2014 First-quarter revenue

Conference Call

Basel, 30 April 2014

60 YEARS

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2014 YTD Highlights

Marco Gadola, CEO

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Promising start to 2014; strongest quarter in three years

REVENUE	GROWTH[1]	MAIN CONTRIBUTOR
CHF 180m	+6%	Europe
Performance reflects investments in growth markets, new products launches and soft baseline	Strongest quarter in 3 years. Continued improvement over 4 quarters.	Return to growth after 2 years of decline; contributes 41% of Q1 growth
BEST PERFORMERS	**MULTIBRAND STRATEGY**	**ITI WORLD SYMPOSIUM**
ROW & APAC	Biodenta, MegaGen & botiss	Leading academic event
Another strong quarter in LATAM and further improvements in Japan	Strategic investments/partnerships to strengthen presence in the value segment and in regenerative dentistry	Event used to promote new research and customer solutions

4 [1] *All growth rates in local currencies*

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Highly successful ITI World Symposium – platform to promote new research and solutions

- Leading academic event in oral implantology
- ~4200 participants
- Straumann Corporate Forum attended by >2000 dental professionals
- Special promotions offered

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Regional and business review

Thomas Dressendörfer, CFO

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4 consecutive quarters of solid growth

Straumann, Nobel Biocare, Zimmer Dental, Biomet 3i, Dentsply Implants - based on company and SEC reports as well as management comments

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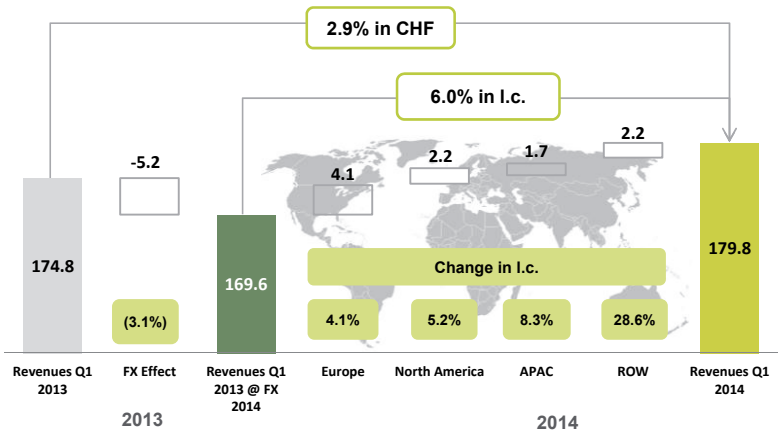
Good growth across all regions

In CHF million



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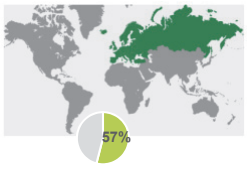
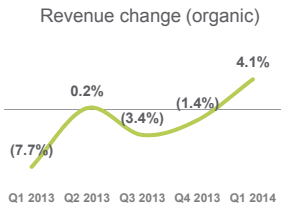
Europe & N. America – main growth contributors

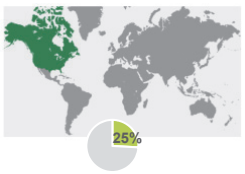
Europe

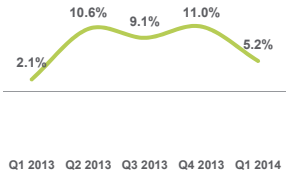




- Return to growth in nearly all European countries
- New implant price structure; customers upgrade to premium Roxolid implants
- Spain and Nordics deliver strongest performance

North America





- Revenues 5% ahead of previous year
- Mid-single-digit growth in the US and Canada
- Strong demand for Roxolid and the Bone-Level implant range

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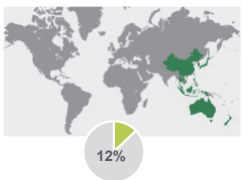
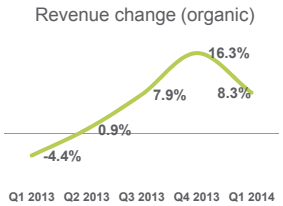
Japan rebounds; LATAM dynamic

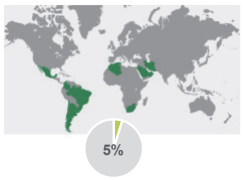
Asia Pacific

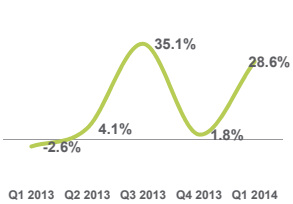




- Good growth in APAC driven by Japan
- SLActive Tissue Level implant launch stimulates growth in largest Asian market
- Currency headwind (mainly JPY) cuts regional growth by 11% points

Rest of World





- Q1 revenue climbs 29% (l.c.)
- Strong performances in Mexico and Brazil
- Neodent also posts double-digit growth in Q1
- Erratic distributor ordering patterns

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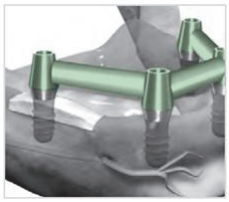
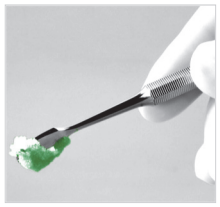
Solid growth in implants and prosthetics

Implants	Restorative	Regeneratives
		

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Good strategic progress

Marco Gadola, CEO

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Investment in MegaGen to drive expansion in value implant segment in Asia

- Founded in 2002, MegaGen is one of Korea's fastest-growing dental implant companies
- Straumann purchases 3%-interest-bearing convertible bonds for a total of CHF 27 million
- Capital injection will accelerate MegaGen's expansion plans
- Option to convert bonds into shares in 2016 and to obtain a majority stake in MegaGen
- Foothold in the value segment of the Asia/Pacific region

MEGA GEN

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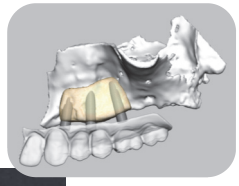
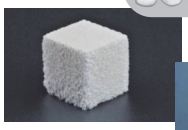
Combining strengths with botiss to provide complete regenerative solutions worldwide

- Exclusive rights for Straumann to distribute botiss products in most Western/Central European countries and the Americas
- Botiss to distribute Emdogain® in Germany, parts of Eastern Europe and Middle East
- Leading position for dental bone & tissue regeneration in Europe; growing globally
- Extensive range of proven biologic materials
- Straumann to start selling in Europe in Q4; other regions to follow in 2016/17, pending clearances

dental bone & tissue regeneration

botiss biomaterials





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A combination to eclipse the market leader

	Straumann	botiss	Geistlich
Bone allografts	✓ *	✓	
Bone xenografts		✓	✓
Bone synthetic grafts	✓	✓	
Bone blocks		✓	
Custom bone blocks		✓	
Bone rings		✓	
Collagen cones		✓	
Fleeces & sponges		✓	
Membranes	✓	✓	✓
Soft-tissue grafts		✓	✓
Biologics	✓		

15 *US only

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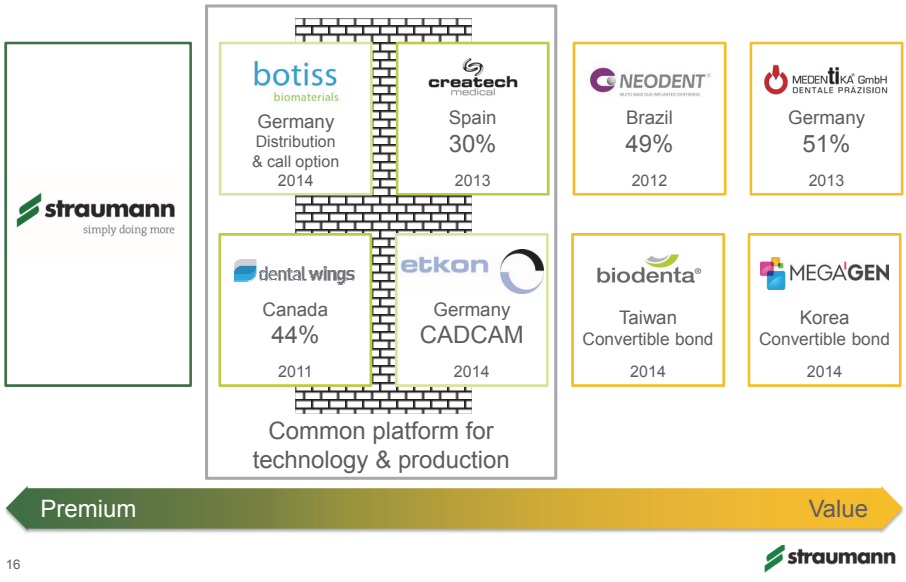
Separate-brand strategy to address premium and value segments



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2014 outlook helped by an exciting roll-out program

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New prosthetic components for fixed full-arch restorations launched at ITI congress

- Enhanced screw-retained prosthetic solution especially for edentulous patients
- New range of screw-retained implant abutments offering increased flexibility
- Low profile, different gingiva heights
- 0°, 17° and 30° angulations for challenging situations where the posterior implant has to be tilted
- Very positive reactions in pre-market tests

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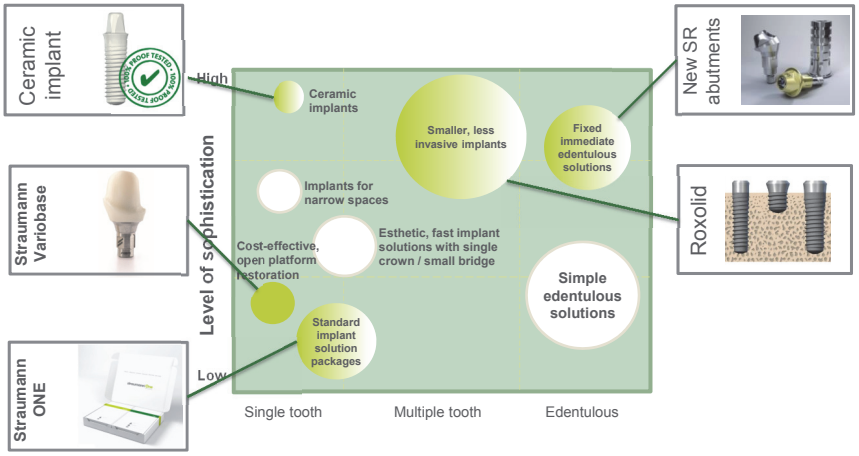
Value-adding solutions to meet clinician and patient needs



19 *Bubble sizes illustrate market volume potential*

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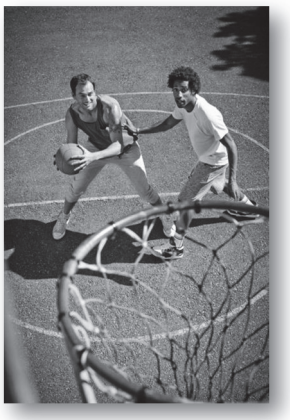
Outlook for 2014 unchanged

Barring unforeseen circumstances



- We expect the global implant market to develop positively in 2014 and our revenue to grow in the low-single-digit range (l.c.).
- After a promising Q1, we expect a softer Q2 given the later Easter break this year.
- We will continue to invest in dental growth markets and to extend the reach of our non-premium offering.
- Despite this, and thanks to the full impact of our cost-reduction measures last year, we expect to further expand operating income margin in 2014.
- In the mid-term, we aim to return to solid growth with further operating margin improvements.

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Questions & Answers

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Calendar of upcoming events

2014			
30 April	✸	First quarter sales	Audio webcast
05 May		Investor meetings	Milano
06 May		Investor meetings	Munich
11-12 June		Vontobel Swiss Conference	Interlaken/CH
13 June		Deutsche Bank Swiss & German Conference	Berlin
26 August	✸	Half-year 2014 results conference	Basel HQ
23 October	✸	Third quarter sales	Audio webcast
2015			
24 February	✸	Full-year 2014 results conference	Basel HQ

Detailed calendar on www.straumann.com

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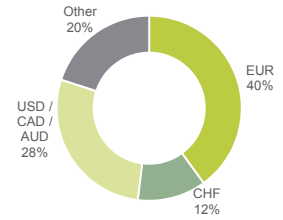
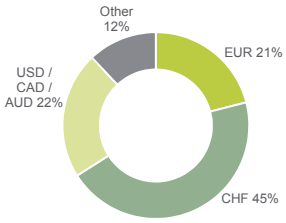
Straumann's currency exposure

Revenue breakdown 2013

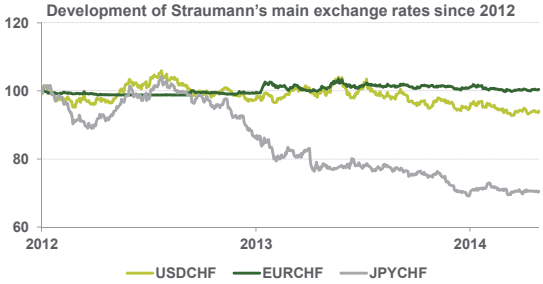


Cost breakdown 2013[1]



Average exchange rates (rounded)			FX sensitivity (+/- 10%) on...	
	FY 2013	YTD 2014	Revenue	EBIT
EURCHF	1.23	1.23	+/- 25 million	+/- 15 million
USDCHF	0.93	0.90	+/- 17 million	+/- 7 million
JPYCHF	0.95	0.87	+/- 4 million	+/- 2 million

Development of Straumann's main exchange rates since 2012



[1] *These distribution charts represent the total net revenues and the total COGS as well as OPEX expenses in the various currencies. All numbers are rounded and based on 2013 figures.*

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