Continued investment in sustained growth

First-half 2018 results conference

Basel, 14 August 2018

straumanngroup

Disclaimer

This presentation contains certain forward-looking statements that reflect the current views of management. Such statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Straumann Group to differ materially from those expressed or implied in this presentation. The Group is providing the information in this presentation as of this date and does not undertake any obligation to update any statements contained in it as a result of new information, future events or otherwise.

The availability and indications/claims of the products illustrated and mentioned in this presentation may vary according to country.

Half-year highlights

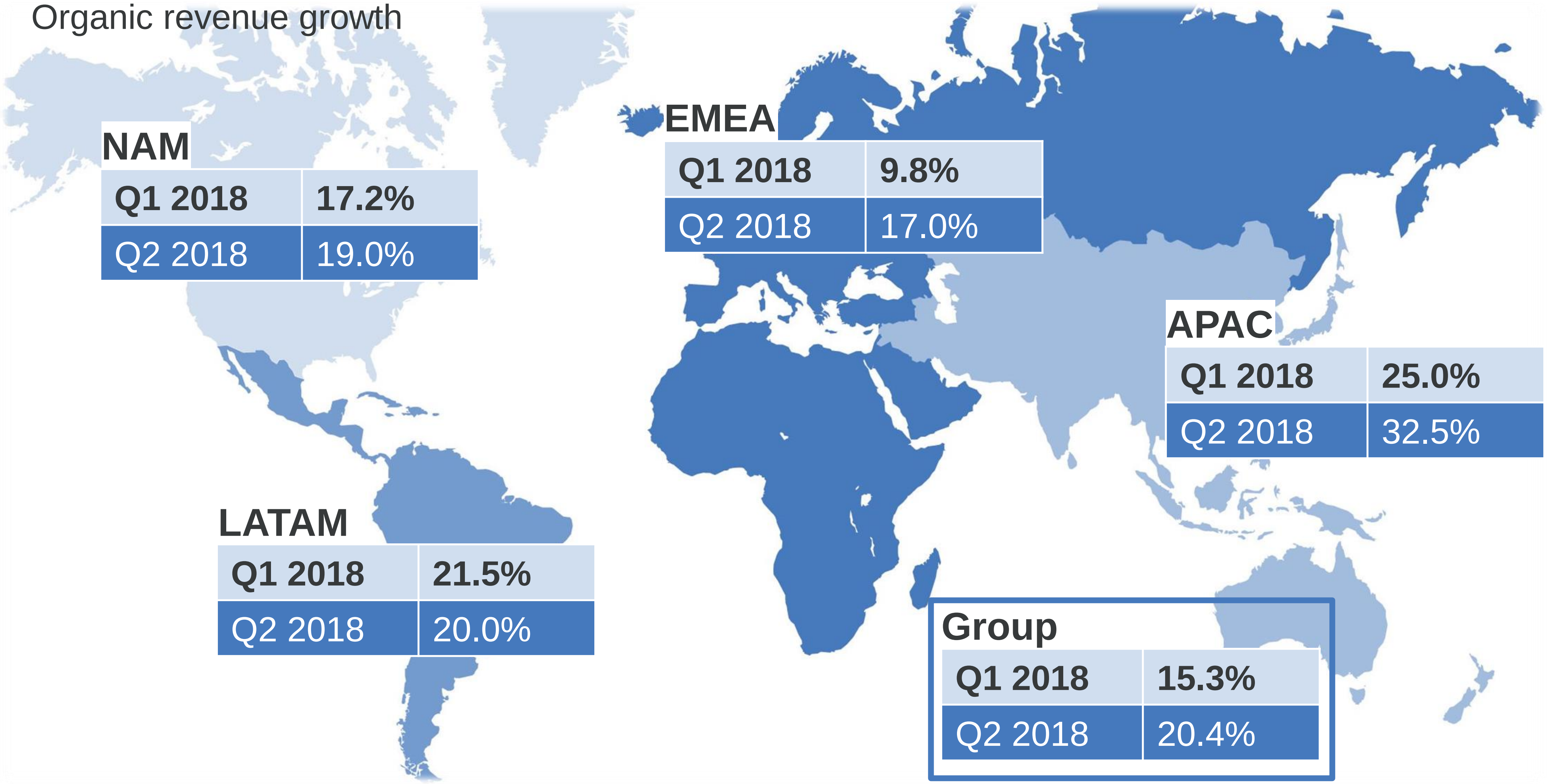
Marco Gadola, CEO

Continued investment in sustained growth

REVENUE	REVENUE GROWTH	EBITDA MARGIN[2]
CHF 682m 2017: CHF 543m	+18% organic[1]	29.8%
Driven by double-digit growth across all regions and businesses	Q2: +20% organic; +29% in CHF Q1: +15% organic; +22% in CHF	Strong volume growth fuels profitability increase despite further investments in Sales, Marketing, R&D
KEY DRIVERS	**BUSINESS EXPANSION**	**OUTLOOK[3]**
EMEA & APAC	Further investments	Raised
Both regions accelerate in Q2; APAC still the fastest growing region; EMEA benefits from early Easter and contributes 35% of overall growth	Portuguese & Turkish distribution companies consolidated (Jan.); new subsidiary in Thailand; Createch and 30% stake in botiss acquired (July)	FY outlook for organic revenue growth raised from low double digit to mid-teens with further EBITDA margin improvement

Further acceleration in Q2 – growth exceeding 20% for the first time in 10 years

Organic revenue growth



NAM

Q1 2018	17.2%
Q2 2018	19.0%

EMEA

Q1 2018	9.8%
Q2 2018	17.0%

APAC

Q1 2018	25.0%
Q2 2018	32.5%

LATAM

Q1 2018	21.5%
Q2 2018	20.0%

Group

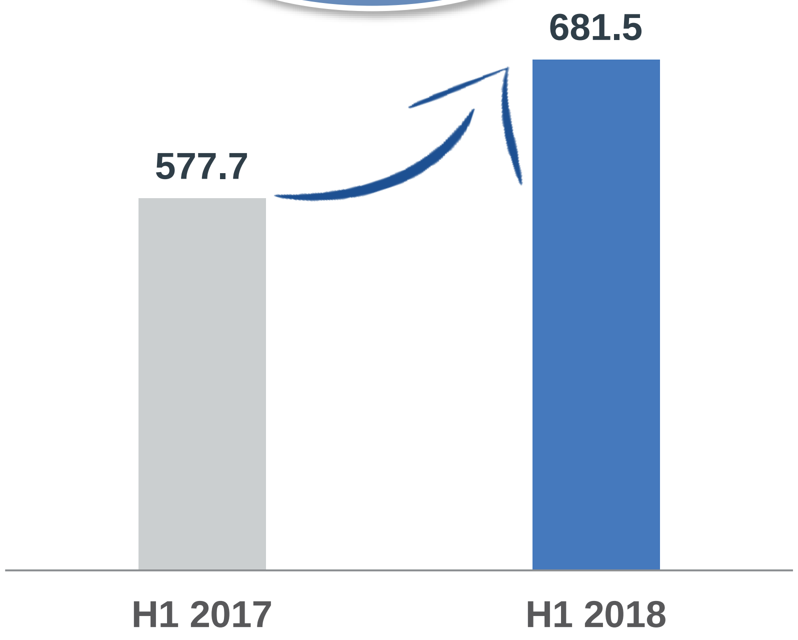
Q1 2018	15.3%
Q2 2018	20.4%

straumanngroup

Growth adding value for shareholders

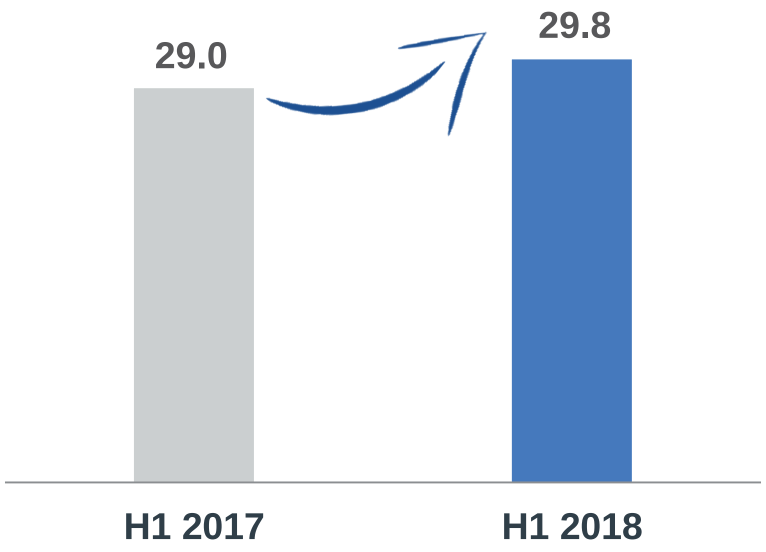
Revenue growth
in% excl. acquisition and FX effects

+18% organic



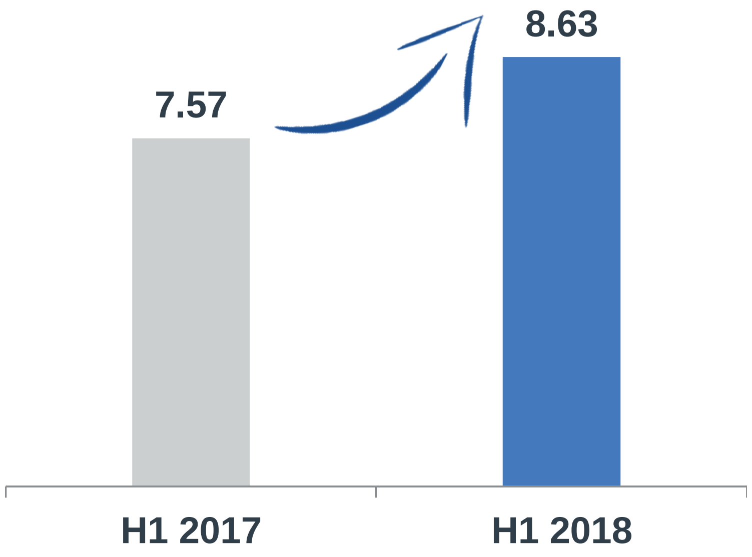
Underlying EBITDA margin
in % excl. exceptionals[1]

+80bps
EBIT +50pbs

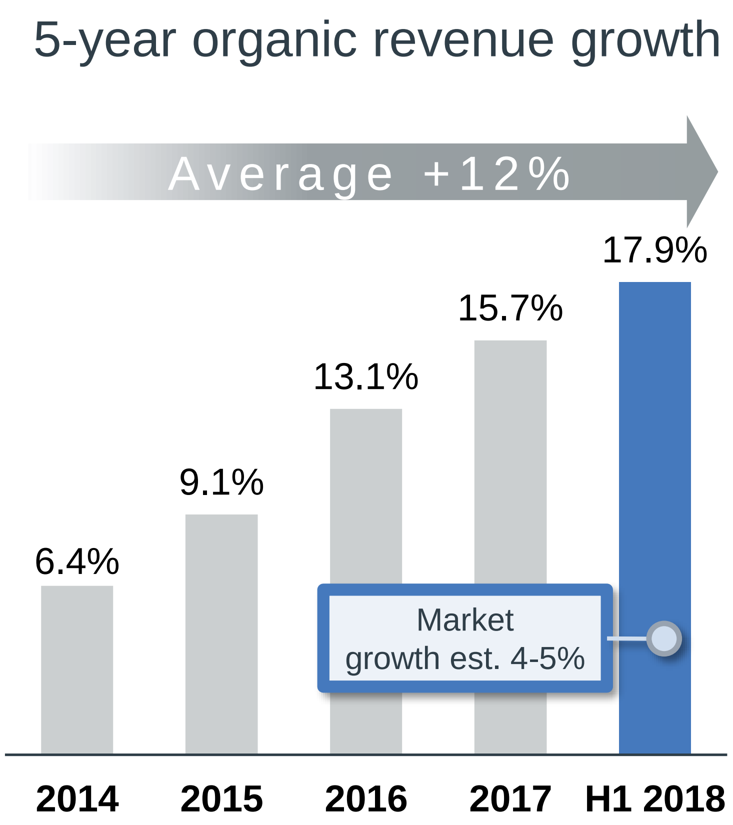


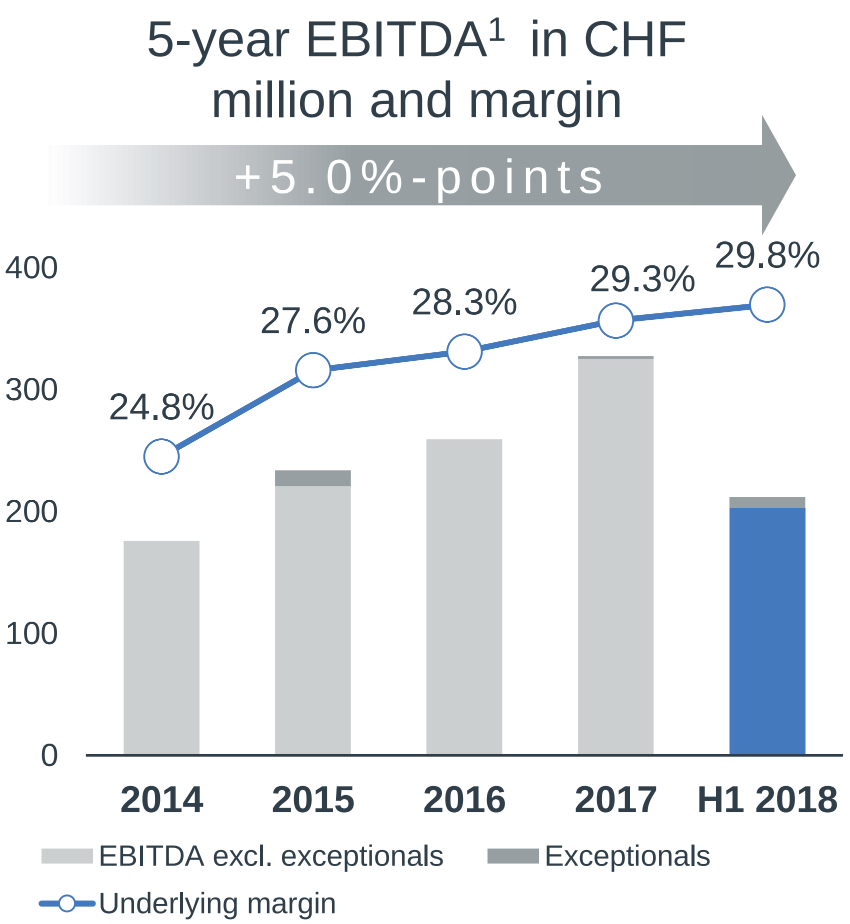
Earnings per share
in CHF excl. exceptionals[2]

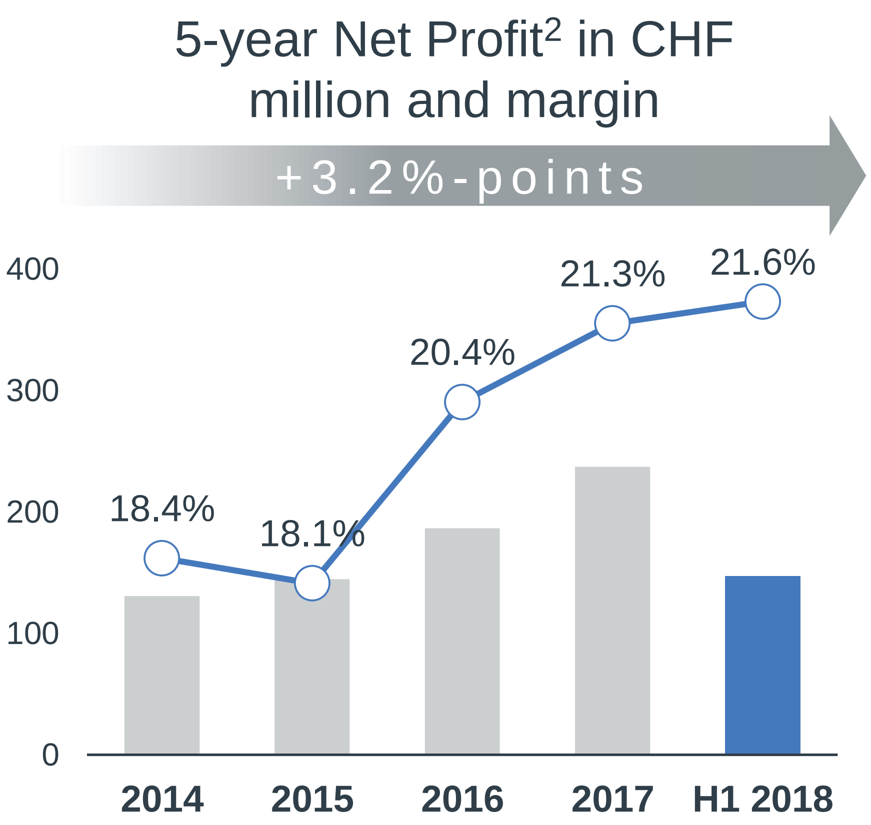
+14%



Impressive 5-year performance







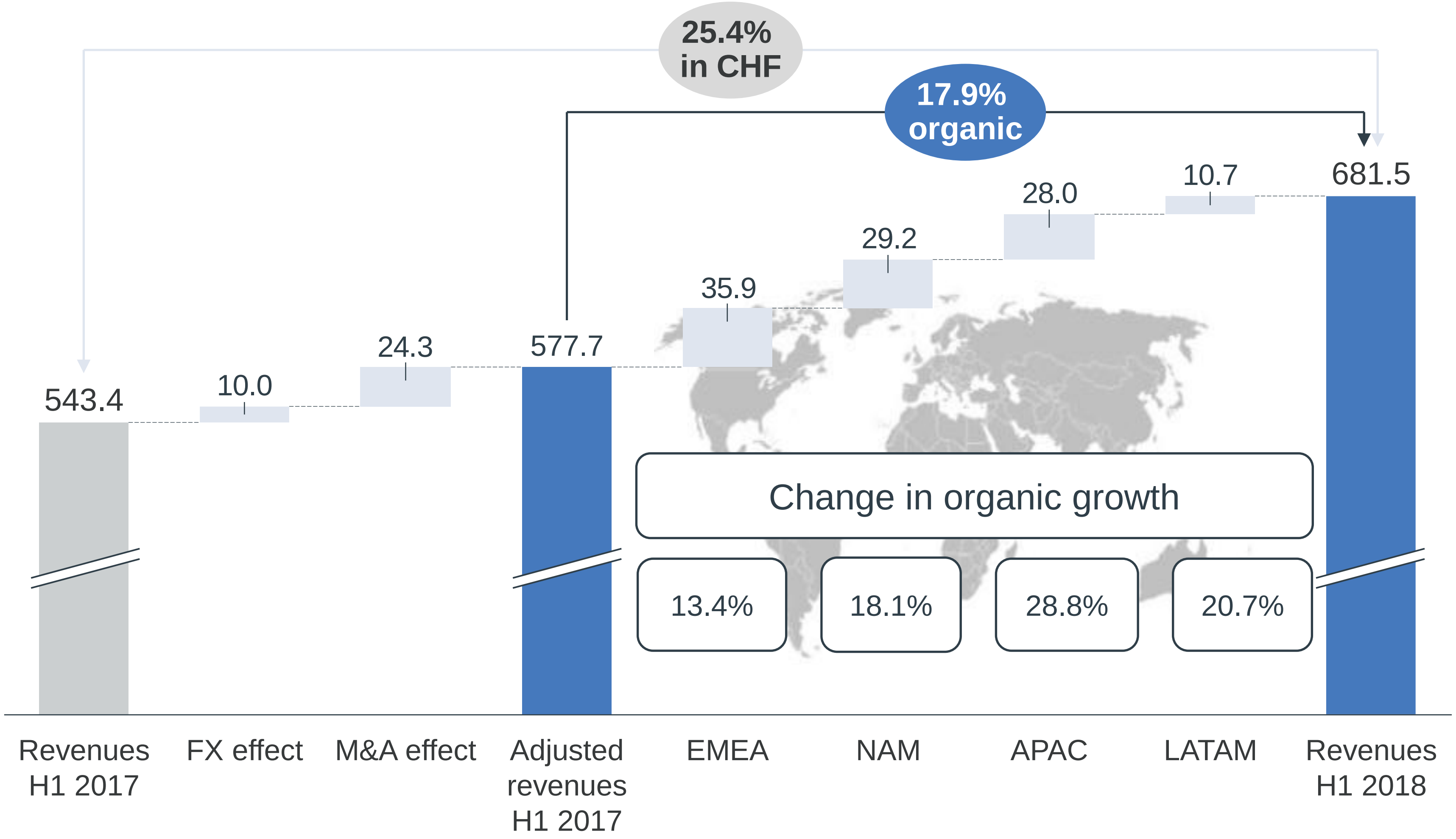
straumanngroup

Business and regional review

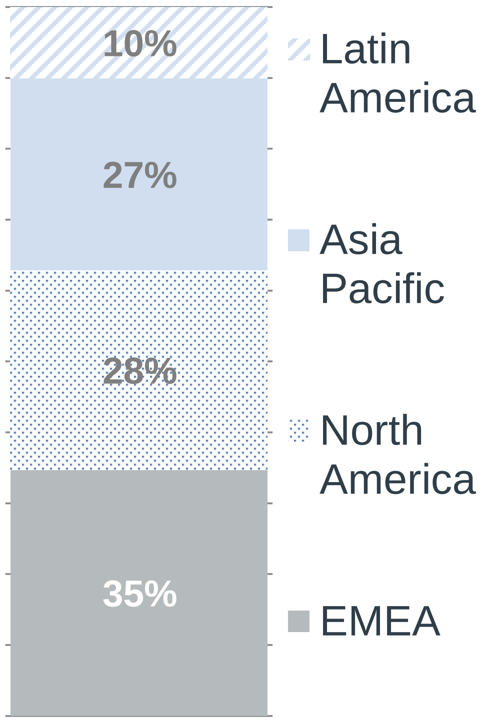
Peter Hackel, CFO

Double-digit growth across all regions

Revenue development (in CHF m, rounded)



Regional share of organic growth

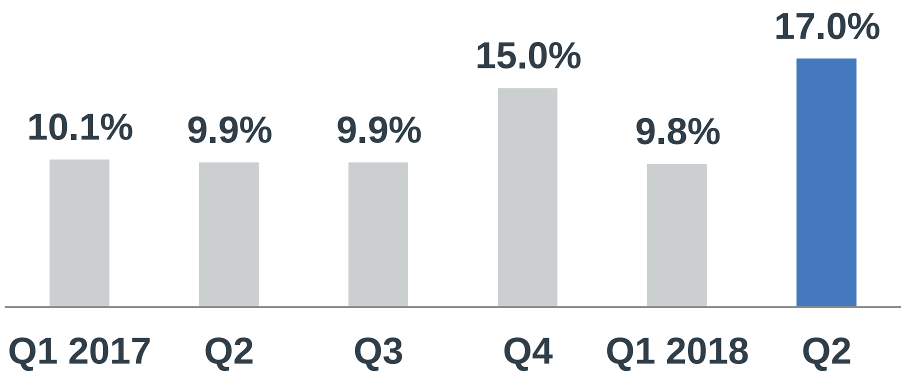


straumanngroup

EMEA boosted by emerging markets; further customer gains in North America

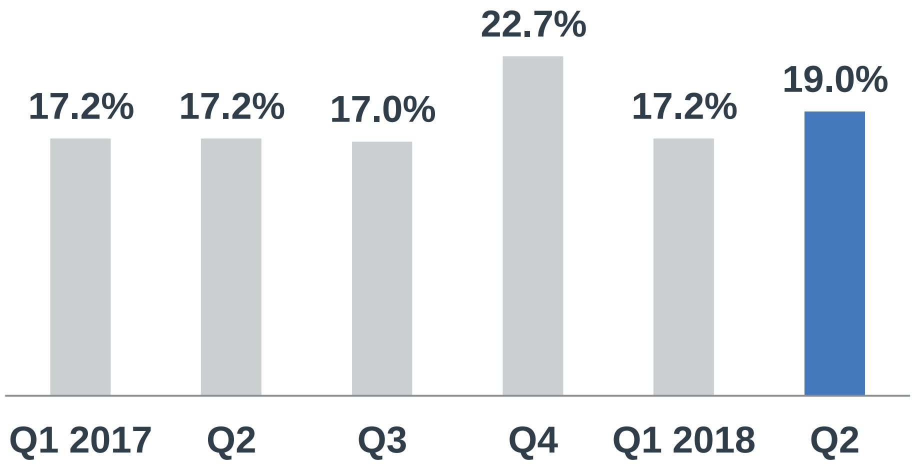
EMEA

Revenue change (organic)



- Q2 driven by premium and digital businesses, helped by timing of Easter break
- Dynamic growth in Turkey & Russia
- Excellent performances in Denmark, Italy, Portugal, Netherlands and the UK

North America

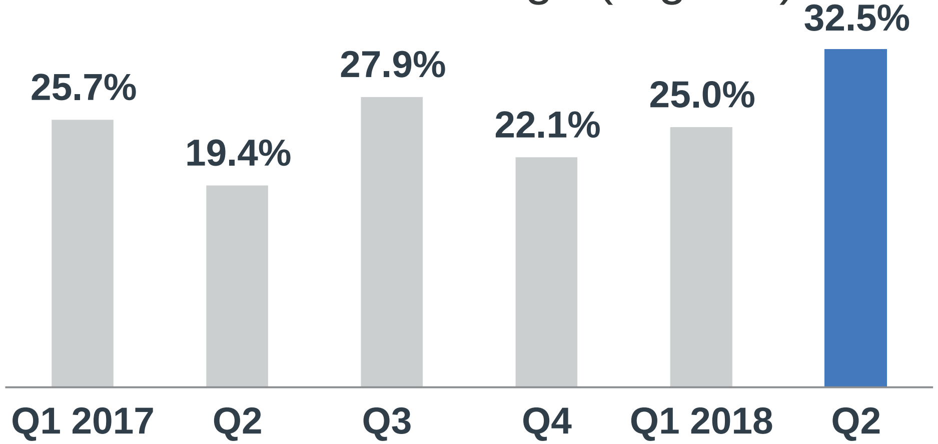


- Further customer gains in Q2
- Strong demand for premium & non-premium implants, scanners, & clear aligners. Orders for Zirkonzahn mills
- Strong growth in biomaterials excl. Emdogain

Continued dynamism in APAC; strong performance in challenging LATAM environment

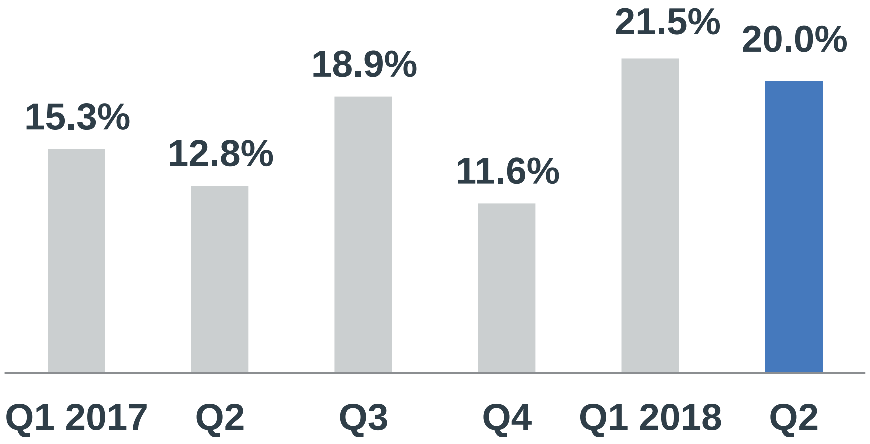
Asia/Pacific

Revenue change (organic)



- Q2: Continuing dynamic expansion in China; Japan strong; double-digit growth in several other markets
- Further share gains in premium implant segment.
- Foothold strengthened in highly competitive non-premium arena.

Latin America

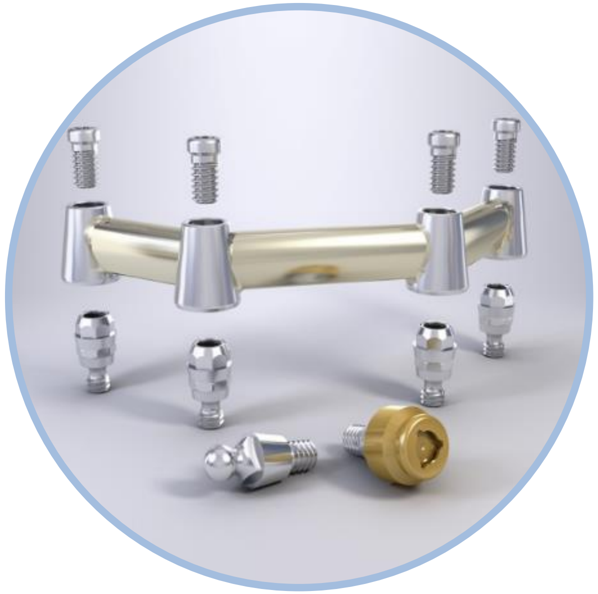


- Dynamic Q2 expansion in LATAM led by Colombia and Chile
- Solid growth in Brazil, despite general strikes
- Production expansion in Curitiba on track

H1 growth driven by implants & digital sales – temporary halt in Emdogain supply to the US affects Biomaterials

Implants

Restorative & Digital



Biomaterials

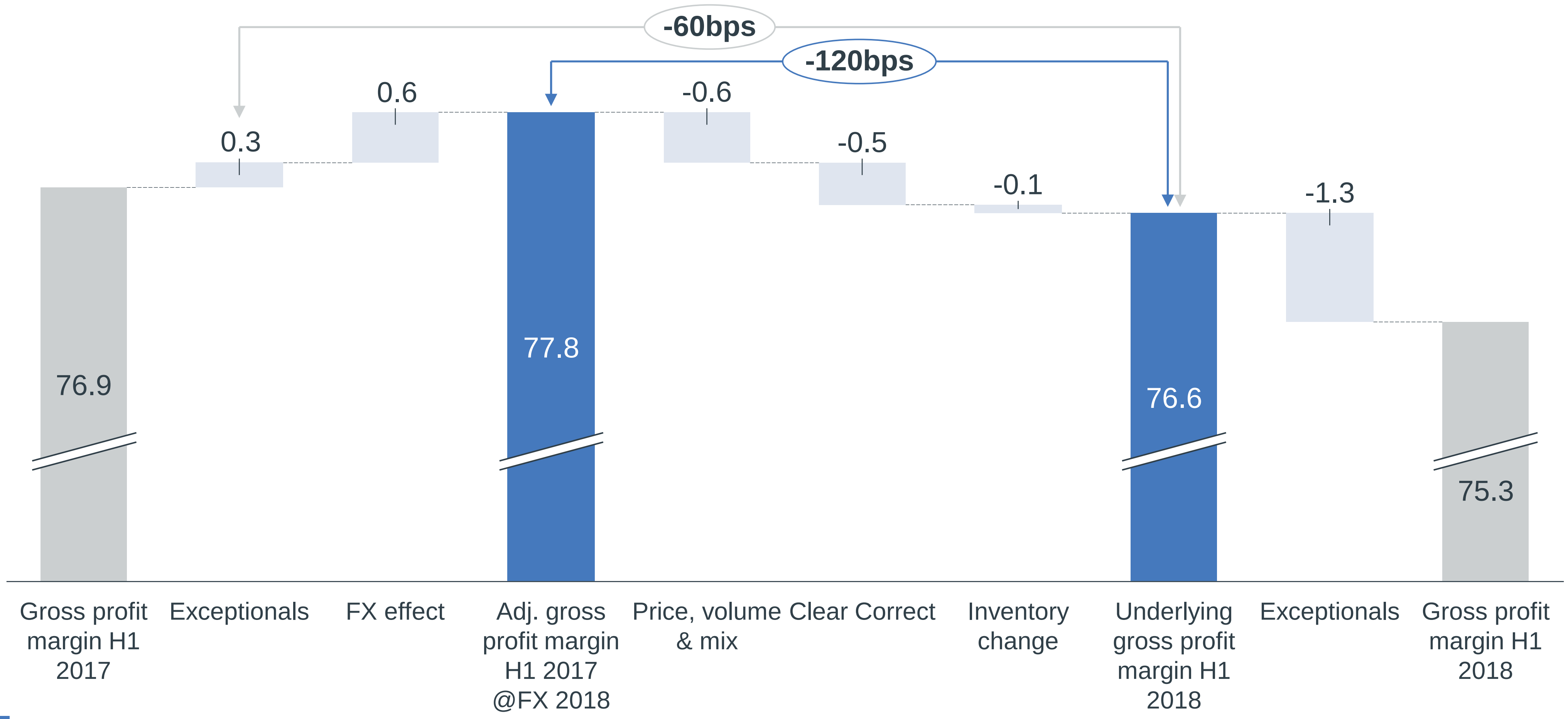
Key financials at a glance

in CHF m (rounded)	H1 2018 Reported	H1 2018 Exceptionals	H1 2018 excl. Exceptionals	H1 2017 Reported	H1 2017 Exceptionals	H1 2017 excl. Exceptionals	Δ % / bps excl. Exceptionals
Revenue	681.5			543.4			
Organic growth in %	*17.9%*			*14.3%*			
Gross profit	512.9	(8.8)	521.7	418.0	(2.0)	420.0	*24%*
margin	*75.3%*		*76.6%*	*76.9%*		*77.2%*	*(60 bps)*
EBITDA	194.3		203.1	156.1		158.0	*29%*
margin	*28.5%*		*29.8%*	*28.7%*		*29.0%*	*80 bps*
EBIT	169.8		178.6	137.8		139.8	*28%*
margin	24.9%		26.2%	25.4%		25.7%	*50 bps*
Net financial result	(5.7)			(2.3)			
Gain on consolidation				25.0		0.0	
Share of result of associates	(9.2)			(2.6)			
Taxes	(22.0)	1.9	(23.9)	(17.1)	0.6	(17.7)	
Net profit	132.9		139.8	140.8		117.2	*19%*
margin	*19.5%*		*20.5%*	*25.9%*		*21.6%*	*(100 bps)*
Basic EPS	8.20		8.63	9.11		7.57	
Free cash flow	62.3			45.2			*38%*
margin	9.1%			8.3%			

Exceptionals in H1 2018 related to the acquisition of the Turkish distribution company Batigroup, including an inventory revaluation expense of CHF 9 million (COGS) and the related tax benefit of CHF 2 million. The term ‘underlying’ refers to accounting figures excluding these effects.
Exceptionals in H1 2017 related to the business combination of Medentika, which included an inventory revaluation expenses of CHF 2 million (COGS) and a CHF 25 million fair value gain (financial result).

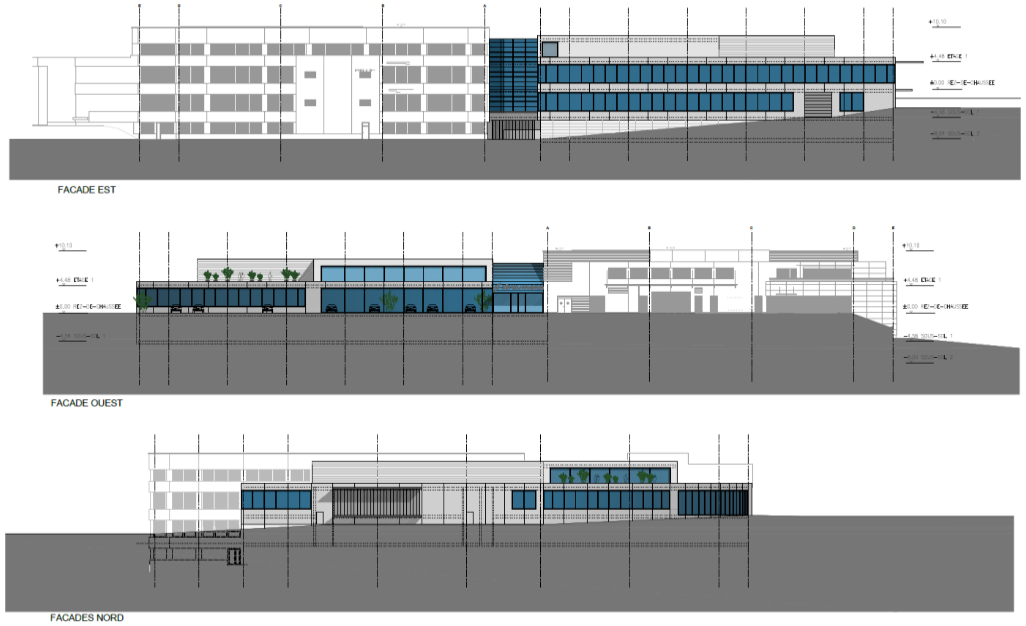
Strong digital sales and our investments to become a total solution provider constrain gross margin

In %, rounded



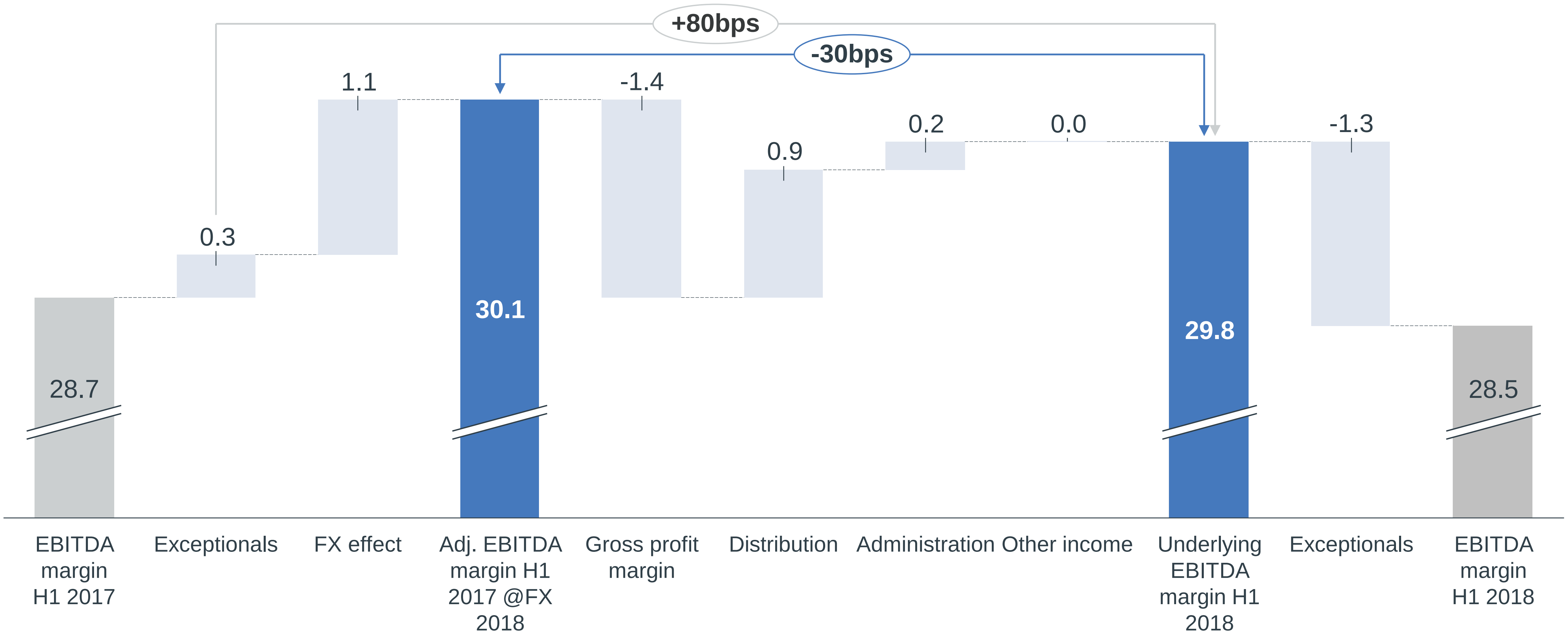
Villeret expands to meet growing demand

- CHF 40 million investment in new building to meet increasing production needs up to 2030
- 16 100m^2 additional production area
- Operational early 2021



EBITDA margin improves thanks to better OPEX absorption and FX tailwind

In %, rounded



straumanngroup

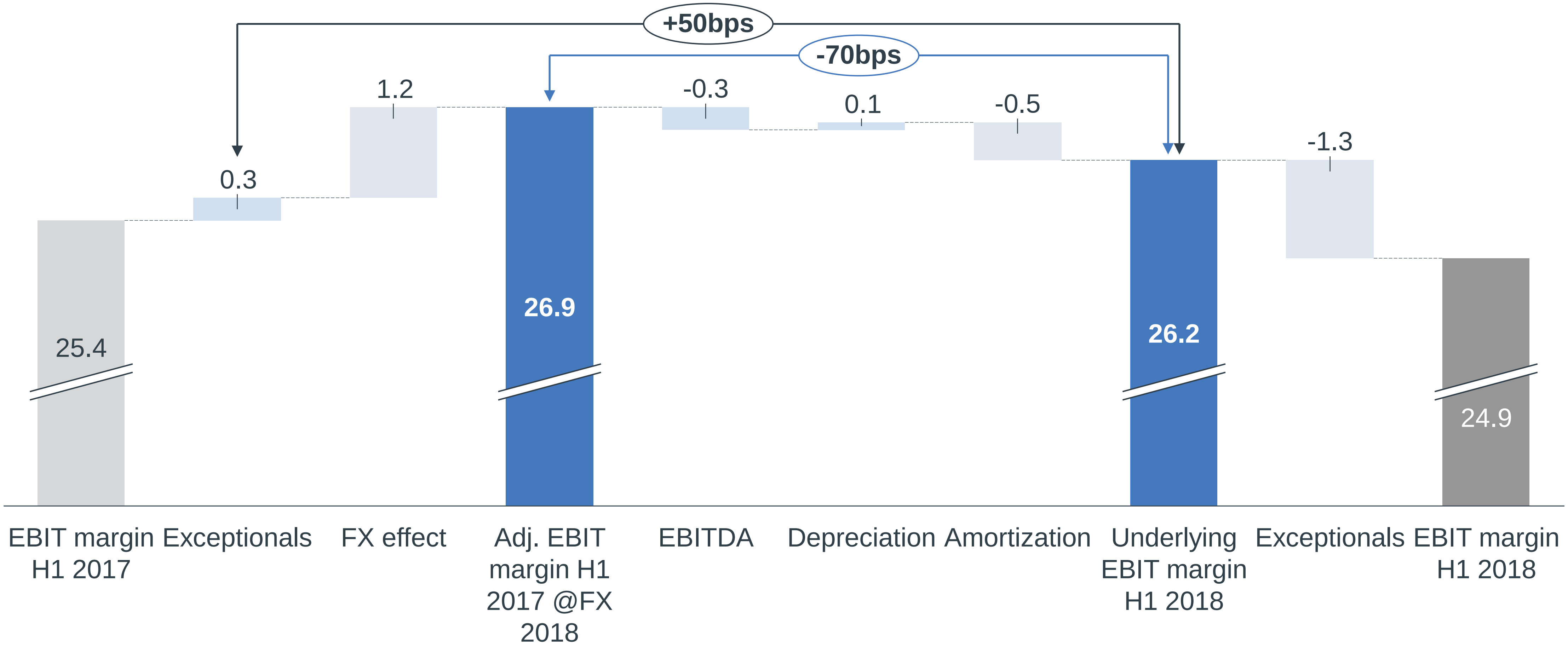
Increased depreciation & amortization charges due to acquisition activities & production investments

in CHF m (rounded)	**H1 2018**	**H1 2017**	**Δ % / bps** 2018 vs. 2017
EBITDA (reported)	**194.3**	**156.1**	24%
margin	*28.5%*	*28.7%*	
Depreciation	**14.0**	**11.9**	17%
Total amortization	**10.5**	**6.3**	67%
Regular amortization	2.6	1.9	34%
Amortization (of acquired intangibles)	8.0	4.4	81%
- Neodent	3.0	3.3	
- Medentika	0.9	0.8	
- Dental Wings	2.5		
- Equinox	0.3	0.3	
- ClearCorrect	1.0		
- Others	0.3		
EBIT (reported)	**169.8**	**137.8**	23%
margin	*24.9%*	*25.4%*	*(50 bps)*
Exceptionals	-8.8	-2.0	
EBIT (excl. exceptionals)	**178.6**	**139.8**	28%
margin	*26.2%*	*25.7%*	*50 bps*

straumanngroup

EBIT margin exceeds 26% despite higher amortization charges

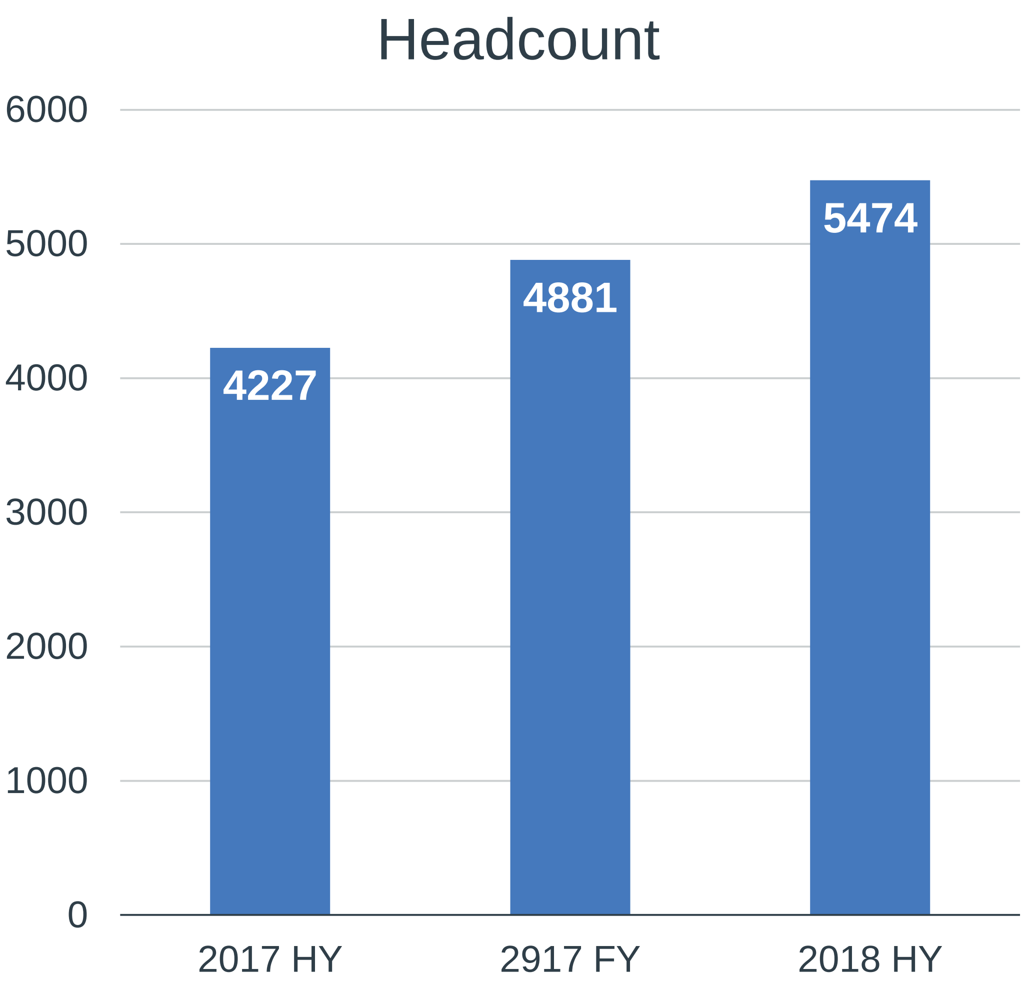
In %, rounded



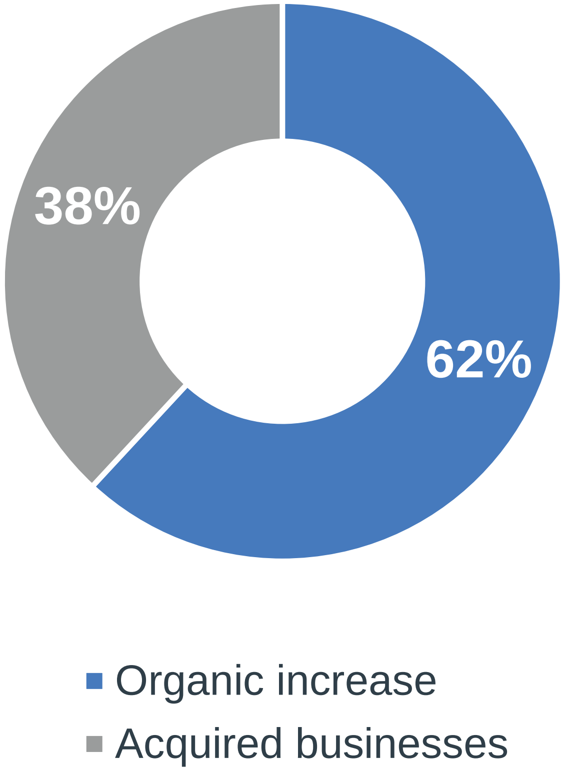
straumanngroup

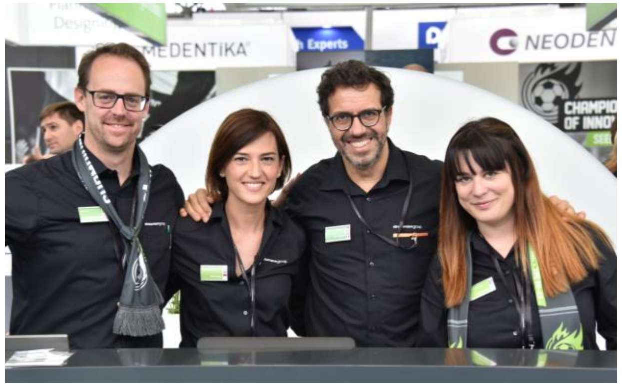
Acquisitions and talent recruitment augment global team

Drive our high performance STMN Group culture and organization



593 new colleagues since 1 January

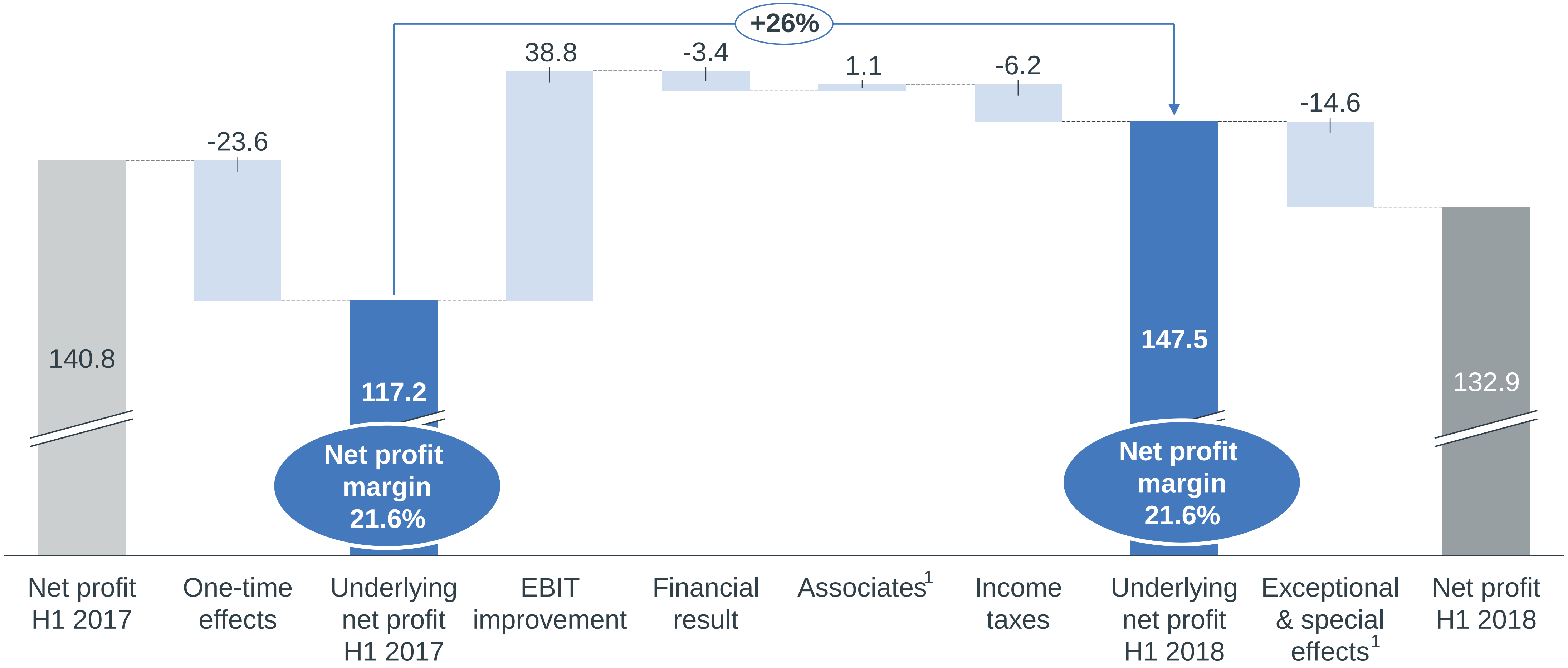




straumanngroup

Underlying net profit climbs 26%

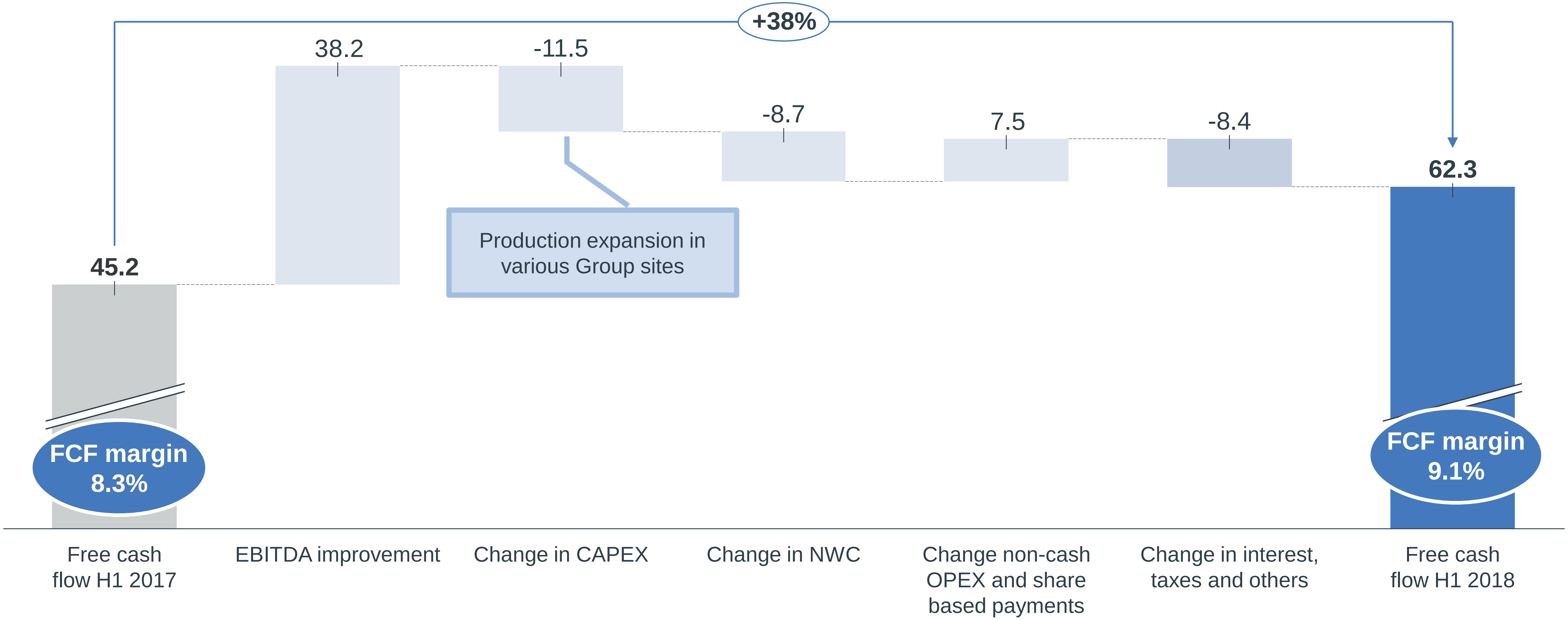
In CHF m



straumanngroup

Free-cash-flow increases 38% despite further investments in production & business expansion

In CHF m



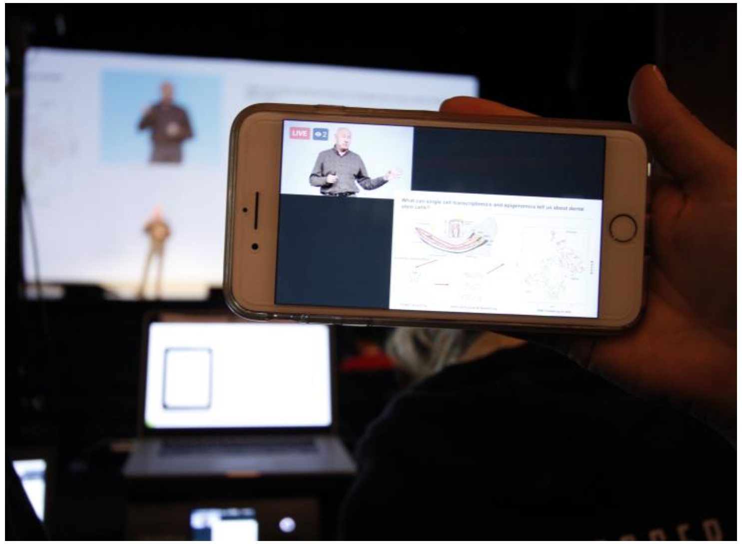
straumanngroup

Recent highlights
Strategy in action moving forward

Marco Gadola, CEO

United presence at Europerio

- 10 000 visitors from 111 nations; 50 scientific sessions
- United Group presence with Straumann, Neodent and Medentika on one stand
- Hands-on Straumann workshop fully booked
- 2 corporate forums with livestream attracting 11 000 online views
- Large number of qualified leads



straumanngroup

Short video Europerio

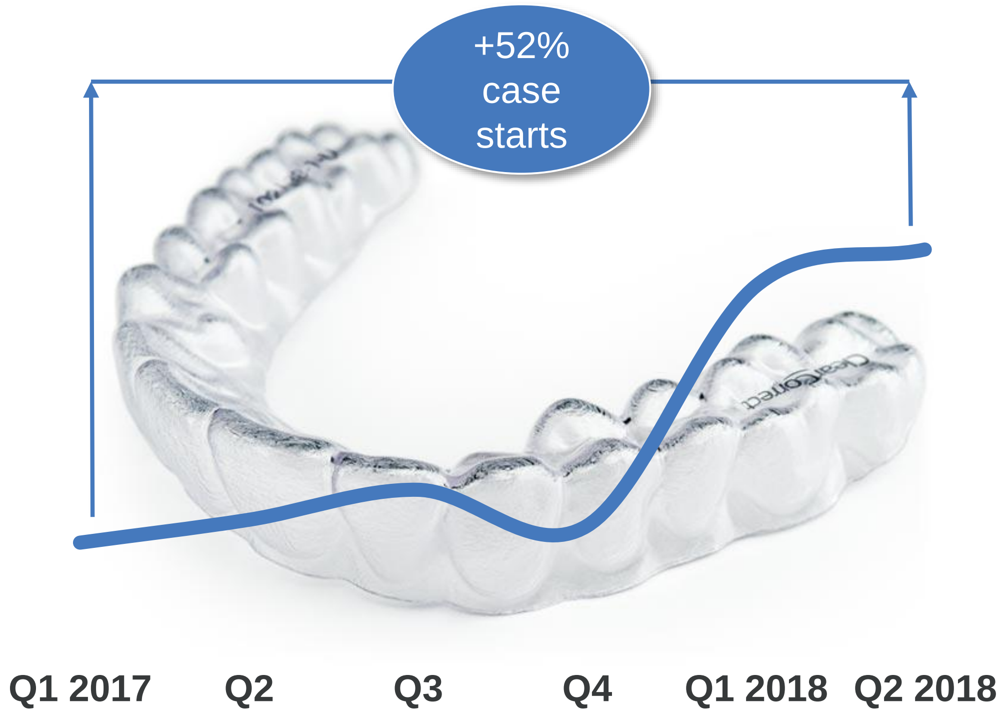
Target unexploited growth markets & segments

Straumann Group subsidiary opens in Thailand

- Closer to customers
- Opportunity to invest in growth & market development
- Premium and non-premium segments addressed
- Straumann present through distributor since 2002; local distribution team integrated
- 70K implants placed annually in Thailand
- 500 key opinion leaders at inauguration

Clear aligner business growing rapidly

- Customer base expansion exceeds 10% in H1; significant case growth (+52%)
- Phase 1: pilot programs completed; all very positive
- Phase 2: started, further countries added; sales team preparation/training; dedicated-specialist recruitment
- Building to full market release in Europe, LATAM & APAC in 2019
- Explore partnerships in APAC
- First projects to integrate Dental Monitoring initiated



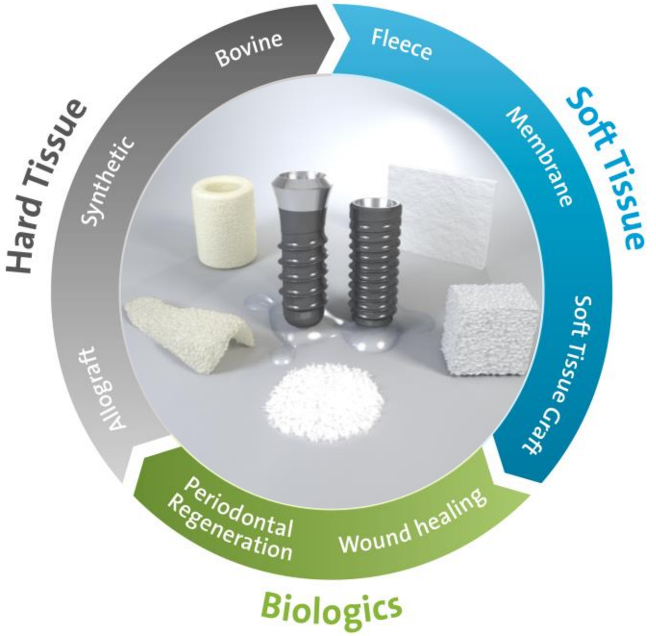
Createch – a leading specialist in high-precision CADCAM prosthetics

Expand scope to become a Total Solution Provider for esthetic dentistry

- Fully acquired in July (previously held 30%)
- Team of 50 employees, headquartered in Medaro, Spain
- Expertise in high-tech milling; offers solutions beyond the scope of most CADCAM
- Partnership with Straumann since 2013
- Leader in multiplatform solutions and screw-retained bars/bridges (SRBBs), offering >300 implant connections
- Complements Medentika & etkon;
- Fast development stream – will be Group's global development centre for screw-retained bars/bridges

30% stake in botiss

- Companies to build on successful partnership (started in 2014) as a driving force in dental biomaterials
- Secured access to botiss’ technology and unparalleled range of innovative regenerative solutions
- Exclusive distribution rights in many countries
- Combined resources to expand global reach
- Very successful launch in Brazil (Q1); launches in NAM & APAC planned in the next two years
- Straumann’s share of botiss’ earnings to be recognized as ‘income from associates’
- botiss is a main-stay of the Group’s global biomaterials portfolio, which includes Emdogain® and products supplied by Genoss, NIBEC and others.



Zirkonzahn collaboration in North America

- Distribution agreement in North America
- Co-development/co-marketing activities to promote seamless digital workflow, patient satisfaction, and treatment availability
- Aims to create further growth opportunities in the CADCAM prosthetic segment
- Zirkonzahn offers particularly attractive full-arch solutions in conjunction with tapered implant solutions

Neodent branding on Zirkonzahn milling machine

Outlook 2018

Our 2018 guidance

Barring unforeseen circumstances

Market growth	Global implant market to grow between 4-5%
Our revenue growth	Confident to outperform and achieve organic revenue growth in the mid-teen percentage range
Profitability	Further improvement in EBITDA margin; EBIT margin stable

straumanngroup

Questions & answers

Q&A

straumanngroup

Calendar of upcoming events

2018	Event	Location
03 September	Investor meetings	Geneva
04 September	Investor meetings	London
10 September	Investor meetings	Toronto
11 September	Investor meetings	New York
12 September	Morgan Stanley Healthcare conference	New York
11 October	Investor meetings	Vienna
30 October	**Q3 results webcast**	**Webcast**
05 November	Corporate Governance meetings	Zurich
13 December	Corporate Governance meetings	Paris
19 February	**Full-year results conference**	**Basel HQ**
05 April	**AGM 2018**	**Messe Basel**
Social media	**Type**	**Source**
Analyst Talk (Shift + left mouse)	Executive interviewed by analysts	straumann.com (Investors) / youtube.com
StraumannIR (Shift + left mouse)	Investor Relations Twitter	@StraumannIR

11th edition of ‘Analyst Talk’ feat. Bank Mainfirst

From left to right: Marco Gadola, Straumann Group CEO,
Dr. Marcus Wieprecht and Markus Gola, Bank Mainfirst AG

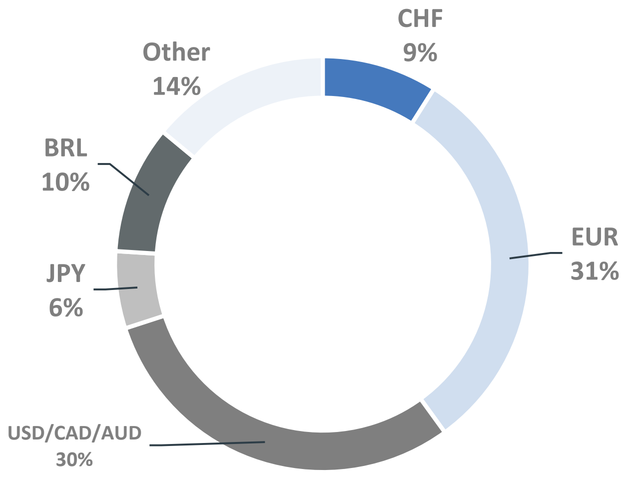
Growth strategy pays off

in CHF m	2013	2014	2015	2016	2017	H1 2018	*5-year average*
Revenue	679.9	710.3	798.6	917.5	1'112.1	681.5	
Organic revenue growth in %	**1.2**	**6.4**	**9.1**	**13.1**	**15.7**	**17.9**	***12.4***
Acquisiton / Divesture effect in %	*-0.8*	*0.0*	*9.5*	*0.8*	*4.1*	*5.2*	*3.9*
Change in l.c.%	0.4	6.4	18.6	13.9	19.8	23.1	*16.4*
FX effect in %	*-1.3*	*-1.9*	*-6.1*	*1.0*	*1.4*	*2.3*	*-0.7*
Growth in CHF %	**-0.9**	**4.5**	**12.4**	**14.9**	**21.2**	**25.4**	***15.7***
	2013	2014	2015	2016	2017	H1 2018	*CAGR 2013-17*
Gross profit excl. exceptionals	535.9	558.7	628.0	718.5	842.4	521.7	*12.0*
Underlying margin	*78.8%*	*78.7%*	*78.6%*	*78.3%*	*75.8%*	*76.6%*	
EBITDA excl. exceptionals	**156.4**	**176.2**	**220.7**	**259.2**	**325.5**	**203.1**	
Underlying margin	*23.0%*	*24.8%*	*27.6%*	*28.3%*	*29.3%*	*29.8%*	
EBIT excl. exceptionals	**123.8**	**148.3**	**185.7**	**227.2**	**285.6**	**178.6**	*23.2*
Underlying margin	*18.2%*	*20.9%*	*23.3%*	*24.8%*	*25.7%*	*26.2%*	
Underlying net profit	107.9	130.9	144.7	186.8	237.2	139.8	*21.8*
Underlying margin	*15.9%*	*18.4%*	*18.1%*	*20.4%*	*21.3%*	*20.5%*	
Earnings per share (adjusted)	**6.98**	**8.42**	**9.19**	**11.94**	**15.13**	**8.63**	***21.3***
	2013	2014	2015	2016	2017	H1 2018	*CAGR 2013-17*
Operating cash flow	151.5	146.2	185.6	184.7	217.3	106.7	*9.4*
Capital expenditure	(12.6)	(18.8)	(35.2)	(46.7)	(73.4)	(44.4)	
as % of revenue	*-1.9%*	*-2.6%*	*-4.4%*	*-5.1%*	*-6.6%*	*-6.5%*	
Free cash flow	**139.2**	**128.4**	**151.1**	**138.7**	**144.7**	**62.3**	***1.0***
Number of employees (year-end)[1]	**2'217**	**2'387**	**3'471**	**3'797**	**4'881**	**5'474**	***21.8***

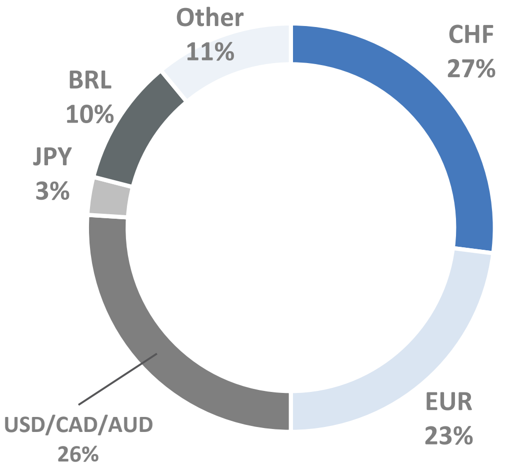
straumanngroup

Straumann's currency exposure

Revenue breakdown FY2017[1]



Cost breakdown FY2017[1]



Average exchange rates (rounded)					FX sensitivity (+/- 10%) on full-year...	
		2017	2018	H1 2018	Revenue	EBIT
1	EURCHF	1.09	1.11	1.17	+/- 35m	+/- 21m
1	USDCHF	0.99	0.98	0.97	+/- 29m	+/- 14m
100	BRLCHF	28.37	30.68	28.15	+/- 11m	+/- 3m
100	JPYCHF	0.90	0.88	0.89	+/- 6m	+/- 4m

Exchange rate development in recent years

[1] These distribution charts represent the total net revenues and the total COGS, as well as OPEX in the various currencies. All numbers are rounded and based on FY 2017 figures as well as average FX rates in 2017. They also include Medentika, which was consolidated on 1 January 2017.

Thank you