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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 28, 2009**

**INTEGRA LIFESCIENCES HOLDINGS CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other Jurisdiction of  
Incorporation)

**0-26224**

(Commission File Number)

**51-0317849**

(IRS Employer Identification No.)

**311 Enterprise Drive  
Plainsboro, NJ**

(Address of Principal Executive Offices)

**08536**

(Zip Code)

Registrant's telephone number, including area code: **(609) 275-0500**

**Not Applicable**

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On January 28, 2009, Integra LifeSciences Holdings Corporation (the “Company”) issued a statement (the “Statement”) on its initial guidance on the impact of the Financial Accounting Standards Board (the “FASB”) issued Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments that May be Settled in Cash Upon Conversion (“FSP APB 14-1”), which Statement has been posted on the Events & Presentations page of the Investor Relations section of the Company’s website at [www.integra-LS.com](http://www.integra-LS.com). A copy of the Statement is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item.

In May 2008, the FASB issued FSP APB 14-1. FSP APB 14-1 requires that the liability and equity components of convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) be separately accounted for in a manner that reflects an issuer’s nonconvertible debt borrowing rate. FSP APB 14-1 is effective for financial statements issued for fiscal years beginning after December 15, 2008, and interim periods within those fiscal years. Early adoption, however, is not permitted. Retrospective application to all periods presented is required except for instruments that were not outstanding during any of the periods that will be presented in the annual financial statements for the period of adoption but were outstanding during an earlier period.

The information contained in Item 2.02 of this Current Report on Form 8-K (including the Statement) is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information contained in Item 2.02 of this Current Report on Form 8-K (including the Statement) shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

### Discussion of Adjusted Financial Measures

In addition to our GAAP results, we provide adjusted net income and adjusted earnings per diluted share. Adjusted net income consists of net income, excluding (i) acquisition-related charges, (ii) facility consolidation, manufacturing and distribution transfer and system integration charges, (iii) certain employee termination and related costs, (iv) charges associated with discontinued or withdrawn product lines, (v) charges related to restructuring European subsidiaries, (vi) intangible asset impairment charges, (vii) incremental professional and bank fees related to the delay in the filing of our 2007 Annual Report on Form 10-K, (viii) charges relating to the grant of restricted stock units in connection with the extension of the term of the CEO’s employment agreement, (ix) non-cash interest expense related to the application of FSP APB 14-1 and (x) the income tax expense/benefit related to these adjustments, the cumulative impact of changes in tax rates and certain other infrequently occurring items that affected the reported income tax rate for quarter and year-to-date periods. Adjusted earnings per diluted share are calculated by dividing adjusted net income for earnings per diluted share by adjusted diluted weighted average shares outstanding.

The Company believes that the presentation of adjusted net income and adjusted earnings per diluted share provides important supplemental information to management and investors regarding financial and business trends relating to the Company’s financial condition and results of operations. Management uses non-GAAP financial measures in the form of adjusted net income and adjusted earnings per diluted share when evaluating operating performance because we believe that the inclusion or exclusion of the items described below, for which the amounts and/or timing may vary significantly depending upon the Company’s acquisition, integration, and restructuring activities, for which the amounts represent significant non-cash expenses resulting from changes in accounting principles, or for which the amounts are not expected to recur at the same magnitude as we further build out our finance department and implement certain tax planning strategies, provides a supplemental measure of our operating results that facilitates comparability of our operating performance from period to period, against our business model objectives, and against other companies in our industry. We have chosen to provide this information to investors so they can analyze our operating results in the same way that management does and use this information in their assessment of our core business and the valuation of our Company.

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Adjusted net income and adjusted earnings per diluted share are significant measures used by management for purposes of:

- supplementing the financial results and forecasts reported to the Company's board of directors;
- evaluating, managing and benchmarking the operating performance of the Company;
- establishing internal operating budgets;
- determining compensation under bonus or other incentive programs;
- enhancing comparability from period to period;
- comparing performance with internal forecasts and targeted business models; and
- evaluating and valuing potential acquisition candidates.

Adjusted net income reflects net income adjusted for the following items:

• Acquisition-related charges. Acquisition-related charges include in-process research and development charges, charges related to discontinued research and development projects for product technologies that were made redundant by an acquisition, inventory fair value purchase accounting adjustments, and impairments to existing intangible assets in connection with a subsequent acquisition. Inventory fair value purchase accounting adjustments consist of the increase to cost of goods sold that occur as a result of expensing the "step up" in the fair value of inventory that we purchased in connection with acquisitions as that inventory is sold during the financial period. Although recurring given the ongoing character of our acquisition program, these acquisition-related charges are not factored into the evaluation of our performance by management after completion of acquisitions because they are of a temporary nature, they are not related to our core operating performance and the frequency and amount of such charges vary significantly based on the timing and magnitude of our acquisition transactions as well as the level of inventory on hand at the time of acquisition.

• Facility consolidation, manufacturing and distribution transfer and system integration charges. These charges, which include employee termination and other costs associated with exit or disposal activities, costs related to transferring manufacturing and/or distribution activities to different locations, and costs associated with the worldwide implementation of a single enterprise resource planning system, result from rationalizing and enhancing our existing manufacturing, distribution and administrative infrastructure. Many of these cost-saving and efficiency-driven activities are identified as opportunities in connection with acquisitions that provide the Company with additional capacity or economies of scale. Although recurring in nature given management's ongoing review of the efficiency of our manufacturing, distribution and administrative facilities and operations, management excludes these items when evaluating the operating performance of the Company because the frequency and amount of such charges vary significantly based on the timing and magnitude of the Company's rationalization activities and are, in some cases, dependent upon opportunities identified in acquisitions, which also vary in frequency and magnitude.

• Employee termination and related costs. Employee termination and related costs consist of charges related to significant reductions in force that are not initiated in connection with facility consolidations or manufacturing transfers and senior management level terminations. Management excludes these items when evaluating the Company's operating performance because these amounts do not affect our core operations and because of the infrequent and/or large-scale nature of these activities.

• Charges associated with discontinued or withdrawn product lines. This represents charges taken and reductions in revenue recorded in connection with product lines that the Company discontinues or withdraws. Management excludes this item when evaluating the Company's operating performance because of the infrequent nature of this activity.

• Charges related to restructuring our European subsidiaries. These charges include levies and fees paid to government authorities, as well as legal, tax, accounting and consulting fees incurred, directly as a result of European subsidiary reorganizations and transfers of business assets between these legal entities. The benefit of the add-back of any incremental income tax provisions directly related to such restructuring activities is included in "Income tax expense (benefit) and the cumulative impact of changes in income tax rates" line below. Management excludes this item when evaluating the Company's operating performance because of the infrequent nature of this activity.

• Intangible asset impairment charges. This represents impairment charges recorded against various intangible assets, including completed or core technology, customer relationships, and tradenames. Such impairments result primarily from management decisions to discontinue or significantly reduce promoting certain product lines or tradenames, the inability to incorporate existing product technologies into product development programs, and other circumstances. Management excludes this item when evaluating the Company's operating performance because of the infrequent and non-cash nature of this activity.

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- Incremental professional and bank fees related to the delay in the filing of our 2007 Annual Report on Form 10-K. These charges include incremental fees directly related to the late completion of the audit and filing of our Annual Report on Form 10-K for the year ended 2007, including audit fee overruns from our independent registered accounting firm, fees for legal advice and consultations with our external counsel, and fees paid to various banks in connection with obtaining waivers to certain non-financial debt covenants. Management excludes these items when evaluating the Company's operating performance because such incremental amounts are not expected to be incurred to the same magnitude subsequent to the completion of our 2007 audit.
- Charge relating to the grant of restricted stock units in connection with the extension of the term of the CEO's employment agreement. This charge was recognized in the third quarter of 2008 upon the grant of restricted stock units that were vested at the time of the grant on August 6, 2008. Management excludes this item when evaluating the Company's operating performance because of the infrequent nature of this item.
- Non-cash interest expense relating to the application of FSP ABP 14-1. Management excludes this item when evaluating the Company's operating performance because of the non-cash nature of this activity and because it resulted from a change in accounting principles that were not applicable at the time the Company's convertible notes were issued.
- Income tax expense (benefit), cumulative impact of changes in income tax rates and certain other infrequently occurring items that affected the reported income tax rate for quarter and year-to-date periods. Income tax expense is adjusted by (i) the amount of additional tax expense or benefit that the Company estimates that it would record if it used non-GAAP results instead of GAAP results in the calculation of its tax provision, based on the statutory rate applicable to jurisdictions in which such non-GAAP adjustments relate, (ii) reductions related to incremental income tax provisions directly related to our European subsidiary restructuring activities, (iii) eliminating the cumulative impact on prior quarters of changes in statutory income tax rates during the year, (iv) penalties, interest, and settlements with government tax authorities related to prior tax periods and (v) other infrequently occurring tax charges.

Adjusted net income and adjusted earnings per diluted share are not calculated in accordance with GAAP, and should be considered supplemental to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. Non-GAAP financial measures have limitations in that they do not reflect all of the costs or benefits associated with the operations of the Company's business as determined in accordance with GAAP. As a result, you should not consider these measures in isolation or as a substitute for analysis of the Company's results as reported under GAAP. The Company expects to continue to acquire businesses and product lines and to incur expenses of a nature similar to some of the non-GAAP adjustments described above, and exclusion of these items from its adjusted net income should not be construed as an inference that all of these items are unusual, infrequent or non-recurring. Some of the limitations in relying on adjusted net income and adjusted earnings per diluted share are:

- The Company periodically acquires other companies or businesses, and we expect to continue to incur acquisition-related expenses and charges in the future. These costs can directly impact the amount of the Company's available funds or could include costs for aborted deals which may be significant and reduce GAAP net income.
  - All of the adjustments to net income have been tax affected at the Company's actual tax rates. Depending on the nature of the adjustments and the tax treatment of the underlying items, the effective tax rate related to adjusted net income could differ significantly from the effective tax rate related to GAAP net income.
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**ITEM 7.01 REGULATION FD DISCLOSURE**

Attached as Exhibit 99.1, and incorporated into this Item 7.01 by reference, is the Statement issued by the Company on January 28, 2009.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

**(d) Exhibits**

99.1 Statement dated January 28, 2009 on Initial Guidance on the Impact of Financial Accounting Standards Board issued Staff Position No. APB 14-1

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

INTEGRA LIFESCIENCES HOLDINGS CORPORATION

Date: January 28, 2009

By: /s/ John B. Henneman, III  
John B. Henneman, III  
Title: Executive Vice President,  
Finance and Administration,  
and Chief Financial Officer

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## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Statement dated January 28, 2009 on Initial Guidance on the Impact of Financial Accounting Standards Board issued Staff Position No. APB 14-1

**Integra LifeSciences Holdings Corporation**  
**Initial Guidance on the Impact of Financial Accounting**  
**Standards Board issued Staff Position No. APB 14-1**

**January 28, 2009**

In May 2008, the Financial Accounting Standards Board ("FASB") issued Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments that May be Settled in Cash Upon Conversion ("FSP APB 14-1"). FSP APB 14-1 requires that the liability and equity components of convertible debt instruments that may be settled in cash upon conversion (including partial cash settlement) be separately accounted for in a manner that reflects an issuer's nonconvertible debt borrowing rate. FSP APB 14-1 applies to our \$120 million 2.5% contingent convertible subordinated notes that matured in March 2008, our \$165 million 2.75% senior convertible notes due June 2010 ("2010 notes"), and our \$165 million 2.375% senior convertible notes due June 2012 ("2012 notes").

Integra has adopted FSP APB 14-1 effective January 1, 2009 and will reflect the new accounting in its 2009 financial statements, starting with its Quarterly Report on Form 10-Q for the quarter ended March 31, 2009. Retrospective application to all periods presented is required. Accordingly, Integra will adjust its previously issued financial statements to reflect the change in interest expense for the years 2007 through 2008 to give effect to FSP APB 14-1, as applicable. Early adoption is not permitted.

Although early adoption is not permitted, based on current projections and assumptions, we have assessed the impact of adopting FSP APB 14-1 on our historical and future GAAP net income and Earnings Per Diluted Share ("EPS") calculations. We expect that the implementation of FSP APB 14-1 will increase our reported interest expense by \$13.4 million for 2007 and \$12.5 million for 2008, and will increase interest expense by \$11.5 million in 2009, \$8.7 million in 2010, \$6.7 million in 2011, and \$2.9 million in 2012. After application of the appropriate income tax benefits to these revised interest expense amounts, we expect that our EPS will be reduced by approximately 26¢ in 2007, and 9¢, 5¢ and 6¢ in the first three quarters of 2008, respectively. The forward looking impact of the adoption of FSP APB 14-1 is anticipated to reduce our EPS by approximately 5¢ - 6¢ per quarter in the fourth quarter of 2008 and each quarter of 2009 for a total of 22¢ - 24¢ in the full year 2009. We expect that the impact for the full year 2010 will be approximately 16¢ - 17¢. In the first and second quarters of 2010 we expect the impact will be approximately 6¢ and 5¢, respectively, and approximately 3¢ per share in each of the third and fourth quarters of 2010. The total impact on our EPS for 2011 is expected to be approximately 12¢ - 13¢ per share, or approximately 3¢ per quarter. For 2012 we anticipate the impact to be a total of 5¢ - 6¢ per share, or approximately 2¢ - 3¢ per share in each of the first and second quarters of 2012. Included in our EPS calculation we have assumed that our outstanding common shares will include the impacts of equity-based compensation and contractual obligations relating to our acquisition of Minnesota Scientific, Inc. (d/b/a Omni-Tract Surgical).

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The Company now expects GAAP diluted earnings per share for 2009 to be between \$1.86 and \$2.06 per share, compared to its prior guidance of between \$2.09 and \$2.29 per share. Adjusted diluted earnings per share for 2009, which will be adjusted, among other things to exclude non-cash interest expense related to the adoption of FSP APB 14-1, are expected to be between \$2.20 and \$2.40 per share.

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks, uncertainties and reflect the Company's judgment as of the date of this document. Forward-looking statements include, but are not limited to, statements concerning future financial performance, including projections for GAAP and adjusted net income, GAAP and adjusted earnings per diluted share, acquisition and integration related costs, the impact on interest expense and diluted earnings per share of new accounting rules, the calculation of such impact, the assumptions included in the impact and the corresponding income tax benefit related to those costs. Such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from predicted or expected results. Such risks and uncertainties include, but are not limited to, the Company's inability to design or improve internal controls to address the disclosed material weaknesses; the impact upon operations of legal compliance matters or internal controls review, improvement and remediation; difficulties in controlling expenses, including costs of legal compliance matters or internal controls review, improvement and remediation; the impact of changes in management or staff levels; the Company's ability to maintain relationships with customers of acquired entities; physicians' willingness to adopt, and third-party payors' willingness to provide reimbursement for, the Company's recently launched and planned products; initiatives launched by the Company's competitors; the Company's ability to secure regulatory approval for products in development; the Company's ability to comply with and obtain approvals for products of human origin and comply with recently enacted regulations regarding products containing materials derived from animal sources; the Company's ability to integrate acquired businesses; the Company's ability to leverage its existing selling organizations and administrative infrastructure; the Company's ability to increase product sales and gross margins, and control non-product costs; the amount and timing of acquisition and integration related costs; the geographic distribution of where the Company generates its net income, the timing and amount of share-based awards granted to employees; fluctuations in foreign currency exchange rates; constraints in hospital spending for capital equipment; fluctuations in the Company's tax rate; the impact of the Company's stock price on the Company's diluted share count; and the economic, competitive, governmental, technological and other risk factors and uncertainties identified under the heading "Risk Factors" included in Item 1A of Integra's Annual Report on Form 10-K for the year ended December 31, 2007 and information contained in subsequent filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update publicly any of these statements in light of new information or future events.

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## Discussion of Adjusted Financial Measures

In addition to our GAAP results, we provide adjusted net income and adjusted earnings per diluted share. Adjusted net income consists of net income, excluding (i) acquisition-related charges, (ii) facility consolidation, manufacturing and distribution transfer and system integration charges, (iii) certain employee termination and related costs, (iv) charges associated with discontinued or withdrawn product lines, (v) charges related to restructuring European subsidiaries, (vi) intangible asset impairment charges, (vii) incremental professional and bank fees related to the delay in the filing of our 2007 Annual Report on Form 10-K, (viii) charges relating to the grant of restricted stock units in connection with the extension of the term of the CEO's employment agreement, (ix) non-cash interest expense related to the application of FSP ABP 14-1, and (x) the income tax expense/benefit related to these adjustments, the cumulative impact of changes in tax rates and certain other infrequently occurring items that affected the reported income tax rate for quarter and year-to-date periods. Adjusted earnings per diluted share are calculated by dividing adjusted net income for earnings per diluted share by adjusted diluted weighted average shares outstanding.

Integra believes that the presentation of adjusted net income and adjusted earnings per diluted share provides important supplemental information to management and investors regarding financial and business trends relating to the Company's financial condition and results of operations. For further information regarding why Integra believes that these non-GAAP financial measures provide useful information to investors, the specific manner in which management uses these measures, and some of the limitations associated with the use of these measures, please refer to the Company's Current Report on Form 8-K regarding this document filed today with the Securities and Exchange Commission. This Current Report on Form 8-K is available on the SEC's website at [www.sec.gov](http://www.sec.gov) or on our website at [www.Integra-LS.com](http://www.Integra-LS.com).

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INTEGRA LIFESCIENCES HOLDINGS CORPORATION  
RECONCILIATION OF NON-GAAP ADJUSTMENTS — GUIDANCE

(In thousands, except per share amounts)

	Projected Year Ended 31-Dec-09	
	Low	High
GAAP net income	\$ 56,100	\$ 62,200
Non-GAAP adjustments:		
Acquisition-related charges	4,500	4,500
Facility consolidation, manufacturing and distribution transfer and system integration charges	900	900
Non-cash interest impact of change in accounting principles	11,500	11,500
Income tax expense (benefit) related to above adjustments	<u>(6,700)</u>	<u>(6,700)</u>
Total of non-GAAP adjustments	10,200	10,200
Adjusted net income	\$ 66,300	\$ 72,400
Weighted average common shares outstanding for diluted net income per share	30,200	30,200
GAAP diluted net income per share	\$ 1.86	\$ 2.06
Non-GAAP adjustments detailed above (per share)	<u>\$ 0.34</u>	<u>\$ 0.34</u>
Adjusted diluted net income per share	\$ 2.20	\$ 2.40

NOTE: The above table assumes the mid-point of the range for the application of APB 14-1.