

Zimmer Cleared to Market Unique Composite Hip Implant

Aug 12, 2002

WARSAW, Ind., Aug 12, 2002 /PRNewswire-FirstCall via COMTEX/ -- Combination of materials closely matches stiffness of human bone

Zimmer Holdings, Inc. (NYSE: ZMH) announced today that it has received permission from the United States Food and Drug Administration to market the EPOCH[®] Hip Prosthesis, which, because of its unique combination of materials, closely mimics the bending stiffness of human bone.

"Zimmer is the only company that uses a composite material approach to addressing the potential problems of stiffness associated with fully porous coated implants," said Ray Elliott, Chairman, President and CEO of Zimmer Holdings. "This product has been in development for more than 10 years and during that time other competing designs have come and gone. We continued to focus on this work because we believe the EPOCH Hip has unique advantages."

Orthopaedic surgeons have identified implant stiffness as a factor leading to a condition called "stress shielding," where a patient's bone atrophies because it is not allowed to flex and twist due to the rigidity of a hip implant. Zimmer and other competitors have addressed this concern with various materials and design approaches, but the EPOCH Hip's unique design closely approximates the natural bone's bending and stiffness characteristics.

"The EPOCH Hip gives surgeons another powerful tool, particularly in the larger sizes, to address situations where stress shielding is a concern," said Elliott.

Due its composite construction, the larger sizes of the EPOCH Hip are 75% less stiff than a comparable cobalt-chromium (a common implant alloy) stem and 50% less stiff than a comparable titanium alloy implant. These implants have a cobalt-chromium alloy core surrounded by a flexible polymer material. The exterior surface is composed of a titanium fiber mesh that is designed to encourage bone ingrowth into tiny openings in the mesh. Smaller sizes of the EPOCH Hip are manufactured from a titanium alloy and have a porous titanium fiber surface, but do not have the polymer middle layer found in the larger sizes.

Zimmer has sold the EPOCH Hip in Europe for approximately eight years. Clinical trials in the United States began in 1994. Patient satisfaction levels in the trial remained very high during a six-year follow-up period following surgery. To date there have been no revisions or implant failures, and all implants showed bone ingrowth into the porous titanium surface.

Zimmer, based in Warsaw, Indiana, is a global leader in the design, development, manufacture and marketing of reconstructive orthopaedic implants and fracture management products. Orthopaedic reconstruction implants restore joint function lost due to disease or trauma in joints such as knees, hips, shoulders and elbows. Fracture management products are devices used primarily to reattach or stabilize damaged bone and tissue to support the body's natural healing process. Zimmer also manufactures and markets other products related to orthopaedic and general surgery. For the year 2001, Zimmer recorded worldwide revenues of approximately \$1.2 billion. Zimmer was founded in 1927 and has more than 3,500 employees worldwide.

Visit Zimmer on the worldwide web at www.zimmer.com and at www.pacewithlife.com

This press release contains forward-looking statements 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, price and product competition, rapid technological development, demographic changes, dependence on new product development, the mix of our products and services, customer demand for our products and services, our ability to successfully integrate acquired companies, control of costs and expenses, our ability to form and implement alliances, international growth, U.S. and foreign government regulation, 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 reports filed by Zimmer with the 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.