



Integra LifeSciences Reports Preliminary First Quarter 2002 Revenues; Forward-Looking Earnings Guidance Unchanged

PLAINSBORO, N.J., April 5, 2002 (PRIMEZONE) -- Integra LifeSciences Holdings Corporation (Nasdaq: IART) today reported preliminary revenues for the first quarter ended March 31, 2002. The Company expects to report total revenue of approximately \$25.7 million in the first quarter of 2002, an estimated increase of 19% over the first quarter of 2001. Product sales are expected to have increased to \$24.1 million in the first quarter of 2002, an estimated 19% increase over the first quarter of 2001. This anticipated increase in product sales is consistent with the Company's previously announced product sales growth objectives of approximately 18% to 20% per annum through 2003, but are below the expectations of Wall Street analysts who cover the Company.

As previously discussed in a conference call in February, the preliminary estimate for first quarter 2002 revenue includes a \$500,000 event payment from the Ethicon division of Johnson & Johnson for the achievement of a clinical and regulatory objective for INTEGRA's Dermal Regeneration Template, which will be reported in other revenue. Other revenue, which includes research grants and other development funding, royalties, and distribution and licensing fees, is expected to approximate \$900,000 per quarter through the remainder of this year.

Integra's forward-looking earnings guidance remains unchanged. With an improved gross margin and continued control over operating expenses, the Company continues to expect that first quarter 2002 earnings will be within a range of \$0.12 to \$0.13 per share. The Company's expectations for earnings per share for 2002 and 2003 remain unchanged. The Company expects full year 2002 earnings per share to be within a range of \$0.56 to \$0.59 and 2003 earnings per share to be within a range of \$0.72 to \$0.75.

The growth in product sales was led by the Integra NeuroSciences division, where the Company anticipates reporting product sales of approximately \$19.6 million, or 24% growth over the first quarter of 2001. The anticipated growth in product sales was led by approximately \$1.9 million of products acquired since the end of the first quarter of 2001 and continued strength in the DuraGen's product line.

The Company expects to report product sales in the Integra LifeSciences division of approximately \$4.5 million, or approximately 1% growth over the first quarter of 2001. Divisional product sales were affected by significantly reduced orders for the VitaCuff's infection control product from one of the Company's OEM customers, which were approximately \$400,000 less in the first quarter of 2002 as compared to the customer's average quarterly orders over the last two years.

Stuart M. Essig, Integra's President and Chief Executive Officer, will discuss these preliminary revenue and earnings estimates at Integra's Investor Forum at the American Association of Neurological Surgeons meeting in Chicago on Tuesday, April 9 at 8:30 AM Eastern time. Additionally, Integra's senior research, sales and marketing team will discuss clinical results and marketing strategies for Integra's recently launched products and provide information about the ongoing expansion of the Integra NeuroSciences global sales force. A question and answer session will follow the formal presentations. If you cannot attend the Investor Forum in person, you can participate on a listen-only basis via conference call or through a Webcast that can be accessed from the home page of Integra's Website at <http://www.Integra-LS.com>.

Full financial results for the first quarter of 2002 will be announced via a news release issued before the market opens on Wednesday, May 8, 2002. A conference call is scheduled for 9:00 AM Eastern time on that day to discuss these financial results. Additional information about this conference call will be forthcoming.

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 growth in product sales and earnings per share for the years 2002 and 2003. 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 Company's ability to expand its direct sales presence in the United States and Europe and the willingness of physicians to adopt new products may affect growth in product sales for the years 2002 and 2003, and the Company's ability to increase revenues and control operating costs may affect growth in earnings per share for the years 2002 and 2003. 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 for the year ended December 31, 2001 and information contained in subsequent filings with the Securities and Exchange Commission could affect actual results.

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