

## Media release

### Straumann improves efficiency and market share in 2008

- Full-year net revenue grows 15% in l.c. (9% in CHF) to CHF 779 million, despite economic crisis
- Innovation leadership and scientific credibility drive market share gains
- Intangible assets re-valued owing to economic downturn
- Before exceptionals<sup>1</sup>, operating and net profit margins exceed 27% and 23% respectively - above guidance
- Competencies enhanced: more than 150 new jobs sustained
- Strong cash generation; dividend of CHF 3.75 per share maintained<sup>2</sup>

#### Key figures

(in CHF million)	FY, 2008	FY, 2008 pre-exceptionals	FY, 2007
<b>Net revenue</b>	<b>778.7</b>	<b>778.7</b>	<b>713.7</b>
Growth in %	9.1	9.1	19.1
Growth in local currencies in %	14.6	14.6	17.1
<b>EBITDA</b>	<b>274.1</b>	<b>274.1</b>	<b>244.1</b>
Margin in %	35.2	35.2	34.2
Growth in %	12.3	12.3	12.0
<b>Operating profit (EBIT)</b>	<b>40.4</b>	<b>213.0</b>	<b>201.5</b>
Margin in %	5.2	27.4	28.2
Growth in %	(80.0)	5.7	14.9
<b>Net profit</b>	<b>8.2</b>	<b>180.1</b>	<b>177.3</b>
Margin in %	1.0	23.1	24.8
Growth in %	(95.4)	1.6	24.9
<b>Free cash flow</b>	<b>144.4</b>	<b>144.4</b>	<b>186.3</b>
In % of net revenue	18.5	18.5	26.1
<b>Basic earnings per share (in CHF)</b>	<b>0.52</b>	<b>11.56</b>	<b>11.29</b>
Growth in %	(95.4)	2.4	34.4
<b>Dividend<sup>2</sup></b>	<b>3.75</b>	<b>3.75</b>	<b>3.75</b>
Growth in %	0.0	0.0	25.0

<sup>1</sup> In this release 'exceptionals' refers to the impairments of intangible assets and/or financial assets.

<sup>2</sup> The Board of Directors proposes a dividend of CHF 3.75 per share for 2008, payable in 2009 subject to shareholder approval. The dividend ex-date is 25 March 2009.

**Basel, 12 February 2009:** The Straumann Group today published its fully audited financial statements for 2008. As reported in January, the Group achieved growth across all its businesses throughout 2008, despite the difficult global economy.

Full-year net revenue reached CHF 779 million, corresponding to a rise of 15% in local currencies (l.c.), of which just 3% points were acquisition related. The strengthening of the Swiss franc against major currencies resulted in a negative foreign exchange rate effect of 6% points, which squeezed net revenue growth to 9% in Swiss francs.

Thanks to efficiency improvements, Straumann lifted its EBITDA (earnings before depreciation, amortization, interest and taxes) margin to 35.2%. As previously reported, the economic downturn led to a revaluation of intangible assets and exceptional non-cash write-downs totalling CHF 173 million. Excluding these and currency effects, operating profit would have grown 16% to CHF 213 million, corresponding to an EBIT margin of 27.4%. Net profit would have increased to CHF 180 million, corresponding to a net profit margin of 23.1%.

### **New-generation products fuel business expansion**

In general, growth was driven by the established implant business, lifted by the highly successful roll-out of Straumann's new-generation Bone Level Implant and prosthetic range, which was expanded considerably in the spring. The new implant, which has doubled the Group's addressable market, is now widely available except in Asia, where regulatory clearances are still pending.

Additional growth came from the progressive conversion to SLActive, Straumann's third generation implant surface, which is now sold on more than 30% of the company's implants and commands a premium of approximately 30%. Further scientific evidence supporting SLActive was presented in 2008, including a one-year multicenter clinical study and impressive preclinical results from a head-to-head comparison with a leading competitor.

The CAD/CAM prosthetics business continued to grow as the Group continued its roll-out in key markets. As the credit crunch spread, dental labs became increasingly hesitant to invest in capital goods, making it challenging to maintain scanner sales growth towards the end of the year.

Straumann's regenerative business flourished, gaining further support from new clinical data. Sales were lifted by the successful relaunch of Biora products in the US in August, when the FDA import detention was lifted.

### **Market share gains in Europe and North America**

Based on comparative growth figures published by competitors, Straumann captured market share in Europe and North America.

**Europe** posted solid growth, with full-year revenues rising 13% (9% in CHF) to CHF 500 million, or 64% of the Group. Despite the challenging environment, a number of countries maintained double-digit growth, even in the fourth quarter, when several reported rises of more than 20%. Sales increases were driven by new products and technologies.

In **North America**, where the effects of the economic crisis have been most prominent and prolonged, the Group succeeded in sustaining the turnaround achieved in 2007 and posted full-year net revenue growth of 14% (3% in CHF) – a substantial portion of which was generated over the first nine months. Significant contributions came from

new-generation products, with additional lift from the relaunch of regeneratives in the US. With revenue reaching CHF 159 million, North America contributed 21% of Group net revenue.

**Asia Pacific** reported revenue growth of 22% (20% in CHF) to CHF 97 million, or 12% of the Group. A sizeable portion of this was related to the acquisition of the distributors in Japan and Korea. Although Straumann has made progress in integrating these businesses, the discontinuation of the acquisition effect, the absence of key innovations in Asia, and the economic slump collectively constrained revenues in the second half. Significant improvement is expected in 2010, with the planned launches of Straumann's new-generation products and technologies. One step towards this was the recent regulatory clearance for SLActive in Korea.

In the **Rest of the World (RoW)**, Straumann's distributor business continued to grow in important emerging markets such as Russia, Lithuania and Turkey. The Middle East also posted solid growth. Net revenue in the RoW countries collectively rose 18% (16% in CHF) to CHF 23 million or 3% of the Group total.

#### **150 new jobs sustained**

The Group continued to expand its global workforce in the first 8 months based on an anticipated continuation of dynamic growth (+22% in the first half). The unprecedented market slow-down in the fourth quarter prompted a recruiting freeze as well as reduced working hours in implant production in December. At the same time, the Group carefully sharpened its focus and identified cost savings that would not compromise its innovation, selling and service power. In January 2009, organizational and efficiency improvements were initiated including a 3% reduction of the global workforce. Taking this alignment into consideration almost 150 of the new positions created in 2008 have been sustained.

#### **Well stocked innovation pipeline**

Straumann has one of the largest research and development programs in its industry, with the goal of documenting, supporting and positioning its products. In 2008, the Group had a larger number of ongoing clinical studies in more centres worldwide than ever before. Despite a number of recent launches, its innovation pipeline has been replenished with new materials and technologies for implants, prosthetics and regeneratives. Highlights of these are presented in the Annual Report, published today (details attached).

#### **Assets impaired to reflect fair value of future cash flows**

As a consequence of the economic downturn and subdued growth projections, Straumann's intangible assets related to previous acquisitions were re-valued, resulting in impairments totalling CHF 173 million, divided among the operating expenses. The extreme volatility of the financial markets in 2008 led to a fall in the value of equity securities in foreign currencies held by Straumann. In view of the persisting weakness of the financial markets, the Group has written down the value of its financial assets by CHF 12 million.

#### **Operational efficiencies expand EBITDA**

Process improvements and economies of scale more than offset the margin dilutive effect of the increasing proportion of CAD/CAM prosthetics in the business mix. Gross profit thus increased 8% to CHF 632 million. However, the gross margin eased down to 81.1%, constrained by the unfavorable currency developments, without which the margin would have expanded by 30 basis points.

Selling & Administrative (SG&A) and Research & Development expenses increased to CHF 557 million and CHF 37 million respectively. Excluding impairments, SG&A amounted to CHF 391 million, remaining stable at 50% of net revenue, despite activities to strengthen Marketing, Sales, Quality Management and other global functions. R&D expenses remained at approximately 5% of net revenue as Straumann continues to drive pipeline innovations to market.

Operating profit before depreciation and amortization (EBITDA) rose 12% to CHF 274 million, with the EBITDA margin increasing 100 basis points to 35.2%. The increase would have been twice as much, without the currency effect, which underscores the company's success in improving underlying efficiency.

### **EBIT and net profit margins constrained by impairments**

Before impairments, EBIT rose 6% to CHF 213 million, corresponding to a currency-adjusted margin expansion of 40 basis points to 27.4%. Net financial costs, including the aforementioned CHF 12 million write-down, amounted to CHF 14 million compared with CHF 7 million in the previous year. The net interest result improved by CHF 4 million, thanks to a significant reduction in gross financial debt and lower interest rates.

The volatility in the financial markets also resulted in considerably higher transactional foreign exchange gains and losses. However, these netted to a CHF 1 million improvement over the previous year.

Efficient tax structuring enabled the Group to maintain an underlying tax rate of 17%. The effective tax rate rose from an exceptionally low 9% in 2007 to 69%, due to significant non-tax-deductible expenses, most of which were goodwill impairments.

As a result of the above, full-year net profit amounted to CHF 8 million. Excluding impairments, it would have reached CHF 180 million (23.1% margin), CHF 3 million above the prior year's level. Correspondingly, basic earnings per share would have risen 2% to CHF 11.56, in contrast to the reported CHF 0.52.

### **Strong cash flow generation, solid equity ratio**

Net cash from operating activities declined 13% to CHF 199 million, despite the EBITDA improvement. This was due mainly to the settlement of outstanding income taxes from 2006 and 2007, and an increase in working capital. Preparations for product launches led to an increase in inventories in the first half to CHF 91 million, which were subsequently reduced to CHF 84 million at year-end.

Full-year free cash flow reached CHF 144 million, translating into a free cash flow margin of 18.5% or 20.1% accounting for tax differences. Net cash used for financing activities was a negative CHF 136 million reflecting a CHF 69 million reduction in gross financial debt and an ordinary dividend payment of CHF 58 million. As a result of all these factors, cash and cash equivalents on 31 December 2008 amounted to CHF 148 million. As a consequence of the debt reduction, the equity ratio improved further to 74%.

### **33% dividend on net profit**

On the basis of the full-year performance, the Board of Directors will propose an ordinary dividend of CHF 3.75 per share to the General Meeting of the Shareholders. This corresponds to a total dividend of CHF 58 million and a payout ratio of approximately 33%, which is in line with the previous year.

### **Outlook (barring further unforeseen circumstances)**

Uncertainty in the global economy and historically weak consumer sentiment make it difficult to guide for the year ahead. From Straumann's perspective, the market for implant, restorative and regenerative dentistry is not expected to grow in 2009.

The strength of its global franchises, product range and innovation capability affirm Straumann's confidence in achieving above-market growth. The aforementioned cost-containment measures and focus approach, will not compromise the Group's innovation, selling and service power but will lead to efficiency improvements that should enable the Group to deliver an operating margin of more than 20% in 2009, depending on currency developments.

Global demographic trends, low penetration rates and high substitution potential continue to make Straumann's markets highly attractive in the mid and long term. The Group believes that it has the right strategy in place and is well prepared for a market turnaround in the future.

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#### **Disclaimer**

This release contains certain "forward-looking statements", which can be identified by the use of terminology such as "will", "guidance", "would", "prevailing", "still be able to", "should", "confidence in achieving", "turnaround", "future", "anticipated", "continue", "mid and long term", "believes", "outlook", 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 of the Group 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 expansion 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 report. 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.

#### **About Straumann**

Headquartered in Basel, Switzerland, the Straumann Group (SWX: STMN) is a global leader in implant and restorative dentistry and oral tissue regeneration. In collaboration with leading clinics, research institutes and universities, Straumann researches, develops and manufactures dental implants, instruments, prosthetics and tissue regeneration products for use in tooth replacement and restoration solutions or to prevent tooth loss. Straumann currently employs approximately 2200 people worldwide and its products and services are available in more than 60 countries through its broad network of distribution subsidiaries and partners.

**Media and analysts' conference**

Straumann's 2008 financial results conference will take place at 10.00h Swiss time in Basel today. The event will be webcast live on the internet and a playback will be available.

Webcast, presentation slides and further information are available at [www.straumann.com](http://www.straumann.com).

**Annual report**

A PDF pre-print version of Straumann's audited 2008 Annual Report is available on request from Straumann Corporate Communication:

[corporate.communication@straumann.com](mailto:corporate.communication@straumann.com)

**Key reporting dates in 2009**

20 March 2009	Annual General Meeting 2009
25 March 2009	Dividend ex-date
28 April 2009	First quarter revenues
11 August 2009	Second quarter revenues and half-year results
29 October 2009	Third quarter and nine months revenues

Details of Straumann roadshows and other events for investors are published on [www.straumann.com](http://www.straumann.com) > Investor Relations > Events.

## Selected financial information

### Operating performance

(in CHF million)	2008	2007
Net revenue	778.7	713.7
Growth in %	9.1	19.1
Gross profit	631.5	582.3
Margin in %	81.1	81.6
Operating result before depreciation and amortization (EBITDA)	274.1	244.1
Margin in %	35.2	34.2
Growth in %	12.3	12.0
Operating result before amortization (EBITA)	240.6	218.5
Margin in %	30.9	30.6
Growth in %	10.1	18.0
Operating profit (EBIT)	40.4	201.5
Margin in %	5.2	28.2
Growth in %	(80.0)	14.9
Net profit	8.2	177.3
Margin in %	1.1	24.8
Growth in %	(95.4)	24.9
Basic earnings per share (in CHF)	0.52	11.29
Value added (economic profit)	(48.0)	129.4
Decrease/increase in value added	(177.4)	31.0
Decrease/increase in value added in % in % of net revenue	(137.1)	31.5
	(6.2)	18.1
Number of employees (year-end)	2 201	1 955
Number of employees (average)	2 141	1 736
Sales per employee (average) in CHF 1 000	364	411

## Financial performance

(in CHF million)	2008	2007
Cash and cash equivalents	147.9	190.2
Net working capital (net of cash)	88.8	40.8
in % of net revenue	11.4	5.7
Inventories	84.0	79.6
Days of supplies	237	208
Trade receivables	96.6	94.6
Days of sales outstanding	46	44
Balance sheet total	728.2	946.5
Return on assets in % (ROA)	1.0	22.2
Equity	537.7	623.5
Equity ratio in %	73.8	65.9
Return on equity in % (ROE)	1.4	31.5
Capital employed	417.8	560.7
Return on capital employed in % (ROCE)	9.7	35.9
Cash generated from operating activities	198.8	227.2
in % of net revenue	25.5	31.8
Investments	(89.8)	(249.6)
in % of net revenue	11.5	35.0
thereof capital expenditures	(55.4)	(42.5)
thereof acquisitions	(17.8)	(208.6)
Free cash flow	144.4	186.3
in % of net revenue	18.5	26.1
Dividend	58.4	58.4
Pay-out ratio in % (2008: excluding exceptionals)	32.6	33.0



## Regional sales development

(in CHF million)	H1	H2	Total 2008	Total 2007
Europe	270.1	230.1	500.2	458.9
Growth in %	15.9	1.9	9.0	20.6
Growth in local currencies in %	17.6	8.5	13.3	16.1
In % of net revenue	65.4	62.9	64.2	64.3
North America	79.3	79.6	158.9	154.1
Growth in %	3.3	3.1	3.2	3.2
Growth in local currencies in %	17.7	11.0	14.2	7.1
In % of net revenue	19.2	21.8	20.4	21.6
Asia/Pacific	50.9	45.6	96.5	80.7
Growth in %	61.1	(7.1)	19.5	41.7
Growth in local currencies in %	61.4	(4.2)	21.9	40.4
In % of net revenue	12.3	12.5	12.4	11.3
Rest of the World	12.5	10.6	23.1	20.0
Growth in %	22.5	7.6	15.5	61.1
Growth in local currencies in %	22.8	12.7	18.0	57.0
In % of net revenue	3.0	2.9	3.0	2.8
<b>Total</b>	<b>412.8</b>	<b>365.9</b>	<b>778.7</b>	<b>713.7</b>
Growth in %	17.4	1.1	9.1	19.1
Growth in local currencies in %	21.9	7.4	14.6	17.1
In % of net revenue	53.0	47.0	100.0	100.0

## Regional sales development by quarter

(in CHF million)	Q1	Q2	Q3	Q4	Total 2008
Europe	131.6	138.5	107.9	122.2	500.2
Growth in %	16.3	15.5	7.3	(2.4)	9.0
Growth in local currencies in %	17.0	18.2	10.4	6.9	13.3
In % of net revenue	65.6	65.2	61.2	64.5	64.2
North America	39.0	40.3	40.8	38.8	158.9
Growth in %	2.9	3.6	10.1	(3.5)	3.2
Growth in local currencies in %	15.6	19.8	22.1	1.3	14.2
In % of net revenue	19.4	19.0	23.1	20.5	20.4
Asia/Pacific	23.6	27.3	22.3	23.3	96.5
Growth in %	5.7	196.7	(8.1)	(6.2)	19.5
Growth in local currencies in %	5.6	197.5	(4.3)	(4.2)	21.9
In % of net revenue	11.8	12.9	12.6	12.3	12.4
Rest of the World	6.3	6.2	5.4	5.2	23.1
Growth in %	20.9	24.0	5.9	9.5	15.5
Growth in local currencies in %	20.1	25.8	5.3	21.7	18.0
In % of net revenue	3.2	2.9	3.1	2.7	3.0
<b>Total</b>	<b>200.5</b>	<b>212.3</b>	<b>176.4</b>	<b>189.5</b>	<b>778.7</b>
Growth in %	12.2	22.7	5.6	(2.8)	9.1
Growth in local currencies in %	15.4	28.7	10.6	4.6	14.6
In % of net revenue	25.7	27.3	22.6	24.4	100.0

## Consolidated balance sheets

### ASSETS

(in CHF 1 000)	Notes	31 Dec 2008	31 Dec 2007
Property, plant and equipment	5	145 174	139 772
Investment properties	6	8 400	8 700
Intangible assets	7	183 051	379 054
Other financial assets	8	6 189	562
Other receivables		592	0
Deferred income tax assets	17	30 579	30 099
<b>Total non-current assets</b>		<b>373 985</b>	<b>558 187</b>
Inventories	9	84 044	79 565
Trade and other receivables	10	113 003	115 011
Other financial assets	8	7 481	0
Income tax receivables		1 832	3 533
Cash and cash equivalents	11	147 900	190 185
<b>Total current assets</b>		<b>354 260</b>	<b>388 294</b>
<b>Total assets</b>		<b>728 245</b>	<b>946 481</b>

### EQUITY AND LIABILITIES

(in CHF 1 000)	Notes	31 Dec 2008	31 Dec 2007
Share capital	12	1 563	1 563
Retained earnings and reserves		536 093	618 116
<b>Total equity attributable to the shareholders of the parent company</b>		<b>537 656</b>	<b>619 679</b>
Non-controlling interests		0	3 816
<b>Total equity</b>		<b>537 656</b>	<b>623 495</b>
Other liabilities		1 439	0
Financial liabilities measured at amortized costs	14	2 120	4 438
Provisions	15	3 583	3 171
Retirement benefit obligations	19	2 613	4 522
Deferred income tax liabilities	17	19 594	20 590
<b>Total non-current liabilities</b>		<b>29 349</b>	<b>32 721</b>
Trade and other payables	16	79 798	95 469
Interest-bearing loans and borrowings	13	50 000	123 973
Financial liabilities measured at amortized costs	14	1 085	9 006
Income tax payables		22 572	52 380
Provisions	15	7 785	9 437
<b>Total current liabilities</b>		<b>161 240</b>	<b>290 265</b>
<b>Total liabilities</b>		<b>190 589</b>	<b>322 986</b>
<b>Total equity and liabilities</b>		<b>728 245</b>	<b>946 481</b>

The notes referred to in these tables can be found in the financial report section of Straumann's 2008 Annual Report. The financial statements above are an extract of the fully audited statements published in Straumann's 2008 Annual Report.

## Consolidated income statement

(in CHF 1 000)	Notes	2008	2007
Net revenue	4	778 708	713 654
Cost of goods sold		(147 205)	(131 383)
Gross profit		631 503	582 271
Other income	20	2 665	6 531
Selling and administrative costs	7	(556 650)	(356 062)
Research and development costs	7	(37 112)	(31 230)
Operating profit		40 406	201 510
Finance income	23	33 961	18 572
Finance costs	23	(48 009)	(25 596)
Profit before income tax		26 358	194 486
Income tax expense	17	(18 195)	(17 223)
Net profit		8 163	177 263
Attributable to:			
Shareholders of the parent company		8 149	175 866
Non-controlling interests		14	1 397
<b>Basic earnings per share (in CHF)</b>	<b>24</b>	<b>0.52</b>	<b>11.29</b>
<b>Diluted earnings per share (in CHF)</b>	<b>24</b>	<b>0.52</b>	<b>11.26</b>

The notes referred to in these tables can be found in the financial report section of Straumann's 2008 annual report.

## Consolidated cash flow statements

(in CHF 1 000)	Notes	2008	2007 <sup>1</sup>
<b>Net profit</b>		<b>8 163</b>	<b>177 263</b>
Adjustments for:			
Taxes charged		18 195	17 223
Interest and other financial results		(1 403)	2 497
Foreign exchange result		3 376	1 474
Impairment of available-for-sale financial assets		12 045	0
Depreciation and amortization of:			
Property, plant and equipment	5;21	33 122	25 258
Investment properties	6;21	300	300
Intangible assets	7;21	27 593	17 011
Impairment of intangible assets	7;21	172 633	0
Change in provisions		(459)	7 503
Change in retirement benefit obligations		1 428	63
Share-based payments expense	18;22	4 586	4 675
Gains and losses on disposals of property, plant and equipment		(122)	456
Working capital adjustments:			
Increase in inventories		(13 607)	(11 091)
Increase / decrease in trade and other receivables		(9 889)	2 406
Decrease / increase in trade and other payables		(7 443)	2 164
Interest paid		(2 487)	(6 574)
Interest received		1 916	4 077
Income tax paid		(49 189)	(17 475)
<b>Net cash from operating activities</b>		<b>198 758</b>	<b>227 230</b>
Purchases of available-for-sale financial assets	8	(17 621)	0
Purchase of property, plant and equipment	5	(47 742)	(32 957)
Purchase of intangible assets	7	(7 637)	(9 567)
Acquisition of subsidiaries, net of cash acquired	3	(17 827)	(208 606)
Net proceeds from sale of non-current assets		1 009	1 575
<b>Net cash used in investing activities</b>		<b>(89 818)</b>	<b>(249 555)</b>
Dividends paid	25	(58 412)	(46 729)
Repayment of finance lease		(2 386)	0
Purchase of shares of non-controlling interests	3	(7 261)	(35 936)
Proceeds from exercise of options		0	1 983
Proceeds from loans and borrowings		50 000	120 650
Repayments of loans and borrowings		(119 481)	0
Purchase of treasury shares		0	(2 877)
Sale of treasury shares		1 878	3 022
<b>Net cash used in financing activities</b>		<b>(135 662)</b>	<b>40 113</b>
Decrease / increase of exchange rate differences on cash held		(15 563)	590
<b>Net increase in cash and cash equivalents</b>		<b>(42 285)</b>	<b>18 378</b>
Cash and cash equivalents at 1 January	11	190 185	171 807
Cash and cash equivalents at 31 December	11	147 900	190 185

The notes referred to in these tables can be found in the financial report section of Straumann's 2008 annual report.

## Consolidated statement of changes in equity

2008

Attributable to the shareholders of the parent company

(in CHF 1 000)	Notes	Share capital	Share premium	Treasury shares	Cash flow hedge reserve	Translation reserves	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2008		1 563	57 248	(14 666)	0	8 982	566 552	3 816	623 495
Currency translation adjustments						(45 061)		(899)	(45 960)
Net losses on available-for-sale financial assets	8;23						(12 045)		(12 045)
Effect of cash flow hedges, net of tax					4 627				4 627
<b>Total gains and losses recognized directly in equity</b>		0	0	0	4 627	(45 061)	(12 045)	(899)	(53 378)
Net profit							8 149	14	8 163
<b>Total recognized income and expense</b>		0	0	0	4 627	(45 061)	(3 896)	(885)	(45 215)
Dividends paid	25						(58 412)		(58 412)
Net losses on available-for-sale financial assets moved to the income statement	8;23						12 045		12 045
Share-based payments	18;22						4 586		4 586
Purchase of shares of non-controlling interests	3							(2 399)	(2 399)
Sale of treasury shares				2 333			(785)		1 548
Put options granted to holders of non-controlling interests							6 870		6 870
Transfer of non-controlling interests due to the changes in the legal structure of the German CAD / CAM business							532	(532)	0
Goodwill on transactions with holders of non-controlling interests	3						(4 862)		(4 862)
Balance at 31 December 2008		1 563	57 248	(12 333)	4 627	(36 079)	522 630	0	537 656

2007

Attributable to the shareholders of the parent company

(in CHF 1 000)	Notes	Share capital	Share premium	Treasury shares	Cash flow hedge reserve	Translation reserves	Retained earnings	Non-controlling interests	Total equity
Balance at 1 January 2007		1 562	55 266	(29 976)	(301)	7 068	469 955	0	503 574
Currency translation adjustments						1 914			1 914
Effect of cash flow hedges, net of tax					301				301
<b>Total gains and losses recognized directly in equity</b>		0	0	0	301	1 914	0	0	2 215
Net profit							175 866	1 397	177 263
<b>Total recognized income and expense</b>		0	0	0	301	1 914	175 866	1 397	179 478
Dividends paid	25						(46 729)		(46 729)
Exercise of options	12	1	1 982						1 983
Share-based payments	18;22						4 675		4 675
Acquisition of subsidiaries with non-controlling interests								8 816	8 816
Issuer's own equity instruments				15 000					15 000
Purchase of treasury shares				(2 877)					(2 877)
Sale of treasury shares				3 187			(165)		3 022
Put options granted to holders of non-controlling interests							(7 353)		(7 353)
Goodwill on transactions with holders of non-controlling interests							(29 697)	(6 397)	(36 094)
Balance at 31 December 2007		1 563	57 248	(14 666)	0	8 982	566 552	3 816	623 495

The share capital is represented by 15 630 671 issued shares (2007: 15 630 671) of CHF 0.10 par value each, fully paid in. The number of treasury shares amounted to 45 537 (2007: 54 071).