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SAN DIEGO--(BUSINESS WIRE)--Sept. 25, 2006--DJO Incorporated, (NYSE:DJO), a global provider of products and services that promote musculoskeletal and vascular health, in anticipation of its presentation tomorrow at the UBS Global Life Sciences Conference, today provided an update on its expectations for third quarter 2006 revenues and activities related to the integration of its Aircast business, acquired in April 2006.

The Company said that it expects third quarter revenue to be at least at the upper end of its previous revenue guidance of between \$106 million and \$108 million. The Company also said that it expects its operating margins and earnings per share for the third quarter to reflect improvement over the second quarter of 2006, consistent with expectations previously discussed by the Company.

With respect to the integration of the Aircast business, the Company said it remains on schedule for completion by the end of this year. Since the Company's last update in August, DJO has completed the following milestones:

- The Company has successfully commenced Aircast customer service operations within its new distribution center in Indianapolis, Indiana. This new 110,000 square foot facility is the primary distribution hub for all Aircast products and Aircast customer service activities. It also supports the distribution of DJO's direct channel sales including the OfficeCare segment.
- The expansion of the Company's facilities in Mexico has been completed on schedule, providing the needed additional capacity to relocate all remaining Aircast manufacturing from New Jersey to Mexico during the fourth quarter of 2006. The Company is presently in the process of establishing new manufacturing cells in Mexico to accommodate the Aircast production. DJO said it expects to begin relocating additional Aircast products soon.

"We are pleased to see strong revenue trends continuing in all of our core business segments. We expect our third quarter revenue results to meet or exceed the high end of the expectations we announced previously. Consistent with our previous expectations, our operating margins and bottom line are expected to show solid improvement from last quarter," said Les Cross, president and CEO. "The third quarter has shown a continuation of sales momentum, which is being driven by both above-market organic growth in our core business segments and our targeted acquisition strategy. The integration of Aircast, the largest acquisition in our history, has been a complex undertaking, with many milestones achieved over the past several months. In addition to the milestones we announced today, earlier this year we completed the integration of the Aircast sales functions within our domestic DonJoy® and ProCare® sales teams. Internationally, we have completed the Aircast integration in all major markets except Germany and we are on track to complete the German integration by the end of this year. We have also rationalized many of the general and administrative functions of Aircast, generating substantial cost savings. We are very pleased with the progress of the Aircast integration and we continue to expect that the integration will be completed by the end of the year. We remain very confident that 2007 will demonstrate the highly accretive benefits of the integration, with substantial cost reduction synergies of between \$18 million to \$20 million in 2007."

About DJO Incorporated

DJO Incorporated is a global provider of solutions for musculoskeletal and vascular health, specializing in rehabilitation and regeneration products for the non-operative orthopedic, spine and vascular markets. Marketed under the Aircast®;

DonJoy® and ProCare® brands, the Company's broad range of over 700 rehabilitation products, including rigid knee braces, soft goods and pain management products, are used in the prevention of injury, in the treatment of chronic conditions and for recovery after surgery or injury. The Company's regeneration products consist of bone growth stimulation devices that are used to treat nonunion fractures and as an adjunct therapy after spinal fusion surgery. The Company's vascular systems products help prevent deep vein thrombosis and pulmonary embolism that can occur after orthopedic and other surgeries. Together, these products provide solutions throughout the patient's continuum of care. The Company sells its products in the United States and in more than 60 other countries through networks of agents, distributors and its own direct sales force. Customers include orthopedic, podiatric and spine surgeons, orthotic and prosthetic centers, third-party distributors, hospitals, surgery centers, physical therapists, athletic trainers, other healthcare professionals and individual and team athletes. For additional information on the Company, please visit www.djortho.com.

Safe Harbor Statement

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such statements relate to, among other things, the Company's revenue and earnings estimates for the third quarter of 2006, the Company's belief that the Aircast integration will be completed by the end of 2006 and the expected cost synergies from this integration. The words "believe," "should," "expect," "intend," "estimate" and "anticipate," variations of such words and similar expressions identify forward-looking statements, but their absence does not mean that a statement is not a forward-looking statement. These forward-looking statements are based on the Company's current expectations and are subject to a number of risks, uncertainties and assumptions. The Company undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise. Among the important factors that could cause actual results to differ significantly from those expressed or implied by such forward-looking statements are risks relating to the successful execution of the Company's business strategies relative to its Domestic Rehabilitation, Regeneration and International businesses; risks relating to the timely integration of manufacturing and distribution operations into the Company's new facilities in Mexico and Indianapolis, including supply chain disruptions and cost over-runs; the successful and timely integration of Aircast's administrative functions into the Company's Vista headquarters; the successful combination of the Company's and Aircast's respective operations in several countries in Europe; the continued growth of the bone growth stimulation market; the impact of potential reductions in reimbursement levels by Medicare and other governmental and commercial payors; the Company's ability to successfully develop, license or acquire, and timely introduce and market new products or product enhancements; the Company's dependence on orthopedic professionals, agents and distributors for marketing its products; risks relating to the Company's international operations; resources needed and risks involved in complying with government regulations and in developing and protecting intellectual property; and the effects of healthcare reform, managed care and buying groups on prices of the Company's products. Other risk factors are detailed in the Company's Annual Report on Form 10-K for the year ended December 31, 2005, filed on February 16, 2006, and the Company's Form 10-Q for the quarterly period ended July 1, 2006, filed on August 9, 2006, both with the Securities and Exchange Commission.

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