

Zimmer to Distribute Alteer Corporation's Internet-Based Practice Management System

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WARSAW, Ind., Nov. 5 -- Zimmer Holdings, Inc., (NYSE: ZMH) announced today that it has entered into an exclusive agreement with Alteer Corporation to distribute the Alteer Office practice management product to orthopaedic surgeons. Alteer Office is a comprehensive system that integrates administrative, clinical and financial functions in one integrated, internet-based product.

"Orthopaedic surgeons should be treating patients, not struggling with paperwork and administrative hassles," said Zimmer Chairman and Chief Executive Officer Ray Elliott. "A key Zimmer strategy is to focus on solutions that improve the entire system of care for patients, physicians, providers and payers. We've demonstrated that through our leadership in minimally invasive orthopaedic surgery, and by partnering with Alteer, we're extending our ability to provide solutions beyond the operating room."

Zimmer account executives will be responsible for introducing orthopaedic surgeons to the product, while Alteer will be responsible for billing, collections, installations, training and technical support. Financial terms of the agreement were not disclosed.

"Alteer Office is the leading integrated product that allows a surgeon and his staff access to the information they need to manage a practice -- patient charts, prescription information, billing data -- all from any computer in the office or wherever they practice medicine," said Charles Hearn, President & CEO of Alteer. "We're pleased to be teaming with Zimmer, an organization with an award-winning sales force and a reputation for unmatched responsiveness."

Alteer Corporation recently announced that the Office product was named a finalist by Microsoft Corporation in the 2001 Solution Awards for Healthcare. Alteer Office brings together a number of tools that help organize and streamline processes that are typically done manually or by separate, non-integrated systems. These include paperless medical records, prescription information, pharmacy call-backs, with a complete contract management and billing program.

"In today's demanding clinical environment, physicians need a secure, expandable handheld platform that provides them with the right information at the point of care to help them improve the quality of medical care and reduce medical errors," said Ahmad Hashem, M.D., PhD, global healthcare industry manager at Microsoft Corp. "Alteer Office is as easy and intuitive to use as other Microsoft programs providing physicians with instant access to charts and financial information whenever and wherever they need it. It transforms the way they do business and the way they service their patients."

Zimmer, based in Warsaw, Indiana, is a global leader in the design, development, manufacturing and marketing of orthopaedic reconstructive implants and fracture management products. Orthopaedic reconstructive 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. Zimmer was founded in 1927 and has more than 3,400 employees worldwide. For the year 2000, Zimmer recorded worldwide revenues of more than \$1 billion. Zimmer became an independent, publicly traded company on August 7, 2001, when it was spun off from Bristol-Myers Squibb.

Alteer Corporation (<http://www.alteer.com>) is headquartered in Irvine, California. Alteer utilizes a web-based system for its software applications that address the administrative, clinical, financial and communication needs of physician practice groups to improve their operational efficiency, better manage costs and enhance the quality of care provided to patients. Alteer is the leading solution that completely automates the entire workflow in the physician's office - from scheduling to prescription renewals to billing to eligibility verification and pre-authorization. Alteer re-engineers the workflow, information, documents, and patient flow within the office. Alteer markets its products through distribution partners that provide sales, marketing, training and support in key regions.

A private company, Alteer was founded in 1996. Institutional investors in Alteer Corporation include Edgewater Funds, Kingsbury Capital Partners and Bluestem Capital Company.

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This press release contains forward-looking statements based on current expectations, estimates, forecasts and projections about the orthopaedics industry, management's beliefs and assumptions made by management. 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, price and product competition, rapid technological development, demographic changes, dependence on new product development, the mix of our products and services, customer demand for our products and services, our ability to successfully integrate acquired companies, control of costs and expenses, our ability to form and implement alliances, international growth, U.S. and foreign government regulation, 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 reports filed by Zimmer with the 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.