



2019 nine-month & third-quarter sales
Webcast presentation for investors, analysts & media
Basel, 29 October 2019

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Highlights

Marco Gadola, CEO

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Strong momentum sustained over nine months; full-year revenue target raised

REVENUE

CHF **1.2** bn

+16% vs 9M 2018
FX headwind: CHF 20m
Acquisition effect: CHF 14m

GROWTH

17% organic¹

19% in Q3

REGIONAL DRIVERS

NAM & EMEA

generate 68% of 9M growth; NAM
edges ahead of APAC as fastest
growing region

BUSINESS DRIVERS

Rollouts

BLT & BLX, clear aligners,
value brand rollouts,
supply agreements with DSOs

INVESTMENT

Reach & capacity

Distribution JV in Hong Kong & Macau;
Korean implants;
Implant & clear-aligner production

OUTLOOK²

Raised

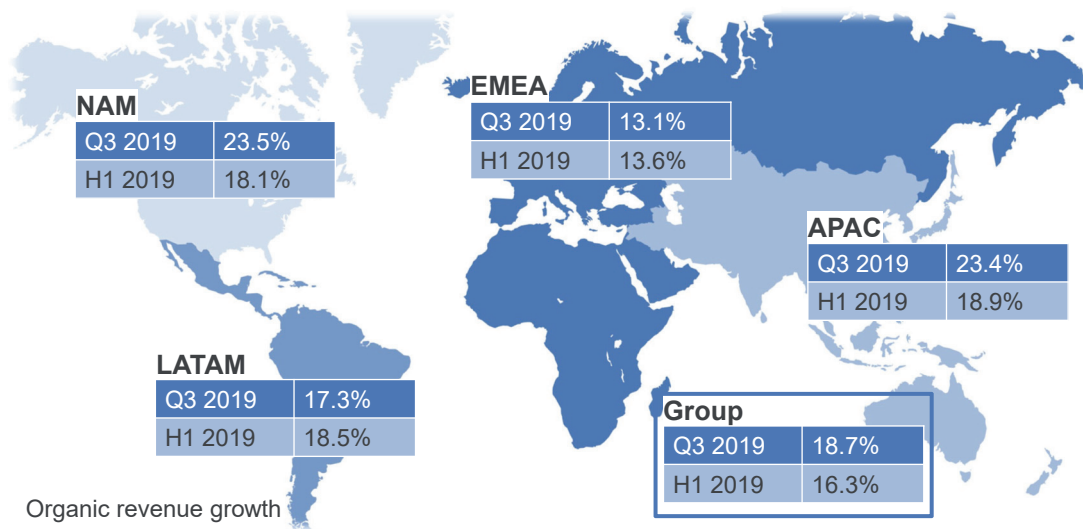
Full-year organic revenue growth in
the mid-teen percentage range

4

¹ Organic growth – i.e. excluding the effects of currency fluctuations and acquired/divested business activities
² Outlook expectations barring unforeseen events/circumstances

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Strong growth trend continues in Q3



5

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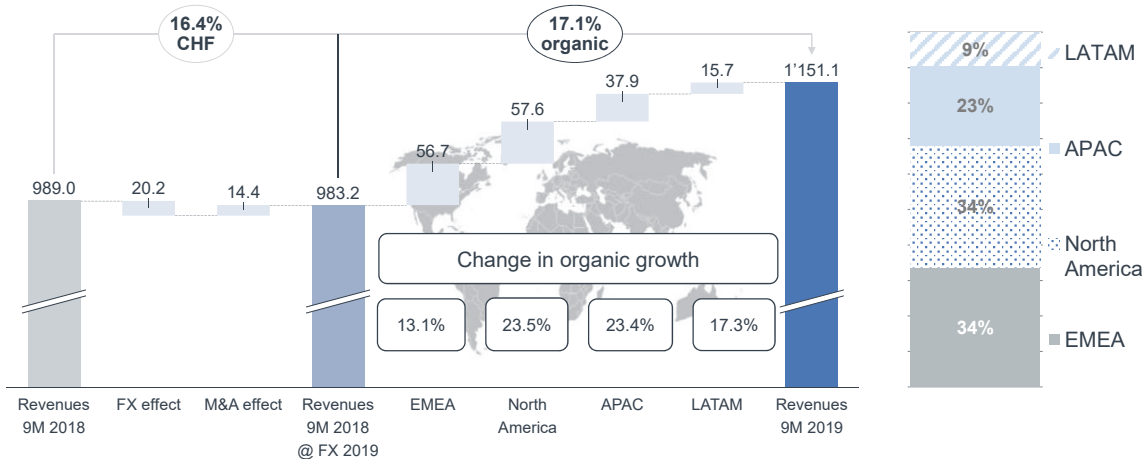
Business and regional review

Peter Hackel, CFO

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Double-digit growth continues in all regions

Revenue development (CHFm, rounded)



7

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EMEA and NAM improve on strong prior year performance with impressive growth

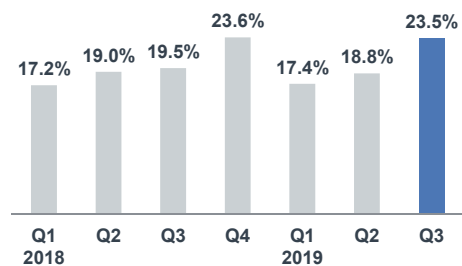
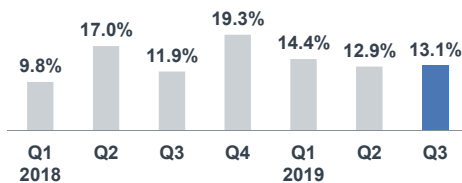
EMEA



North America



Revenue change (organic)



- Strong Q3, lifted by BLX and value brand roll-outs
- Solid growth in Germany; strong increases in France, Iberia, Russia, Turkey, South Africa & Middle East
- Contracts to supply Europe's two largest DSOs
- Clear-aligner business launched after production ramp-up
- Straumann BLT continues to drive growth; BLX launched
- DSO business expands
- Strong demand for premium & non-premium implants and clear aligners

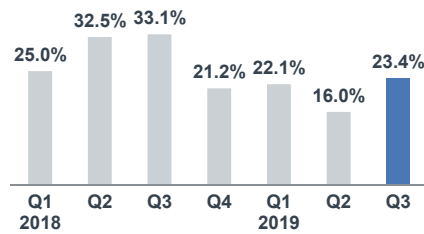
8

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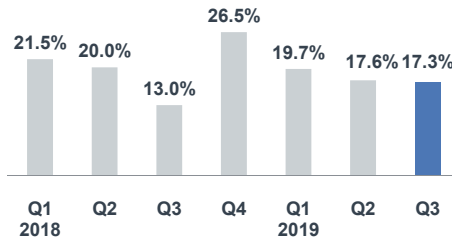
LATAM delivers good performance in tough economic environment; APAC posts best quarter in the year



Revenue change (organic)



Latin America



- Q3: China continues dynamic expansion with additional lift from DSOs and digital equipment
- Japan boosted by customers buying ahead of consumption tax rise
- Strong growth in Korea
- Q3: double-digit growth in tough economy; stiff FX headwind
- Mexico, Columbia, Chile and Peru post very strong growth
- Neodent & Straumann drive performance, boosted by biomaterials, BLX and clear aligners
- Production expansion on track

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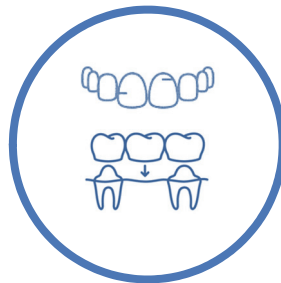
9

Strong business performance reflects focus on execution

Implants



Restorative & Digital



Biomaterials



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10

Strategic progress

Marco Gadola, CEO

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Strategic priorities endorsed



DRIVE OUR HIGH-PERFORMANCE CULTURE



TARGET UNEXPLOITED MARKETS AND SEGMENTS



BECOME A TOTAL SOLUTION PROVIDER IN ESTHETIC DENTISTRY

Cultural transformation still our key strategic priority

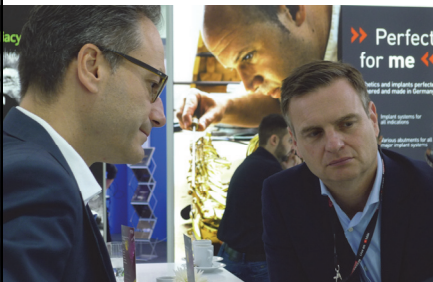
- Program to promote player-learner mindset throughout the organization continues. Rapid growth (especially due to acquisitions) increases the challenge.
- Cultural Journey 2.0 to help leaders reach their full potential, inspire high performance and drive organizational culture through others
- Concept developed in-house and taught by Straumann's leadership team
- Top two management levels have completed the training.
- Positive response from participants
- Latest global staff survey confirms progress
 - High response rate (77%) despite staff increase (+1000 since last survey)
 - >90% are proud to work for the Straumann Group, love what they do, and feel their work contribution helps the company to achieve its goals
 - >80% perceive company's culture as positive and support the cultural journey

13

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Continuity in leadership

- Guillaume Daniellot prepares for new role as CEO
- Transition to Rob Woolley as EVP North America underway
- Holger Haderer (Head Straumann Group, Germany) takes over from Frank Hemm as EVP Marketing & Education



14

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New addition to the Executive Management Team

- Andreas Meier joins the EMB as General Counsel & Head of Business Development
- Board Member of most Straumann Group companies
- Swiss; joined Straumann in 2005
- Attorney at Law, PhD from Basel University; LLM from NYU School of Law; AMP Harvard Business School



15

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Strategic priorities endorsed



DRIVE OUR HIGH
PERFORMANCE CULTURE



TARGET UNEXPLOITED MARKETS
AND SEGMENTS



BECOME A TOTAL SOLUTION
PROVIDER IN ESTHETIC DENTISTRY

16

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Unparalleled range of immediacy solutions...

<p>Straumann BLX</p> 	<p>Straumann BLT</p> 	<p>Neodent Helix GM/Drive GM</p> 	<p>Anthogyr Axiom PX</p> 	<p>Medentika Quattrocone</p> 
<ul style="list-style-type: none"> ▪ Next generation fully-tapered implant ▪ Full market release underway in most EMEA markets ▪ Q3: full market release started in NAM & Brazil 	<ul style="list-style-type: none"> ▪ Continued solid growth ▪ New BLX customers also purchase BLT ▪ Attractively priced SLA option 	<ul style="list-style-type: none"> ▪ Very dynamic growth ▪ Addresses value segment ▪ Targets dentists who do not use Straumann 	<ul style="list-style-type: none"> ▪ Immediate implantation post-extraction ▪ Suitable for low-density bone ▪ Single-diameter connection compatible with other Anthogyr implant prosthetics 	<ul style="list-style-type: none"> ▪ Also available as Quattrocone30 for angulated placement

17

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... with a comprehensive edentulous portfolio

Removable		Fixed			Advanced
					
					

Most immediate loading procedures are done on full arches, and every third implant is placed in an edentulous indication

18

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Straumann Group implant portfolio: addressing all market segments

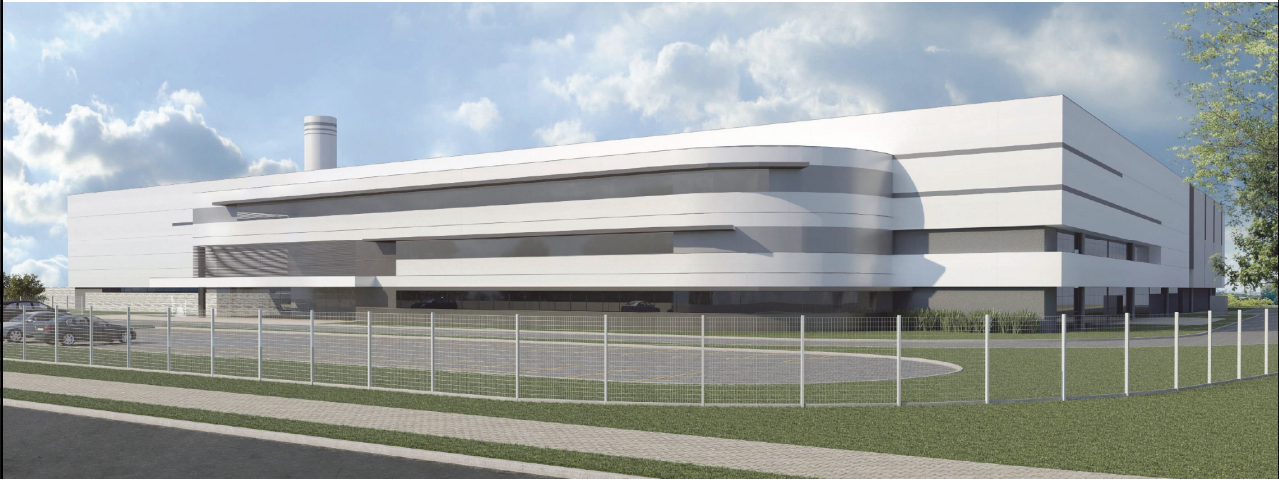


Unlocking the potential of clear aligners

- Market worth CHF 2.6bn; expected to grow >20% in 3 years
- Direct-to-patient expected to outpace conventional approach
- Partnership with Smyletec to address Chinese market
- Straumann expands production capacity in Round Rock (USA)
- New production units in Curitiba (Brazil) and Markkleeberg (Germany)
- Orthodontic planning service acquired
- Orthodontic materials company acquired



Implant production capacity expanded in Brazil; 11 000m² production space added



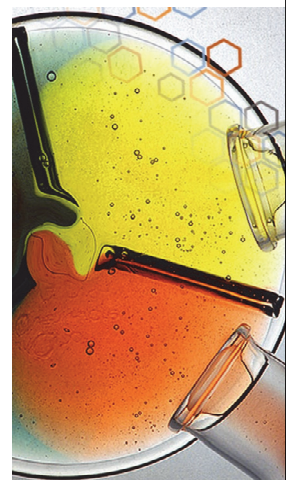
21

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Straumann Group acquires Bay Materials LLC

- Specialist in the design, development and supply of high-performance thermoplastics for orthodontic applications
- Based in California, founded in 1999, developed first-generation clear-aligner material for market leader
- Straumann gains access to new high-performance multi-layer thermoplastics and expertise in the field
- Bay Materials will become a center of excellence for thermoplastics and polymer material development in the Straumann Group
- Company will continue to serve manufacturers, distributors, labs, doctors
- Straumann committed to:
 - supporting Bay Materials as a reliable partner and supplier for the industry
 - enhancing patient care through the open availability of best-in-class products

BayMaterials®



22

1 Patent pending

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The right to win in clear aligners

Intra-oral scanning and software appl.	Treatment planning	3D model printing	Production
✓ ✓ ✓	✓	✓	✓ ✓ ✓ ✓
<ul style="list-style-type: none"> Dental Wings 3Shape Carestream 	Digital Planning Service Private Ltd.	Rapidshape	<ul style="list-style-type: none"> Round Rock Curitiba Markkleeberg Tianjin
Materials	Patient monitoring	Brands to address global market	Sales network and reach
✓ ✓	✓	✓	✓
<ul style="list-style-type: none"> Yllor Bay Materials 	Dental Monitoring (DenToGo)	clearcorrect <small>A Straumann Group Brand</small> smyletec	Global organization to address all customer groups



23

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Joint venture to serve customers in Hong Kong & Macau

- Straumann Group and Modern Dental Group invest in Peak Dental Solutions Hong Kong Ltd, a joint venture to serve the dental communities in Hong Kong and Macau
- Peak Dental Solutions offers one of the broadest ranges of replacement, restorative, corrective & digital dental solutions
- Access to the combined customer base of both companies creates cross-selling opportunities
- Investment provides a strong base for key product launches and brand rollouts



24

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Strong double-digit growth continues in DSO business

- Total solutions at multiple price levels make Straumann Group highly attractive for DSO's around the world
- Further partnerships with the top implant-focused DSO chains on each side of the Atlantic
- Collectively, these organizations operate more than 1300 clinics and place >400 000 implants



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25

Convincing customers at key events around the world



- EAO (Lisbon)
- Esthetic Days (Baden-Baden)
- AAOMS (Boston)
- IN 2019 – Latin American Osseointegration Congress
- ITI congresses in Argentina, Denmark, India, Italy and South Africa, Uruguay (attracted >3000 specialists)



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26

Outlook 2019

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2019 Outlook raised Barring unforeseen circumstances

Market growth

Global implant market
to continue growing at 4-5%

Our revenue
growth

Group to outperform and achieve
organic revenue growth in the mid-teen
percentage range

Profitability

Core EBITDA and EBIT margin
improvements excluding FX and IFRS 16 effects



Questions & answers

Q&A

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Calendar of upcoming events

2019	Event	Location
30 October	Investor meetings	Frankfurt
06 November	ZKB Swiss Equity Conference	Zurich
14 November	CS Swiss Equity Mid-Cap Conference	Zurich
20 November	Swiss Corporate Governance Dialog	Zurich
26 November	Investor meeting BEKB	Bern
04 December	Berenberg European Conference	London
2020		
18 February	Full-year results conference	Basel HQ
07 April	2020 AGM	Basel Congress Center



Thank you

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