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Zimmer Announces Positive Results of Minimally Invasive Total Hip Replacement Study and Plans for a Dedicated Surgeon Training Institute

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WARSAW, Ind., Jul 23, 2002 /PRNewswire-FirstCall via COMTEX/ -- Zimmer Holdings, Inc. (NYSE: ZMH) today released results from a study of the feasibility and potential benefits of performing total hip replacement through the Zimmer Two- Incision Procedure. The results are from Richard Berger, MD, of Rush Presbyterian St. Luke's Medical Center in Chicago, and represent his first 50 consecutive cases since the procedure was standardized. The company also said it completed planning for the launch of a 15,000 square foot, Zimmer Minimally Invasive Solutions(TM) (MIS) Institute to provide comprehensive surgeon skills training and to extend the company's industry leadership in the rapidly emerging orthopaedic category of minimally invasive joint replacement.

Dr. Berger was the first surgeon in the United States to clinically perform the Zimmer Two-Incision, keyhole hip replacement procedure. Dr. Berger has been invited to formally present his results at the national Hip Society and the American Academy of Orthopaedic Surgeons meeting in New Orleans in February 2003.

According to Dr. Berger, "The mean operative time was 100 minutes. There were no intraoperative complications. Seventy-five percent of these 50 patients chose to go home the day of surgery; twenty-five percent of the patients went home the day after surgery. No patient stayed in the hospital more than 23 hours. All patients were discharged to home and none to sub- acute care facilities. Post-operatively there have been no complications, no readmissions, and no dislocations. Radiographically, the overall alignment of the components was excellent and all have shown normal ingrowth."

If the remaining case analysis confirms the preliminary data, Zimmer will utilize the 2003 AAOS to officially launch the Zimmer MIS Two-Incision procedure well ahead of the original schedule.

"While these results are preliminary, we are very optimistic that the surgical technique and Zimmer's MIS Instrumentation currently developed will be the gold standard in future hip replacement," said

Zimmer Chairman, President and Chief Executive Officer Ray Elliott. "We have now reached the 200-patient milestone and the completion of our preliminary study. We are clearly excited about Dr. Berger's data, but we are even more encouraged by the significant observed improvements in patient quality of life."

Deloitte & Touche Consulting has, on the company's behalf, completed a detailed study of the potential economic benefits to U.S. and international health care systems if the procedure's improvements to length-of-hospital stay, rehabilitation time, and return to normal activities are confirmed. The company says it is reviewing the preliminary findings of the study and will release a detailed report in the future.

In addition to Dr. Berger, Zimmer has, to date, worked with a total of 20 surgeons, from six different countries. As part of the study, the company is working to identify best-practice models for training a larger number of surgeons. According to Dr. Frank Ebert, Chief of Adult Reconstruction at Union Memorial Hospital in Baltimore, the trend toward less invasive procedures is being driven by patients. "My initial experience with the Zimmer Two-Incision procedure has been very positive, with patients experiencing significantly less pain and regaining function much more quickly," he said. "Patients may find, however, that the Zimmer procedure is not currently available in their area and time will be required for comprehensive surgeon education and training."

Due to the unique nature of the Two-Incision technique, Zimmer will provide for dedicated training for surgeons to acquire the necessary skills to perform this procedure. This effort will include increasing availability of the specialized instrument sets for the procedure and increasing the number and locations of training meetings, all of which will be coordinated by the company's MIS Institute. The company says it will build a state-of-the-art training facility as the MIS Institute's main hub, and will engage a number of world-renowned academic institutions to operate approved satellite training locations around the world.

"We have said that a key to growing our leadership position is not just designing the best possible products, but also providing the best possible confidence and education for surgeons and support teams in the field," said Elliott. "The MIS Institute will bring together a preeminent advisory panel who will work with us to develop the curriculum, skills training and knowledge transfer methods necessary to capitalize on the promise of minimally invasive orthopaedics."

According to the company, the MIS Institute will facilitate collaboration with surgeons and affiliated clinical institutions to assist the company in developing best practices for MIS orthopaedics with the goal of producing superior clinical pathways. "The potential patient benefits of MIS joint replacement are very compelling," said Elliott, "but we think there are significant benefits for surgeons, providers and payers as well. We believe we have the opportunity to substantially reduce overall costs to the health care system and change the way orthopaedic care is delivered, even if surgeon reimbursements are increased to recognize the increased complexity of the procedure and the advanced skills required."

The founding Zimmer MIS Institute will be added to the company's one million square foot campus in Warsaw, Indiana. Phase I of the building will be 15,000 square feet, with the majority of the space devoted to surgical operating labs, training suites and global satellite transmission capability adjacent to the current engineering and scientific facilities. The facility will allow surgeons to simulate a broad range of experiences common in the surgical environment. Through the MIS Institute, Zimmer will establish and build on existing relationships with clinical facilities and academic medical centers in the U.S. and abroad that will function as satellite branches of the Institute.

Zimmer, based in Warsaw, Indiana, is a global leader in the design, development, manufacture and marketing of reconstructive orthopaedic implants and fracture management products. Orthopaedic reconstruction implants restore joint function lost due to disease or trauma in joints such as knees, hips, shoulders and elbows. Fracture management products are devices used primarily to reattach or stabilize damaged bone and tissue to support the body's natural healing process. Zimmer also manufactures and markets other products related to orthopaedic and general surgery. For the year 2001, Zimmer recorded worldwide revenues of approximately $1.2 billion. Zimmer was founded in 1927 and has more than 3,400 employees worldwide.

Visit Zimmer on the worldwide web at www.zimmer.com and at www.pacewithlife.com .

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