Smith & Nephew’s hip and knee implant portfolio
Stéphane Thiroloix, President, Advanced Surgical Devices Europe
3 July 2012
Winning in Europe

History of innovation

Strong brand / loyal customers

Surgeon education

Seasoned management team

Tenured sales force
ASD Europe: A Strong Footprint

<table>
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<th>Franchise</th>
<th>Revenue split (2011)</th>
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<td>Sports Medicine/Arthroscopy</td>
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<td>Trauma</td>
<td>Trauma</td>
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<td>Other ASD</td>
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Smith & Nephew’s Unique Continuum-of-Care

Knee
- Knee Arthroscopy
- JOURNEY® UNI
- VERILAST®
- GENESIS II®
- LEGION®
- JOURNEY®
- VISIONAIRE®
- LEGION® Revision

Retain
- Hip Arthroscopy
- BIRMINGHAM HIP®
- Resurfacing

Restore
- VERILAST®
- Wide breadth of primary hips e.g. ANTHOLOGY®, R3®, SYNERGY®

Replace
- POLARCUP®

Rebuild
- Modular revision hip
- POLARCUP®

Smith & Nephew’s Knee Portfolio
Where we are and where we’re heading
Continuous Innovation in Knees

GENESIS® Total Knee system launched 1988

OXINIUM® Material patented 1991
  • 2005 ASM International Engineering Materials Achievement

AAOS Most Innovative Product 2006 - JOURNEY® BCS

VERILAST® Technology launched 2008

VISIONAIRE® patient matched technology launched 2009

GENESIS II® / LEGION® platform celebrated 15 years of clinical success in 2011
Providing outstanding wear performance

VERILAST◊ Technology in knees

Addresses wear reduction across both implant surfaces
  • Combination of OXINIUM◊ and XLPE
  • Industry average is 10-15 years before implant wear becomes an issue
  • Implant wear is a leading cause of revision surgery

Backed by 15 years of excellent clinical data for OXINIUM◊
  • No detectable nickel, providing a solution for metal-sensitive patients

Speaks directly to patient demand for improved wear technologies

No additional learning curve for surgeons already trained on LEGION◊ or GENESIS II◊ TKA
Patient-Specific Healthcare

VISIONAIRE™ Patient-Matched Instruments

Designed to improve patient outcomes through:

- More accurate placement of implant – longer lasting implants
- Shorter amount of time under anesthesia – less patient risk
- Shorter overall hospital stay – less associated cost

Smith & Nephew is a leader in patient-matched technology

- Demand in the US is strong where growth continues to be in the double-digits
- Europe and the rest of the world remain underdeveloped
New Product

LEGION HK◊

First-of-its-kind revision hinged knee
  • Continuation of the LEGION◊ family
  • Seamless continuity from primary to revision to hinge

Kinematic design
  • Provides anatomical motion
  • Takes hinge from salvage operation to restoration procedure

Surgeon friendly
  • Familiar instrumentation
  • No disassociation
  • Any size femur fits any size tibial insert combination
Next Generation of Motion Restoration

JOURNEY II\(^\circ\) TKA

JOURNEY\(^\circ\) BCS – first design to achieve kinematic motion similar to a normal, healthy knee (approved claim)

Designed using proprietary LifeMOD\(^\circ\) simulation software – acquired by Smith & Nephew in Q1 2012

New design capabilities allow for expansion into a full knee system

- PS, CR, constrained, deep dish and, ultimately, bi-cruciate retaining

Currently in limited US market evaluation

- Positive surgeon evaluation
- Begin European evaluation – H2 2012
Smith & Nephew’s Hip Portfolio
Where we are and where we’re heading
Continuous Innovation in Hips

SYNERGY◊ Hip stem launched 1997
BIRMINGHAM HIP◊ first implanted 1997 / US launch 2006
OXINIUM◊ introduced in hip 2003
ANTHOLOGY◊ Total Hip launched 2006
VERILAST◊ Technology – Ceramicised metal category created by ANJR 2010
Proven to be Unlike Any Other

BIRMINGHAM HIP◊ Resurfacing

15 years of clinical success

Not all metals are the same!

First implantation – July, 1997

93.7% – 10-year success rate in ANJR

10A Orthopaedic Device Evaluation Panel Rating
  • Highest rating possible for an orthopaedic device in the UK
In a Class of Its Own

VERILAST™ Technology in hips

Standout clinical success

Over 140,000 hips implanted

ANJR created new “Ceramicised Metal/Modified Polyethylene” category
  - 97.8% survivorship at 7 years in 2011 ANJR
  - Outperforms all other bearing surfaces
  - OXINIUM™ is exclusive to Smith & Nephew

Compatible with all Smith & Nephew total hips
Recent Product Launches

SMF◊ Stem (Q1 2011)
Launched globally
Bone conserving implant that can be utilized in all surgical approaches
As stable as SYNERGY◊ after two years*

POLARCUP◊ (US Launch – Q1 2012)
Driven by European success
- Leading global dual mobility cup – 12 years of clinical experience and 25,000 implantations
Provides option for patients who need added stability
Cementless and cemented dual mobility option

*RA study results
New Product

REDAPT◊ Revision Femoral System

Revisions are anything but routine

The REDAPT Revision Femoral System, now provides a simple solution that makes revision cases as routine as a primary.

• Currently in limited market release
• US launch late 2012
• Global launch late early 2013
Smith & Nephew’s Unique Continuum-of-Care

Knee Arthroscopy  JOURNEY® UNI  VERILAST®  GENESIS II®  LEGION®  JOURNEY II®  VISIONAIRE®  LEGION® Revision  LEGION® Hinge

Retain  Restore  Replace  Rebuild

Hip Arthroscopy  BIRMINGHAM HIP® Resurfacing  VERILAST®  Wide breadth of primary hips  SMF®  POLARCUP® (US)  REDAPT®  POLARCUP® (US)

Joint Reconstruction Seminar, 3 July 2012
ASD Europe: Winning in Hips and Knees.

Building on the strengths of Smith & Nephew

Anticipating customer evolution

Uniquely addressing the continuum-of-care in hip and knee

Strongly engaged in European innovation and medical education
We are smith&nephew