5 income tax expense	—	—	—	2.6	2.6
Foreign currency translation adjustments	—	—	—	102.6	102.6
Comprehensive earnings for 2006					882.0
Issuance of 2.8 shares of common stock under stock option and benefit plans, including \$26.1 excess income tax benefit	0.3	60.2	—	—	60.5
Share-based compensation	—	56.9	—	—	56.9
Cash dividend declared of \$0.22 per share of common stock	—	—	(89.7)	—	(89.7)
Adjustment to adopt FASB Statement No. 158, net of \$3.9 income tax benefit	—	—	—	(18.9)	(18.9)
<i>Balances at December 31, 2006</i>	40.8	569.1	3,490.5	90.6	4,191.0
Net earnings for 2007	—	—	1,017.4	—	1,017.4
Unrealized gains on securities, net of \$0.8 income tax expense	—	—	—	1.1	1.1
Unfunded pension gains, net of \$5.5 income tax expense	—	—	—	16.4	16.4
Foreign currency translation adjustments	—	—	—	152.7	152.7
Comprehensive earnings for 2007					1,187.6
Issuance of 3.0 shares of common stock under stock option and benefit plans, including \$43.5 excess income tax benefit	0.3	80.4	—	—	80.7
Share-based compensation	—	62.4	—	—	62.4
Cash dividend declared of \$0.33 per share of common stock	—	—	(135.6)	—	(135.6)
Adjustment to adopt FASB Interpretation No. 48, net of \$4.2 income tax benefit	—	—	(7.6)	—	(7.6)
<i>Balances at December 31, 2007</i>	41.1	711.9	4,364.7	260.8	5,378.5
Net earnings for 2008	—	—	1,147.8	—	1,147.8
Unrealized gains on securities, including \$0.7 income tax benefit	—	—	—	0.8	0.8
Unfunded pension losses, net of \$8.3 income tax benefit	—	—	—	(28.2)	(28.2)
Foreign currency translation adjustments	—	—	—	(68.6)	(68.6)
Comprehensive earnings for 2008					1,051.8
Issuance of 2.8 shares of common stock under stock option and benefit plans, including \$33.7 excess income tax benefit	0.2	69.3	—	—	69.5
Share-based compensation	—	65.5	—	—	65.5
Cash dividend declared of \$0.40 per share of common stock	—	—	(158.6)	—	(158.6)
Repurchase and retirement of 17.4 million shares of common stock	(1.7)	(33.9)	(964.4)	—	(1,000.0)
<i>Balances at December 31, 2008</i>	\$ 39.6	\$ 812.8	\$4,389.5	\$ 164.8	\$5,406.7

See accompanying notes to Consolidated Financial Statements.