

CONMED Corporation Acquires Two Businesses Providing Integrated Operating Room Technology

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UTICA, N.Y., Dec. 18 /PRNewswire-FirstCall/ -- CONMED Corporation (Nasdaq: CNMD) announced today that it has acquired two privately held companies, ValMed Corporation, and NorTrex Medical Ltd., that provide products and services for operating rooms and critical care departments. CONMED acquired the companies for a total of \$6 million in a combination of stock and cash.

The two companies will operate under the name "CONMED Integrated Systems" and will offer fixtured equipment, room design, integration, installation and software for operating room infrastructure and technology aimed at increasing efficiency and cost savings to hospital and surgery center customers. Darko Spoljaric, previously president of ValMed, has been named president of CONMED Integrated Systems for the United States. Marc Caron, will remain president of NorTrex, and will be responsible for design, manufacture and installation of CONMED Integrated Systems equipment in Canada.

For 2003, the Company expects these acquisitions to generate an additional \$5 million to \$8 million in sales with a break-even effect at the bottom line. The Company expects the acquisitions to be accretive beginning in 2004.

Mr. Joseph J. Corasanti, President and COO of CONMED, stated, "I am very excited about these new additions to CONMED. The added capabilities will enhance the quality of service we provide to our customers through innovative mechanics and technology aimed at increasing efficiency and productivity in the operating room. Importantly, once integrated, we expect to realize synergies between the new businesses and our current lines of surgical products."

Based in Portland, Oregon, ValMed Corporation develops, sells and installs state-of-the-art ceiling mounted service managers and lighting systems with centralized control of the equipment in the operating room. Val Med's Nurse's Assistant(R) provides touch screen technology control of operating room equipment and lights. Since March 2001, CONMED has had a joint marketing agreement with Val Med Corporation to assist in providing integrated operating room solutions to joint customers.

Based in Quebec, Canada, NorTrex provides Canadian hospital customers with ceiling mounted service managers for critical care areas, such as Intensive Care Units. Nortrex is also a supplier to ValMed for components of the operating room service managers.

Mr. Corasanti continued, "Our new business, CONMED Integrated Systems, is uniquely positioned to provide hospital and surgery centers with an effective turnkey solution for all of their integrated operating room needs. As evidenced by the success of our marketing agreement with Val Med, this combination is a compelling opportunity for CONMED."

Darko Spoljaric, President of CONMED Integrated Systems for United States operations stated, "I am very pleased to be part of the CONMED organization. The combination of our businesses will provide a one-stop shop for customers who are building new operating rooms or renovating old operating rooms. We can provide the customer with an integrated system of articulating ceiling arm supports, service managers, lights and touch screen software control of equipment in the operating room. In the same installation, CONMED can provide the capital equipment that sits on our service arms such as electrosurgical generators, video equipment, insufflators, power consoles, light sources and fluid pumps."

Marc Caron, President of Nortrex Medical, said, "I am delighted to be part of the CONMED organization and I look forward to continuing to supply the U.S. manufacturing operations with component parts and to increase sales of ICU units and integrated operating rooms in the Canadian market through CONMED's extensive Canadian distribution system."

CONMED Corporation is a medical technology company specializing in instruments, implants, and video equipment for arthroscopic sports medicine, and powered surgical instruments, such as drills and saws, for orthopedic, ENT, neuro-surgery, and other surgical specialties. The Company is also a leading developer, manufacturer and supplier of RF electrosurgery systems used routinely to cut and cauterize tissue in nearly all types of surgical procedures worldwide, and endoscopy products such as trocars, clip appliers, scissors, and surgical staplers. The Company also manufactures and sells a full line of ECG electrodes for heart monitoring and other patient care products. Headquartered in Utica, New York, the Company's 2,500 employees distribute its products worldwide from eight manufacturing locations.

This press release contains forward-looking statements based on certain assumptions and contingencies that involve risks and uncertainties. The forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and relate to the Company's performance on a going-forward basis. The forward-looking statements in this press release involve risks and uncertainties which could cause actual results, performance or trends, including the above mentioned anticipated revenues and earnings, to differ materially from those expressed in the forward-looking statements herein or in previous disclosures. The Company believes that all forward-looking statements made by it have a reasonable basis, but there can be no assurance that management's expectations, beliefs or projections as expressed in the forward-looking statements will actually occur or prove to be correct. In addition to general industry and economic conditions, factors that could cause actual results to differ materially from those discussed in the forward-looking statements in this press release include, but are not limited to: (i) the failure of any one or more of the assumptions stated above, to prove to be correct; (ii) the risks relating to forward-looking statements discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2001 and the Prospectus dated May 22, 2002; (iii) cyclical purchasing patterns from customers, end-users and dealers; (iv) timely release of new products, and acceptance of such new products by the market; (v) the introduction of new products by competitors and other competitive responses; (vi) the possibility that any new acquisition or other transaction may require the Company to reconsider its financial assumptions and goals/targets; and/or (vii) the Company's ability to devise and execute strategies to respond to market conditions.

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