

Sirona – The Dental Company

Second Quarter 2012 Earnings Presentation
May 4, 2012



Second Quarter 2012 Earnings Presentation Safe Harbor Statement / Additional Information



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- 2Q12 constant currency revenue growth of 11.1%, with:
 - Treatment Centers up 17.5%
 - CAD/CAM up 13.7%
 - Instruments up 7.7%
 - Imaging up 6.0%
- International revenues grew 13.7% cc, with particular strength in the Asia Pacific region
- Planned investments in sales and service infrastructure continued
- Operating income plus amortization increased to \$52.2 million, up 10.9%
- Guidance confirmed

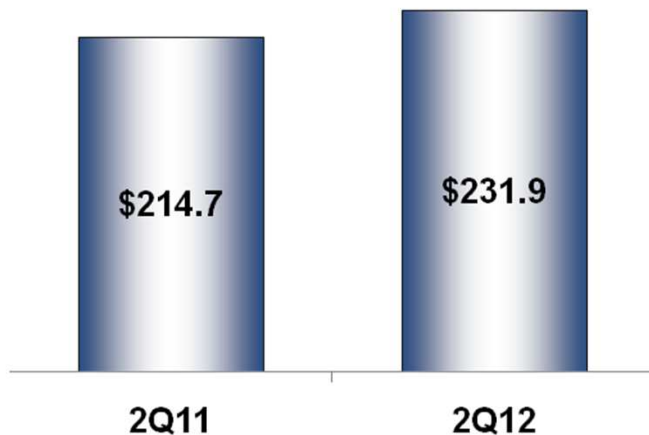
Second Quarter 2012 Earnings Presentation Overview



The Dental Company

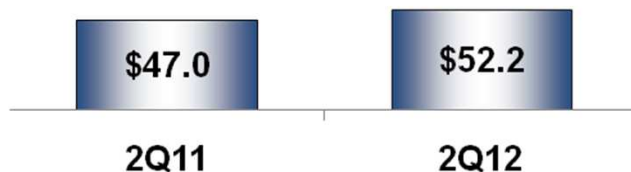
Revenue

(US\$ in millions)



Operating Income plus Amortization

(US\$ in millions)



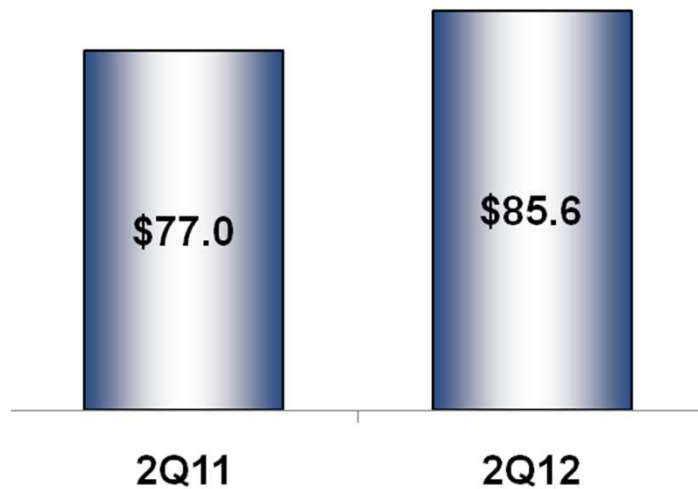
- International revenues increased 9.2%, up 13.7 % cc, with particularly strong growth in the Asia Pacific region
- Sales in the US increased 4.9%, compared to a 2% growth rate in Q1 of FY12
- Operating Income plus Amortization increased 10.9% to \$52.2 million. In the quarter we continued our planned investments in expanding our global sales and service infrastructure.

Second Quarter 2012 Earnings Presentation CAD/CAM Segment



CAD/CAM Revenue

(US\$ in millions)

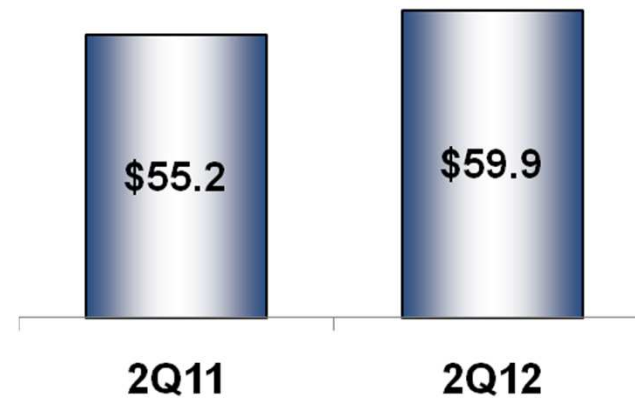


Revenue Growth

Reported	+11.1%
<u>Currency</u>	<u>+2.6%</u>
Constant Currency	+13.7%

Segment Gross Profit

(US\$ in millions)



Segment Gross Profit Margin

2Q11	71.6%
<u>2Q12</u>	<u>70.0%</u>
Change	-160 bps

Second Quarter 2012 Earnings Presentation CAD/CAM Segment



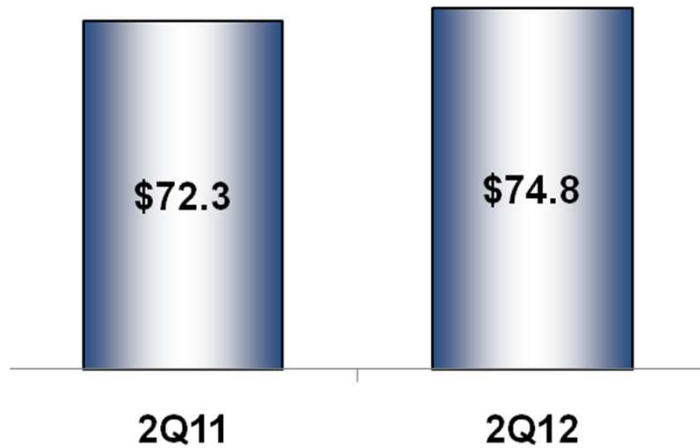
- Record segment revenues of \$85.6 million, up 11.1%, or up 13.7% cc
- Strong revenue growth in international markets
- CEREC 4.0 hitting the mark
- inlab 4.0 successfully launched
- CAD/CAM segment gross profit increased 8.5% . Gross profit margin at 70%. The decrease in the quarter was mainly driven by current promotions.

Second Quarter 2012 Earnings Presentation Imaging Segment



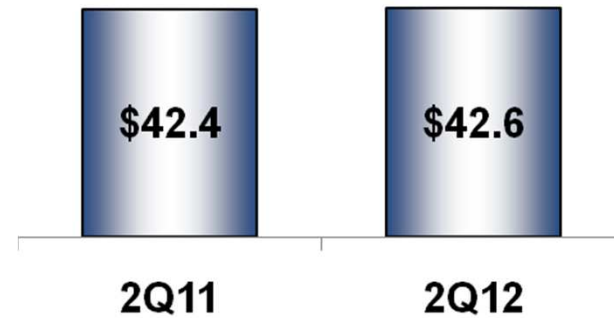
Imaging Revenue

(US\$ in millions)



Segment Gross Profit

(US\$ in millions)



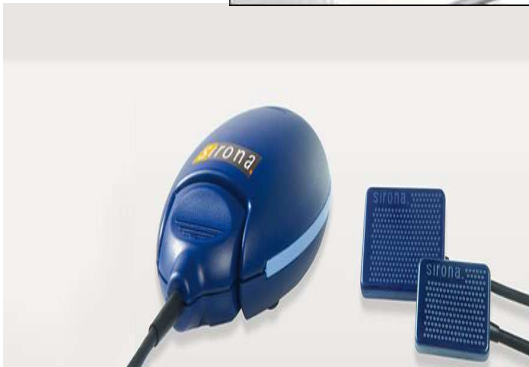
Revenue Growth

Reported	+3.5%
<u>Currency</u>	<u>+2.5%</u>
Constant Currency	+6.0%

Segment Gross Profit Margin

2Q11	58.6%
<u>2Q12</u>	<u>56.9%</u>
Change	-170 bps

Second Quarter 2012 Earnings Presentation Imaging Segment

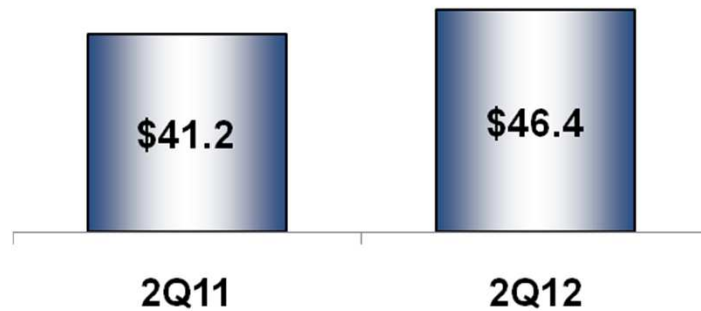


- Revenues of \$74.8 million, up 3.5% and up 6.0% cc
- Growth is driven by the US and the non-European international markets
- Continued robust performance of the Orthophos 2D and 3D product lines
- Margin compression mainly due to product mix – high sales level of Orthophos panoramic units

Second Quarter 2012 Earnings Presentation Treatment Centers



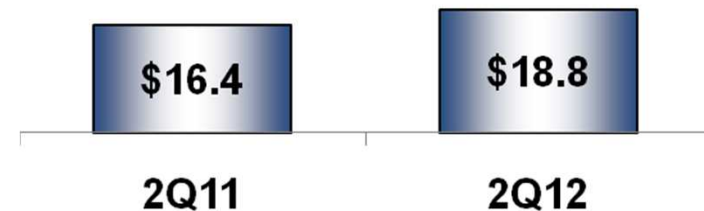
Treatment Center Revenue (US\$ in millions)



Revenue Growth

Reported	+12.7%
<u>Currency</u>	<u>+4.8%</u>
Constant currency	+17.5%

Segment Gross Profit (US\$ in millions)



Segment Gross Profit Margin

2Q11	39.9%
<u>2Q12</u>	<u>40.5%</u>
Change	+60 bps

Second Quarter 2012 Earnings Presentation Treatment Centers



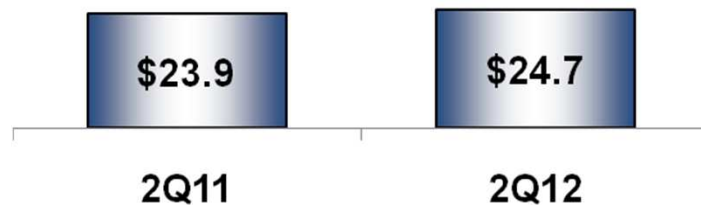
- Revenues of \$46.4 million, up 12.7%, or up 17.5% cc
- Robust performance of the comfort and standard product lines
- SINIUS – strong reception in the marketplace
- Margin expansion due to product mix

Second Quarter 2012 Earnings Presentation Instruments



Instruments Revenue

(US\$ in millions)

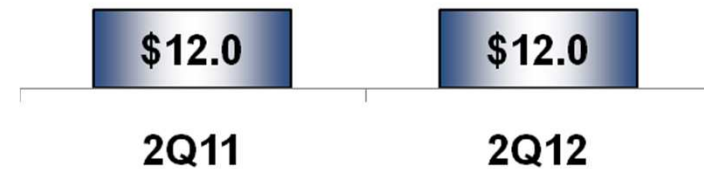


Revenue Growth

Reported	+3.3%
<u>Currency</u>	<u>+4.4%</u>
Constant Currency	+7.7%

Segment Gross Profit

(US\$ in millions)



Segment Gross Profit Margin

2Q11	50.3%
<u>2Q12</u>	<u>48.8%</u>
Change	-150 bps

Second Quarter 2012 Earnings Presentation Instruments



- Revenues of \$24.7 million, up 3.3%, or up 7.7% cc
- Growth driven by large volume projects
- Margin contraction mainly due to product mix

Second Quarter 2012 Earnings Presentation Operating Performance



	\$'000s		
	2Q12	2Q11	% chg.
Revenue	\$ 231,864	\$ 214,737	8.0%
Cost of sales	107,215	99,048	8.2%
Gross profit	124,649	115,689	7.7%
Selling, general and administrative expense	72,667	70,581	3.0%
Research and development	13,638	14,145	(3.6)%
Other operating income items (net)	(1,772)	(2,547)	
Operating income	40,116	33,510	19.7%
Loss / (gain) on foreign currency transactions, net	1,350	(4,336)	
(Gain) on derivative instruments	(2,936)	(1,554)	
Interest expense, net	1,014	929	9.1%
Other expenses	228	343	
Income before taxes	40,460	38,128	6.1%
Income tax provision	9,305	8,388	
Net income	31,155	29,740	4.8%
Less: Net income attrib. to noncontrolling interests	634	428	
Net income attributable to Sirona Dental Systems, Inc.	\$ 30,521	\$ 29,312	4.1%

Second Quarter 2012 Earnings Presentation Guidance



Guidance



Second Quarter 2012 Earnings Presentation Conclusion



- Solid business momentum continues
 - Commitment to innovation
 - Global sales and service infrastructure
 - Geographic diversification
 - Best-in-class distribution network
 - Outstanding team effort
 - Strong financial position
- Sirona well positioned to successfully compete in 2012 and beyond

Second Quarter 2012 Earnings Presentation Questions and Answers



Q&A