



## **dj Orthopedics Completes Acquisition of Bone Growth Stimulation Device Business From Orthologic Corporation**

SAN DIEGO, Nov. 26 /PRNewswire-FirstCall/ -- dj Orthopedics, Inc. (NYSE: DJO), a designer, manufacturer, and marketer of products and services for the orthopedic sports medicine market, announced today that it has closed its \$93 million acquisition of the bone growth stimulation device business from OrthoLogic Corporation. The parties signed the definitive agreement for the acquisition on October 9, 2003, subject to the approval of the OrthoLogic Corporation shareholders, which was received today, the completion of dj Orthopedics' new senior credit agreement, which was also completed today, and various other conditions, all of which have been successfully completed.

"We are very pleased to close this important acquisition," said Les Cross, president and CEO of dj Orthopedics. "Strategically, this acquisition opens up new opportunities for the Company in fracture healing and in spinal fusion stimulation, each of which are growing faster than our core markets in orthopedic rehabilitation. The addition of the bone growth stimulation device business strengthens the financial profile of dj Orthopedics by accelerating our revenue growth and increasing our operating margins and our earnings per share. Additionally, the operating cash flow from the combined business will be strong, permitting rapid de-leveraging of our capital structure. I am also pleased to welcome the new management team members joining us with this acquisition, who will add further depth to the team we have assembled at dj Orthopedics, driving the Company's future growth and profitability."

dj Orthopedics intends to issue a press release disclosing the pro forma financial statements for the acquisition on Wednesday, December 3, 2003 at the close of the stock market. The Company has scheduled a conference call to discuss the acquisition and the pro forma financial statements beginning at 8:00 AM Pacific Time, or 11:00 AM Eastern Time, on Thursday December 4, 2003. Individuals interested in listening to the conference call may do so by dialing (706) 634-0177, using the reservation code 4284617. A telephone replay will be available for 48 hours following the conclusion of the call by dialing (706) 645-9291 and using the reservation code above. In addition, the conference call also will be available live, via the Internet at [www.djortho.com](http://www.djortho.com), and a recording of the call will be available on the Company's website.

### About dj Orthopedics

dj Orthopedics is a global orthopedic sports medicine company focused on the design, manufacture and marketing of products and services that regenerate and rehabilitate soft tissue and bone after trauma, help protect against injury and treat osteoarthritis of the knee. Its broad range of over 600 rehabilitation products, many of which are based on proprietary technologies, includes rigid knee braces, soft goods, specialty and other complementary orthopedic products such as cold therapy and pain management systems. The Company's regeneration products consist of two bone growth stimulation devices, the OL1000, approved by the FDA in 1994, which utilizes patented Combined Magnetic Field technology to deliver a highly specific, low-energy signal for the non-invasive treatment of an established nonunion fracture acquired secondary to trauma, excluding vertebrae and all flat bones, and SpinaLogic®; a state-of-the-art device used as an adjunct to primary lumbar spinal fusion surgery for one or two levels, approved by the FDA in late 1999. The Company's products provide solutions for orthopedic professionals and their patients throughout the patient's continuum of care, enabling people of all ages to maintain active lifestyles.

### Safe Harbor Statement

This press release contains forward-looking statements regarding the Company's acquisition of OrthoLogic Corporation's bone growth stimulation device (BGS) business and the acquisition's impact on dj Orthopedics' future growth and profitability. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Forward looking statements includes references to the growth rate of the bone growth stimulation market; the impact of the acquisition of the bone growth stimulation business on the Company's revenue growth, operating margins, earnings per share and cash flow; and the pace of the Company's ability to de-leverage its capital structure. These forward-looking statements are based on the Company's current expectations and are subject to a number of risks, uncertainties and assumptions that might cause actual results to differ significantly from those expressed in or implied by such forward-looking statements, including the risk that we may not be able to implement our business strategy relative to the acquisition; the risk that targeted operating margins of the combined company may not be achieved; and the risk that competitive products or technologies in fracture repair or spinal fusion surgery and/or competition in the bone growth stimulation marketplace will undermine the Company's sales and profitability goals of the combined businesses. Many other risk factors are detailed in our recently filed and readily available Annual Report on Form 10-K for the 2002 calendar year, filed on March 28, 2003 with the Securities and Exchange Commission.

SOURCE dj Orthopedics, Inc.

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(DJO)

CO: dj Orthopedics, Inc.; OrthoLogic Corporation

ST: California

IN: BIO MTC HEA SPT

SU: TNM CCA

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