

Dentsply Sirona Second Quarter 2019

August 2, 2019

THE DENTAL
SOLUTIONS
COMPANY™



Forward-Looking Statements and Associated Risks

Information the Company has included or incorporated by reference in this presentation, and information which may be contained in other filings with the U.S. Securities and Exchange Commission ("SEC") as well as press releases or other public statements, contains or may contain forward-looking statements. These forward-looking statements include, among other things, statements about the Company's plans, objectives, expectations (financial or otherwise) or intentions.

The Company's forward-looking statements involve risks and uncertainties. Actual results may differ significantly from those projected or suggested in any forward-looking statements. The Company does not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect events or circumstances occurring after the date hereof or to reflect the occurrence of unanticipated events. Any number of factors could cause the Company's actual results to differ materially from those contemplated by any forward-looking statements, including, but not limited to, the risks associated with the following:

- the Company's ability to remain profitable in a very competitive marketplace, which depends upon the Company's ability to differentiate its products and services from those of competitors
- the Company's failure to realize assumptions and projections which may result in the need to record additional impairment charge
- the effect of changes to the Company's distribution channels for its products and the failure of significant distributors to effectively manage their inventories or purchase required minimum quantities of products
- the Company's ability to control costs and failure to realize expected benefits of cost reduction and restructuring efforts
- the effect of changes in the Company's management and personnel
- the Company's failure to anticipate and appropriately adapt to changes or trends within the rapidly changing dental industry
- changes in applicable laws, rules or regulations, or their interpretation or enforcement, or the enactment of new laws, rules or regulations, which apply to the Company's business practices (past, present or future) or require the Company to spend significant resources for compliance
- the Company's failure to execute on, or other issues arising under, certain key client contracts
- a significant failure or disruption in service within the Company's operations or the operations of key distributors
- the Company's failure to successfully integrate the business operations or achieve the anticipated benefits from any acquired businesses
- results in pending and future litigation, investigations or other proceedings which could subject the Company to significant monetary damages or penalties and/or require us to change our business practices, or the costs incurred in connection with such proceedings
- the Company's failure to attract and retain talented employees, or to manage succession and retention for its Chief Executive Officer or other key executives
- the impact of the Company's debt service obligations on the availability of funds for other business purposes, the terms of and required compliance with covenants relating to the Company's indebtedness and its access to the credit markets in general
- general economic conditions
- other risks described from time to time in the Company's filings with the SEC

You should carefully consider these and other relevant factors, including those risk factors in Part I, Item 1A, ("Risk Factors") in the Company's most recent Form 10-K and any other information included or incorporated by reference in this presentation, and information which may be contained in the Company's other filings with the SEC, when reviewing any forward-looking statement. The Company notes these factors for investors as permitted under the Private Securities Litigation Reform Act of 1995. Investors should understand it is impossible to predict or identify all such factors or risks. As such, you should not consider either foregoing lists, or the risks identified in the Company's SEC filings, to be a complete discussion of all potential risks or uncertainties.

Non-GAAP Financial Measures

In addition to the results reported in accordance with US GAAP, the Company provides adjusted net income attributable to Dentsply Sirona and adjusted earnings per diluted common share ("adjusted EPS"). The Company discloses adjusted net income attributable to Dentsply Sirona 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 may not be indicative of past or future performance of the normal operations of the Company and certain large non-cash charges related to purchased intangible assets. The Company believes that this information is helpful in understanding underlying operating trends and cash flow generation.

Adjusted net income and adjusted EPS are important internal measures for the Company. Senior management receives a monthly analysis of operating results that includes adjusted net income and adjusted EPS and the performance of the Company is measured on this basis along with other performance metrics.

The adjusted net income attributable to Dentsply Sirona consists of net income attributable to Dentsply Sirona adjusted to exclude the net of tax impact of the following:

(1) Business combination related costs. These adjustments include costs related to integrating and consummating recently acquired businesses and costs, gains and losses related to the disposal of businesses or product lines. These items are irregular in timing and as such may not be indicative of past and future performance of the Company and are therefore excluded to allow investors to better understand underlying operating trends.

(2) Restructuring, 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, related professional service costs, duplicate facility and labor costs associated with specific restructuring initiatives, as well as, legal settlements and impairment of assets. These items are irregular in timing, amount and impact to the Company's financial performance. As such, these items may not be indicative of past and future performance of the Company and are therefore excluded for the purpose of understanding underlying operating trends.

(3) Amortization of purchased intangible assets. This adjustment excludes the periodic amortization expense related to purchased intangible assets. Beginning in 2011, the Company began recording large non-cash charges related to the values attributed to purchased intangible assets. As such, amortization expense has been excluded from adjusted net income attributed to Dentsply Sirona to allow investors to evaluate and understand operating trends excluding these large non-cash charges.

(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) Certain fair value adjustments related to an unconsolidated affiliated company. This adjustment represents the fair value adjustment of the unconsolidated affiliated company's convertible debt instrument held by the Company. The affiliate is accounted for under the equity method of accounting. The fair value adjustment is driven by open market pricing of the affiliate's equity instruments, which has a high degree of variability and may not be indicative of the operating performance of the affiliate or the Company.

(6) 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. These adjustments are irregular in timing and amount and may significantly impact 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.

Adjusted earnings per diluted common share is calculated by dividing adjusted net income attributable to Dentsply Sirona by diluted weighted-average common shares outstanding. Adjusted net income attributable to Dentsply Sirona and adjusted earnings per diluted common share are considered measures not calculated in accordance with US GAAP, and therefore are non-US GAAP measures. These non-US GAAP measures may differ from other companies. Income tax related adjustments may include the impact to adjust the interim effective income tax rate to the expected annual effective tax rate. The non-US GAAP financial information should not be considered in isolation from, or as a substitute for, measures of financial performance prepared in accordance with US GAAP.

The Company defines "constant currency sales growth" as the increase or decrease in net sales from period to period excluding precious metal content and the impact of changes in foreign currency exchange rates. This impact is calculated by comparing current-period revenues to prior-period revenues, with both periods converted at the U.S. dollar to local currency average foreign exchange rate for each month of the prior period, for the currencies in which the Company does business.

The Company defines "internal sales growth" as constant currency sales growth excluding the impacts of net acquisitions and divestitures, merger accounting impacts and discontinued products.

Management also believes that the presentation of net sales, excluding precious metal content, provides useful information to investors because a portion of Dentsply Sirona's net sales is comprised of sales of precious metals generated through sales of the Company's precious metal dental alloy products, which are used by third parties to construct crown and bridge materials. Due to the fluctuations of precious metal prices and because the cost of the precious metal content of the Company's sales is largely passed through to customers and has minimal effect on earnings, Dentsply Sirona reports net sales both with and without precious metal content to show the Company's performance independent of precious metal price volatility and to enhance comparability of performance between periods. The Company uses its cost of precious metal purchased as a proxy for the precious metal content of sales, as the precious metal content of sales is not separately tracked and invoiced to customers. The Company believes that it is reasonable to use the cost of precious metal content purchased in this manner since precious metal dental alloy sale prices are typically adjusted when the prices of underlying precious metals change.

Second Quarter 2019 – Agenda



Introduction	John Sweeney	VP IR
Overview	Don Casey	CEO
Financials & Outlook	Nick Alexos	EVP & CFO
Operating Update	Don Casey	CEO
Q & A		

Overview



Don Casey
Chief Executive Officer

2Q19 – Summary Performance

2Q19 Revenue (ex. PM)	2Q19 Internal Revenue Growth	2Q19 Adj. EPS
\$1,000.5M <i>(-3.3% YOY, with a -4.4% Currency Impact)</i>	3.0%	\$0.66 <i>(up 10% YOY)</i>

2Q19 Adj. OI Margin	2Q19 Cash Flow From Operations
20.2% <i>(up 280 bps YOY)</i>	\$145.1M

Financials & Outlook

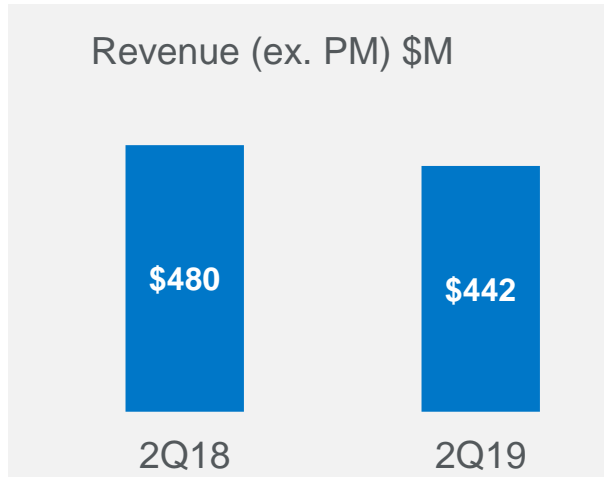


Nick Alexos
EVP & Chief Financial Officer



2Q19 – Consumables Segment

(44% of Total Revenue)

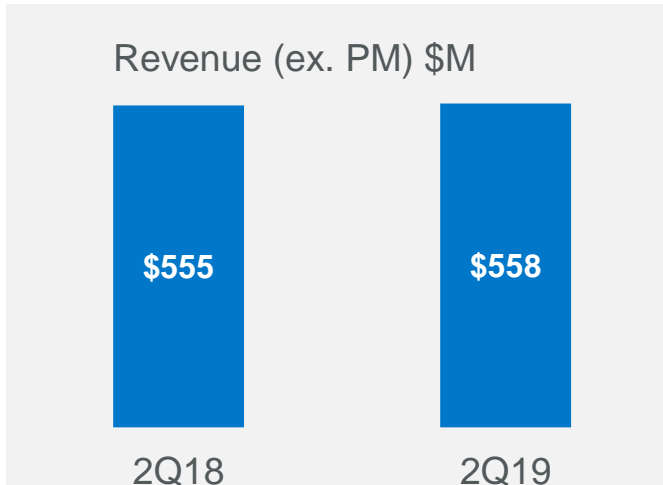


- 2Q19 revenue of \$442 million, down (7.8%) YoY
- Currency negatively impacted revenue by (3.7%)
- 2Q19 internal revenue decline of (4.1%), with negative growth in all three geographic regions
- Consumable OI margins of 27.6%, down 240 bps vs prior year mainly due to lower sales volume.



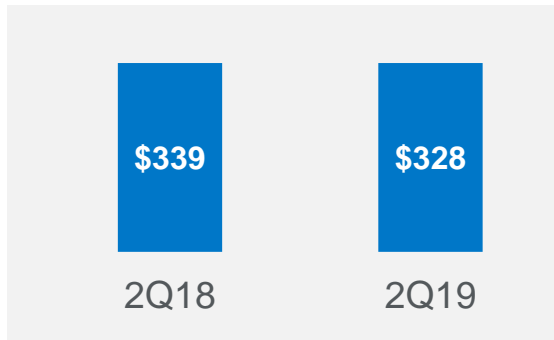
2Q19 - Technologies & Equipment Segment

(56% of Total Revenue)



- 2Q19 revenue (ex. PM) of \$558M, up 0.6% YOY
- Currency reduced revenue by 4.9%. 2Q19 internal growth of 9.3%
- All four T&E product categories: Equipment and Instruments, Digital, Implants and Healthcare showed positive internal growth
- Wellspect business up mid-single-digits
- Improving Implant growth, up 2%
- Operating income margins 17.2%, up 480 bps YoY on higher volumes, driven by Primescan (~300 bps) and our ongoing cost reduction initiatives

2Q19 – Regional Revenue (ex. PM) Performance



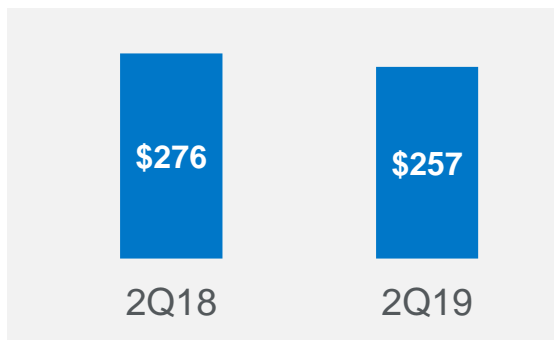
U.S. Revenue – (33% of total)

- Revenue declined (3.3%)
- Acquisitions/disc. products reduced rev. growth by (1.7%)
- Internal revenues declined (1.5%)



Europe Revenue – (41% of total)

- Revenue declined (1.0%)
- Acquisitions/disc. products reduced revenue by (1.2%)
- Foreign exchange reduced revenue by (6.9%)
- Internal revenue growth of 7.1%



Rest of World Revenue (26% of total)

- Revenue declined (6.9%)
- Acquisitions/disc. products reduced revenue by (3.3%)
- Foreign exchange reduced revenues by (6.0%)
- Internal growth of 2.4%

2Q19 – Financial Summary – Non-GAAP

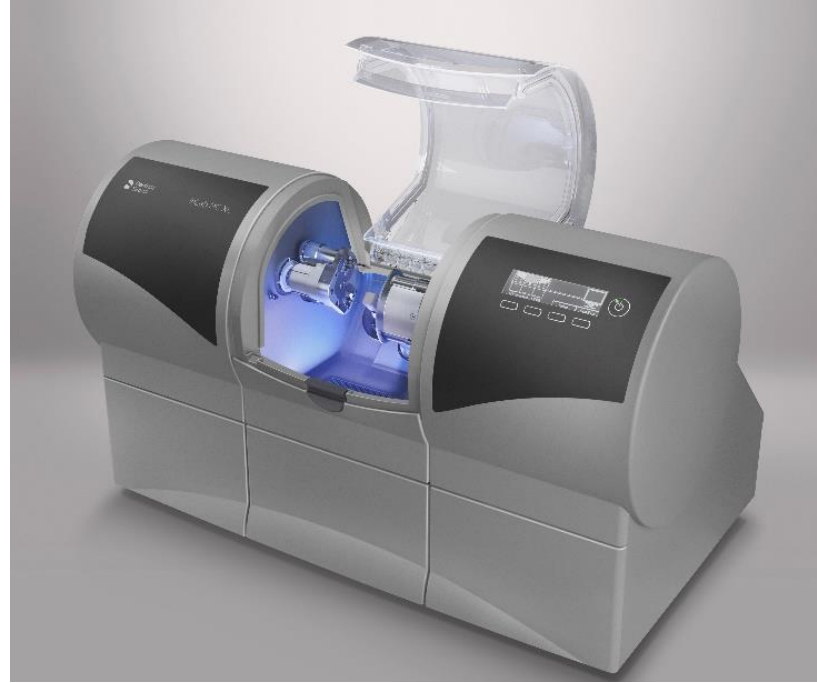
In Millions of USD	Q2 2019 Actual	Q2 2018 Actual	% Change	Q2 2019 FX Adjusted	FX Neutral % Change
3rd Party Sales ex PM	\$ 1,000.5	\$ 1,034.8	-3.3%	\$ 1,042.9	0.8%
Gross Profit	582.1	588.6	-1.1%	\$ 600.8	2.0%
Gross Profit % ex PM	58.2%	56.9%	129 bps	57.6%	72 bps
Total Expenses	380.3	408.3	-6.9%	\$ 396.5	-3.0%
SG&A % ex PM	38.0%	39.5%	-144 bps	38.0%	-143 bps
Operating Income	201.8	180.3	11.9%	204.3	11.7%
Operating Margin % ex PM	20.2%	17.4%	274 bps	19.6%	216 bps
Other (Income)/Expense	\$ 3.9	\$ 4.9	-20.4%	\$ 4.3	-14.0%
Net Income	\$ 147.9	\$ 136.8	8.1%	\$ 149.5	8.5%
Non-GAAP EPS	\$ 0.66	\$ 0.60	10.0%	\$ 0.66	9.1%

2Q19 - Free Cash Flow

	2Q19	2Q18	% Δ		1H19	1H18	% Δ
Cash Flow From Operations	\$145.1	\$116.9	24.1%		\$174.4	\$172.0	1.4%
Capital Expenditures	29.6	45.4	(34.8%)		63.5	81.2	(21.8%)
Free Cash Flow	\$115.5	\$71.5	61.5%		\$110.9	\$90.8	22.1%



Operating Update



Don Casey
Chief Executive Officer

CFO Transition Update



- Effective late-August 2019, Jorge Gomez will assume the role of EVP and CFO
- Finance, Treasury, Tax, Audit, Investor Relations, Information Technology and the Business Transformation Office report to Jorge
- Talented global executive with an in-depth knowledge of the healthcare market.
- Right mix of skills and experience, and a solid track record of successfully managing global finance operations
- Previously, CFO of Cardinal Health, CFO of the Medical and Pharmaceutical segments, and treasurer and corporate controller at Cardinal Health.
- Other executive positions at General Motors and Smurfit-Kappa Group

Our Strategy & Vision

Take advantage of the unique global breadth and depth of Dentsply Sirona to create more meaningful solutions for dentists built around innovative products and differentiated clinical education.

Grow Revenues

SBU/RCO Consolidation
Innovation
Demand Creation – SFE
Clinical Education
Invest in Growing Markets

Improve Margins

Supply Chain Integration
Portfolio Shaping

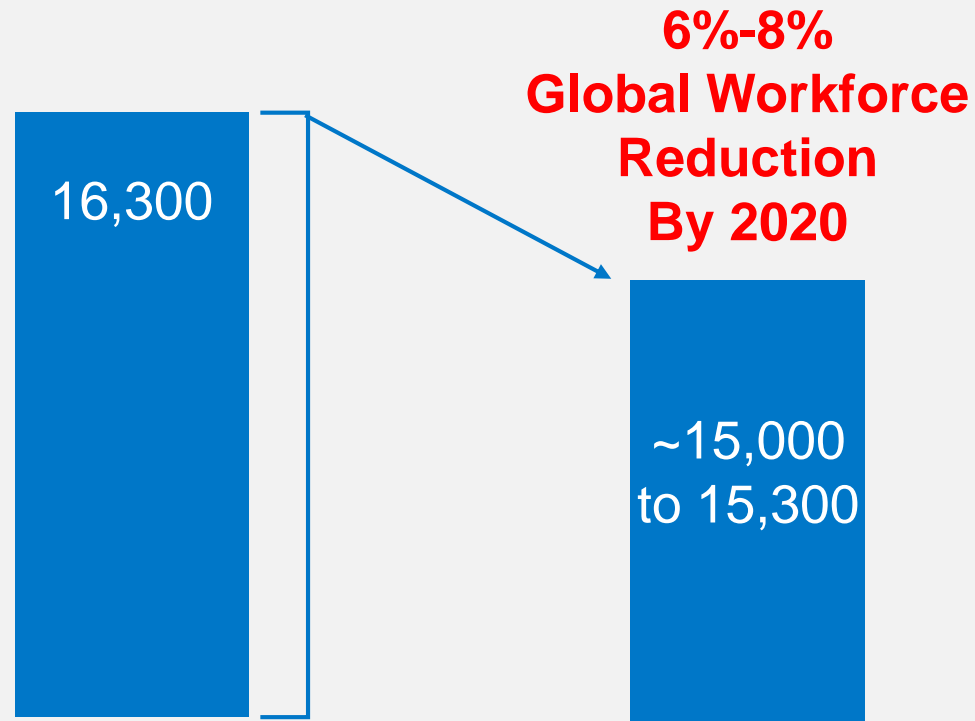
Simplify the Organization

Reduce Headcount
Portfolio Shaping
Cost Restructuring

Restructuring Progress Update

- ✓ SBU Consolidation
- ✓ RCO Consolidation
- ✓ Central Supply Chain – manufacturing, logistics planning, procurement
- ✓ Sales Force Effectiveness
- ✓ Revitalized R+D portfolio
- ✓ Major new products launched
- ✓ Portfolio shaping
- ✓ Expense and Headcount reduction programs

Delivering on Headcount Commitment



July Head Count: 15,300

Dentsply Sirona Financial Targets - Ontrack

Item	Target	Commentary
Revenue Growth	~3-4%	<ul style="list-style-type: none"> Consumables growth steady at ~2-3% T&E returning to growth in 2019 & 4%+ thereafter New product introductions Investing in global scale and faster growing regions Overall growth at or above dental market
EBIT Margin	20% by the end of 2020 & 22% by the end of 2022	<ul style="list-style-type: none"> Restructuring to save \$200-225M by 2021 Portfolio shaping Continuing plans for margin expansion after 2020
EPS Growth	Double Digit	<ul style="list-style-type: none"> Accelerated EPS growth in the near-term as cost savings are realized
Net Debt to EBITDA	Investment Grade	<ul style="list-style-type: none"> Utilize balance sheet to enhance EPS growth

FY19 Guidance

	2019 Previous Guidance	2019 Updated Guidance
Revenue	\$3.95 - \$4.05B	\$3.95 - \$4.05B
Internal Revenue Growth	4% - 5%	4% - 5%
OI Margin	17.0%-18.0%	18.0%-19.0%
EPS	\$2.30-\$2.40	\$2.35-\$2.45



Appendix

Non-US GAAP Reconciliation – Revenues

(in millions, except percentages)	Three Months Ended June 30, 2019				Q2 2019 Growth				Three Months Ended June 30, 2018			
	US	Europe	ROW	Total	US	Europe	ROW	Total	US	Europe	ROW	Total
Net sales	\$ 329.5	\$ 422.0	\$ 257.9	\$ 1,009.4	-2.6%	-1.1%	-6.9%	-3.1%	\$ 338.4	\$ 426.7	\$ 277.0	\$ 1,042.1
Less: precious metal content of sales	1.5	6.6	0.8	8.9					1.3	7.3	0.8	9.4
Net sales, excluding precious metal content	328.0	415.4	257.1	1,000.5	-2.7%	-1.0%	-6.9%	-3.1%	337.1	419.4	276.2	1,032.7
Acquisition related adjustments (a)	-	-	-	-					2.1	-	-	2.1
Non-US GAAP, net sales, excluding precious metal content	<u>\$ 328.0</u>	<u>\$ 415.4</u>	<u>\$ 257.1</u>	<u>\$ 1,000.5</u>	<u>-3.3%</u>	<u>-1.0%</u>	<u>-6.9%</u>	<u>-3.3%</u>	<u>\$ 339.2</u>	<u>\$ 419.4</u>	<u>\$ 276.2</u>	<u>\$ 1,034.8</u>
Foreign exchange impact					-0.1%	-6.9%	-6.0%	-4.4%				
Constant currency growth					-3.2%	5.9%	-0.9%	1.1%				
Acquisitions					-1.3%	-0.2%	-0.3%	-0.6%				
Discontinued products					-0.4%	-1.0%	-3.0%	-1.3%				
Internal sales growth					-1.5%	7.1%	2.4%	3.0%				

(a) Represents an adjustment to reflect deferred revenue that was eliminated under business combination accounting standards.

(in millions, except percentages)	Three Months Ended June 30, 2019			Q2 2019 Growth			Three Months Ended June 30, 2018		
	Technologies & Equipment	Consumables	Total	Technologies & Equipment	Consumables	Total	Technologies & Equipment	Consumables	Total
Net sales	\$ 558.4	\$ 451.0	\$ 1,009.4	0.9%	-7.8%	-3.1%	\$ 553.2	\$ 488.9	\$ 1,042.1
Less: precious metal content of sales	-	8.9	8.9				-	9.4	9.4
Net sales, excluding precious metal content	558.4	442.1	1,000.5	0.9%	-7.8%	-3.1%	553.2	479.5	1,032.7
Acquisition related adjustments (a)	-	-	-				2.1	-	2.1
Non-US GAAP, net sales, excluding precious metal content	<u>\$ 558.4</u>	<u>\$ 442.1</u>	<u>\$ 1,000.5</u>	<u>0.6%</u>	<u>-7.8%</u>	<u>-3.3%</u>	<u>\$ 555.3</u>	<u>\$ 479.5</u>	<u>\$ 1,034.8</u>
Foreign exchange impact				-4.9%	-3.7%	-4.4%			
Constant currency growth				5.5%	-4.1%	1.1%			
Acquisitions				-1.1%	0.0%	-0.6%			
Discontinued products				-2.7%	0.0%	-1.3%			
Internal sales growth				9.3%	-4.1%	3.0%			

(a) Represents an adjustment to reflect deferred revenue that was eliminated under business combination accounting standards.

Non-US GAAP Reconciliation – Consolidated Statements of Income

	US GAAP								NON-US GAAP
	Three Months Ended June 30, 2019	Amortization of Purchased Intangible Assets	Restructuring Program Related Costs and Other Costs (a)	Business Combination Related Costs and Fair Value Adjustments	Credit Risk and Fair Value Adjustments	Tax Impact of Non-US GAAP Adjustments	Income Tax Related Adjustments	Total Non-US GAAP Adjustments	Three Months Ended June 30, 2019
NET SALES	\$ 1,009.4	-	-	-	-	-	-	\$ -	\$ 1,009.4
NET SALES-excluding precious metals	1,000.5	-	-	-	-	-	-	-	1,000.5
GROSS PROFIT	540.8	28.8	11.0	1.5	-	-	-	41.3	582.1
% OF NET SALES-excluding precious metals	54.1%								58.2%
SG&A EXPENSES	430.9	(18.5)	(31.8)	(0.3)	-	-	-	(50.6)	380.3
% OF NET SALES-excluding precious metals	43.1%								38.0%
RESTRUCTURING AND OTHER COSTS	42.4	-	(42.4)	-	-	-	-	(42.4)	-
INCOME FROM OPERATIONS	67.5	47.3	85.2	1.8	-	-	-	134.3	201.8
% OF NET SALES-excluding precious metals	6.7%								20.2%
NET INTEREST AND OTHER EXPENSE	19.9	-	(14.5)	(0.2)	(1.3)	-	-	(16.0)	3.9
PRE-TAX INCOME	47.6	47.3	99.7	2.0	1.3	-	-	150.3	197.9
INCOME TAXES	11.2	-	-	-	-	38.0	0.8	38.8	50.0
% OF PRE-TAX INCOME	23.5%								25.3%
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	-							-	-
NET INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	\$ 36.4							\$ 111.5	\$ 147.9
% OF NET SALES-excluding precious metals	3.6%								14.8%
EARNINGS PER SHARE - DILUTED	\$ 0.16							\$ 0.50	\$ 0.66

(a) Certain severance costs related to the Chief Financial Officer and Chief Human Resources Officer of \$11.0 million are included within this item.

Non US GAAP Reconciliation – Consolidated Statements of Income

	US GAAP							NON-GAAP	
	Three Months Ended June 30, 2018	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-US GAAP Adjustments	Income Tax Related Adjustments	Total Non-US GAAP Adjustments	Three Months Ended June 30, 2018
NET SALES	\$ 1,042.1	-	-	2.1	-	-	-	\$ 2.1	\$ 1,044.2
NET SALES-excluding precious metals	1,032.7	-	-	2.1	-	-	-	2.1	1,034.8
GROSS PROFIT	552.8	30.1	1.9	3.8	-	-	-	35.8	588.6
% OF NET SALES-excluding precious metals	53.5%							-	56.9%
SG&A EXPENSES	432.2	(20.0)	(1.9)	(2.0)	-	-	-	(23.9)	408.3
% OF NET SALES-excluding precious metals	41.9%							-	39.5%
GOODWILL IMPAIRMENT	1,085.8	-	(1,085.8)	-	-	-	-	(1,085.8)	-
RESTRUCTURING AND OTHER COSTS	188.9	-	(188.9)	-	-	-	-	(188.9)	-
INCOME FROM OPERATIONS	(1,154.1)	50.1	1,278.5	5.8	-	-	-	1,334.4	180.3
% OF NET SALES-excluding precious metals	-111.8%								17.4%
NET INTEREST AND OTHER EXPENSE	8.2	-	-	(0.8)	(2.5)	-	-	(3.3)	4.9
PRE-TAX INCOME	(1,162.3)	50.1	1,278.5	6.6	2.5	-	-	1,337.7	175.4
INCOME TAXES	(41.3)	-	-	-	-	72.6	6.3	78.9	37.6
% OF PRE-TAX INCOME	3.6%								21.4%
LESS: NET LOSS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1.0							-	1.0
NET INCOME ATTRIBUTABLE TO DENTSPLY SIRONA	\$ (1,122.0)							\$ 1,258.8	\$ 136.8
% OF NET SALES-excluding precious metals	-108.6%								13.2%
EARNINGS PER SHARE - DILUTED	\$ (4.98)							\$ 5.58	\$ 0.60
Shares used in calculating US GAAP net loss per share									225.2
Shares used in calculating diluted non-US GAAP net income per share									226.9

