



Shaping the future and the present

Beat Spalinger, President & CEO
Capital Markets Day
Amsterdam, 16 May 2012

COMMITTED TO
SIMPLY DOING MORE
FOR DENTAL PROFESSIONALS



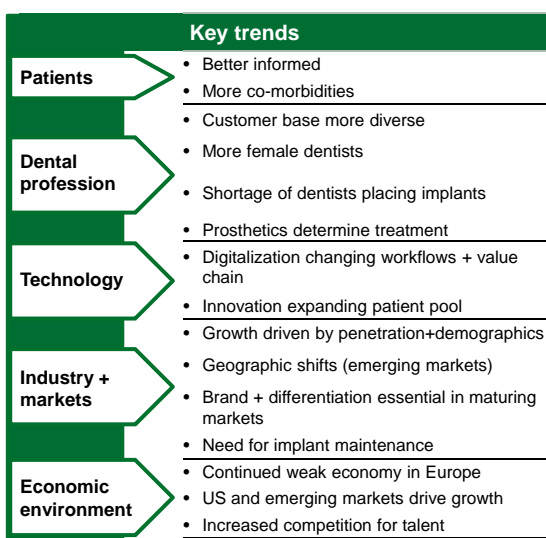
vision2020

Shaping
the future
together

COMMITTED TO
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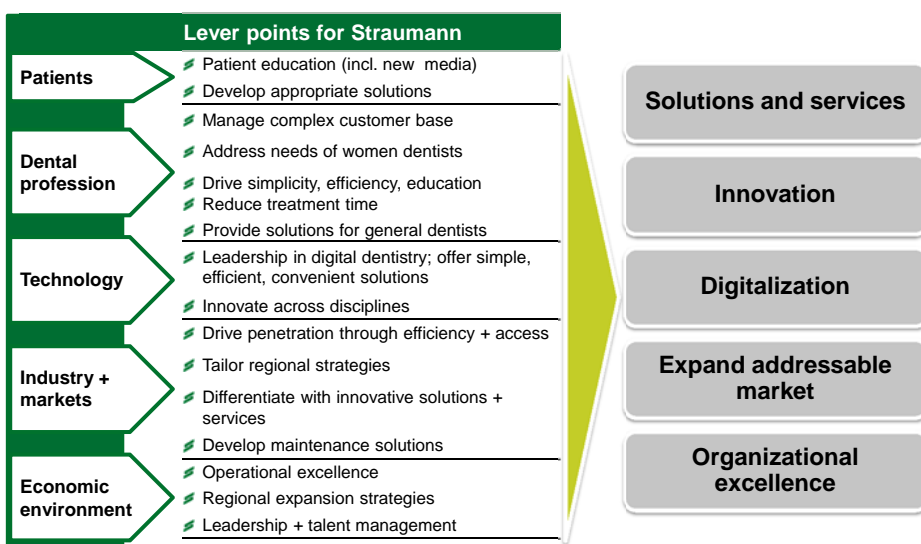
What are the key trends and how do they impact Straumann?

Trends...



What are the key levers for addressing these trends?

Key levers



...solutions and services

	Key trends	Lever points for Straumann
Patients	<ul style="list-style-type: none"> Better informed More co-morbidities 	<ul style="list-style-type: none"> ✔ Patient education (incl. new media) ✔ Develop appropriate solutions
Dental profession	<ul style="list-style-type: none"> Customer base more diverse More female dentists Shortage of dentists placing implants Prosthetics determine treatment 	<ul style="list-style-type: none"> ✔ Manage complex customer base ✔ Address needs of women dentists ✔ Drive simplicity, efficiency, education ✔ Reduce treatment time ✔ Drive simplicity, efficiency, education ✔ Reduce treatment time
Technology	<ul style="list-style-type: none"> Digitalization changing workflows + value chain Innovation expanding patient pool Growth driven by penetration 	<ul style="list-style-type: none"> ✔ Leadership in digital dentistry; offer simple, efficient, convenient solutions ✔ Innovate across disciplines ✔ Drive penetration through efficiency + access
Industry + markets	<ul style="list-style-type: none"> Geographic shifts (emerging markets) Brand + differentiation essential in maturing markets Need for implant maintenance 	<ul style="list-style-type: none"> ✔ Tailor regional strategies ✔ Differentiate with innovative solutions + services ✔ Develop maintenance solutions
Economic environment	<ul style="list-style-type: none"> Continued weak economy in Europe US and emerging markets drive growth Increased competition for talent 	<ul style="list-style-type: none"> ✔ Operational excellence ✔ Regional expansion strategies ✔ Leadership + talent management

'Vision 2020' confirmed our efforts to move from a technology/product-driven organization to a solution/service provider.

You will hear more about this today from:



Frank Hemm

Becoming a customer-oriented service organization

...innovation

	Key trends	Lever points for Straumann
Patients	• Better informed	✔ Patient education (incl. new media)
	• More co-morbidities	✔ Develop appropriate solutions
Dental profession	• Customer base more diverse	✔ Manage complex customer base
	• More female dentists	✔ Address needs of women dentists
	• Shortage of dentists placing implants	✔ Drive simplicity, efficiency, education ✔ Reduce treatment time
Technology	• Prosthetics determine treatment	✔ Provide solutions for general dentists
	• Digitalization changing workflows + value chain	✔ Leadership in digital dentistry; offer simple, efficient, convenient solutions
	• Innovation expanding patient pool	✔ Innovate across disciplines
Industry + markets	• Growth driven by penetration	✔ Drive penetration through efficiency + access
	• Geographic shifts (emerging markets)	✔ Tailor regional strategies
	• Brand + differentiation essential in maturing markets	✔ Differentiate with innovative solutions + services
Economic environment	• Need for implant maintenance	✔ Develop maintenance solutions
	• Continued weak economy in Europe	✔ Operational excellence
	• US and emerging markets drive growth	✔ Regional expansion strategies
	• Increased competition for talent	✔ Leadership + talent management

'Vision 2020' confirmed our goal of remaining the leading innovator in our industry. But innovation leadership is taking on a new meaning...

...digitalization is changing dentistry

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'Vision 2020' made it clear that digital dentistry is a key to providing solutions and adding value for customers.

'Vision 2020' prompted our collaboration with Dental Wings and 3M ESPE to create a leading standard software platform.



You will hear more about this from:



René Willi

Innovation - Driving growth today and tomorrow



Sandro Matter

The value of digital workflow for customers and patients

...expand addressable market (by geographies & segments)

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You will hear more about this from:



Andy Molnar

**Expansion program
in high growth markets**



Beat Spalinger

**Unlocking the full potential of
emerging markets**



Sandro Matter

**The value of digital workflow for
customers and patients
..and how can such work-flow expand
the pool of addressable dentists**

...align the organization accordingly

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Organisational challenges



You will hear more about this from:



Thomas Dressendörfer

**A performance-driven organization
– aligned with our vision**



Shaping the future

Vision 2020: three building blocks

Extension of scope

- Acceleration by extending business scope

Defined growth initiatives

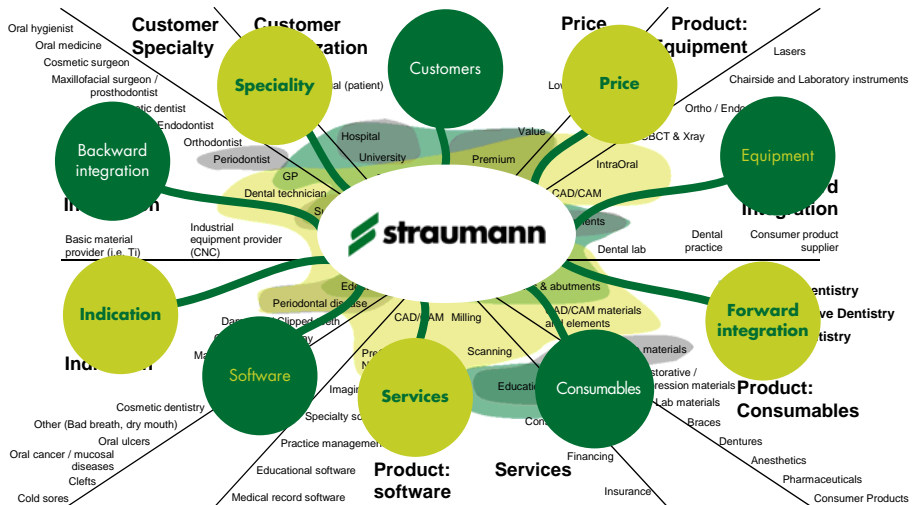
- Acceleration by capturing additional growth opportunities

Base

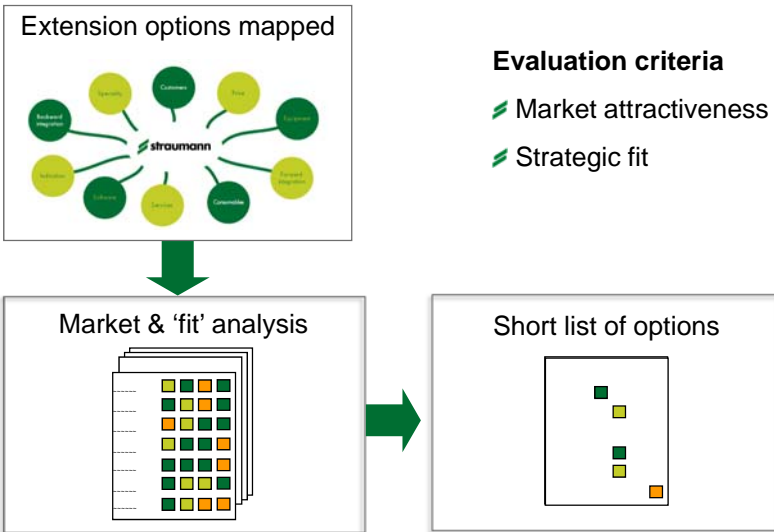
- Based on market growth and our ability to outperform our market segment

Is sustainable value creation for shareholders possible in our existing markets or must we broaden our business scope?

We evaluated business scope extensions...



...and analyzed 24 dental market sub-segments



Existing markets are attractive enough...

- Implant market expected to grow in the high single digit range
- Additional initiatives defined to outpace market growth
- Entering new markets is more risky than growing in existing ones
- If current market growth predictions do not materialize, Straumann has a back-up plan with opportunities to diversify

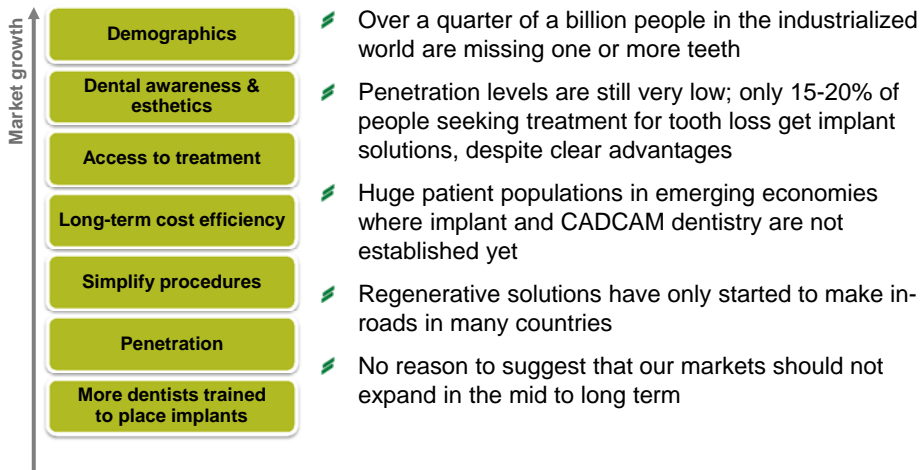
Implant market assumed to grow in high single-digits

	2011	2020	CAGR 2011-20
Implant dentistry market value (CHF)	~3.5 billion	6-8 billion	6-10%

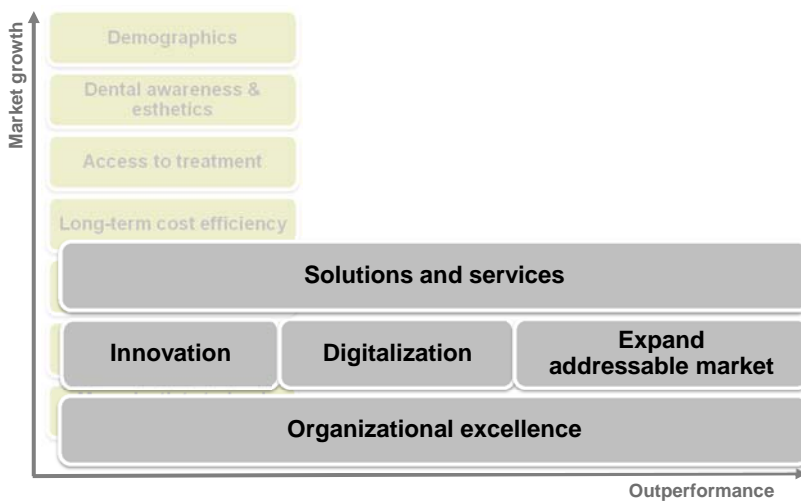


...we do not have to extend our current scope!

...as business fundamentals are still highly attractive



We seek to outperform by focusing on key levers

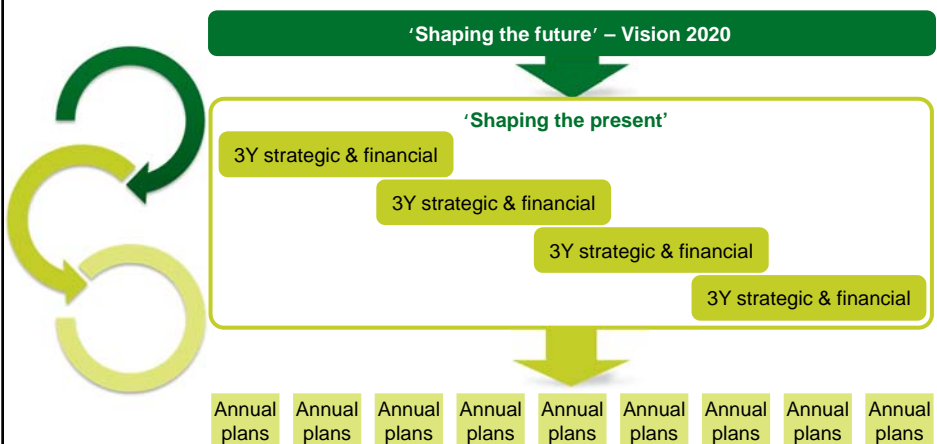


**Our vision remains
unchanged...**

**We want 'to be the partner
of choice in implant, restorative
and regenerative dentistry'.**

Shaping the present

2020 financial 'vision' – NOT short/mid term guidance!



Underlying assumptions in our financial projections

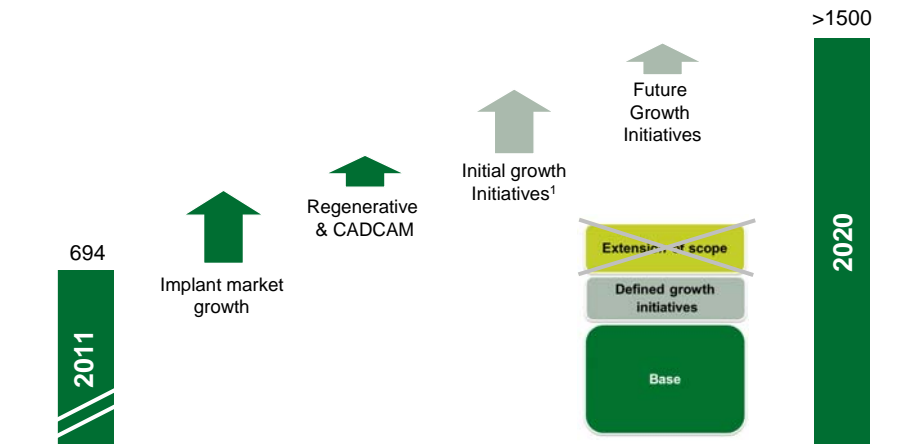
Included:

- ✓ Another recession (conservative scenario)
- ✓ Lower average cost per employee due to geographic shift
- ✓ Current headquarters able to serve expanded business to great extent (economy of scale)
- ✓ Efficiency gains will offset potential negative product mix
- ✓ Existing manufacturing sites will remain the backbone of our production

NOT Included:

- ✓ Currency tail wind
- ✓ Inflation

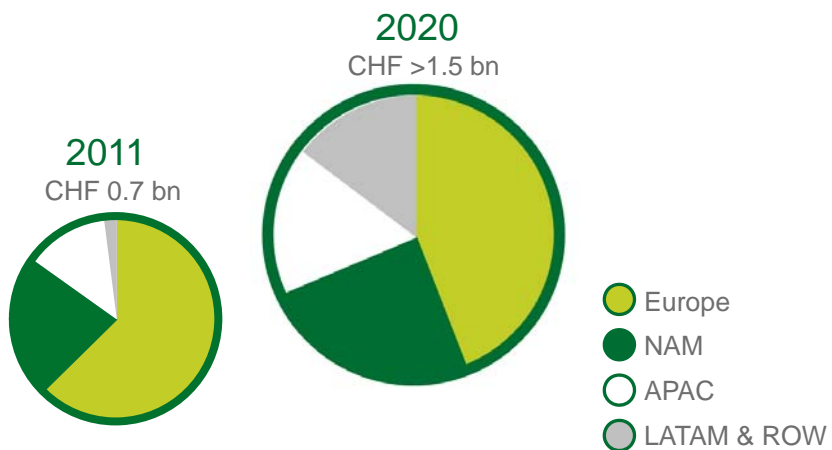
Growth driven by various factors



Straumann's key financials in 2020



Strong shift in regional exposure



Key points in brief

- Growth fundamentals are intact; existing markets provide attractive opportunities
- 'Vision 2020' provides a valuable roadmap for the future
- Straumann has already started implementation, through a redesigned organisation, tailored regional strategies and a portfolio of innovative solutions and services, to address key customer and market needs
- Our vision statement "to be the partner of choice" remains unchanged

