

Media release

Straumann posts organic growth of 2% in local currencies in first quarter of 2009

- ▄ *Europe, North America and Asia/Pacific all report growth in local currencies*
- ▄ *Strong presence at multiple dental meetings; successful ITI events in Europe and Asia*
- ▄ *Partnership with Ivoclar Vivadent regarding high performance ceramics; first combined product launched*
- ▄ *Acquisition of IVS and launch of new instrument kit establishes Straumann in guided surgery*
- ▄ *New etkon™ visual 5.0 software extends competitive attractiveness of Straumann CAD/CAM*
- ▄ *Full-year guidance for above-market growth and an operating margin (EBIT) of more than 20% confirmed*

Net revenue figures

First quarter 2009				
(in CHF million)	2009	2008	Growth in CHF	Growth in l.c.
Group net revenue	196.4	200.5	(2.1%)	2.3%
Europe	125.2	131.6	(4.8%)	3.1%
<i>in % of Group net revenue</i>	63.8%	65.6%		
North America	40.2	39.0	3.1%	0.7%
<i>in % of Group net revenue</i>	20.5%	19.4%		
Asia/Pacific	25.6	23.6	8.5%	3.3%
<i>in % of Group net revenue</i>	13.0%	11.8%		
Rest of the World	5.3	6.3	(15.8%)	(8.7%)
<i>in % of Group net revenue</i>	2.7%	3.2%		

Basel, 28 April 2009: In contrast to the prevailing decline in the markets for regenerative, restorative and replacement dentistry, Straumann today reported continuing revenue growth in local currencies in the first quarter of 2009. Group net revenues reached CHF 196 million, representing a 2% increase in local currencies (l.c.). The strengthening of the Swiss franc against European currencies contributed to a negative currency impact of 4%, with the result that net revenues in Swiss francs decreased by 2%. Growth was entirely organic and the performance was fully in line with the Group's forecast. Based on the stabilization reported in the first quarter, Straumann is maintaining its expectation to outperform the market in 2009.

First-quarter growth was driven mainly by new products and technologies, most notably the new generation Bone Level Implant range and the prosthetics business. CAD/CAM crowns and bridges continued to expand although dental labs are more hesitant about investing in scanning equipment. Despite the weak global economy all major regions posted positive revenue developments, and there were no seasonal effects.

In **Europe**, Straumann's largest region, net revenue grew by 3% in local currencies to CHF 125 million. A further weakening of the Euro and the British pound against the Swiss franc shaved 5% points off top-line growth. Despite low consumer confidence, most European subsidiaries maintained good growth, especially the Benelux and Scandinavian regions. While the Iberian market continued to be challenging, the largest European market, Germany, was stable.

In **North America**, where the effects of the economic crisis have been most prominent and prolonged, the Group reported first-quarter net revenue growth of 1% (3% in CHF). Slowing patient traffic in dental practices led to lower implant volumes. The continuing success of the regenerative products that were relaunched in the US in August added some tailwind to the performance. With revenues reaching CHF 40 million, North America contributed 21% of Group net revenue.

Asia Pacific reported net revenue growth of 3% to CHF 26 million, despite the fact that Japan and South Korea are still in a transition phase and have to contend with extremely challenging environments. Mainly owing to the strengthening of the Japanese Yen, growth amounted to 9% in Swiss franc terms. Regulatory clearances obtained in Korea (see below) will help to spark growth in the second half of the year. Lifted by another solid quarter in Australia, the region contributed 13% of Group net revenue.

Elsewhere, in the **Rest of the World (RoW)**, Straumann's subsidiaries in Brazil and Mexico posted solid growth, but this was not sufficient to offset a decrease in distributor markets, where exceptional orders were placed in the comparative period of last year. As a result, net revenue decreased 9% (16% in CHF) to CHF 5 million or 3% of the Group total.

Strong presence at well-visited key congresses

The first quarter was marked by a number of important dental meetings and congresses around the world, at which Straumann had a strong presence. The top ten events collectively drew almost a quarter of a million participants, demonstrating the underlying solidity of the dental market.



At the same time, Straumann's academic partner, the ITI, staged four large national congresses, in Spain, France, Italy and Japan. These were attended by a total of 5000 dental professionals, further leveraging Straumann's share of voice in science-based dentistry.

Straumann took particular advantage of the biannual International Dental Show (IDS) in Cologne, one of the world's largest events in dentistry, to launch new products and announce strategic initiatives.

Partnership with Ivoclar Vivadent

Straumann and Ivoclar Vivadent announced a partnership agreement that will enable them to offer highly esthetic solutions for tooth replacement and restoration. Under the agreement, Ivoclar Vivadent will supply its proprietary high-performance IPS e.max[®] ceramic technology to Straumann for use in the latter's dental prosthetic solutions. The first combined product, the Straumann Anatomic IPS e.max[®] Abutment was launched at the IDS and will be available in Europe and in North America in the coming months. A range of Straumann CAD/CAM prosthetics in IPS e.max[®] lithium disilicate ceramics will also be launched Europe-wide by year end.

IVS acquisition expands Straumann's digital dentistry portfolio

As the IDS opened, Straumann signed an agreement to acquire the dental business of IVS Solutions AG, of Chemnitz, Germany. IVS develops and sells proprietary software applications used to design surgical templates for computer guided implant surgery. Computer guided surgery offers the dentist a clear view of the bone condition and the final implant location, in addition to simplifying the planning and execution of complex procedures. It thus reduces the risk of surgical and prosthetic complications. The acquisition includes the full range of IVS preoperative planning software products and the company's world class software development team. Straumann expects to introduce IVS based systems later in the year.

New surgery kit for computer guided implant placement

At the IDS, Straumann presented a comprehensive instrument kit for guided implant surgery, which contains all the instruments, drills, profilers and taps needed to place Straumann implants with surgical templates currently made with open-library (non-exclusive) 3D software systems, including IVS, Materialise, med3D, iDent, and SICAT. Like all Straumann products, the kit is designed to simplify handling and has been clinically tested.

New etkon CAD/CAM software

Straumann also launched a further update of its powerful etkon CAD/CAM software, etkon[™] visual 5.0, which offers multiple new features. The tooth library added last year has been extended with an occlusal surface database, enabling the technician to adjust the prosthetic design to the patient's bite (cut-back or full contour crowns). This is important for the IPS e.max ceramic and makes Straumann the first company to offer this material through a centralized milling service. This and other new features – together with the speed, accuracy, and convenience of the laser scanner – position the Straumann CAD/CAM package as a solution of choice for dental labs.

Update on Straumann® Membrane and Roxolid™

Straumann's innovative PEG membrane for guided bone regeneration has successfully completed preclinical and clinical trials including head-to-head comparisons with conventional rival materials. The results demonstrate considerable handling improvements and reductions in application time¹. The product has also demonstrated excellent barrier function². With Straumann's Biora products successfully relaunched in the US, the company's regenerative team is working towards bringing the innovative Membrane to key customers later in 2009, with a full launch slated for 2010.

The innovative high performance material, Roxolid™, which could offer considerable advantages over titanium, the current material of choice for implants, is undergoing an extensive clinical program. Initial observations have been very promising³. In February, Roxolid received marketing clearance from the Food and Drug Administration in the US. Pending favorable outcomes of ongoing trials, the initial launch is expected later in the year.

Regulatory progress

In addition to the latter regulatory clearance, Straumann made good progress in bringing new products and technologies to patients in various parts of the world. For instance, regulatory clearances were obtained for Roxolid and various prosthetic materials in Canada; the Straumann® Bone Level Implant was cleared in Brazil and Korea, where SLActive® was also approved. Furthermore, multiple submissions were completed in Japan.

Outlook (barring further unforeseen circumstances)

Continuing uncertainty in the global economy and historically weak consumer sentiment make it difficult to guide for the full year. From Straumann's perspective, the market for implant, restorative and regenerative dentistry is not expected to grow in 2009. The strength of its global franchises, product range and innovation capability affirm Straumann's confidence in achieving above-market growth. Based on the stabilization reported in the first quarter, the Group is maintaining its expectation to outperform the market in 2009.

Cost-containment measures implemented in January will lead to efficiency improvements that should enable the Group to deliver an operating margin of more than 20% in 2009, depending on currency developments. Global demographic trends, low penetration rates and high substitution potential continue to make Straumann's markets highly attractive in the mid and long term. The Group believes that it has the right strategy in place and is well prepared for a market turnaround in the future.

¹ Jung R, Hälg G, Thoma D, Hämmerle C, A randomized controlled clinical trial to evaluate a new membrane for guided bone regeneration around dental implants. Clin Oral Implants Res 2009, 20: 162-168

² Thoma DS, Halg GA, Dard MM, Seibl R, Hammerle CH, Jung RE. Evaluation of a new biodegradable membrane to prevent gingival ingrowth into mandibular defects in minipigs. Clin Oral Implants Res 2009; 20: 7-16

³ Barter S et al. Clinical data presented at the 17th Annual Scientific Meeting of the European Association for Osseointegration (EAO), Warsaw, September 2008

Straumann Holding AG, Peter Merian-Weg 12, 4002 Basel, Switzerland.
Phone: +41 (0)61 965 11 11 / Fax: +41 (0)61 965 11 01
E-mail: investor.relations@straumann.com or corporate.communication@straumann.com
Homepage: www.straumann.com

Contact:

Mark Hill, Corporate Communication
+41 (0)61 965 13 21

Fabian Hildbrand, Investor Relations
+41 (0)61 965 13 27

Disclaimer

This release contains certain “forward-looking statements”, which can be identified by the use of terminology such as “maintain”, “expectation”, “forecast”, “continuing”, “will”, “onwards”, “expects”, “working towards”, “outlook”, “confidence in achieving”, “prepared for”, “turnaround”, “future”, or similar wording. Such forward-looking statements reflect the current views of management and are subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the Group to differ materially from those expressed or implied. These include risks related to the success of and demand for the Group’s products, the potential for the Group’s products to become obsolete, the Group’s ability to defend its intellectual property, the Group’s ability to develop and commercialize new products in a timely manner, the dynamic and competitive environment in which the Group operates, the regulatory environment, changes in currency exchange rates, the Group’s ability to generate revenues and profitability, to realize its expansion projects in a timely manner, and to maintain its business relationships with suppliers, customers and other third parties. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this report. Straumann is providing the information in this release as of this date and does not undertake any obligation to update any forward-looking statements contained in it as a result of new information, future events or otherwise.

About Straumann

Headquartered in Basel, Switzerland, the Straumann Group (SWX: STMN) is a global leader in implant and restorative dentistry and oral tissue regeneration. In collaboration with leading clinics, research institutes and universities, Straumann researches, develops and manufactures dental implants, instruments, prosthetics and tissue regeneration products for use in tooth replacement and restoration solutions or to prevent tooth loss. Straumann currently employs more than 2150 people worldwide and its products and services are available in more than 60 countries through its broad network of distribution subsidiaries and partners.

Analysts’ and media conference call

Straumann will present the 2009 first-quarter sales results to representatives of the media and financial community in a telephone conference call at 15.00 h Swiss time. Presentation slides for the conference call should be downloaded from www.straumann.com in advance. The telephone conference can be accessed at:

+41 91 610 56 00 (Europe and ROW) or
+44 207 107 06 11 (UK) or
+1 (1) 866 291 41 66 (USA)

A recording of the conference call will be available until the evening of 29 April 2008 at the following telephone numbers:

+41 91 612 43 30 (Europe), +44 207 108 62 33 (UK) or +1 (1) 866 416 25 58 (USA).

The ID Code can be obtained from Straumann Investor Relations (+41 61 965 12 66). Further information and the presentation slides are available on the Investor Relations pages at www.straumann.com.

Upcoming reporting dates

11 August 2009 Q2 sales and Half-year results 2009
29 October 2009 Q3 and 9M sales
16 February 2010 Full-Year results 2009

Details of Straumann roadshows and other events for investors are published on www.straumann.com.