



Third Quarter 2021 Earnings Conference Call

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Forward-Looking Statements and Associated Risks

All statements in this presentation that do not directly and exclusively relate to historical facts constitute “forward-looking statements.” These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control. Furthermore, many of these risks and uncertainties are currently amplified by and may continue to be amplified by or may, in the future, be amplified by, the novel coronavirus (“COVID-19”) pandemic and the impact of varying private and governmental responses that affect our customers, employees, vendors and the economies and communities where they operate. For a written description of these factors, see the section titled “Risk Factors” in Dentsply Sirona’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 and any updating information in subsequent SEC filings including the Company’s Quarterly Report on Form 10-Q for the quarterly period ending September 30, 2021. No assurance can be given that any expectation, belief, goal or plan set forth in any forward-looking statement can or will be achieved, and readers are cautioned not to place undue reliance on such statements which speak only as of the date they are made. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

Non-GAAP Financial Measures

In addition to results determined in accordance with U.S. generally accepted accounting principles (“US GAAP”) the Company provides certain measures in this press release, described below, which are not calculated in accordance with US GAAP and therefore represent Non-GAAP measures. These Non-GAAP measures may differ from those used by other companies and should not be considered in isolation from, or as a substitute for, measures of financial performance prepared in accordance with US GAAP. The Company discloses these measures to allow investors to evaluate the performance of the Company’s operations exclusive of certain items that impact the comparability of results from period to period and which may not be indicative of past or future performance of the normal operations of the Company. The Company believes that this information is helpful in understanding underlying operating results including net sales, operating income, and net income.

Note: Percentages are based on actual values and may not recalculate due to rounding.

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Third Quarter 2021 Overview

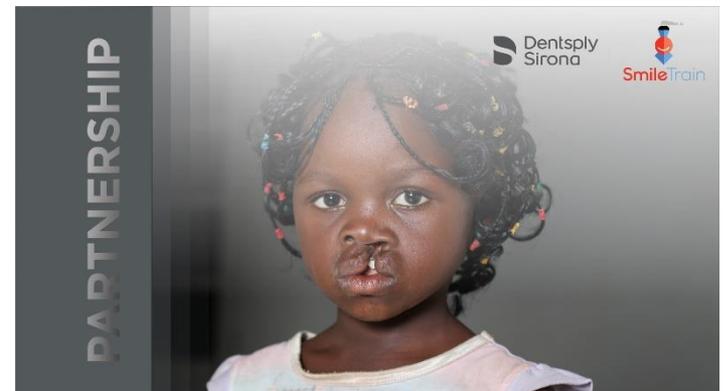
Third Quarter 2021 Financials & Outlook

Operating Update

Third Quarter 2021 Overview

Third Quarter 2021 Highlights

- Delivered strong results in Q3 and raised 2021 earnings outlook
- Performance reflects organic sales growth across the business vs. 2020 and 2019
- Continuing to invest for future growth with significant progress on new R&D pipeline
- New ESG strategy launched with inaugural Sustainability Report published and 5-yr partnership with SmileTrain announced



Third Quarter 2021 Summary Performance

Net Sales	Organic Sales Growth	Non-GAAP EPS
\$1,069M <i>(+19.4% Reported Sales growth, with a 1.3% favorable currency impact)</i>	21.1%	\$0.68 <i>(vs. \$0.67 Q3 20)</i>

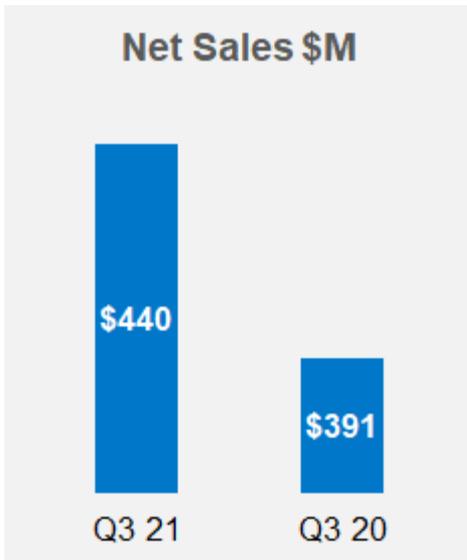
Non-GAAP OI Margin	Operating Cash Flows
20.2% <i>(vs. 22.0% Q3 20)</i>	\$172M

Third Quarter 2021 Financials & Outlook

Third Quarter 2021 Financial Summary – Non-GAAP

In Millions of USD	Q3 21	Q3 20	% chg.
Net Sales	\$ 1,069	\$ 895	19.4%
<i>Organic Sales %</i>			21.1%
Gross Profit	624	506	23.2%
<i>Gross Profit %</i>	58.4%	56.6%	180 bps
Total SG&A Expenses	373	282	32.0%
<i>SG&A %</i>	34.9%	31.6%	330 bps
Total R&D Expenses	35	27	31.6%
<i>R&D %</i>	3.3%	3.0%	30 bps
Operating Income	216	197	9.4%
<i>Operating Income %</i>	20.2%	22.0%	(180) bps
Net Income	150	147	2.4%
Diluted EPS	0.68	0.67	1.8%

Third Quarter 2021 Consumables Segment



- Net sales of \$440M, up 12.4% YoY. Organic sales growth of 15.9% driven by all three geographic regions. Favorable foreign currency impact of 1.3%
- Organic sales growth across all product categories with most notable growth in Restorative and Endodontic consumables
- Divestitures and discontinued products negatively impacted sales by 4.8%



Third Quarter 2021 Technologies & Equipment



- Net sales of \$629M, up 24.8% YoY. Organic sales growth of 25.3% driven by all three geographic regions. Favorable foreign currency impact of 1.2%
- Organic sales growth across all product categories with most notable growth in Digital Dentistry and Implants
- M&A favorably impacted sales by 7.7%
- Divestitures and discontinued products negatively impacted sales by 9.4%

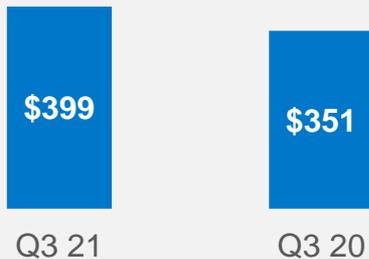


Third Quarter 2021 Net Sales by Region (\$M)



U.S. Net Sales – (37% of total)

- Net sales growth of 25.3%
- Unfavorable currency impact of (0.1%)
- Favorable M&A impact of 11.2%
- Unfavorable divestitures/disc. products impact of (5.9%)
- Organic sales growth of 20.1%



Europe Net Sales – (37% of total)

- Net sales growth of 13.6%
- Favorable currency impact of 1.7%
- Favorable M&A impact of 0.1%
- Unfavorable divestitures/disc. products impact of (6.0%)
- Organic sales growth 17.8%



Rest of World Net Sales – (26% of total)

- Net sales growth of 20.1%
- Favorable currency impact of 2.3%
- Favorable M&A impact of 1.1%
- Unfavorable divestitures/disc. products impact of (11.1%)
- Organic sales growth of 27.8%

Third Quarter Cash Flow (\$M)



Capital Allocation Highlights

- On track with R&D, annual target ~4% sales
- Deployed \$248M towards strategic M&A year-to-date
- Returned more than \$158M to shareholders through dividends and share repurchases year-to-date
- Dividend increased by 10% in Q2 2021
- \$1B share repurchase program authorization
- Repaid \$296M of long-term debt which matured in July

Trailing Five Quarters Operating and Free Cash Flow



Balance Sheet

Cash & Cash Equivalents	\$	281
Debt	\$	2,076
Shareholder's Equity	\$	5,125

Note:

Free Cash Flow = Operating Cash Flow less Capital Expenditures

*Cash flow related quarterly results may be rounded to tie to year-to-date statement of cash flows

Fiscal 2021 Outlook

Planning Assumptions

Outlook

	Prior	Updated
Revenue	\$4.1B - \$4.3B	\$4.25B - \$4.3B
<i>Organic Growth</i>	18% - 25%	22% - 25%
<i>Reported Growth</i>	23% - 30%	27% - 30%
Adjusted OI%	> 20%	> 20%
Adjusted EPS	\$2.75 - \$2.90	\$2.87 - \$2.92

Other Planning Assumptions

	Prior	Updated
Interest & Other	\$55M - \$60M	\$55M - \$60M
Adjusted ETR	23% - 24%	23% - 24%
Diluted Share Count	~221M	~221M
Capital Expenditures	~\$160M	~\$160M
R&D Expenses	~\$160M	~\$160M

Key Highlights

- Raised 2021 EPS outlook; tightened revenue outlook to top of prior range
- Projecting strong EBITDA generation and double-digit EPS growth
- Dental market resilient with volume levels normalizing despite COVID-19 overhang
- Margin expansion progress continues as we navigate challenging macro environment
- Q4 EUR/USD projected to be 1.16, softer than previously assumed

Environmental, Social and Governance (ESG) Update



- Launched new Sustainability strategy
- Published our first [Sustainability Report](#)
- Launched new [Sustainability Hub](#)
- Announced a 5-year partnership with Smile Train with a \$5M commitment



Environmental, Social and Governance (ESG) Pillars of Sustainability



Healthy Planet

We pledge to protect the planet with our sustainability initiatives.



Healthy Smiles

Everyone deserves access to a healthy smile, that's why we're bringing dental health to people around the world.



Healthy Business

Our employees are the backbone of our business, which means we're working to keep them safe.

Operating Update

Our Priorities

**Grow
Revenues**

4-5% Long-term Organic Growth*

**Improve
Margins**

22% OI margin by end '22

**Simplify the
Organization**

**Cost savings \$200-225M
(increased to \$250M)**

Targeting Double-Digit Adjusted EPS Growth

**Inclusive of the impact from the Byte acquisition*

Progress on Our Priorities

Priority	Commitment	Q3 YTD Results	Comments
Grow Revenues	4-5% Long-term Organic Growth*	35.8%	<ul style="list-style-type: none"> • New organic innovation including Axeos imaging, DS Implants, CEREC 5.2, SureSmile software upgrade, and ProTaper Ultimate • Clear Aligners • Digital Dentistry • Rest of World continues to generate robust growth
Improve Margins	22% OI margin by end '22	20.7%	<ul style="list-style-type: none"> • Realizing benefits of 3-year restructuring program • Portfolio optimization (high-margin, high-growth focus) • Enterprise Modernization Program (automation, digital tools) to support global scale, margin expansion, and better customer experience • Balancing margin expansion with growth investments
Simplify the Organization	Cost savings \$250M	On Track \$200M+	<ul style="list-style-type: none"> • On track to deliver on cost saving commitments by end of year • Continuing to demonstrate strong operating discipline across the enterprise

**Inclusive of the impact from the Byte acquisition*

Our Strategy

We develop superior, integrated workflows built on diagnostic excellence, easy to use treatment planning and essential products that improve outcomes for patients and dental professionals.

Our Digital Dentistry Foundation

Large Installed Imaging Based

- Schick
- Orthophos
- Axeos
- Gallileos

Large CEREC & Digital Impression Base

- CEREC
 - Full chairside
 - PrimeScan
 - OmniCam

Well Accepted Treatment Planning Brands

- Sidexis
- CEREC
- Simplant
- Atlantis
- M-Guide
- SureSmile

Strong Digital Footprint

Expanding Treatment Planning / AI

Over 500 Software Engineers

Grow Revenue

Organic Innovation

Launched

Coming soon

Dentsply Sirona Implants

- Digital Implant Company
- DS Implants brand
- PrimeTaper - new tapered implant
- Edentulous scanning
- Simplant software refresh

- Global expansion
- Additional signature workflow enablers – common prosthetics, guided surgery
- Lucitone digital dentures
- CE curriculum

Endodontics Protaper Ultimate “The Trifecta”

- New file system with improved ability to shape and reduced number of files needed
- New obturation system with bio ceramic sealant

- New disinfection system

SureSmile

- Software upgrade with significant UX enhancements

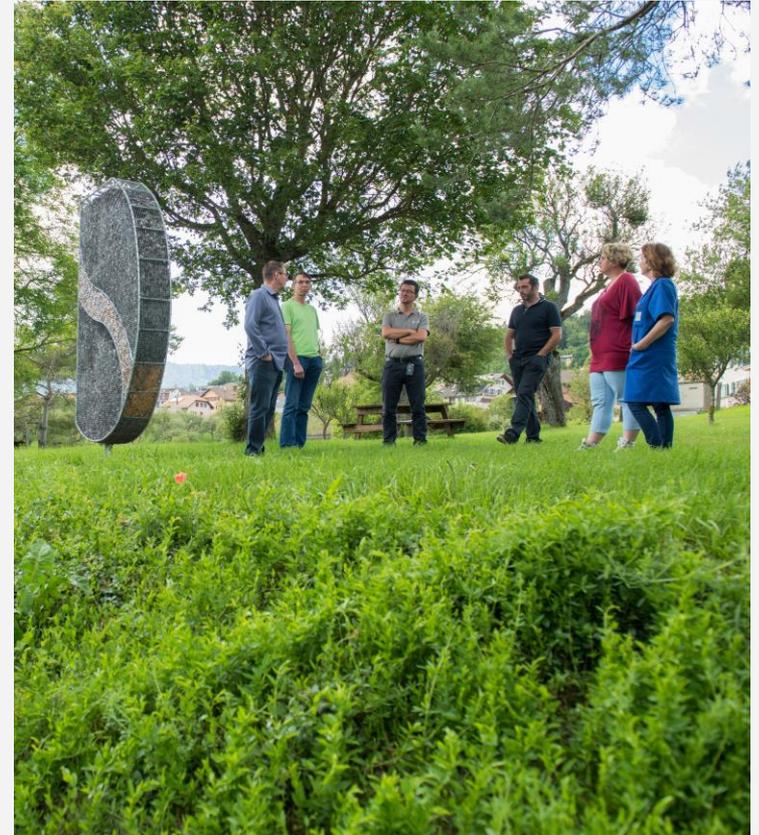
- VPro vibration devices for improved comfort
- Whitening

Software Upgrade

- CEREC 5.2 with ease of use and speed

Key Takeaways

- Strong year-to-date performance across the business and confidence in ability to achieve 2021 outlook
- Dental market is resilient, and our team has executed very well through challenging macro environment
- Our go-forward focus is on investing to support long-term growth and we are accelerating our pace of innovation
- Continued progress on strategic priorities



Appendix

Trailing Nine Quarters (\$M)

	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21
Net Sales	962	1,111	874	491	895	1,082	1,027	1,067	1,069
Non-GAAP Operating Income	172	222	131	(42)	197	251	219	219	216
OI Margin %	17.9%	20.0%	15.0%	-8.6%	22.0%	23.2%	21.3%	20.5%	20.2%
<u>Cash Flow</u>									
OCF	159	299	(10)	175	207	263	49	214	172
Less: CapEx	23	36	26	13	21	27	30	36	35
FCF	136	263	(36)	162	186	236	19	178	137

*Cash flow related quarterly results may be rounded to tie to year-to-date statement of cash flows

Non-GAAP Financial Measures Definitions

Organic Sales

The Company defines "organic sales" as the increase or decrease in net sales excluding: (1) net sales from acquired and divested businesses recorded prior to the first anniversary of the acquisition or divestiture, (2) net sales attributable to discontinued product lines in both the current and prior year periods, and (3) the impact of foreign currency translation, which is calculated by translating current period sales using the comparable prior periods currency conversion rates. Organic sales is an important internal measure for the Company. The Company's senior management receives a monthly analysis of operating results that includes organic sales and the performance of the Company is measured on this metric along with other performance metrics.

Adjusted Net Income (Loss) and Adjusted Earnings (Loss) per Diluted Common Share

The adjusted net income (loss) attributable to Dentsply Sirona consists of net income (loss) attributable to Dentsply Sirona adjusted to exclude the following:

(1) *Business combination related costs and fair value adjustments.* These adjustments include costs related to consummating and integrating acquired businesses, as well as net gains and losses related to the disposed businesses. In addition, this category includes the subsequent impact roll-off to the consolidated statements of operations which results from fair value adjustments related to business combinations, except for amortization expense of purchased intangible assets noted below. Although the Company is regularly engaged in activities to find and act on opportunities for strategic growth and enhancement of product offerings, the costs associated with these activities may vary significantly between periods based on the timing, size and complexity of acquisitions and as such may not be indicative of past and future performance of the Company. They are therefore excluded to allow investors to better understand underlying operating trends.

(2) *Restructuring program related costs and other costs.* These adjustments include costs related to the implementation of restructuring initiatives as well as certain other costs. These costs can include, but are not limited to, severance costs, facility closure costs, lease and contract termination costs and related professional service costs, duplicate facility and labor costs associated with specific restructuring initiatives. Other costs include legal settlements, impairments of assets, and changes in accounting principle recorded within the period. The Company's restructuring programs usually require several years to fully implemented and the Company is continually seeking to take actions that could enhance its efficiency. While restructuring charges are recurring, they are subject to significant fluctuations from period to period due to the varying levels of restructuring activity and the inherent imprecision in the estimates used to recognize the impairment of assets and the wide variety of costs and taxes associated with severance and termination benefits in the countries in which the restructuring actions occur.

(3) *Amortization of purchased intangible assets.* This adjustment excludes the periodic amortization expense related to purchased intangible assets recorded in purchase accounting. Although these costs contribute to revenue generation and will recur in future periods, their amounts are significantly impacted by the timing and size of acquisitions.

(4) *Credit risk and fair value adjustments.* These adjustments include both the cost and income impacts of adjustments in certain assets and liabilities including the Company's pension obligations, that are recorded through net income which are due solely to the changes in fair value and credit risk. These items can be variable and driven more by market conditions than the Company's operating performance. As such, these items may not be indicative of past and future performance of the Company and therefore are excluded for comparability purposes.

(5) *Income tax related adjustments.* These adjustments include both income tax expenses and income tax benefits that are representative of income tax adjustments mostly related to prior periods, as well as the final settlement of income tax audits, and discrete tax items resulting from the implementation of restructuring initiatives and the vesting and exercise of employee share-based compensation. Income tax related adjustments may also include the impact to adjust the interim effective income tax rate to the expected annual effective tax rate. These adjustments are irregular in timing the variability in amounts may not be indicative of past and future performance of the Company and therefore are excluded for comparability purposes.

Both adjusted net income (loss) and adjusted EPS are important internal measures for the Company. The Company's senior management receives a monthly analysis of operating results that includes adjusted net income (loss) and adjusted EPS. The performance of the Company is measured on these metrics along with other performance metrics.

Adjusted Operating Income (Loss) and Margin

In addition to reporting operating income (loss) in accordance with US GAAP, the Company provides adjusted operating income (loss) and margin. The Company defines "adjusted operating income (loss)" as operating income (loss) in accordance with US GAAP excluding certain items noted above which are excluded on a pre-tax basis to arrive at adjusted operating income (loss), a Non-GAAP measure. The adjusted operating margin is calculated by dividing adjusted operating income (loss) by net sales. Both adjusted operating income (loss) and adjusted operating margin are important internal measures for the Company. The Company's senior management receives a monthly analysis of operating results that includes adjusted operating income (loss) and margin. The performance of the Company is measured on these metrics along with the adjusted net income (loss) and adjusted EPS metrics noted above as well as other performance metrics.

Reconciliation of Non-GAAP Financial Measures

Net Sales to Organic Sales Q3 21

(unaudited)

A reconciliation of reported net sales to organic sales by segment is as follows:

(in millions, except percentages)	Three Months Ended September 30, 2021			Q3 2021 Change			Three Months Ended September 30, 2020		
	Technologies & Equipment	Consumables	Total	Technologies & Equipment	Consumables	Total	Technologies & Equipment	Consumables	Total
Net sales	\$ 629	\$ 440	\$ 1,069	24.8%	12.4%	19.4%	\$ 504	\$ 391	\$ 895
Foreign exchange impact				1.2%	1.3%	1.3%			
Acquisitions				7.7%	—%	4.3%			
Divestitures and discontinued products				(9.4%)	(4.8%)	(7.3%)			
Organic sales				25.3%	15.9%	21.1%			

A reconciliation of reported net sales to organic sales by geographic region is as follows:

(in millions, except percentages)	Three Months Ended September 30, 2021				Q3 2021 Change				Three Months Ended September 30, 2020			
	U.S.	Europe	ROW	Total	U.S.	Europe	ROW	Total	U.S.	Europe	ROW	Total
Net sales	\$ 399	\$ 399	\$ 271	\$ 1,069	25.3%	13.6%	20.1%	19.4%	\$ 319	\$ 351	\$ 225	\$ 895
Foreign exchange impact					(0.1%)	1.7%	2.3%	1.3%				
Acquisitions					11.2%	0.1%	1.1%	4.3%				
Divestitures and discontinued products					(5.9%)	(6.0%)	(11.1%)	(7.3%)				
Organic sales					20.1%	17.8%	27.8%	21.1%				

Reconciliation of Non-GAAP Financial Measures

Net Sales to Organic Sales Nine Months

(unaudited)

A reconciliation of reported net sales to organic sales for the nine months ended September 30, 2021 compared to the nine months ended September 30, 2020 is as follows:

	% Change
Net sales	40.0 %
Foreign exchange impact	4.9 %
Acquisitions	6.3 %
Divestitures and discontinued products	(7.0%)
Organic sales	35.8 %

Reconciliation of Non-GAAP Financial Measures

Condensed Consolidated Statements of Operations Q3 21

(unaudited)

(in millions, except per share amounts and percentages)	GAAP							ADJUSTED NON-GAAP	
	Three Months Ended September 30, 2021	Amortization of Purchased Intangible Assets	Restructuring Program Related Costs and Other Costs	Business Combination Related Costs and Fair Value Adjustments	Credit Risk and Fair Value Adjustments	Tax Impact of Non-GAAP Adjustments	Income Tax Related Adjustments	Total Non-GAAP Adjustments	Three Months Ended September 30, 2021
GROSS PROFIT	591	34	—	(1)	—	—	—	33	624
% OF NET SALES	55.3%								58.4%
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	394	(22)	3	(2)	—	—	—	(21)	373
% OF NET SALES	36.8%								34.9%
RESEARCH AND DEVELOPMENT EXPENSES	35	—	—	—	—	—	—	—	35
RESTRUCTURING AND OTHER COSTS	3	—	(3)	—	—	—	—	(3)	—
OPERATING INCOME	159	56	—	1	—	—	—	57	216
% OF NET SALES	14.9%								20.2%
OTHER INCOME AND EXPENSE	21	—	—	1	(2)	—	—	(1)	20
INCOME BEFORE INCOME TAXES	138	56	—	—	2	—	—	58	196
PROVISION FOR INCOME TAXES	35	—	—	—	—	16	(5)	11	46
% OF PRE-TAX INCOME	25.2%								23.4%
LESS: NET INCOME ATTRIBUTABLE TO NONCONTROLLING INTERESTS	—							—	—
NET INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	\$ 103							\$ 47	\$ 150
% OF NET SALES	9.7%								14.0%
EARNINGS PER SHARE - DILUTED	\$ 0.47							\$ 0.21	\$ 0.68

Reconciliation of Non-GAAP Financial Measures

Condensed Consolidated Statements of Operations Q3 20

(unaudited)

(in millions, except per share amounts and percentages)	GAAP								ADJUSTED NON-GAAP	
	Three Months Ended September 30, 2020	Amortization of Purchased Intangible Assets	Restructuring Program Related Costs and Other Costs	Business Combination Related Costs and Fair Value Adjustments	Credit Risk and Fair Value Adjustments	Tax Impact of Non-GAAP Adjustments	Income Tax Related Adjustments	Total Non-GAAP Adjustments	Three Months Ended September 30, 2020	
GROSS PROFIT	\$ 442	30	33	1	—	—	—	\$ 64	\$ 506	
% OF NET SALES	49.4%								56.6%	
SELLING, GENERAL, AND ADMINISTRATIVE EXPENSES	315	(19)	(14)	—	—	—	—	(33)	282	
% OF NET SALES	35.2%								32.0%	
RESEARCH AND DEVELOPMENT EXPENSES	27	—	—	—	—	—	—	—	27	
RESTRUCTURING AND OTHER COSTS	18	—	(18)	—	—	—	—	(18)	—	
OPERATING (LOSS) INCOME	82	49	65	1	—	—	—	115	197	
% OF NET SALES	9.1%								22.0%	
OTHER INCOME AND EXPENSE	15	—	—	—	(3)	—	—	(3)	12	
(LOSS) INCOME BEFORE INCOME TAXES	67	49	65	1	3	—	—	118	185	
PROVISION FOR INCOME TAXES	13	—	—	—	—	31	(7)	24	37	
% OF PRE-TAX (LOSS) INCOME	18.8%								20.3%	
LESS: NET (LOSS) INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1							—	1	
NET (LOSS) INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	\$ 53							\$ 94	\$ 147	
% OF NET SALES	6.0%								16.4%	
EARNINGS PER SHARE - DILUTED	\$ 0.25							\$ 0.42	\$ 0.67	

