



## **Integra LifeSciences Reports Preliminary Fourth Quarter 2001 Revenues -- Product Sales Increase 26%; Full Financial Results to be Reported on February 27, 2002**

PLAINSBORO, N.J., Jan. 29, 2002 (PRIMEZONE) -- Led by strong growth in product sales, Integra LifeSciences Holdings Corporation (Nasdaq: IART) today reported preliminary revenues for the fourth quarter and year ended December 31, 2001. The Company expects to report revenues of \$25.1 million for the fourth quarter of 2001, a 24% increase over the \$20.3 million reported in the fourth quarter of 2000. Revenue growth is expected to be led by a \$5.0 million increase in product sales to \$23.7 million, a 26% increase over the fourth quarter of 2000. Included in this increase is \$0.9 million in sales of acquired product lines. For the full year 2001, revenues are expected to have increased \$21.8 million to \$93.4 million, a 30% increase over 2000. Product sales for 2001 are estimated to have increased \$22.7 million to \$87.7 million, a 35% increase over 2000. Included in this increase is \$1.9 million in sales of acquired product lines.

For the fourth quarter of 2001, sales in the Integra NeuroSciences division increased an estimated \$4.4 million to \$18.3 million, a 32% increase over the fourth quarter of 2000. This increase included \$0.9 million in sales of acquired product lines. Sales of the DuraGen®; Dural Graft Matrix, the Selector®; Integra Ultrasonic Aspirator for the ablation of cranial tumors and the Company's line of intracranial access, drainage and monitoring products contributed to the strong organic growth in the Integra NeuroSciences division. Sales of Integra LifeSciences division products in the fourth quarter of 2001 increased an estimated \$0.6 million to \$5.4 million, primarily due to growth in the Company's tissue repair products.

For the full year 2001, sales in the Integra NeuroSciences division are estimated to have increased \$19.1 million to \$68.3 million, a 39% increase over 2000. This increase included \$1.9 million in sales of acquired product lines. Sales of Integra LifeSciences division products in 2001 increased an estimated \$3.6 million to \$19.4 million, a 23% increase over 2000.

Other revenues in the fourth quarter of 2001 are expected to have decreased by \$0.2 million to \$1.4 million. For the full year 2001, other revenues decreased an estimated \$0.9 million to \$5.7 million. Other revenues in 2000 included \$1.5 million of event related payments from the achievement of specific contract goals and the licensing of technology.

"I am very pleased with these preliminary top line results for 2001," said Stuart M. Essig, Integra's President and Chief Executive Officer. "This growth was primarily driven by the continued success of our DuraGen®; product and the expansion of our Integra NeuroSciences direct sales force in the United States to more than 50 people. I am also very pleased with our ability to increase the sales of many of the product lines acquired over the last three years beyond the rates at which they were growing prior to their acquisition. We expect that sales in the year 2002 will be positively impacted by the establishment of a direct sales infrastructure for our Integra NeuroSciences products in France, Germany and the United Kingdom, the continued roll out of our DuraGen®; LICOX®; and NeuraGen™ products in the United States, and a further expansion of our domestic salesforce."

The Company did not release any preliminary results for operating expenses, earnings or earnings per share for the fourth quarter or year ended December 31, 2001. Full financial results for these periods will be announced via a news release issued before the market opens on Wednesday, February 27, 2002. A conference call is scheduled for 9 a.m. EST on that day to discuss these financial results and to provide updated forward-looking financial guidance. Additional information about the conference call will be forthcoming.

In the fourth quarter of 2001, the Company changed the classification of certain products between its Integra LifeSciences and Integra NeuroSciences business divisions and revised the manner in which product revenues are reported between these two divisions as follows:

### **INTEGRA NEUROSCIENCES**

The Integra NeuroSciences division classified product revenues as either i) Neuro Intensive Care Unit or ii) Neuro-Operating Room products based on the primary location in the hospital where the product is used. A new grouping called "Other NeuroSciences Products" has been added to these two product classifications to accommodate revenues reported for the cardiovascular shunts product line and the recently acquired Integra NeuroSupplies™ product line. Additionally, revenues from the Helitene®; fibrillar hemostat product are now classified in "Neuro-Operating Room" products. The cardiovascular shunts and Helitene®; product lines, both of which are now sold by the Integra NeuroSciences direct salesforce, were previously classified in the Integra LifeSciences division.

### **INTEGRA LIFESCIENCES**

The Integra LifeSciences division formerly classified product revenues as either i) Private Label Products or ii) Distributed Products based upon the means of distribution for the products. Now, such product revenues are reported as either i) Tissue Repair Products or ii) Other Medical Devices.

A summary of these changes and a listing of the specific products grouped under these categories is provided in the Investor Relations section of Integra's Website (<http://www.Integra-LS.com>) under "Presentations." Additionally, historical reported and pro forma quarterly unaudited income statement data, including divisional income statements revised to reflect the above changes, is also provided in the presentation.

Integra LifeSciences Holdings Corporation develops, manufactures and markets medical devices, implants and biomaterials primarily used in the treatment of cranial and spinal disorders, soft tissue repair and orthopedics. Integra is a leader in applying the principles of biotechnology to medical devices that improve patients' quality of life. The Company has its corporate headquarters in Plainsboro, New Jersey, with manufacturing and research facilities located throughout the world. The Company has approximately 600 permanent employees.

This news release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements concerning the Company's estimates for revenues and product sales to be reported for the fourth quarter and year ended December 31, 2001. Such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from predicted or expected results. Among other things, the results of the Company's external audit may affect actual revenues and product sales to be reported for the fourth quarter and year ended December 31, 2001. In addition, the economic, competitive, governmental, technological and other factors identified under the heading "Risk Factors" included in the Business section of Integra's Annual Report on Form 10-K/A for the year ended December 31, 2000 and information contained in subsequent filings with the Securities and Exchange Commission could affect actual results.

INTEGRA LIFESCIENCES HOLDINGS CORPORATION  
PRODUCT SALES AND TOTAL REVENUES SUMMARY

(In thousands)

(UNAUDITED)

	EST. Q4 01	Q4 00	EST. 2001	2000
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Product Sales:				
INTEGRA NEUROSCIENCES DIVISION				
Neuro Intensive Care Unit	\$ 7,381	\$ 6,250	\$27,830	\$23,521
Neuro-Operating Room	9,629	6,671	36,214	21,820
Other NeuroSciences Products	1,271	959	4,289	3,861
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Total	18,281	13,880	68,333	49,202
INTEGRA LIFESCIENCES DIVISION				
Tissue Repair Products	2,575	2,014	8,698	6,168
Other Medical Devices	2,844	2,850	10,657	9,617
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Total	5,419	4,864	19,355	15,785
Total Product Sales	23,700	18,744	87,688	64,987
Other Revenues	1,389	1,507	5,755	6,662
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Total Revenues	\$25,089	\$20,251	\$93,443	\$71,649

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