

Zimmer Advances Minimally Invasive Strategy with Exclusive Medtronic Agreement

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Goal is to Advance Surgeon Visualization of Less Invasive Procedures

WARSAW, Ind., Jun 3, 2002 /PRNewswire-FirstCall via COMTEX/ -- Zimmer Holdings, Inc., (NYSE: ZMH) announced today that it has entered into an exclusive agreement with Medtronic, Inc. to develop surgical navigation systems for minimally invasive joint replacement procedures. Zimmer is developing a broad range of MIS Minimally Invasive Solutions(TM) for orthopaedics, the goals of which are to speed the patient's lifestyle recovery while reducing overall costs to the global healthcare system.

"We believe we can develop tools to enhance the surgeon's ability to properly align and place implants, even through very small surgical openings," said Zimmer Chairman, President and Chief Executive Officer Ray Elliott. "Surgical navigation will provide surgeons with a view of the procedure that is better than a traditional procedure and will dramatically improve our ability to teach and expand the use of the Zimmer techniques."

Zimmer and Medtronic will collaborate on the development of minimally invasive joint replacement applications for Medtronic's state-of-the-art optical image guidance technology, the StealthStation®, and on new image guidance concepts to further advance the field.

Zimmer is leading the orthopaedic industry in a drive to make joint replacement procedures less invasive. The goals of MIS joint replacement procedures are to minimize blood loss, shorten hospital stays and speed post- surgical rehabilitation.

Use of the company's M/G(TM) Unicompartmental Knee increased significantly when MIS instrumentation was offered more than two years ago. Zimmer recently released extramedullary instruments for the unicompartmental procedure, offering surgeons additional options beyond the original intramedullary instruments.

The company is also working with leading surgeons on an MIS "two incision" hip replacement technique, and more than 100 surgeries have been performed as part of the development of

instruments and procedures. Most patients in the "two incision" study have left the hospital the day of the procedure or on the following day. Recently, the company announced that it has signed agreements with leading surgeons for development of technologies for MIS Total Knee Replacement.

"We believe minimally invasive joint replacement will be a mainstay of orthopaedics in the not-too-distant future," said Elliott. "Today's orthopaedic patient is demanding a less traumatic procedure and a quicker return to their active lifestyle. We intend to lead the industry in providing the tools and the knowledge surgeons need to meet this emerging demand."

Zimmer supports a web site that features information about minimally invasive orthopaedic procedures at www.pacewithlife.com. The company also has a dedicated business team within the company focused on MIS and previously announced the formation of the MIS Institute, which is being developed to provide a worldwide vehicle for surgeon education.

Zimmer, based in Warsaw, Ind., 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 3,400 employees worldwide.

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

This press release contains certain statements that are forward-looking statements within the meaning of federal securities law. These statements are based on current expectations, estimates, forecasts, management's beliefs and assumptions made by management. 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 integrated 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.