



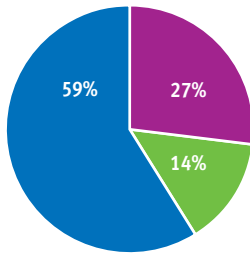
2005 INVESTOR FACT SHEET

COMPANY PROFILE

- #1 pure-play orthopaedics company in the world, founded 1927
- Global reach: sales in 100+ countries, 44% of sales outside the United States
- More than 6,700 employees worldwide, with more than 550 in research and development

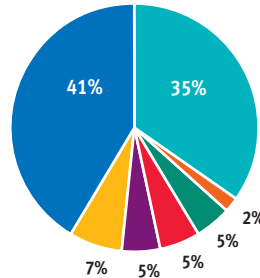
GEOGRAPHIC SEGMENT SALES

- Americas
- Europe
- Asia Pacific



PRODUCT CATEGORY SALES

- Reconstructive
 - Knees
 - Hips
 - Extremities
 - Dental
- Trauma
- Spine
- Orthopaedic Surgical Products

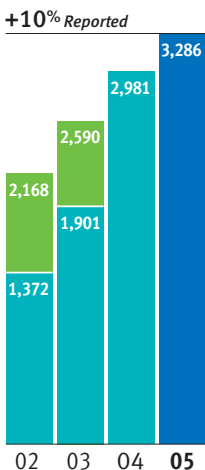


PERFORMANCE

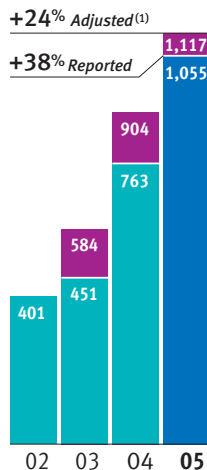
- Realized record profit margins of 78 percent gross, 32 percent operating and 22 percent net, improving our profitability even with moderating price and foreign exchange impacts
- Stock has outperformed its direct competitors and the S&P 500 since the company was spun-off from Bristol-Myers Squibb in August 2001

Dollars in millions except for per share amounts.

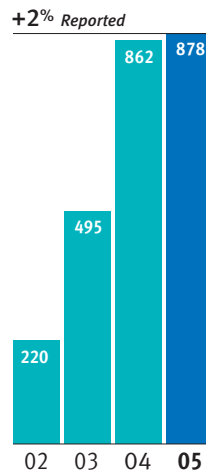
NET SALES⁽²⁾



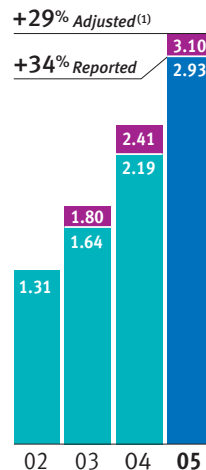
OPERATING PROFIT



OPERATING CASH FLOW



DILUTED EARNINGS PER SHARE



LEADERSHIP POSITIONS

76% of 2005 sales derived from businesses that have a global #1 market share position.

- #1 worldwide in Knee replacements
- #1 worldwide in Hip replacements
- #1 in Reconstructive in the U.S.
- #1 in Reconstructive in Europe
- #1 in Reconstructive in Japan

2005 GLOBAL MARKETS⁽³⁾

Dollars in billions

	GLOBAL MARKET SIZE	ZIMMER MARKET SHARE	ZIMMER MARKET POSITION
Knees	\$ 4.8	28%	#1
Hips	\$ 4.2	27%	#1
Dental ⁽⁴⁾	\$ 1.6	9%	#4
Extremities	\$ 0.4	18%	#2
Total Reconstructive	\$11.0	25%	#1
Trauma	\$ 2.7	7%	#5
Spine ⁽⁴⁾	\$ 4.7	3%	#6

FOR MORE INFORMATION on upcoming investor events, news releases, or to order Annual Reports and SEC filings please visit <http://investor.zimmer.com>

(1) "Adjusted" refers to performance measures that exclude in-process R&D write-offs, acquisition, integration and other expenses, inventory step-up, a tax benefit from decreased Swiss deferred taxes and the change in accounting principle for instruments, as applicable.

(2) "Pro forma" sales include Centerpulse sales for prior periods, as reflected by the Net Sales bars at left.

(3) Company reports, Wall Street research and Zimmer estimates.

(4) Including related orthobiologics.

See reconciliations of non-GAAP financial measures on <http://investor.zimmer.com>.

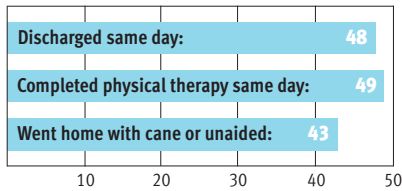
COMMITTED TO THE CORE STRATEGIES



VALUE-ADDED EDUCATION

96% OF PATIENTS
GO HOME THE SAME DAY

A study of 50 consecutive outpatient total knee arthroplasties showed that 96%, or 48 of 50 patients, chose to go home the day of surgery.⁽⁵⁾



- Trained nearly 2,500 surgeons at Zimmer Institute and its satellites in 2005
- A peer-reviewed journal article suggests that the *Zimmer MIS Quad Sparing* Knee Procedure provides superior economic and patient clinical benefits⁽⁶⁾

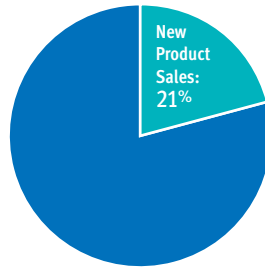
(5) Berger RA, Sanders S, Gerlinger T, Della Valle C, Jacobs J, Rosenberg A. Outpatient total knee arthroplasty with a minimally invasive technique. *J Arthroplasty*. 2005; 20 (suppl 3):7.

(6) Coon TM, Tria AJ, Lavernia C, Randall L. The economics of minimally invasive total knee surgery. *Sem Arthroplasty*. 2005;16:235-238.

INNOVATIVE INVESTMENT

21% OF SALES
FROM NEW PRODUCTS

In 2005, products launched in the preceding rolling 36-month period represented 21% of Zimmer sales.

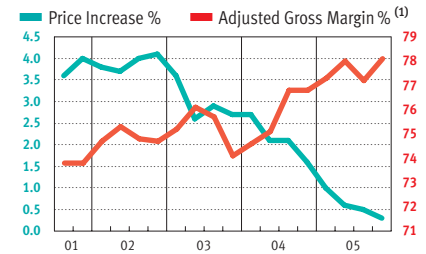


- Product pipeline: More than 160 projects for the future, significant resources focused on new growth platforms and new technologies
- Commitment to R&D, investments in orthobiologics, *MIS*, new materials and intelligent technologies
- Unique technology: *MIS* Procedures and Technologies, *Trabecular Metal*[™] Technology, among others

FLAWLESS EXECUTION

78% GROSS MARGINS

Flawless execution has made Zimmer a low-cost manufacturer and low-cost distributor in the orthopaedics industry. As a result, Zimmer has achieved continued margin expansion, with 2005 gross margins of 78% even in the more challenging recent pricing environments.



- Completed almost 90% of the 3,500+ related integration milestones, annual cost savings expected to exceed \$100 million by 2006
- Strong cash flow: Paid down nearly \$1.5 billion debt related to both the Centerpulse and Implex acquisitions
- Scalable business model resulting in substantially higher operating leverage compared with competitors

COMMITTED TO GENDER SOLUTIONS

Zimmer's innovative investments in recent history have resulted in numerous industry firsts. Our newest is the introduction of *Gender Solutions*[™] Knee Implants.

2006	2004	2002
1ST knee implants designed to accommodate the unique anatomic features of women, <i>Gender Solutions</i> ⁽⁷⁾	1ST <i>Zimmer MIS</i> [™] <i>Quad-Sparing</i> [™] Total Knee Arthroplasty procedure ⁽⁸⁾	1ST highly crosslinked polyethylene knee inserts with resistance to delamination, <i>Prolong</i> [™]
2001	2000	1998
1ST <i>Zimmer MIS</i> [™] <i>2-Incision</i> [™] Total Hip Arthroplasty procedure ⁽⁹⁾	1ST high flexion knee in the U.S. and Europe, <i>NexGen</i> [®] LPS-Flex	1ST highly crosslinked polyethylene hip liners resistant to wear and aging, <i>Durasul</i> [®]
1997	1996	1994
1ST metal material combining high porosity, structural integrity and flexibility, <i>Trabecular Metal</i> [™]	1ST pedicle screw-based stabilization system for the spine using flexible materials, <i>Dynesy</i> ^{®(10)}	1ST clinically proven composite hip stem, <i>Epoch</i> [®]

(7) Pending 510(k) clearance. (8) Tria AJ, Coon TM. Quadriceps Sparing Total Knee Arthroplasty. *Sem Arthroplasty*. 2005; 16:208-214. (9) Berger RA, Jacobs JJ, Meneghini RM, Della Valle C, Paprosky W, Rosenberg AG. Rapid rehabilitation and recovery with minimally invasive total hip arthroplasty. *Clin Orthop*. 2004; 429:239-247. (10) Cleared in the U.S. as an adjunct to fusion. (11) Trademark of Institutional Shareholder Services, Inc. Originally introduced in 2002, the ISS Corporate Governance Quotient (CGQ[®]) is a dynamic corporate governance rating tool that is designed to help investors manage investment risk and drive value while also helping corporations perform peer analysis and benchmark their corporate governance practices.

CORPORATE GOVERNANCE

ISS Corporate Governance Quotient⁽¹¹⁾ (CGQ[®])

Index Ranking: 81.6

Industry Ranking: 98.2

Zimmer Holdings, Inc. outperformed 81.6 percent of the companies in the S&P 500 Index and 98.2 percent of the companies in the health care equipment and services group as of February 8, 2006.

STOCKHOLDER INFORMATION

NYSE and SWX ticker symbol: ZMH

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