

Zimmer Receives Indiana Department of Commerce Training Grant

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Funds to Help Employees Meet Demands of Rapid Growth

WARSAW, Ind., Nov. 13 /PRNewswire-FirstCall/ -- Zimmer Holdings, Inc. (NYSE: ZMH) has received a Skills Enhancement Fund training grant of more than \$200,000 from the Indiana Department of Commerce. Grant funds will be used during a two-year period from Nov. 1, 2002 to Nov. 1, 2004 to subsidize training for more than 1,000 employees at Zimmer facilities here.

"Zimmer is investing in its workforce at the same time it's investing in new technology and upgrading facilities, and that's a winning combination," said Lt. Governor Joe Kernan, who serves as director of the Department of Commerce. "Strong employee skills and having the right tools for the job are necessary for the success in today's global climate, and we're proud to support Zimmer with this grant."

"Zimmer puts a tremendous emphasis on training to ensure our employees gain and maintain the skills and knowledge they need to keep Zimmer competitive in today's dynamic orthopaedics environment," said Zimmer Chairman, President and CEO Ray Elliott. "For example, the development of new technologies, new materials, and improved work processes are now a routine part of our business as we work to meet the rising expectations of orthopaedic surgeons and their patients around the world. This compels a continuous learning environment for Zimmer employees to address these market conditions with the same high quality standards for which Zimmer is well known."

According to Elliott, the grant will support Zimmer in its efforts to enhance the skills of its Warsaw employees so the company can meet the rapid growth it is experiencing now and is expecting as baby boomers become likely candidates for joint replacement. "We appreciate the State of Indiana's recognition of the rapid growth in orthopaedics in general and at Zimmer specifically," Elliott said. "We believe we are at the beginning of an extended period of strength that will be driven both by demographics and by new technologies, such as our Minimally Invasive Solutions(TM) Two-Incision Hip Procedure, that address patient demands for treatments that enable, not inhibit their lifestyles."

Zimmer employment in Warsaw, now approximately 1,800, has increased by nearly 400 since 1998. The company has experienced employment growth in Warsaw both because of the expansion of its business and because it maintained its headquarters here after being spun off as an independent,

publicly traded company in August 2001. The new status as a public company required the addition of a number of functions that either were not required or were performed by its former parent company, which was located out of state.

Grant funds will be used for developing skills unique to Zimmer and the orthopaedic industry as well as providing business systems, technical, and quality related training programs. The grant matches Zimmer training costs 50 cents on the dollar and therefore more than \$400,000 in training will be supported by the grant. Grant funds will be used to train an estimated 60 new employees and 995 current manufacturing, quality and engineering employees during the grant period. All employees trained must be Indiana residents.

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 3,500 employees worldwide.

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

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