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165 MILLION. INCENTIVE CAPITAL AG, CENTERPULSE'S MAJOR SHAREHOLDER, WILL BE SUBSCRIBING FOR ALL THE SHARES TO WHICH IT IS ENTITLED. IN VIEW OF THIS FINANCING SOLUTION, CENTERPULSE INTENDS TO PAY THE SETTLEMENT TRUST USD 725 MILLION, THE AMOUNT CALLED FOR IN THE SETTLEMENT AGREEMENT, ON NOVEMBER 4, 2002 IN CASH. CONSEQUENTLY, THE FINANCING IS A MAJOR STEP IN BRINGING THE U.S. CLASS ACTION TO AN END AND WILL ALLOW THE COMPANY TO FULLY FOCUS ON ITS ONGOING BUSINESS ACTIVITIES.

Centerpulse has signed a debt financing commitment letter with a global financial institution. Funding is expected to be completed once formal documentation has been agreed and certain customary conditions precedent have been met. In particular, debt funding will be subject to the successful execution of the rights issue. As to the rights issue, Centerpulse is very pleased to announce that InCentive Capital AG, Centerpulse's major shareholder, fully supports the rights issue and intends to subscribe for all the shares to which it is entitled by its preemptive rights. The approximately USD 165 million rights issue is expected to be fully underwritten. Under the currently envisaged timetable for the rights issue, price and exercise ratio are expected to be announced on September 30 and the rights trading period to start on October 3 and to end on October 8, 2002.

This financing is a major step in bringing the U.S. class action litigation to an end. With the successful completion of this financing solution, Centerpulse will be able to meet all its payment obligations under the U.S. settlement agreement. The settlement agreement requires Centerpulse to fund USD 725 million, of which USD 425 million is required in cash on November 4, 2002, and the remaining USD 300 million may be paid either in the form of Callable Convertible Instruments (CCI) or in cash. As a result of the rights offering and debt funding, Centerpulse intends to pay the entire USD 725 million to the settlement trust in cash on November 4, 2002. Consequently, Centerpulse does not intend to issue the CCI, which will take much of the uncertainty out of the market with regards to the conditional capital and the remaining authorized capital.

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Media Release
Date September 18, 2002
Page 2/2

NEWS NEWS NEWS NEWS

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(Swiss Stock Market symbol: CEPN, New York Stock Exchange symbol: CEP)

The company's press releases are available on the Internet at:
www.centerpulse.com.

The company's 2nd quarter report is available under:
www.centerpulse.com "Investors/Financials/Financial reports"

Some of the information contained in this press release contains forward-looking statements. Readers are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Centerpulse undertakes no obligation to publicly update or revise any forward-looking statements.

This press release does not constitute, or form part of, an offer or any solicitation of an offer, for securities.

The securities in respect of the proposed capital increase have not been and will not be registered under the Securities Act of 1933 or under the securities laws of any state of the United States and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

Copies of this press release are not being, and must not be, mailed, or otherwise forwarded, distributed or sent in, into or from Canada, Australia, Japan or the Republic of South Africa, or any other jurisdiction in which such mailing would be illegal, or to publications with a general circulation in those jurisdictions, and persons receiving this press release (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in, into or from Canada, Australia, Japan or the Republic of South Africa, or any other jurisdiction in which such mailing would be illegal, or to publications with a general circulation in those jurisdictions.

Stabilization / FSA.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CENTERPULSE LTD.

By: /s/ David Wise

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Name: David Wise
Title: Group Vice President and
General Counsel,
Centerpulse USA Corporation

Date: September 18, 2002