

Zimmer Holdings and Heraeus Expand Agreement for Worldwide Distribution of Bone Cement Products

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WARSAW, Ind., Oct 17, 2005 /PRNewswire-FirstCall via COMTEX/ -- Zimmer Holdings, Inc. (NYSE: ZMH; SWX: ZMH), a leader in the orthopaedics industry, announced today it is expanding its agreement with Heraeus of Germany, a world leader in the development and production of orthopaedic bone cement products and other health care technologies, to include worldwide distribution for Palacos® and other Heraeus bone cement products.

Zimmer and Heraeus entered into an agreement in early 2005 for the United States distribution rights. Zimmer began selling Palacos and other Heraeus bone cements in the second quarter of this year and will become the exclusive U.S. distributor for these products in 2006. Zimmer will become the agent of Heraeus for the Palacos bone cements in Europe and, pursuant to the expanded agreement, expects to acquire by the end of 2005 the exclusive distribution rights for Palacos for the rest of the world.

"We are off to a good start with Palacos sales in the U.S., but this agreement greatly expands our presence in the bone cement segment and further strengthens our leadership position in the worldwide reconstruction market," said Ray Elliott, Zimmer Chairman, President and Chief Executive Officer. "Palacos products enjoy more than 50 percent market share in Europe and have demonstrated excellent clinical results, as recorded by Swedish and Norwegian registries, for more than 30 years. With the strength of Zimmer's sales forces and our distribution system, we believe we will make Palacos products even more successful in all of our markets."

One of the bone cements included in this agreement is Palacos RG, which is formulated with an antibiotic, enabling orthopaedic surgeons in joint replacement procedures to securely fix implants to patient bones with the antibiotic acting to reduce the risk of infection.

About the Company

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 2004 sales were approximately \$3 billion. The Company is supported by the efforts of more than 6,500 employees worldwide.

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

Zimmer Safe Harbor Statement

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," "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 Centerpulse AG and Implex Corp., the outcome of the Department of Justice investigation announced in March 2005 and the pending informal SEC investigation of Centerpulse accounting, 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 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 the disclosure materials filed by Zimmer with the U.S. 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. 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 Zimmer Holdings, Inc.

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