

Zimmer Begins New Era As Independent, Publicly Traded Company

Aug 07, 2001

WARSAW, Ind.--(BUSINESS WIRE)--Aug. 7, 2001--Zimmer Holdings, Inc. (NYSE:ZMH), a global leader in the design, development, manufacturing and marketing of orthopaedic reconstructive implants and fracture management products, announced that its shares will begin trading today on the New York Stock Exchange (NYSE) under the ticker symbol ZMH. Zimmer, which posted 2000 sales of \$1.04 billion, was divested in a 100 percent spin-off to existing shareholders of Bristol-Myers Squibb (NYSE:BMJ).

"As a public company, we are well-positioned to grow our core business, while leveraging our financial strength, our powerful brand and our award-winning sales force in higher growth adjacent market segments," said Ray Elliott, chairman and chief executive officer of Zimmer Holdings, Inc. "Zimmer's 3,200 employees worldwide are committed to strengthening our leadership position in orthopaedics."

According to Elliott, Zimmer plans to build on its core business by moving into product and service categories closely aligned with orthopaedics. "We've earned the trust of orthopaedic surgeons thanks to a relentless focus on product quality and service," said Elliott. "We will continue to develop products and technologies that help orthopaedic surgeons meet the evolving clinical needs and personal lifestyle expectations of today's patient."

Bristol-Myers Squibb announced in September 2000 that it planned to divest Zimmer. The divestiture was designed to allow both Bristol-Myers Squibb and Zimmer to focus more intensely on their respective core businesses.

Zimmer recently released its second quarter and first half 2001 results. For the quarter, Zimmer worldwide sales increased 13% (17% excluding the effects of foreign exchange) to \$294.3 million. For the first six months of 2001, worldwide sales totaled \$580.3 million. Sales growth was driven primarily by increases in the sale of reconstructive implants.

On July 31, Standard & Poor's announced that Zimmer Holdings, Inc., would become a component of the closely watched S&P 500 Index following the close of the market on August 6, 2001.

For additional investor information on Zimmer Holdings, Inc., please call 866/688-7656 or visit Zimmer on the worldwide web at www.zimmer.com. Founded in 1927, Zimmer provides a broad range of joint

replacement and fracture management products, as well as other products for orthopaedic and general surgery. For the year 2000, Zimmer recorded worldwide revenues of more than \$1 billion.

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. 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.