ZIMMER BIOMET

Orthopaedics Giant to Expand Its Indiana Manufacturing, Distribution Facilities

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WARSAW, Ind., May 4, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Governor Mitch Daniels joined executives from orthopaedics giant Zimmer Holdings, Inc., today to announce the company's plan to expand its manufacturing and distribution facilities here, creating more than 140 new jobs.

The $66 million project will add 120,000 square feet to an existing Zimmer manufacturing facility and 100,000 square feet to the company's distribution center.

"We're enormously proud of Zimmer and that Indiana has earned the opportunity to host this latest expansion of their world-class business," said Daniels.

The expansion comes as demand for the company's orthopaedic products continues to grow with more than 40,000 products shipped daily from the company's 250,000 square-foot distribution center.

"We are pleased that the State of Indiana is supportive of our efforts to meet growing worldwide demand for our products by enhancing our capabilities here in Warsaw," said David Dvorak, Zimmer President and CEO. "We have other manufacturing and distribution sites around the world, but our largest concentration of facilities is here in Warsaw-with these expansions we will have more than 1.5 million square feet under roof. The state incentives announced today helped us with our decision to go forward here in Indiana."

The Indiana Economic Development Corporation offered Zimmer up to $1.9 million in tax credits to encourage the expansion in Indiana. It is the third in three years for the 80-year-old company. In late 2005, Zimmer announced plans to expand its global research and development center, adding 275 high- tech jobs and nearly 100,000 square feet of laboratory workspace to the company's Warsaw West campus. In 2004, the company announced a $64 million project to expand its manufacturing and distribution centers here.

"We are very excited that Zimmer is reinvesting in Warsaw," said Warsaw Mayor Ernest B. Wiggins. "The quality of our workforce and their unmatched work ethic continues to be a major factor in

growing this vital industry in Indiana."

Known as the "Orthopaedic Manufacturing Capital of the World," Warsaw is home to the headquarters of three of the world's five largest makers of artificial joints and related surgical tools.

Zimmer's announcement marks the 55th competitive economic development project in Indiana this year. As part of those projects, companies have committed to creating 7,000 new jobs and investing more than $1.1 billion to start or expand their businesses in Indiana.

Zimmer is a publicly traded company under the symbol ZMH.

About Zimmer

Founded in 1927 and headquartered in Warsaw, Indiana, Zimmer (NYSE: ZMH, SWX: ZMH) 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. The Company had approximately $3.5 billion in 2006 sales and is supported by the efforts of more than 7,000 employees worldwide.

About IEDC

The Indiana Economic Development Corporation is the state's premier entity charged with economic development. The IEDC has a 12-member board chaired by Governor Mitch Daniels. Indiana Secretary of Commerce Nathan Feltman is also chief executive officer of the IEDC.

SOURCE Zimmer Holdings, Inc.

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