Zimmer Holdings and ISTO Technologies Announce Start of Neocartilage Clinical Trial

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WARSAW, Ind. and ST. LOUIS, Feb 15, 2007 /PRNewswire via COMTEX News Network/ -- Zimmer Holdings, Inc. (NYSE and SWX: ZMH), a leader in the orthopaedics industry, and ISTO Technologies, Inc., an innovative orthobiologic company, today announced that the clinical trial is now underway for Neocartilage, a living tissue- engineered graft under investigation for the restoration of cartilage defects, reestablishment of joint function and relief of pain in the knee. Zimmer plans to market the product as DeNovo(R) ET Engineered Tissue Graft.

In June 2006, the U.S. Food and Drug Administration (FDA) approved ISTO's Investigational New Drug (IND) application, allowing the companies to move forward with human clinical trials of the novel cartilage regeneration treatment.

Jack Farr II, M.D., an orthopaedic surgeon with OrthoIndy, Indianapolis, performed the surgery on the first patient in November 2006. "I have participated in a variety of projects involving cartilage repair and regeneration, and I find the science behind DeNovo ET very compelling," said Dr. Farr. "The initial surgery went as we had hoped, and we look forward to enrolling more patients into the study and serially assessing their progress with the implant."

Kevin F. Bonner, M.D., an orthopaedic surgeon with Jordan-Young Institute in Virginia Beach, Virginia, has also enrolled patients into the study. "In pre-clinical studies, DeNovo ET has demonstrated the ability to resurface cartilage defects," said Dr. Bonner. "The procedure is straightforward and builds on earlier cartilage repair techniques."

Additional study sites for the clinical trial are being added. Recently, Rush University Medical Center in Chicago was added; Dr. Brian Cole, the head of Rush's Cartilage Restoration Center, will serve as the principal investigator for the Rush location.

Zimmer and ISTO entered into a co-development agreement in 2002 granting Zimmer exclusive worldwide commercial distribution rights to the Neocartilage technology. The two companies have

since collaborated on further development and pre-clinical testing. The potential market for DeNovo ET is large, as each year in the United States alone approximately 500,000 cartilage lesions are treated in knee joints.

"We are delighted both to advance the Neocartilage technology into human clinical trials, and to be collaborating with the world's leading orthopaedic company to achieve this significant milestone," said Mitchell Seyedin Ph.D., President and Chief Executive Officer of ISTO.

"Zimmer has made biologics the centerpiece of our innovative investment strategy and we are pleased to have reached this very concrete milestone in the development of our plans," said Ray Elliott, Chairman, President and Chief Executive Officer of Zimmer Holdings. "With our investments in other biologic repair and regeneration technologies, we intend to play a leadership role in the next generation of treatments to address the needs of patients with arthritis and other orthopaedic issues."

DeNovo ET is a living tissue graft grown from juvenile chondrocytes (cartilage cells) using ISTO's proprietary cell-based platform technology. Studies have demonstrated that juvenile chondrocytes produce cartilage significantly better than their adult counterparts. Cartilage works as a low friction articulating surface to protect joints from wear and tear experienced during motion. Articular cartilage can be damaged as a result of injury, or can simply deteriorate over time leading to osteoarthritis. Cartilage is known to have limited capacity to heal on its own. Most joint replacements are performed as a result of the effects of osteoarthritis.

Zimmer is also developing another cartilage repair product in conjunction with ISTO. The DeNovo NT Natural Tissue Graft also consists of juvenile chondrocytes in the form of minced cartilage tissue. This living tissue graft is also intended to support the surgical repair of damaged articular cartilage.

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. Zimmer has operations in more than 24 countries around the world and sells products in more than 100 countries. Zimmer's 2006 sales were approximately $3.5 billion. The Company is supported by the efforts of nearly 7,000 employees worldwide.

About ISTO Technologies, Inc.

ISTO Technologies, Inc. is an orthobiologic company focused on developing differentiated products for sports medicine and spinal therapy. ISTO's products are intended for repair and regeneration of damaged cartilage in joints and spinal discs. For additional information on ISTO, please visit our

website at http://www.istotech.com , or contact us at (314) 995-6049, or by e- mail at info@istotech.com.

Visit Zimmer on the worldwide web at http://www.zimmer.com .

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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," "assumes," "guides," "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 acquired businesses, the outcome of the Department of Justice investigations announced in March 2005 and June 2006, 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 conduct a successful search for a new chief executive officer and the ability of the new chief executive officer to gain proficiency in leading our company, 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 our periodic reports filed with the U.S. Securities and Exchange Commission. 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. 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 ISTO Technologies, Inc.

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