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Straumann invests in future growth with new US headquarters, education center and production facility in Andover, Massachusetts.

- New Andover facility brings Swiss-based company closer to US customers.
- Company aims to double US workforce within 5 years, driving US contribution to sales from current 25% to at least 35% in 2008.
- Straumann to invest up to USD 50 million over 5 years on top of local investments.
- Commitment to US expansion comes on the heels of 70% increase in US sales team over past 18 months.

Andover, Massachusetts, 27 May 2004: At a groundbreaking ceremony today the world's second largest producer of dental implants and a leader in dental tissue regeneration products, Straumann of Switzerland, unveiled plans for a new combined US headquarters, training and production center in Minuteman Park, Andover, 25 miles north of downtown Boston. The company plans to move into the new facilities in mid 2005.

With an investment of up to USD 50 million over the next five years, the new site will house Straumann's US management, currently headquartered in Waltham, MA. It will also accommodate a state-of-the-art production and development unit to manufacture high precision implants for tooth replacement. When operational at the end of 2005, the new unit will supply the North American market and will complement Straumann's current production unit in Villeret, Switzerland, which opened in 2000 and is expanding capacity.

To meet the increasing demand for its dental implants and tissue regeneration products and to drive future growth, Straumann intends to more than double its US workforce within five years to between 400 and 500 people.

Straumann is currently the fastest-growing company in its global sector, having generated an average compound growth rate in sales in excess of 20% over the past five years, with the US sales growing considerably faster. The company's expansion in Andover reflects its strategic priority to grow in its US market, where it is estimated to rank number three with a segment share of about 20%. The US contributes 25% of total sales, a figure that Straumann aims to boost to at least 35% by 2008. To achieve this ambitious goal and drive future growth, the company has expanded its US sales team by 70% over the past 18 months to 90 representatives.

CEO Gilbert Achermann commented: "The US market offers Straumann a tremendous opportunity, and we are investing in people and infrastructure to get closer to our US customers and to take maximum advantage of our rising position in the market. The Andover location provides access to an important pool of scientific and skilled labor talent in the Boston area. It also enables us to house our key US functions under one roof close to other leading companies in the medical device business. Our estimates indicate that more than 40 million Americans could benefit from the clinical advantages that dental implants may offer. There is also a clear need for effective tissue regeneration products that address the problem of receding gums and help prevent tooth loss due to periodontitis - particularly among the population aged 55 and above. With Straumann's clinically proven products, our strong commitment to training and education, and our broad partnership network with leading Universities and dental centers, I am convinced that we are making a significant contribution towards meeting those needs".

In welcoming Straumann to Andover, Massachusetts' Governor Mitt Romney commented: "Straumann is exactly the kind of leading technology company my economic development team is committed to attracting here to Massachusetts. In addition to the 160 new manufacturing jobs, we will continue to do everything we can to serve as an effective business partner. Massachusetts not only has one of the most talented and educated workforces in the world, we also offer an extremely competitive tax structure."

Although there are more than 120,000 general practice dentists and over 20,000 specialists in the USA, only a small proportion practice implant dentistry, with the result that just 25 of every 10,000 Americans receive oral implants in contrast to European countries, where the number is up to three or four times higher. However, the body of dentists trained to offer implant treatment is increasing in the US, as is the awareness of the benefits of implants over conventional crowns and bridges. These factors combined with long-term success of implants, and the increasing age and wealth of the population provide a strong basis for future growth.

Professor R. Bruce Donoff, Dean and Professor of Oral and Maxillofacial Surgery at Harvard School of Dental Medicine, said: "Dental implantology is a rapidly increasing solution for many patients. Recent advances are reducing treatment times and enhancing long-term satisfaction and comfort. Straumann USA is an acknowledged leader in this field, and we are proud that the company is a growing member of the Massachusetts corporate community. The Harvard School of Dental Medicine is also proud to be part of Straumann's commitment to education, research and patient care."

Details of Straumann's new facility and headquarters will be unveiled today at a press briefing in Andover, which will include remarks by: Gilbert Achermann, CEO of Straumann Holding Ltd.; Russ Olsen, President, Straumann USA, Inc.; Mitt Romney, Massachusetts Governor; Pascal Couchepin, Head of the Swiss Federal Department of Home Affairs and former President of the Swiss Confederation; Carlo Conti, State Councilor, Basel, Switzerland; and R. Bruce Donoff, Dean and Professor of Oral and Maxillofacial Surgery Harvard School of Dental Medicine.

About Straumann

Commanding an estimated overall market share of about 25%, Straumann is a global leader in oral implantology and tissue regeneration. With its rich heritage of scientific innovation and precision technology, the Swiss-based company is a pioneer of modern dental implantology and dental tissue regeneration. As Straumann celebrates its 50th anniversary this year, it continues to focus on the research, development, production and distribution of dental implants, instruments and tissue regeneration products.

Rooted in Swiss precision, reliability and clinical excellence, the Straumann[®] Dental Implant System is renowned for its exceptional quality and is one of the most extensively documented implant systems in the world. Over the past ten years, no fewer than three million Straumann implants have been placed worldwide, providing patients with dental replacement solutions that are widely regarded as the closest thing to natural teeth.

To complement the core implant business, Straumann's Biologics division develops and manufactures products that help to preserve teeth or support implant procedures. These include innovative treatments such as Emdogain[®], a convenient protein-based gel that regenerates dental tissues.

Straumann is widely recognized for its longstanding role in education. Operating 10 major training centers around the world, it hosts more than 2,000 training courses annually and provides state-of-the-art training to approximately 50,000 dental professionals in 50 countries each year. In the US alone, well over 500 training courses are to be conducted in 2004, attended by some 20,000 participants from the dental profession.

The company works closely with the International Team for Implantology (ITI), an independent international network of eminent clinicians and researchers, as well as leading clinics, research institutes and universities. In the US, Straumann's broad network of partnerships includes many leading dental schools and renowned academic institutions, including Harvard University, University of Connecticut, University of North Carolina, University of Florida, NOVA University, University of Texas San Antonio, UCLA, University of Rochester, University of Michigan, University of Pennsylvania and Ohio State University.

In 2003, the Straumann Group generated sales of CHF 344 million of which approximately 8 to 10% are invested in innovation, making Straumann one of the leading contributors to research and development in the field. With its sales expanding at a compound average rate of 22% over the past three years, Straumann has created a number of employment opportunities, increasing its worldwide staff by 20% in the past 18 months to more than 1,000 employees worldwide. In the US, the company employs nearly 200 people. The North American market generated 2003 sales of approximately CHF 90 million.

Straumann's strong business results are reflected in the performance of its shares, which have been the best performing stock on the Swiss Stock Exchange over the past 5 years and have yielded an overall return of more than 1,400%^(*) since Straumann became a publicly traded company in 1998.

From its headquarters in Waldenburg, Switzerland, Straumann's global presence extends to 50 countries, where it is represented through 14 affiliates and 32 distributors.

Disclaimer

This release contains certain "forward-looking statements", which can be identified by the use of terminology such as: "expect", "plan", "intend", "will", "anticipate", "aims to", "with the goal of" or similar wording. Such forward-looking statements include statements regarding projected growth of Straumann's US workforce, the US contribution to sales, future investment, the estimated completion date for the Company's new US facilities and growth in the market for the Company's products. Such forward looking statements reflect the current views of members of management and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Group to differ materially from those expressed or implied. Should one or more of these risks or uncertainties materialize either partially or fully, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this release. Straumann is providing the information in this release as of this date and does not undertake any obligation to update any forward-looking statements contained in this release as a result of new information, future events or otherwise.

(*) based on the share price on 26 May 2004

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Contacts:

Europe

Mark Hill

Straumann Corporate Communications

(+41) 061 965 1321 (o)

(+41) 079 320 2477 (m)

Mark.Hill@straumann.com

US

Rachel Spielman

Ruder Finn

(212) 583 2714 (o)

(646) 872 2985 (m)

spielmanr@ruderfinn.com

Straumann Holding AG, Hauptstrasse 26, CH - 4427 Waldenburg

Telephone: +41 (0)61 965 11 11 / Fax: +41 (0)61 965 11 01

E-Mail: investor.relations@straumann.com or info@straumann.com

Homepage: www.straumann.com