

## Third Quarter 2012 Supplemental Materials

October 25, 2012

# Forward Looking Statements

This presentation contains forward-looking statements regarding future events or the future financial performance of the Company. Actual events or results may differ materially from those in the projections or other forward-looking statements set forth herein as a result of certain risk factors or uncertainties, including, but not limited to, economic and foreign exchange rate volatility, the continued strength of the dental market, the Company's integration of recent acquisitions, the continued development by the Company and acceptance by the market of new products, the possibility of new technologies outdating the Company's products, and the retention of management and executive employees. For a more detailed description of risk factors that may affect forward-looking statements, please refer to the Company's Annual Report on Form 10-K and other filings with the Securities and Exchange Commission. Copies of such filings are available through the SEC's web site: [www.sec.gov](http://www.sec.gov).

# Non-GAAP Financial Measures

In addition to the results reported in accordance with US GAAP, the Company provides adjusted net income attributable to DENTSPLY International and adjusted earnings per diluted common share. These adjusted amounts consist of US GAAP amounts excluding, net of tax (1) acquisition related costs, (2) restructuring and other costs, (3) amortization of purchased intangible assets, (4) Orthodontic business continuity costs, (5) income related to credit risk adjustments, (6) certain fair value adjustments at an unconsolidated affiliated company, and (7) income tax related adjustments. Adjusted earnings per diluted common share is calculated by dividing adjusted net income attributable to DENTSPLY International by diluted weighted-average common shares outstanding. Adjusted net income attributable to DENTSPLY International 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 Company believes that the presentation of adjusted net income attributable to DENTSPLY International and adjusted earnings per diluted common share provides important supplemental information to management and investors seeking to understand the Company's financial condition and results of operations. 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.

# Q3 2012 Performance Summary

- Record revenue for Q3; growth from acquisitions and internal growth
- Sales excluding precious metals grew +14.8%
- Constant currency sales growth of +20.1%
- EPS on an adjusted basis of \$0.51, up 10.9% from \$0.46

# Q3 Internal Growth, Ex. PM

Consolidated internal growth: +4.7%; + 2.8% excluding ortho/Japan

United States: 36% of Total

U.S. internal growth: +3.9%

Europe/CIS: 42% of Total

Europe internal growth: +5.2%

Rest of World: 22% of Total

ROW internal growth: +5.1%

# Strong Financial Metrics

- ✔ Q3 '12 adjusted EPS of \$0.51, an increase of 10.9% from \$0.46 in Q3 '11
- ✔ 9M '12 preliminary cash flow from operating activities of \$202 million
  - ✔ Capital expenditures of \$65 million
  - ✔ Depreciation of \$60 million and amortization of \$43 million
  - ✔ Inventory days up 2 days to 111 from 109 in Q3 '11
  - ✔ DSO's down 1 day compared to Q3 '11
- ✔ Total debt of \$1.65 billion; net debt of \$1.59 billion,
  - ✔ Net debt: 44.8% of total capitalization

# 2012 Earnings Guidance

- 2012 adjusted earnings in the range of \$2.19 to \$2.24 per diluted share versus prior guidance of \$2.18 to \$2.24.

# Appendix

# Non-GAAP Reconciliation: Q3 2012

**DENTSPLY INTERNATIONAL INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**
**GAAP**  
**THREE MONTHS ENDED**
**NON-GAAP**  
**THREE MONTHS ENDED**

	Sep 30, 2012	Acquisition Related Activities	Restructuring, Ortho Continuity & Other Costs	Income Tax Related Adjustments	Amortization of purchased intangible assets	Total Non-GAAP Adjustments	Sep 30, 2012
NET SALES	\$ 695,734	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,734
NET SALES-without precious metals	647,120	-	-	-	-	-	647,120
GROSS PROFIT	364,115	42	-	-	4,196	4,238	368,353
% OF NET SALES-without precious metals	56.3%						56.9%
SG&A EXPENSES	260,352	1,935	(470)	-	(5,117)	(3,652)	256,700
% OF NET SALES-without precious metals	40.2%						39.7%
RESTRUCTURING AND OTHER COSTS	15,097	-	(15,097)	-	-	(15,097)	-
INCOME FROM OPERATIONS	88,666	(1,893)	15,567	-	9,313	22,987	111,653
% OF NET SALES-without precious metals	13.7%						17.3%
NET INTEREST AND OTHER EXPENSE	12,885	-	406	-	-	406	13,290
PRE-TAX INCOME	75,781	(1,893)	15,161	-	9,314	22,580	98,362
INCOME TAXES	18,960	(733)	4,464	(4,039)	4,155	3,846	22,807
EQUITY EARNINGS (LOSS) OF							
UNCONSOLIDATED AFFILIATED CO.	(2,529)	-	1,970	-	-	1,970	(559)
LESS: NET INCOME/(LOSS) ATTRIBUTABLE TO THE NON-CONTROLLING INTERESTS	928	-	-	-	-	-	928
NET INCOME ATTRIBUTABLE TO DENTSPLY INTERNATIONAL	\$ 53,364	\$ (1,161)	\$ 12,666	\$ 4,039	\$ 5,159	\$ 20,703	\$ 74,067
% OF NET SALES-without precious metals	8.2%						11.4%
EARNINGS PER SHARE - DILUTED	\$ 0.37	\$ (0.01)	\$ 0.09	\$ 0.03	\$ 0.04	\$ 0.14	\$ 0.51

# Non-GAAP Reconciliation: Q3 2011

DENTSPLY INTERNATIONAL INC.  
CONSOLIDATED STATEMENTS OF INCOME

GAAP  
THREE MONTHS ENDED

NON-GAAP  
THREE MONTHS ENDED

	Sep 30, 2011	Acquisition Related Activities	Restructuring, Ortho Continuity, Credit Risks & Other Costs	Income Tax Related Adjustments	Amortization of purchased intangible assets	Total Non-GAAP Adjustments	Sep 30, 2011
NET SALES	\$ 619,759	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 619,758
NET SALES-without precious metals	563,751	-	-	-	-	-	563,751
GROSS PROFIT	297,648	16,311	31	-	1,782	18,124	315,771
% OF NET SALES-without precious metals	52.8%						56.0%
SG&A EXPENSES	231,493	(7,692)	(1,290)	-	(3,708)	(12,689)	218,804
% OF NET SALES-without precious metals	41.1%						38.8%
RESTRUCTURING AND OTHER COSTS	26,353	(11,527)	(14,826)	-	-	(26,353)	-
INCOME FROM OPERATIONS	39,802	35,530	16,147	-	5,490	57,167	96,969
% OF NET SALES-without precious metals	7.1%						17.2%
NET INTEREST AND OTHER EXPENSE	20,826	(12,028)	393	-	-	(11,635)	9,191
PRE-TAX INCOME	18,976	47,557	15,755	-	5,490	68,802	87,778
INCOME TAXES	(40,627)	11,435	5,473	42,950	1,652	61,510	20,883
EQUITY EARNINGS (LOSS) OF UNCONSOLIDATED AFFILIATED CO.	1,597	-	(1,527)	-	-	(1,527)	70
LESS: NET INCOME/(LOSS) ATTRIBUTABLE TO THE NON-CONTROLLING INTERESTS	603	-	159	-	-	159	762
NET INCOME ATTRIBUTABLE TO DENTSPLY INTERNATIONAL	\$ 60,597	\$ 36,122	\$ 8,596	\$ (42,950)	\$ 3,838	\$ 5,606	\$ 66,203
% OF NET SALES-without precious metals	10.7%						11.7%
EARNINGS PER SHARE - DILUTED	\$ 0.42	\$ 0.25	\$ 0.06	\$ (0.30)	\$ 0.03	\$ 0.04	\$ 0.46

# Non-GAAP Reconciliation: 9M 2012

DENTSPLY INTERNATIONAL INC.  
CONSOLIDATED STATEMENTS OF INCOME

GAAP  
NINE MONTHS ENDED

NON-GAAP  
NINE MONTHS ENDED

	Sep 30, 2012	Acquisition Related Activities	Restructuring, Ortho Continuity & Other Costs	Income Tax Related Adjustments	Amortization of purchased intangible assets	Total Non-GAAP Adjustments	Sep 30, 2012
NET SALES	\$ 2,175,141	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,175,141
NET SALES-without precious metals	2,011,225	-	-	-	-	-	2,011,225
GROSS PROFIT	1,164,334	42	23	-	11,944	12,009	1,176,343
% OF NET SALES-without precious metals	57.9%						58.5%
SG&A EXPENSES	860,740	(10,537)	(2,248)	-	(25,415)	(38,200)	822,540
% OF NET SALES-without precious metals	42.8%						40.9%
RESTRUCTURING AND OTHER COSTS	18,862	35	(18,898)	-	-	(18,862)	-
INCOME FROM OPERATIONS	284,732	10,544	21,168	-	37,359	69,071	353,803
% OF NET SALES-without precious metals	14.2%						17.6%
NET INTEREST AND OTHER EXPENSE	40,173	-	229	-	-	229	40,402
PRE-TAX INCOME	244,559	10,544	20,940	-	37,359	68,843	313,402
INCOME TAXES	48,550	3,914	6,345	1,375	12,211	23,845	72,395
EQUITY EARNINGS (LOSS) OF UNCONSOLIDATED AFFILIATED CO.	(5,448)	-	5,440	-	-	5,440	(8)
LESS: NET INCOME/(LOSS) ATTRIBUTABLE TO THE NON-CONTROLLING INTERESTS	3,148	-	-	-	-	-	3,148
NET INCOME ATTRIBUTABLE TO DENTSPLY INTERNATIONAL	\$ 187,413	\$ 6,630	\$ 20,035	\$ (1,375)	\$ 25,148	\$ 50,438	\$ 237,851
% OF NET SALES-without precious metals	9.3%						11.8%
EARNINGS PER SHARE - DILUTED	\$ 1.30	\$ 0.05	\$ 0.14	\$ (0.01)	\$ 0.17	\$ 0.35	\$ 1.65

# Non-GAAP Reconciliation: 9M 2011

DENTSPLY INTERNATIONAL INC.  
CONSOLIDATED STATEMENTS OF INCOME

**GAAP**  
NINE MONTHS ENDED

**NON-GAAP**  
NINE MONTHS ENDED

	Sep 30, 2011	Acquisition Related Activities	Restructuring, Ortho Continuity, Credit Risks & Other Costs	Income Tax Related Adjustments	Amortization of purchased intangible assets	Total Non-GAAP Adjustments	Sep 30, 2011
NET SALES	\$ 1,799,705	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,799,705
NET SALES-without precious metals	1,654,746	-	-	-	-	-	1,654,746
GROSS PROFIT	912,483	16,311	52	-	5,057	21,420	933,903
% OF NET SALES-without precious metals	55.1%						56.4%
SG&A EXPENSES	643,244	(7,692)	(1,989)	-	(4,946)	(14,627)	628,617
% OF NET SALES-without precious metals	38.9%						38.0%
RESTRUCTURING AND OTHER COSTS	33,849	(17,518)	(16,330)	-	-	(33,849)	-
INCOME FROM OPERATIONS	235,390	41,521	18,371	-	10,003	69,895	305,285
% OF NET SALES-without precious metals	14.2%						18.4%
NET INTEREST AND OTHER EXPENSE	29,985	(12,426)	1,667	-	-	(10,760)	19,225
PRE-TAX INCOME	205,405	53,947	16,705	-	10,003	80,655	286,060
INCOME TAXES	1,042	11,971	5,890	43,733	3,159	64,753	65,795
EQUITY EARNINGS (LOSS) OF UNCONSOLIDATED AFFILIATED CO.	1,690	387	(1,786)	-	-	(1,399)	291
LESS: NET INCOME/(LOSS) ATTRIBUTABLE TO THE NON-CONTROLLING INTERESTS	2,136	-	159	-	-	159	2,295
NET INCOME ATTRIBUTABLE TO DENTSPLY INTERNATIONAL	\$ 203,917	\$ 42,363	\$ 8,869	\$ (43,733)	\$ 6,844	\$ 14,343	\$ 218,260
% OF NET SALES-without precious metals	12.3%						13.2%
EARNINGS PER SHARE - DILUTED	\$ 1.42	\$ 0.30	\$ 0.06	\$ (0.31)	\$ 0.05	\$ 0.10	\$ 1.52