Zimmer Holdings Announces New Share Repurchase Program

Dec 12, 2006

WARSAW, Ind., Dec 12, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Zimmer Holdings, Inc. (NYSE: ZMH; SWX: ZMH) announced today that its Board of Directors has authorized a new share repurchase program that is in addition to the $1 billion program announced in December 2005. The new program authorizes purchases of up to $1 billion of the Company's common stock through December 31, 2008. The earlier program authorized purchases through December 31, 2007, and, as of September 30, 2006, $365 million was still available for purchases under that program.

Repurchases under the program may be made in the open market or in privately negotiated transactions from time to time in compliance with Securities and Exchange Commission regulations, depending on market conditions and other factors. Any shares acquired will be available for general corporate purposes. The Company had approximately 238.6 million shares of common stock outstanding as of October 27, 2006.

"We will continue to look for acquisitions that meet our demanding criteria, but share repurchases give us an additional option for taking advantage of our continued strong cash flow with the expectation of building shareholder value," said Ray Elliott, Zimmer Chairman, President and CEO.

About the Company

Founded in 1927 and headquartered in Warsaw, Indiana, Zimmer is the worldwide #1 pure-play orthopaedic leader in designing, developing, manufacturing and marketing reconstructive and spinal implants, trauma and related orthopaedic surgical products. Zimmer has operations in more than 24 countries around the world and sells products in more than 100 countries. Zimmer's 2005 sales were approximately $3.3 billion. The Company is supported by the efforts of more than 6,700 employees worldwide.

Visit Zimmer on the worldwide web at http://www.zimmer.com .

Zimmer 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," "assumes," "guides," "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 acquired businesses, the outcome of the Department of Justice investigations announced in March 2005 and June 2006, 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, governmental laws and regulations affecting our U.S. and international businesses, including tax obligations and risks, 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 our periodic reports filed with the U.S. Securities and Exchange Commission. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be set forth in our periodic reports. 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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