ZIMMER BIOMET

Zimmer Enters into a Letter of Intent for Advanced Polyethylene and Hydrogels

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WARSAW, Ind., Feb 24, 2005 /PRNewswire-FirstCall via COMTEX/ -- Zimmer Holdings, Inc. (NYSE: ZMH; SWX: ZMH), a worldwide leader in the orthopaedics industry, announced today it has entered into a Letter of Intent for a comprehensive agreement with Massachusetts General Hospital (MGH) and the Cambridge Polymer Group (CPG) to license technology to develop and commercialize advanced orthopaedic polyethylene and hydrogel materials, and to collaborate on research aimed at identifying promising future materials technologies.

"As a result of this long-term agreement, Zimmer will extend and enhance its position as the number one provider of advanced polyethylene materials in the orthopaedic industry," said Ray Elliott, Zimmer Chairman, President and Chief Executive Officer. "We have positioned ourselves to provide the next generation of products that will eventually succeed our current premium brands, Longevity(R), Prolong(TM) and Durasul(R) Highly Crosslinked Polyethylenes, and, in MGH and CPG, we believe we have the best possible partners with which to pursue the promising and emerging area of utilizing hydrogels in orthopaedic applications."

The agreement will provide Zimmer exclusive, worldwide rights for the innovative CIMA (Cold Irradiated, Mechanically Annealed) highly crosslinked polyethylene technology, as well as for hydrogels for certain orthopaedic applications. The agreement also will provide co-exclusive licenses for technologies involving Vitamin E-treated highly crosslinked polyethylene. CIMA particularly may offer the potential to retain the proven wear resistance of Zimmer's existing highly crosslinked polyethylenes while enhancing the mechanical properties of components manufactured using the materials so they can be used in more high demand applications. In addition, the three parties agreed to pursue research funded by Zimmer into future technologies, with Zimmer receiving the rights to commercialize funded innovations generated as a result.

About Zimmer

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. In October 2003, the Company finalized its acquisition of Centerpulse AG, a Switzerland-based orthopaedics company and the leader in the European reconstructive market. Zimmer has operations in more than 24 countries around the world and sells products in more than 100 countries. Zimmer's 2004 sales were approximately $3 billion. The Company is supported by the efforts of more than 6,500 employees worldwide.

About Massachusetts General Hospital

Massachusetts General Hospital, established in 1811, is the original and largest teaching hospital of Harvard Medical School. The MGH conducts the largest hospital-based research program in the United States, with an annual research budget of more than $450 million and major research centers in AIDS, cardiovascular research, cancer, cutaneous biology, medical imaging, neurodegenerative disorders, transplantation biology and photomedicine. In 1994, MGH and Brigham and Women's Hospital joined to form Partners HealthCare System, an integrated health care delivery system comprising the two academic medical centers, specialty and community hospitals, a network of physician groups, and nonacute and home health services.

About Cambridge Polymer Group

Cambridge Polymer Group, Inc. is a privately-held research and development company located in Boston, Massachusetts. Founded in 1996, Cambridge Polymer Group invents and develops materials and analytical instruments for applications in orthopaedics, cardiovascular, aerospace, and consumer products. The company's core competencies include property enhancement, test methodology development, radiation chemistry, rheology, and hydrogel formulations. More information about Cambridge Polymer Group can be found at http://www.campoly.com .

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," "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 Centerpulse AG and Implex Corp., the outcome of the pending informal SEC investigation of Centerpulse accounting, 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 the disclosure materials filed by Zimmer with the U.S. 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. 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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