

Media release 12/04

## **Straumann acquires Italian distributor BIO s.r.l.**

- *Straumann secures distribution in second largest European market*
- *BIO's management, staff, networks and sales force are retained ensuring seamless continuity of the business and service to customers*
- *Advantages of scale and resources will help unlock further potential in the Italian market*

Straumann announced today that it has signed an agreement with the shareholders of BIO s.r.l., the exclusive distributor for Straumann products and services in Italy, to purchase all the shares of the Italian company for an undisclosed sum. This paves the way for the Swiss-based Group to have its own fully-fledged local subsidiary to serve the Italian dental market directly. BIO is a privately-held company that enjoys a leading position as a distributor of products and services for implant dentistry and dental tissue regeneration. With Straumann as its exclusive partner in implant dentistry since 1988, BIO has successfully built up a multimillion-Euro business driven primarily by Straumann products. From its headquarters in Milan, BIO currently employs a staff of approximately 30 employees and operates through a countrywide network of exclusive sales agents.

Once the deal becomes effective, at the beginning of 2005, Straumann will fully integrate BIO, and will book total sales and profits generated in Italy. As a result of the acquisition, Straumann will take over all assets of BIO, including workforce, customer network and sales force arrangements. In addition, BIO's management will be retained with the CEO, Simo Beraha, assuming the role of Country Manager, and Mirella Beraha continuing to head Marketing. This will ensure seamless continuity of the business and customer service, and will enable Straumann to secure distribution in Italy.

Gilbert Achermann, CEO of Straumann, commented: "BIO is an excellently run company that has continually generated strong sales growth and has maintained an efficient cost structure. Its success is due to the acumen and entrepreneurship of Simo Beraha and his team, who are highly respected throughout our company. We are delighted that they will continue with us, simply doing more for Straumann customers and their patients in Italy".

Although Italy is the second biggest single market for Straumann in Europe, the current penetration level offers further attractive growth opportunities. The additional advantages of Straumann's scale and resources will help BIO to unlock further potential in the local market. Today, Straumann is present in more than 50 countries worldwide, and has 14 subsidiaries and more than 35 distributors of which the major ones are in Italy and Japan.

**About Straumann**

Headquartered in Waldenburg, Switzerland, Straumann (SWX: STMN) is a global leader in implant dentistry and dental tissue regeneration. In collaboration with the International Team for Implantology (ITI), leading clinics, research institutes and universities, the Group researches, develops, produces and distributes implants, instruments and tissue regeneration products for use in tooth replacement solutions or to prevent tooth loss. Straumann also provides training and services to the dental profession worldwide. Straumann's implants and instruments are manufactured in Switzerland, whilst its dental tissue regeneration products are produced in Sweden. With affiliates in 14 countries and distributors in 35, Straumann employs more than 1000 people worldwide. In 2003, the Group generated sales of CHF 344 million and a net income of CHF 80 million. Straumann achieved a first-half free cash flow of CHF 42.5 million in 2004 and has a solid financial base with Group net liquidity at CHF 70.3 million on 30 June 2004.

**Disclaimer**

This press release contains certain "forward-looking statements", which can be identified by the use of terminology such as "secures", "retained", "will", "assuming", "continuing", "further", "growth", "unlock", "paves the way", "leading position" or similar wording. Such forward-looking statements reflect the current views of management and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied. These include risks related to the success of and demand for the Group's products, the potential for the Group's products to become obsolete, the Group's ability to defend its intellectual property, the Group's ability to develop and commercialize new products in a timely manner, the dynamic and competitive environment in which the Group operates, the regulatory environment, changes in currency exchange rates, the Group's ability to generate revenues and profitability, and the Group's ability to realize its collaboration projects in a timely manner. Should one or more of these risks or uncertainties materialize, 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 it as a result of new information, future events or otherwise.

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