Zimmer Biomet Acquires Ortho Transmission, LLC and Assets for Pioneering Technology to Restore Limb Amputee Patients

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Innovative new limb prosthesis technology developed by U.S. military surgeon would support direct skeletal attachment of a transdermal device

WARSAW, Ind., March 1, 2016 /PRNewswire/ -- Zimmer Biomet Holdings, Inc. (NYSE and SIX: ZBH), a global leader in musculoskeletal healthcare, announced today that it has completed the acquisition of Colorado-based Ortho Transmission, LLC. The acquisition includes Ortho Transmission's transcutaneous osseous integrated skeletal implant technology, which complements Zimmer Biomet's ongoing collaboration with the U.S. Department of Defense for the development of a transcutaneous system for anchoring external prosthetic limbs, in order to restore the mobility of amputee patients. The financial terms of the transaction were not disclosed.



Currently available systems for limb amputee patients involve the fastening of a limb prosthesis to a molded socket that fits over the patient's residual limb, which must be replaced periodically over the course of a lifetime. Transcutaneous systems are designed to eliminate the skin-to-socket interface and avoid common prosthetic complications, such as soft tissue irritation, sores, infections and joint pain, while reducing the extra expenditure of energy the patient must exert in order to walk. Direct skeletal attachment of a limb prosthesis with a transcutaneous device may also improve the patient's ability to sense the position of the prosthetic[1].

Ortho Transmission's transcutaneous osseous integrated skeletal implant technology was developed by Dr. Ronald R. Hugate, Jr., MD, FAAOS, a former U.S. military surgeon who has worked alongside leading experts in limb salvage, biomechanical engineering and sports medicine in order to develop a transdermal device.

"Transcutaneous osseous integrated technology represents a fundamental innovation in limb replacement, and Zimmer Biomet is proud to leverage our musculoskeletal expertise to significantly improve the quality of life of amputee patients living in the United States and around the world," said Todd Davis, Vice President & General Manager of the global knee business. "Our leading research and development capabilities, combined with our proprietary Trabecular Metal™ material to support bone ingrowth and vascularization, represents the ideal platform to accelerate the commercialization of this implant. This acquisition also perfectly aligns with our broad-based focus on clinically relevant innovations."

The Company aims to leverage designs acquired from Ortho Transmission in order to offer this technology to patients, beginning with a clinical trial. Ortho Transmission invested more than ten years into pre-clinical research, animal studies[2] and human biomechanical analysis to address the limitations of conventional molded socket technology with a transcutaneous osseous integrated skeletal implant[3] that has been optimized using advanced Finite Element Analysis design software as well as mechanical testing.

"We are truly excited to partner with the world leader in musculoskeletal innovation and we look forward to accelerating this ongoing work in order to bring this pioneering technology to market," said DC Hoffman, General Manager, Ortho Transmission.

About Zimmer Biomet

Founded in 1927 and headquartered in Warsaw, Indiana, Zimmer Biomet is a global leader in musculoskeletal healthcare. We design, manufacture and market orthopaedic reconstructive products; sports medicine, biologics, extremities and trauma products; spine, bone healing, craniomaxillofacial and thoracic products; dental implants; and related surgical products.

We collaborate with healthcare professionals around the globe to advance the pace of innovation. Our products and solutions help treat patients suffering from disorders of, or injuries to, bones, joints or supporting soft tissues. Together with healthcare professionals, we help millions of people live better lives.

We have operations in more than 25 countries around the world and sell products in more than 100 countries. For more information, visit www.zimmerbiomet.com or follow Zimmer Biomet on Twitter at www.twitter.com/zimmerbiomet.

Cautionary Statement Regarding Forward-Looking Statements

This communication contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as "may," "will," "expects," "believes," "aims,"

"anticipates," "plans," "estimates," "projects," "assumes," "guides," "targets," "forecasts," and "seeks" or the negatives of such terms or other variations on such terms or comparable terminology. Forward-looking statements include, but are not limited to, statements concerning products and services offered by Zimmer Biomet, including new product launches and potential clinical successes. Such statements are based upon the current beliefs and expectations of management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. For a list and description of some of such risks and uncertainties, see our periodic reports filed with the SEC. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in Zimmer Biomet's filings with the SEC. 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. Accordingly, such forward-looking statements speak only as of the date made. Readers of this communication are cautioned not to place undue reliance on these forward-looking statements, since, while management believes 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 communication.

[1] Van de Meent H, Hopman MT, Frolke JP. Walking ability and quality of life in subjects with transfemoral amputation: a comparison of osseointegration with socket prostheses. Archives of Physical Medicine and Rehabilitation 2013;94:2174-8.

[2] Hugate R, Clarke R, Hoeman T, Friedman A. Transcutaneous Implants in a Porcine Model: The Use of Highly Porous Tantalum. International Journal of Advanced Materials Research, Vol. 1, No. 2, May 2015 Publish Date: May 14, 2015 Pages: 32-40.

[3] Drygas KA, Taylor R, Sidebotham CG, Hugate R, McAlexander H. Transcutaneous tibial implants: a surgical procedure for restoring ambulation after amputation of the distal aspect of the tibia in a dog. Vet Surg. 2008;37(4):322-7.

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