



ZIMMER BIOMET
Your progress. Our promise.™

35th Annual J.P. Morgan
Healthcare Conference
January 10, 2017

Zimmer Biomet Holdings, Inc.

Presenter:
David Dvorak
President and CEO

Cautionary Statement Regarding Forward-Looking Statements

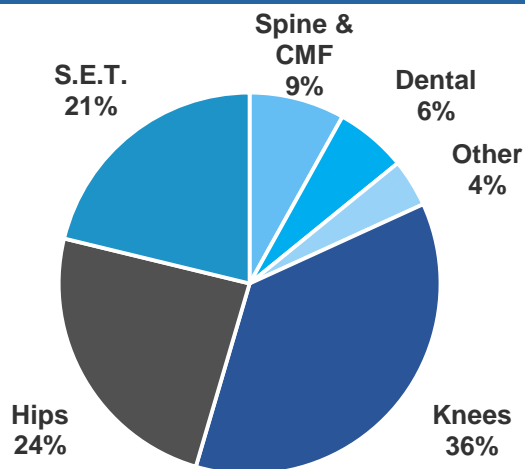
This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of forward-looking terms such as “may,” “will,” “expects,” “believes,” “anticipates,” “plans,” “estimates,” “projects,” “assumes,” “guides,” “targets,” “forecasts,” “sees” and “seeks” or the negative of such terms or other variations on such terms or comparable terminology. All statements other than statements of historical or current fact are, or may be deemed to be, forward-looking statements. Such statements are based upon the current beliefs and expectations of management and are subject to significant risks and uncertainties that could cause actual outcomes and results to differ materially. These risks and uncertainties include, but are not limited to: the possibility that the anticipated synergies and other benefits from mergers and acquisitions will not be realized, or will not be realized within the expected time periods; the risks and uncertainties related to our ability to successfully integrate the operations, products, employees and distributors of acquired companies; the effect of the potential disruption of management’s attention from ongoing business operations due to integration matters related to mergers and acquisitions; the effect of mergers and acquisitions on our relationships with customers, vendors and lenders and on our operating results and businesses generally; Biomet’s compliance with its Deferred Prosecution Agreement, as extended; the outcome of government investigations; price and product competition; the success of our quality and operational excellence initiatives; changes in customer demand for our products and services caused by demographic changes or other factors; the impact of healthcare reform measures; reductions in reimbursement levels by third-party payors and cost containment efforts of healthcare purchasing organizations; dependence on new product development, technological advances and innovation; shifts in the product category or regional sales mix of our products and services; supply and prices of raw materials and products; control of costs and expenses; the ability to obtain and maintain adequate intellectual property protection; the ability to form and implement alliances; challenges relating to changes in and compliance with governmental laws and regulations, including regulations of the U.S. Food and Drug Administration (the “FDA”) and foreign government regulators, such as more stringent requirements for regulatory clearance of products; the ability to remediate matters identified in any inspectional observations or warning letters issued by the FDA, while continuing to satisfy the demand for our products; changes in tax obligations arising from tax reform measures or examinations by tax authorities; product liability and intellectual property litigation losses; the ability to retain the independent agents and distributors who market our products; dependence on a limited number of suppliers for key raw materials and outsourced activities; changes in general industry and market conditions, including domestic and international growth rates and general domestic and international economic conditions, including interest rate and currency exchange rate fluctuations; and the impact of the ongoing economic uncertainty affecting countries in the Euro zone on the ability to collect accounts receivable in affected countries. For a further list and description of such risks and uncertainties, see our reports filed with the U.S. Securities and Exchange Commission. Copies of these filings, as well as subsequent filings, are available online at www.sec.gov, www.zimmerbiomet.com or on request from us. 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 presentation are cautioned not to place undue reliance on these forward-looking statements, since, while management believes 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 presentation.

Note on Non-GAAP Financial Measures

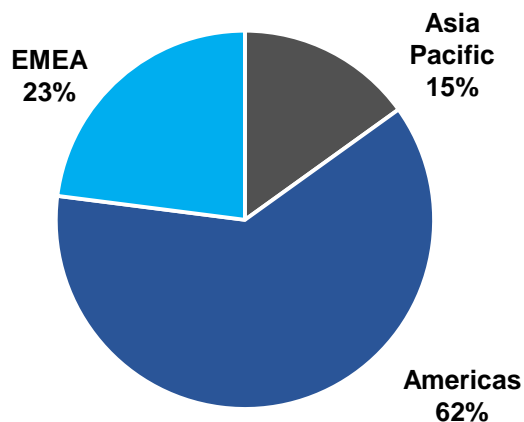
In this document, we present adjusted operating profit margin, which is considered a “non-GAAP financial measure” under U.S. Securities and Exchange Commission rules. This non-GAAP financial measure supplements our GAAP disclosures and should not be considered as a substitute for, or superior to, operating profit margin, the most directly comparable GAAP financial measure. Reconciliations of operating profit margin to adjusted operating profit margin for the periods presented are posted to the investor relations section of our website at www.zimmerbiomet.com.

Zimmer Biomet: A Profile of Leadership

2016 Sales by Category⁽¹⁾



2016 Sales by Geography⁽¹⁾



(1) Based on preliminary full year revenue for 2016



Addressing unmet needs across continuum and episode of care



Broad array of musculoskeletal solutions, technologies and services



90 year heritage of proven clinical performance



Globally diverse

*S.E.T. = Surgical, Sports Medicine, Foot & Ankle, Extremities and Trauma

Leading Musculoskeletal Portfolio



Knee & Hip

Global market share leader



S.E.T.

Diverse and fast growing category



**Spine &
CMF**

Innovative products and solutions



Dental

Complete implant and regenerative portfolio

Guided by our Value Creation Framework

Growth

Opportunity to deliver 4% + revenue growth:

- Innovative new products
- Specialized sales forces
- Expanding emerging markets presence

Operational Excellence

Sustainable Operating Margin expansion:

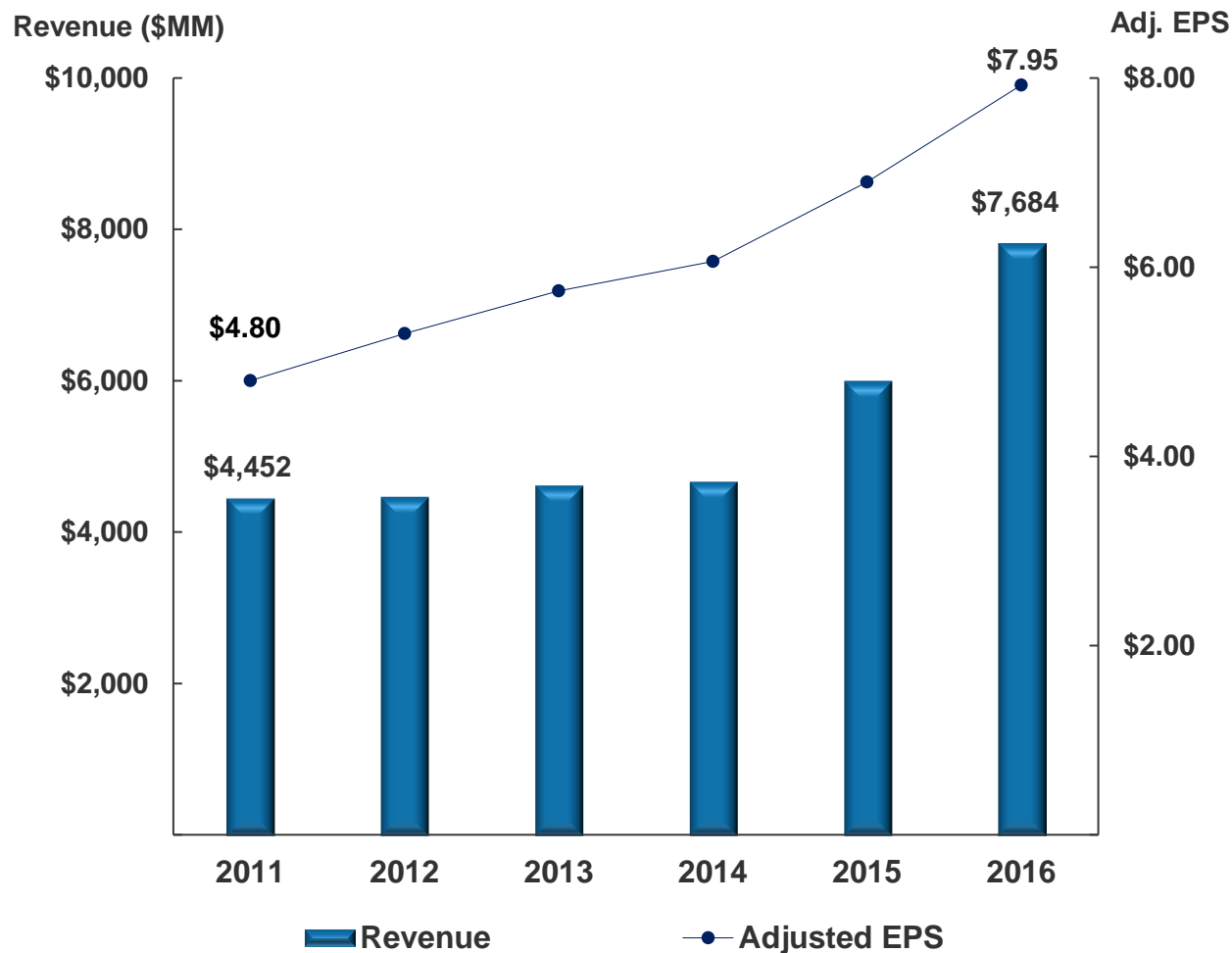
- Leverage scale
- Manufacturing and quality system optimization
- Realize net synergies

Disciplined Capital Allocation

Significant Free Cash Flow rates:

- Value creating M&A
- Achievement of deleveraging goals
- Returning value to stockholders

History of Growth

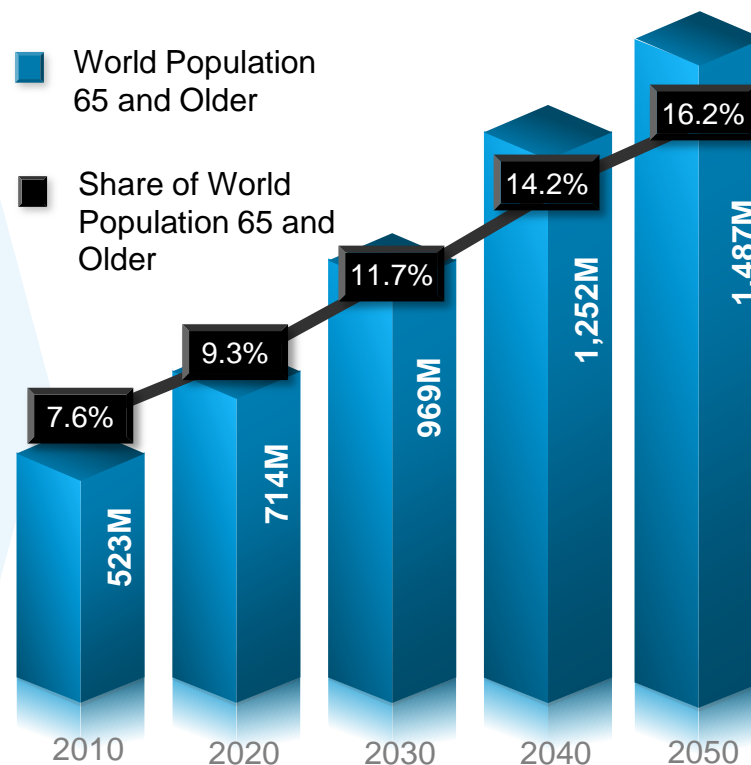


Growth Drivers

- Focus on innovative new products
- Internal and external portfolio development
- Commercial and operational excellence
- Leveraged earnings

Drivers of Sustainable Market Growth

- **Favorable global demographics**
 - Increasing percentage of population 65 and older
- **Supportive utilization trends**
 - Penetration opportunity in developed markets
- **Expanding access to healthcare in emerging markets**
 - Utilization at a fraction of developed market rates



Source: United Nations Population Division

Investing for Future Growth

Transforming Revenue Mix

Strengthening presence in faster-growing product categories



Specialized Sales Channel

Leveraging scale and specialized reps to accelerate growth



Differentiated R&D

Developing meaningful innovation



Disciplined M&A

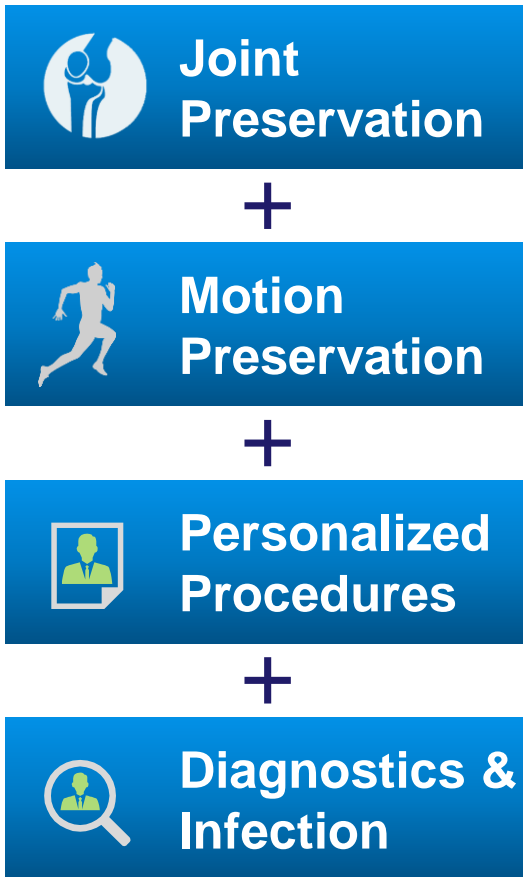
Delivering value with strategic acquisitions



50 new products and solutions launched in 2016

Free cash flow generation creates ongoing opportunities

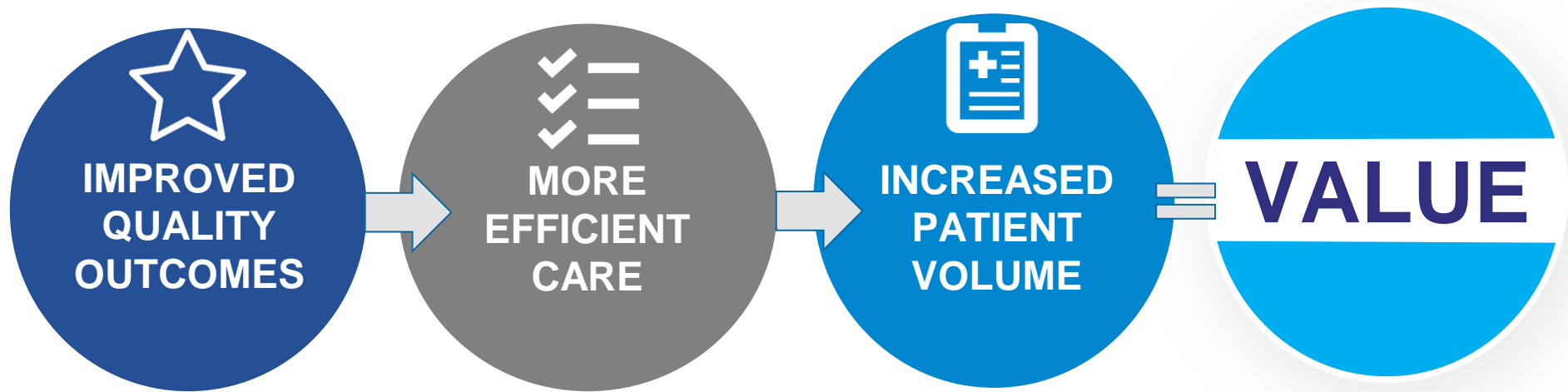
Leading in Innovation



Innovating to

- ✓ Minimize Complications
- ✓ Reduce Surgery Times
- ✓ Improve Efficiencies
- ✓ Optimize Outcomes
- ✓ Enhance Patient Experiences

Zimmer Biomet Signature Solutions Value Proposition



The **ONLY** comprehensive offering of innovative clinical services and technologies that addresses **EVERY** aspect of the **VALUE** equation

M&A Strengthens Portfolio

Platform Technologies



Musculoskeletal Health Diversification



Following the transformative Biomet merger, the Company has deployed \$1.5 B on 8 M&A transactions

Committed to Operational Excellence

Delivering Biomet Synergies

Achieved \$225 M in net EBIT synergies in fiscal 2016

On target for \$350 M by mid-2018



Operational Efficiencies

Disciplined operating expense and working capital management



Manufacturing & Quality Optimization

Ongoing commitment to harmonize and optimize supply chain, manufacturing and quality systems

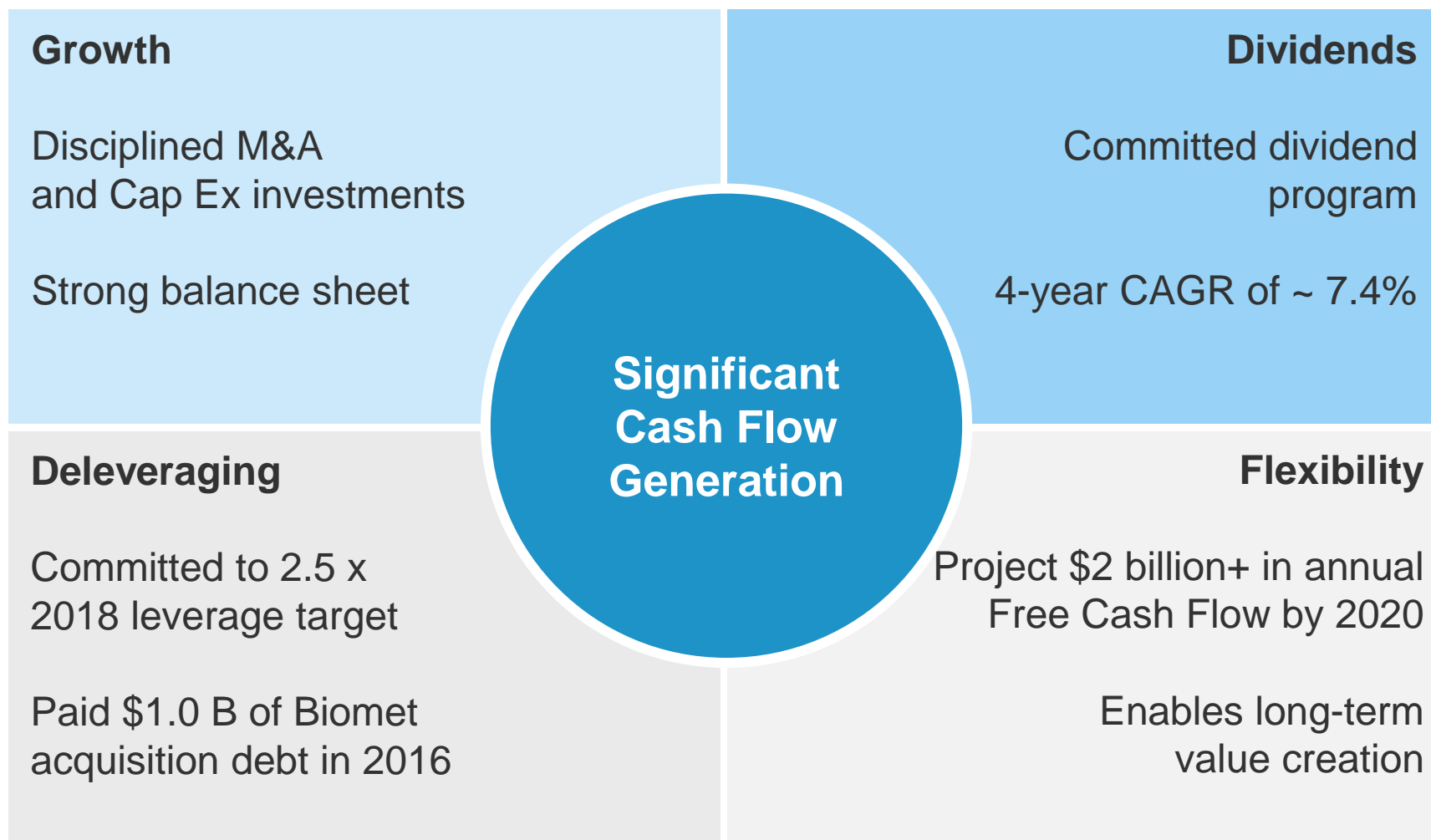


Leveraged Earnings

Cost structure enables accelerating revenue growth to drive margin expansion



Disciplined Capital Allocation



IN SUMMARY

Global Leadership in Musculoskeletal Health



**Built a Global
Leader**



**Successful,
Consistent
Strategy**



**Leading
Change in a
Dynamic
Industry**



**Delivering
Long-Term
Value**



ZIMMER BIOMET



ZIMMER BIOMET