

Zimmer Holdings, Inc. to Pay Cash for Implex Corp. Acquisition

Mar 04, 2004

WARSAW, Ind., Mar 4, 2004 /PRNewswire-FirstCall via COMTEX/ -- Zimmer Holdings, Inc. (NYSE: ZMH; SWX: ZMH) announced today that its previously announced acquisition of Implex Corp. will be an all-cash transaction. The company had previously indicated that the transaction would be comprised of Zimmer common stock and cash. Under the agreement, Implex will become a wholly owned subsidiary of Zimmer. Shares of Implex stock will be converted into the right to receive cash having an aggregate value of approximately \$108 million at closing and additional cash earn-out payments that are contingent on growth of Implex product sales through 2006. The net value transferred at closing will be approximately \$89 million, which includes adjustments for debt repayment, Zimmer's existing equity, escrow and other items. As previously announced, this transaction is expected to be dilutive to earnings per share by approximately \$0.01 in 2004, excluding one-time integration and inventory step-up costs required under U.S. GAAP.

In 2000, Zimmer entered into an exclusive, worldwide strategic alliance for commercialization of Implex's innovative Hedrocel(R) biomaterial, which Zimmer has marketed as Trabecular Metal(TM) Technology.

The acquisition is expected to close in April of 2004. The boards of directors of both companies have approved the merger, which is subject to approval by Implex's shareholders and other customary closing conditions. Implex has called a special meeting of its shareholders to be held on March 26, 2004 in order to approve the transaction. Approval by Zimmer shareholders is not required.

Visit Zimmer on the Worldwide Web at www.zimmer.com

About Zimmer Holdings, Inc.

Founded in 1927 and headquartered in Warsaw, Indiana, Zimmer is the worldwide #1 pure-play orthopaedic leader in the design, development, manufacture and marketing of reconstructive and spinal implants, trauma and related orthopaedic surgical products. In October, 2003, the company finalized its acquisition of Centerpulse AG, a Switzerland-based orthopaedics company and a leader in the European reconstructive market. Zimmer now has operations in more than 24 countries around

the world and sells products in more than 80 countries. As a result of the acquisition of Centerpulse on October 2, 2003, reported 2003 sales were \$1.9 billion. Full-year 2003 pro forma worldwide sales of Zimmer and Centerpulse were approximately \$2.6 billion. The new Zimmer is supported by the efforts of nearly 7,000 employees.

About Implex Corp.

Implex Corp., of Allendale, New Jersey is a privately held company founded in 1991 with a focus on bringing a new technology, Hedrocel biomaterial, to address clinical issues. Hedrocel biomaterial is an open cell, tantalum metal structure that approximates the appearance of human cancellous bone. The ability of the biomaterial to be readily formed or machined allows it to be incorporated in a wide variety of implant designs. Because of its highly porous structure and material properties, bone can grow into Hedrocel biomaterial, forming a strong bond and potentially eliminating one of the pathways for particulate wear debris in the joint. Because Hedrocel biomaterial also can be manufactured to closely mimic the flexibility of natural bone, the risk of bone loss that can occur with stiffer implants through a process known as "stress shielding" may be minimized. Implex designs and manufactures reconstructive, spine and sports medicine orthopaedic implants.

Additional Information for Implex Shareholders

Shareholders of Implex are urged to read the proxy materials related to this transaction when they become available before making any voting decision with respect to the proposed merger, because they will contain important information about Zimmer, Implex and the proposed merger. When available, copies of the proxy materials will be mailed to Implex shareholders or they may be obtained by directing a request to Implex at 80 Commerce Drive, Allendale, New Jersey 07041-1600.

Safe Harbor Statement

This press release contains forward-looking statements within the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 based on current expectations, estimates, forecasts and projections about the orthopaedics industry, management's beliefs and assumptions made by management. Forward-looking statements may be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "anticipates," "plans," "estimates," "projects," "targets," "forecasts," and "seeks" or the negative of such terms or other variations on such terms or comparable terminology. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to, our ability to successfully integrate Centerpulse AG, the outcome of the pending informal SEC investigation of Centerpulse accounting, price and product competition, rapid technological development, demographic changes, dependence on new product development, the mix of our products and services, supply and prices of raw materials and

products, customer demand for our products and services, control of costs and expenses, our ability to form and implement alliances, international growth, U.S. and foreign government regulation, product liability and intellectual property litigation losses, reimbursement levels from third-party payors, general industry and market conditions and growth rates and general domestic and international economic conditions including interest rate and currency exchange rate fluctuations. For a further list and description of such risks and uncertainties, see the disclosure materials filed by Zimmer with the U.S. Securities and Exchange Commission. Zimmer disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Readers of this document are cautioned not to place undue reliance on these forward-looking statements, since, while we believe the assumptions on which the forward-looking statements are based are reasonable, there can be no assurance that these forward-looking statements will prove to be accurate. This cautionary statement is applicable to all forward-looking statements contained in this document.

SOURCE Zimmer Holdings, Inc.

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