



## **dj Orthopedics, LLC Reports Fourth Quarter and Year End Results**

Vista, CA (March 12, 2001) -- dj Orthopedics, LLC today announced its financial results for the year ended December 31, 2000. The Company's net revenues amounted to \$143.1 million (excluding the impact of certain reclasses as discussed below), up \$28.8 million or 25.2%, over the same period last year. EBITDA (adjusted for certain non-recurring acquisition related costs) for the twelve months ended December 31, 2000 amounted to \$29.2 million, up \$4.1 million or 16.3%, over the same period last year.

The company's net revenues, in the fourth quarter of 2000, amounted to \$41.8 million (excluding the impact of certain reclasses as discussed below), up \$12.0 million or 39.3%, over the same period last year. EBITDA (adjusted for certain non-recurring acquisition related costs) for the fourth quarter of 2000 amounted to \$8.1 million, up \$1.4 million or 20.6%, over the same period last year.

Growth over prior year can be attributed to the acquisition of OrthoTech and the introduction and development of several new products. The Company anticipates net revenues and EBITDA to continue to show improved growth into the first quarter of 2001 as compared to the same quarter in prior year.

Les Cross, President and CEO commented, "We are very pleased with the fourth quarter results. The fourth quarter is historically outstanding, with an increase in surgeries and winter sports activities both in the U.S. and Europe. We were able to increase average per day revenues by 38% over the fourth quarter of 1999, combining internal growth and the OrthoTech acquisition. The integration of the OrthoTech business to Vista, California was completed ahead of schedule; however, certain expenses resulting from the integration carried through the fourth quarter. While integration inefficiencies impacted our operating profits in the fourth quarter, these transitional issues have moved behind us and we are optimistic about the year ahead."

During 2000, the Emerging Issues Task Force ("EITF") reached a consensus on Issue 00-10, "Accounting for Shipping and Handling Fees and Costs" ("Issue 00-10"). The issue concluded that all amounts billed to a customer in a sale transaction represent the fees earned for the goods provided and, accordingly, should be included with revenues in the statement of income. Issue 00-10 has no impact on net income. The Company has implemented Issue 00-10 in the fourth quarter of 2000 and retroactively restated all prior periods. As a result, revenues have been increased by the amounts billed to customers but previously offset against shipping and handling costs which are part of sales and marketing expenses. In addition, royalty expenses have been reclassified between selling and marketing and cost of goods sold. Issue 00-10 adjustments and other reclassifications are included in the financial tables below. Including the impact of the adoption of Issue 00-10, the company's net revenues amounted to \$147.5 million, up \$29.7 million or 25.2%, over the same period last year, with no impact on reported EBITDA.

dj Orthopedics will be conducting a conference call on Monday, March 12, 2001 at 11:00 a.m. Eastern Standard Time at 1-888-396-9930 U.S. and 1-712-271-3820 International, Passcode: dj Orthopedics. Replay numbers of 1-800-871-1323 U.S. and 1-402-280-1690 International, Passcode: 56137, will be available through March 16, 2001.

As the manufacturer and distributor of the highly regarded DonJoy® and ProCare® orthopedic lines, dj Orthopedics is considered the world market leader of orthopedic and sports related product lines. For more information, please contact Les Cross, President and CEO at (760) 734-3530 or Cy Talbot, Senior Vice President - Finance and CFO at (760) 734-3559 at 2985 Scott Street, Vista, CA 92083.

*March 12, 2001*

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