

# Overview of the Dental Products Market

January 2010

Brocair Partners Industry Survey Series

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## Disclaimer

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Sources for information within the report include Capital IQ; Google Finance; public company filings; and company websites.

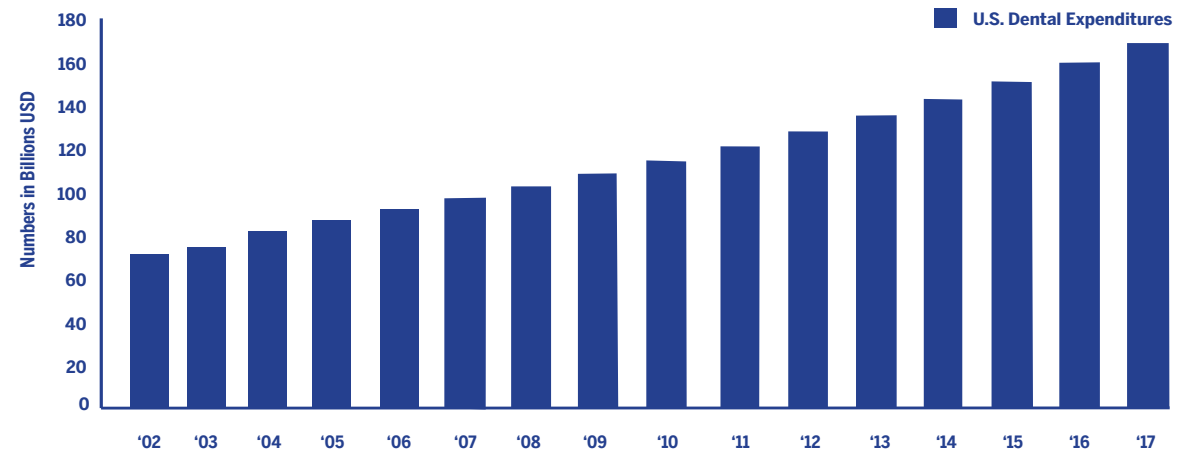
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## 1. Market Overview

The dental products market encompasses products for the diagnosis, treatment and prevention of disease and ailments of the teeth, gums and supporting bone. Currently, there are nine recognized dental specialties in the U.S.: orthodontics, oral and maxillofacial surgery, pediatric dentistry, periodontics, prosthodontics, endodontics, dental public health, oral pathology, and oral and maxillofacial radiology<sup>1</sup>.

In 2008, the U.S. total dental products and services spending reached \$102.4 billion and is expected to grow at about 6 percent annually through 2017<sup>2</sup>. The market has enjoyed a steady growth due to a number of facts, such as the growth in disposable income, an increased desire for aesthetics, a demographic shift towards an aging population and a desire to retain tooth structure later in life, as well as a greater utilization of dental preventive care.



The U.S. dental market structure consists of dentists and their practices, dental distribution companies as well as dental manufacturers. Currently, there are 120,000 office-based dental practices, which are supplied by dental distributors. The biggest dental products distributors in the U.S. include Henry Schein, Inc. and Patterson Companies, Inc. which account for approximately 40% and 32% of the market share respectively. The U.S. dental products manufacturer industry is more fragmented, with ten companies accounting for approximately 50% of market share.

In 2008, the global dental products market, excluding dental services, has reached almost \$18 billion. The largest segment of the market is restorative and preventive dentistry, while the fastest growing segment in the global dental market is dental implantology. Even though current global economic conditions have impacted the growth of the dental implant market, the long-term growth of the implant industry is very robust. This segment is expected to grow at a compound annual growth rate of 16.3 percent in the U.S. from 2004 to 2014<sup>3</sup> and 13.7% in the E.U. from 2003 to 2013<sup>4</sup>.

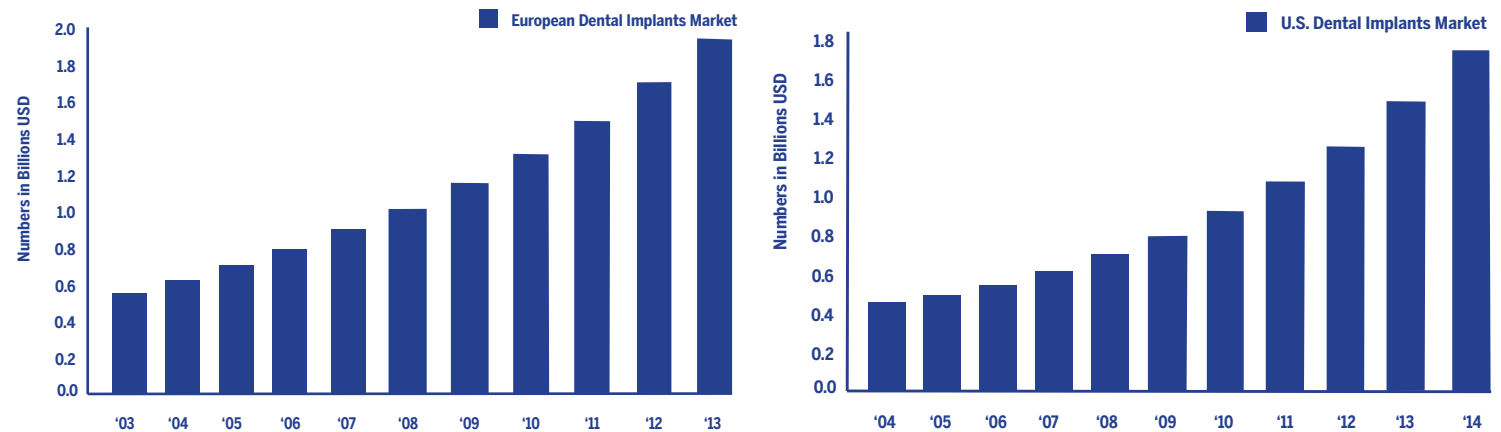
1 American Dental Association.

2 Kalorama Information, "Implant-Based Dental Reconstruction and Bone Graft Markets", 3rd Edition, September 2009.

3 Frost & Sullivan, "U.S. Dental Implants Market", November 2008.

4 Frost & Sullivan, "European Dental Implants Markets", November 2007.

## 1. Market Overview (cont'd)



Other segments include dental consumables, which are comprised of dental sundries and small equipment used in dental offices for the treatment of patients. These include dental sealants, anesthetics, bone grafting materials, handpieces, ultrasonic scalers and polishers. It is estimated that the North American dental consumable market is currently worth \$4.4 billion<sup>5</sup>.

The dental equipment segment consists of basic equipment such as dental chairs, units, lights, and cabinetry, as well as high-tech dental equipment including dental CAD/CAM systems, digital radiography, 3D imaging systems, and lasers. The North American dental equipment market reached \$1.8 billion in 2009<sup>6</sup>.

The dental market also includes specialty products for the treatment of specific dental diseases, for example endodontic, orthodontic, peri-odontic instruments and materials, implants and related products.

To ensure that dental products distributed in the U.S. are safe and effective, the United States Food and Drug Administration (FDA) regulates the introduction, manufacture, advertising, labeling, packaging, marketing and distribution of such products. Dental products sold outside the U.S. are also subject to foreign government regulation.

<sup>5</sup> NorthCoast Research, Dental Industry Report, July 2009.

<sup>6</sup> NorthCoast Research, Dental Industry Report, July 2009.

## 2. Dental Products Selected Competitive Matrix



Table 1: Selected Dental Products Companies Matrix by Product Type

Companies	Lab Materials	Equipment	Consumables	Endodontics	Prosthetics/ Implants	Periodontics	Orthodontics	Cosmetic/ Oral Care	Other Products
A-Dec, Inc.									sterilizers & equipment maintenance
AFP Imaging Corporation									
Air Techniques, Inc.									
Align Technology, Inc.									
AstraZeneca plc (Astra Tech AB)									
BioHorizons, Inc.									
Biolase Technology, Inc.									
Biomet, Inc. (Biomet 3i, Inc.)									surgical kits
Brasseler USA, Inc.									oral surgery
Cadent, Inc.									
Cantel Medical Corp.									disposables, infection control
Cendres+Métaux Holding SA									
COLTENE Holding AG									disposables, hygiene
Danaher Corporation									infection control, disposables
Den-Mat Holdings, LLC									
Dental Services Group									
DentalEZ Group, Inc.									patient simulation
DENTSPLY International, Inc.									disposables, infection control
Dürr Dental AG									hygiene and disinfection
EMS - Electro Medical Systems S.A.									oral surgery
GeoDigm Corporation									
Glidewell Laboratories, Inc.									
Heraeus Holding GmbH (Heraeus Kulzer)									

## 2.Dental Products Selected Competitive Matrix (cont'd)



Companies	Lab Materials	Equipment	Consumables	Endodontics	Prosthetics/ Implants	Periodontics	Orthodontics	Cosmetic/ Oral Care	Other Products
Ivoclar Vivadent AG									
Midmark Corporation									
Millennium Dental Technologies, Inc.									
Nakanishi, Inc.									surgical, maintenance
National Dentex Corporation									
Neoss Ltd.									surgical equipment
Nobel Biocare Holding AG									
Novalar Pharmaceuticals, Inc.									
PDT, Inc. (Paradise Dental Technologies)									
Planmeca Oy									
Premier Products Co.									hygiene, cleaners
Pro-Dex, Inc.									
Ranir, LLC									
Remedent, Inc.									
Sirona Dental Systems, Inc.									hygiene systems
Straumann Holding AG									oral surgery
Vita Zahnfabrik H. Rauter GmbH & Co. KG									
Wieland Dental + Technik GmbH & Co. KG									
Young Innovations, Inc.									infection control, disposables
Zimmer Holdings, Inc. (Zimmer Dental, Inc.)									

### 3. Profiles of Select Participants in the Dental Products Market

Company & Description	Key Financial Data																																																															
 <p><b>Location: Santa Clara, CA</b></p> <ul style="list-style-type: none"> <li>Align Technology, Inc., founded in 1997, designs, manufactures, and markets the Invisalign System for treating malocclusion or the misalignment of teeth.</li> <li>The company's products include Invisalign Full for the treatment of a range of malocclusions; Invisalign Express, a solution for less complex orthodontic cases; Invisalign Teen, which is designed to meet the specific needs of the non-adult comprehensive or teen treatment market; Vivera retainers that offer aesthetic retention solution; and Invisalign Assist, which is designed for general practitioners for selecting, monitoring, and finishing Invisalign cases.</li> <li>Align Technology distributes its products directly to its customers: the orthodontist and the general practitioner dentist (GP). The Invisalign system is sold in North America, Europe, Asia-Pacific, Latin America and Japan.</li> </ul>	<table border="1"> <thead> <tr> <th style="background-color: #00728f; color: white;">\$ in millions</th> <th style="background-color: #00728f; color: white;">2004A</th> <th style="background-color: #00728f; color: white;">2005A</th> <th style="background-color: #00728f; color: white;">2006A</th> <th style="background-color: #00728f; color: white;">2007A</th> <th style="background-color: #00728f; color: white;">2008A</th> <th style="background-color: #00728f; color: white;">LTM</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>\$172.8</td> <td>\$207.1</td> <td>\$206.4</td> <td>\$284.3</td> <td>\$304.0</td> <td>\$299.8</td> </tr> <tr> <td>Sales Growth</td> <td></td> <td>19.8%</td> <td>(0.4%)</td> <td>37.8%</td> <td>6.9%</td> <td>NM</td> </tr> <tr> <td>EBITDA</td> <td>\$19.4</td> <td>\$12.9</td> <td>(\$12.9)</td> <td>\$43.8</td> <td>\$36.2</td> <td>\$40.9</td> </tr> <tr> <td>EBITDA Margin</td> <td>11.2%</td> <td>6.2%</td> <td>NM</td> <td>15.4%</td> <td>11.9%</td> <td>13.6%</td> </tr> <tr> <td>Market Cap</td> <td colspan="6">\$1,341.0</td> </tr> <tr> <td>Enterprise Value*</td> <td colspan="6">\$1,186.1</td> </tr> <tr> <td>FYE:</td> <td colspan="6">December 31st</td> </tr> <tr> <td>LTM:</td> <td colspan="6">September 30th, 2009</td> </tr> </tbody> </table>	\$ in millions	2004A	2005A	2006A	2007A	2008A	LTM	Sales	\$172.8	\$207.1	\$206.4	\$284.3	\$304.0	\$299.8	Sales Growth		19.8%	(0.4%)	37.8%	6.9%	NM	EBITDA	\$19.4	\$12.9	(\$12.9)	\$43.8	\$36.2	\$40.9	EBITDA Margin	11.2%	6.2%	NM	15.4%	11.9%	13.6%	Market Cap	\$1,341.0						Enterprise Value*	\$1,186.1						FYE:	December 31st						LTM:	September 30th, 2009					
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 <p><b>Location: Irvine, CA</b></p> <ul style="list-style-type: none"> <li>BIOLASE Technology, Inc., founded in 1984, is the leading dental laser company in the United States and worldwide.</li> <li>The company offers Waterlase systems, a combination of water and laser to perform dental procedures to cut soft and hard tissue plus bone; and Diode systems that use a semiconductor diode laser to perform soft tissue and cosmetic procedures, including teeth whitening.</li> <li>Its products are used by general dentists, periodontists, endodontists, oral surgeons, and other dental specialists.</li> <li>BIOLASE offers its products through direct sales and a network of independent distributors in the United States, Canada, Asia, Latin America, Europe, the Middle East, Africa, and the Pacific Rim countries.</li> </ul>	<table border="1"> <thead> <tr> <th style="background-color: #00728f; color: white;">\$ in millions</th> <th style="background-color: #00728f; color: white;">2004A</th> <th style="background-color: #00728f; color: white;">2005A</th> <th style="background-color: #00728f; color: white;">2006A</th> <th style="background-color: #00728f; color: white;">2007A</th> <th style="background-color: #00728f; color: white;">2008A</th> <th style="background-color: #00728f; color: white;">LTM</th> </tr> </thead> <tbody> <tr> <td>Sales</td> <td>\$60.7</td> <td>\$62.0</td> <td>\$69.7</td> <td>\$66.9</td> <td>\$64.6</td> <td>\$44.6</td> </tr> <tr> <td>Sales growth</td> <td></td> <td>2.2%</td> <td>12.5%</td> <td>(4.0%)</td> <td>(3.4%)</td> <td>NM</td> </tr> <tr> <td>EBITDA</td> <td>(\$1.5)</td> <td>(\$15.8)</td> <td>(\$2.6)</td> <td>(\$6.3)</td> <td>(\$5.1)</td> <td>(\$3.2)</td> </tr> <tr> <td>EBITDA Margin</td> <td>NM</td> <td>NM</td> <td>NM</td> <td>NM</td> <td>NM</td> <td>NM</td> </tr> <tr> <td>Market Cap</td> <td colspan="6">\$48.4</td> </tr> <tr> <td>Enterprise Value*</td> <td colspan="6">\$44.6</td> </tr> <tr> <td>FYE:</td> <td colspan="6">December 31st</td> </tr> <tr> <td>LTM:</td> <td colspan="6">September 30th, 2009</td> </tr> </tbody> </table>	\$ in millions	2004A	2005A	2006A	2007A	2008A	LTM	Sales	\$60.7	\$62.0	\$69.7	\$66.9	\$64.6	\$44.6	Sales growth		2.2%	12.5%	(4.0%)	(3.4%)	NM	EBITDA	(\$1.5)	(\$15.8)	(\$2.6)	(\$6.3)	(\$5.1)	(\$3.2)	EBITDA Margin	NM	NM	NM	NM	NM	NM	Market Cap	\$48.4						Enterprise Value*	\$44.6						FYE:	December 31st						LTM:	September 30th, 2009					
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\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares  
Market Capitalization and Enterprise Value as of 1/5/2010.



### 3. Profiles of Select Companies (cont'd)

Company & Description	Key Financial Data						
 <p><b>Location: Dubendorf, Switzerland</b></p> <ul style="list-style-type: none"> <li>COLTENE Holding AG, founded in 1835, is a global leader in dental consumables and small equipment used in dental labs for implant-based therapies and dental reconstructions.</li> <li>The company offers high-precision impression materials, filling materials, endodontic materials and products, treatment auxiliaries, diamond and carbide rotary instruments under Coltene/Whaledent brand, and patient safety and hygiene products.</li> <li>COLTENE has state-of-the-art production facilities in Switzerland, the United States, Germany and Hungary.</li> </ul>	<b>\$ in millions</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>	
	Sales	\$187.8	\$204.9	\$148.3	\$156.4	\$141.8	
	Sales growth		9.1%	(27.6%)	5.5%	NM	
	EBITDA	\$28.1	\$32.3	\$26.5	\$27.4	\$21.3	
	EBITDA Margin	15.0%	15.8%	17.9%	17.5%	15.0%	
	Market Cap	\$220.9					
	Enterprise Value*	\$250.2					
	FYE: December 31st						
	LTM: June 30th, 2009						
 <p><b>Location: York, PA</b></p> <ul style="list-style-type: none"> <li>DENTSPLY International, Inc., founded in 1983, engages in the design, development, manufacture, and marketing of dental products in over 120 countries.</li> <li>The company's dental consumable products include dental sundries, such as dental anesthetics, sealants, impression and restorative materials, tooth whiteners, and topical fluoride; small equipment, including high and low speed handpieces, intraoral curing light systems, dental diagnostic systems, and ultrasonic scalers. Its dental laboratory products comprise dental prosthetics, as well as equipment, such as computer aided machining ceramic systems, and porcelain furnaces.</li> <li>DENTSPLY's specialty product line consists of endodontic instruments and materials, implants and related products, bone grafting materials, and orthodontic appliances and accessories.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>
	Sales	\$1,694.2	\$1,715.1	\$1,810.5	\$2,009.8	\$2,193.7	\$2,099.3
	Sales growth		1.2%	5.6%	11.0%	9.1%	NM
	EBITDA	\$351.6	\$356.2	\$370.0	\$415.7	\$469.7	\$444.0
	EBITDA Margin	20.7%	20.8%	20.4%	20.7%	21.4%	21.2%
	Market Cap	\$5,307.6					
	Enterprise Value*	\$5,642.8					
	FYE: December 31st						
	LTM: September 30th, 2009						

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares  
 Market Capitalization and Enterprise Value as of 1/5/2010.





### 3. Profiles of Select Companies (cont'd)

Company & Description	Key Financial Data						
 <p><b>National Dentex Corporation</b></p> <p><b>Location: Natick, MA</b></p> <ul style="list-style-type: none"> <li>National Dentex Corporation, founded in 1982, engages in the design, fabrication, marketing, and sale of custom dental prosthetic appliances for and to dentists in the United States.</li> <li>The company offers restorative, reconstructive, and cosmetic products. Its restorative products comprise crowns and bridges, porcelain jackets, inlays and onlays, and precision crowns. Reconstructive products consist primarily of partial and full dentures. The company's cosmetic products consist of porcelain veneers and ceramic crowns.</li> <li>As of December 31, 2008, it owned and operated 46 dental laboratories, comprised of 41 full-service dental laboratories and 5 branch laboratories in the United States and Canada.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>
	Sales	\$111.8	\$135.8	\$150.1	\$170.4	\$171.7	\$164.3
	Sales growth		21.6%	10.5%	13.5%	0.8%	NM
	EBITDA	\$12.3	\$16.7	\$16.8	\$19.5	\$17.0	\$18.7
	EBITDA Margin	11.0%	12.3%	11.2%	11.4%	9.9%	11.4%
	Market Cap	\$51.3					
	Enterprise Value*	\$77.6					
	FYE: December 31st LTM: September 30th, 2009						
 <p><b>Nobel Biocare</b></p> <p><b>Location: Kloten, Switzerland</b></p> <ul style="list-style-type: none"> <li>Nobel Biocare Holding AG, founded in 2001, provides restorative and esthetic dental solutions worldwide.</li> <li>The company offers various science-based solutions from root to tooth, including dental implants, ceramic crowns, bridges and laminates, guided surgery solutions, scanners, and biomaterials. It also offers individualized prosthetic solutions, training and clinically documented treatment concepts.</li> <li>Nobel Biocare provides its products under the Branemark System, NobelActive, NobelReplace, NobelSpeedy, Replace Select, Procera, and NobelGuide brand names.</li> <li>It has 6 manufacturing facilities in Sweden, the U.S., Japan and Israel; direct sales organizations in 37 countries and distribution network covering more than 70 countries.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>
	Sales	\$525.8	\$574.0	\$792.5	\$972.4	\$865.2	\$860.2
	Sales growth		9.2%	38.1%	22.7%	(11.0%)	NM
	EBITDA	\$182.6	\$207.4	\$290.0	\$341.7	\$228.6	\$213.6
	EBITDA Margin	34.7%	36.1%	36.6%	35.1%	26.4%	24.8%
	Market Cap	\$4,254.5					
	Enterprise Value*	\$4,310.1					
	FYE: December 31st LTM: September 30th, 2009						



\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares  
Market Capitalization and Enterprise Value as of 1/5/2010.

### 3. Profiles of Select Companies (cont'd)

Company & Description	Key Financial Data						
 <p><b>Location: Deurle, Belgium</b></p> <ul style="list-style-type: none"> <li>• Remedent, Inc., founded in 1986, engages in the research, development, manufacture, and distribution of oral care and cosmetic dentistry products in Europe, Asia, and the United States.</li> <li>• The company offers professional dental and retail over-the-counter tooth whitening products.</li> <li>• Professional dental products include GlamSmile, an ultra thin claddings that are attached to the front of the patient's teeth; FirstFit, a system for the creation and placement of dental bridges and crowns; RemeWhite in office whitening system; MetaTray, a self-contained whitening system; RemeCure plasma curing light; and Remewhite home maintenance kit, a 16 pre-filled trays with whitening agent for home use.</li> <li>• Distributes its products in more than 35 countries.</li> </ul>	<b>\$ in millions</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>	<b>LTM</b>
	Sales	\$7.1	\$7.4	\$6.7	\$7.5	\$14.6	\$12.2
	Sales growth		4.6%	(9.7%)	12.1%	95.7%	NM
	EBITDA	\$0.9	(\$3.0)	(\$1.2)	(\$2.8)	(\$0.3)	(\$1.8)
	EBITDA Margin	13.0%	NM	NM	NM	NM	NM
	Market Cap	\$8.7					
	Enterprise Value*	\$8.7					
FYE: March 31st							
LTM: September 30th, 2009							
 <p><b>Location: Long Island City, NY</b></p> <ul style="list-style-type: none"> <li>• Sirona Dental Systems, Inc., founded in 1882, manufactures and sells high-tech dental equipment for dentists worldwide.</li> <li>• The company provides a range of advanced products in four primary areas: dental CAD/CAM systems, imaging systems, treatment centers, and instruments.</li> <li>• The company distributes its products to dental practices, clinics, and laboratories through an international network of more than 300 distributors.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>2009A</b>
	Sales	\$387.8	\$463.4	\$520.6	\$659.9	\$757.1	\$713.3
	Sales growth		19.5%	12.4%	26.8%	14.7%	NM
	EBITDA	\$72.6	\$104.8	\$121.4	\$148.8	\$167.4	\$176.2
	EBITDA Margin	18.7%	22.6%	23.3%	22.6%	22.1%	24.7%
	Market Cap	\$1,789.9					
	Enterprise Value*	\$2,085.1					
FYE: September 30th							
LTM: September 30th, 2009							

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares  
Market Capitalization and Enterprise Value as of 1/5/2010.

### 3. Profiles of Select Companies (cont'd)

Company & Description	Key Financial Data						
 <p><b>Location: Basel, Switzerland</b></p> <ul style="list-style-type: none"> <li>• Straumann Holding AG, founded in 1954, engages in the research, development, and manufacture of implants, instruments, CAD/CAM prosthetics, and tissue regeneration products for use in tooth replacement solutions or to prevent tooth loss.</li> <li>• Its products include dental implant system, which comprises a line of surgical implants, prosthetic components, and a range of matching precision instruments and handling components.</li> <li>• The company's tissue regeneration products include Emdogain, a solution to promote the predictable regeneration of hard and soft tissues lost due to periodontal disease; BoneCeramic, a synthetic and biocompatible product for bone augmentation procedures; and membrane products.</li> <li>• Straumann also provides training and education services to the dental profession in collaboration with the International Team for Implantology.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>
	Sales	\$368.3	\$387.6	\$491.3	\$629.6	\$731.9	\$690.0
	Sales growth		5.2%	26.8%	28.2%	16.3%	NM
	EBITDA	\$135.5	\$136.3	\$173.3	\$207.7	\$245.7	\$211.4
	EBITDA Margin	36.8%	35.2%	35.3%	33.0%	33.6%	30.6%
	Market Cap	\$4,359.2					
	Enterprise Value*	\$4,226.3					
	FYE: December 31st LTM: June 30th, 2009						
 <p><b>Location: Earth City, MO</b></p> <ul style="list-style-type: none"> <li>• Young Innovations, Inc., founded in 1995, engages in the development, manufacture, and marketing of supplies and equipment used by dentists, dental hygienists, dental assistants, and consumers.</li> <li>• The company has two business lines: consumables and diagnostics. Among consumables, the company offers preventive and infection control products, micro-applicators, practice enhancement products, and endodontic products. Its diagnostic products include panoramic X-ray systems and supplies.</li> <li>• It markets its products primarily in the United States, Canada, Europe, South America, Central America, and the Pacific Rim.</li> </ul>	<b>\$ in millions</b>	<b>2004A</b>	<b>2005A</b>	<b>2006A</b>	<b>2007A</b>	<b>2008A</b>	<b>LTM</b>
	Sales	\$79.2	\$84.8	\$90.8	\$97.4	\$99.1	\$97.1
	Sales growth		7.0%	7.1%	7.3%	1.8%	NM
	EBITDA	\$24.0	\$26.6	\$26.9	\$24.9	\$23.8	\$24.8
	EBITDA Margin	30.3%	31.4%	29.6%	25.6%	24.0%	25.6%
	Market Cap	\$205.2					
	Enterprise Value*	\$223.2					
	FYE: December 31st LTM: September 30th, 2009						

\*Enterprise Value (EV) = Market Capitalization + cash & equivalents + debt + minority interest + preferred shares  
Market Capitalization and Enterprise Value as of 1/5/2010.

## 4. Comparable Company Analysis - Dental Products

Company	Price	Price		EV*	Net Debt	Mkt Cap.	EV*/Net Sales			EV*/EBITDA			Price/Earning			Price/Sales		
		High	Low				'07	'08	LTM	'07	'08	LTM	'07	'08	LTM	'07	'08	LTM
Align Technology, Inc.	\$1760	\$18.85	\$5.67	\$1,186.1	(\$154.9)	\$1,341.0	3.6	1.6	4.0	23.6	13.0	29.0	31.4	7.3	51.1	4.0	1.9	4.5
Biolase Technology, Inc.	\$1.98	\$2.88	\$0.30	\$44.6	(\$3.9)	\$48.4	0.7	0.4	1.0	NM	NM	NM	NM	NM	NM	0.8	0.6	1.1
COLTENE Holding AG	\$53.25	\$55.09	\$36.53	\$250.2	\$27.8	\$220.9	2.4	0.9	1.8	13.5	4.9	11.7	14.1	4.1	16.2	2.2	1.2	1.6
DENTSPLY International, Inc.	\$34.78	\$36.80	\$21.80	\$5,642.8	\$260.1	\$5,307.6	3.5	2.0	2.7	17.0	9.3	12.7	26.3	14.8	19.1	3.4	1.9	2.5
National Dentex Corp.	\$8.72	\$12.73	\$1.25	\$77.6	\$26.3	\$51.3	0.7	0.4	0.5	6.1	4.0	4.1	26.3	NM	NM	0.5	0.1	0.3
Nobel Biocare Holding AG	\$34.37	\$35.03	\$15.65	\$4,310.1	\$56.4	\$4,254.5	6.7	3.0	5.0	19.1	11.5	20.2	27.2	16.1	24.4	6.8	2.9	4.9
Remedent, Inc.	\$0.45	\$1.01	\$0.20	\$8.7	(\$0.6)	\$8.7	5.1	0.9	0.7	NM	NM	NM	NM	NM	NM	5.6	0.9	0.7
Sirona Dental Systems, Inc.	\$32.51	\$36.05	\$9.74	\$2,085.1	\$293.8	\$1,789.9	3.4	2.0	2.9	15.4	5.6	11.8	25.8	32.0	33.4	2.8	0.8	0.9
Straumann Holding AG	\$280.52	\$292.64	\$153.59	\$4,226.3	(\$126.2)	\$4,359.2	6.7	3.7	6.1	20.4	11.1	20.0	27.7	NM	NM	6.8	3.7	6.3
Young Innovations, Inc.	\$25.83	\$28.54	\$8.00	\$223.2	\$17.9	\$205.2	2.4	1.5	2.3	9.3	6.4	9.0	16.3	9.9	15.5	2.0	1.2	2.1

	EV*/Net Sales			EV*/EBITDA			Price/Earning			Price/Sales		
	'07	'08	LTM	'07	'08	LTM	'07	'08	LTM	'07	'08	LTM
High	6.7	3.7	6.1	23.6	13.0	29.0	31.4	32.0	51.1	6.8	3.7	6.3
Mean	3.6	1.7	2.8	15.5	8.2	14.8	24.4	14.0	26.6	3.5	1.5	2.5
Median	3.5	1.6	2.7	16.2	7.8	12.3	26.3	12.3	21.8	3.1	1.2	1.8
Low	0.7	0.4	0.5	6.1	4.0	4.1	14.1	4.1	15.5	0.5	0.1	0.3

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares

Outliers have been excluded from Mean and Median calculations.

All currency figures in USD. Price figures in actual dollars, EV, Net Debt, and Market Capitalization in millions.

Market Capitalization and Enterprise Value as of 1/5/2010.

## 5. Comparable Transaction Analysis - Dental Products

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
8/6/2009	AXIS Dental Corporation	Sybron Dental Specialties, Inc.	Sybron Dental Specialties, Inc. acquired AXIS Dental Corporation. AXIS Dental engages in the distribution of logic sets, organization systems, endodontic products, and NTI rotary instruments.	NA	NA	NA	NA
6/30/2009	Vigodent SA Indústria e Comércio	COLTENE Holding AG (SWX:CLTN)	COLTENE Holding AG completed the acquisition of 40% stake in Vigodent SA Indústria e Comércio. COLTENE has an option to acquire the remaining 60% stake after two years. Vigodent SA Indústria e Comércio manufactures and markets restorative and prosthetic dental consumables. Vigodent generates sales of approximately BRL 20 million.	NA	NA	NA	NA
5/1/2009	NGInstruments, Inc.	Avalign Technologies, Inc.	Avalign Technologies, Inc. acquired NGInstruments, Inc. for undisclosed amount. The senior credit facilities were led by The PrivateBank and Trust Company with GE Capital, Healthcare Financial Services participating in the credit. Avalign's subordinated notes were purchased by RoundTable Capital Partners. NGInstruments, a contract manufacturing company, manufactures drills and precision instruments for medical, dental, and veterinary markets.	NA	NA	NA	NA
3/9/2009	Ortho Organizers, Inc.	Henry Schein, Inc. (NasdaqGS:HSIC)	Henry Schein, Inc. acquired Ortho Organizers, Inc. from Celerity Partners and Ampersand Ventures. Ortho Organizers manufactures and distributes orthodontic products for the dental market. For the year 2008, its revenues were approximately \$30 million.	NA	NA	NA	NA
1/12/2009	Anthos Impianti Srl	Henry Schein, Inc. (NasdaqGS:HSIC)	Henry Schein, Inc. acquired Anthos Impianti Srl from Cefla Gest S.R.L. Anthos Impianti offers products for the dental surgery, including dental units, multimedia systems, operating lights, and imaging products. In 2008, it reported €32 million in revenues.	NA	NA	NA	NA
1/12/2009	Placcontrol, Inc.	Ranir, LLC	The financial terms of the transaction were not disclosed. Placcontrol, Inc. develops, markets, and distributes disposable dental flossers for dental professionals in California.	NA	NA	NA	NA
12/10/2008	Sylphar N.V.	Remedent, Inc. (OTCBB:REMI)	Remedent, Inc. acquired 99% in Sylphar N.V. from Remedent NV for \$2.5 million. Sylphar N.V. develops and markets oral care products, over-the-counter, and dental pharmaceuticals.	2.5	2.5	NA	NA
12/1/2008	Apollonia & Fama Impant S.r.l	DENTSPLY International, Inc. (NasdaqGS:XRAY)	DENTSPLY International, Inc. completed the acquisition of the assets of Apollonia & Fama Impant S.r.l. Apollonia & Fama Impant markets and sells dental implant products.	NA	NA	NA	NA
11/10/2008	BioCad Medical, Inc.	Nobel Biocare Holding AG (SWX:NOBN)	Nobel Biocare Holding AG acquired BioCad Medical, Inc. for \$33.3 million in cash. BioCad Medical manufactures titanium bars that are used for oral and dental applications.	33.3	33.3	NA	NA

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares

## 5. Comparable Transaction Analysis - Dental Products (cont'd)

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV* / Revenues	EV* / EBITDA
9/2/2008	Dental Art Laboratories, Inc.	National Dentex Corp. (NasdaqGM:NADX)	National Dentex Corp. acquired Dental Art Laboratories, Inc. for \$10.11 million. National Dentex acquired \$0.11 million of cash. National Dentex borrowed \$10 million under the consolidated revolving line of credit to fund the purchase. Dental Art had sales in excess of \$7.5 million in its last fiscal year ended December 31, 2007.	10.1	10.0	1.3x	NA
8/5/2008	Pentron Corporation	Sybron Dental Specialties, Inc.	Pentron Corporation manufactures and markets dental restorative products. Sybron Dental Specialties, Inc., a subsidiary of Danaher Corp., designs, manufactures, and markets dental, dental implant, and infection prevention products in the United States and internationally.	NA	NA	NA	NA
8/1/2008	Medicim NV	Nobel Biocare Holding AG (SWX:NOBN)	Nobel Biocare Holding AG acquired Medicim NV for \$11.8 million. Nobel Biocare combined its operations with Medicim's specialized business unit for digital dentistry and took over all of its patents.	11.8	11.8	NA	NA
6/27/2008	Implant Master	Nobel Biocare Holding AG (SWX:NOBN)	Nobel Biocare Holding AG acquired Implant Master for an undisclosed amount. Implant Master engages in the distribution of dental care products and is based in Taiwan.	NA	NA	NA	NA
6/13/2008	MediMatch Dental Laboratory	ADP Dental Company Limited	ADP Dental Company Limited operates as a dental company in the United Kingdom.	NA	NA	NA	NA
5/15/2008	IMTEC Corporation (nka IMTEC, a 3M Company)	3M Co. (NYSE:MMM)	IMTEC Corporation was acquired by 3M Co. and is now known as IMTEC, a 3M Company. IMTEC manufactures dental implants and cone beam computed tomography scanning equipment for dental and medical radiology.	NA	NA	NA	NA
4/28/2008	Etkon CAD-CAM Iberica S.L.	Straumann Holding AG (SWX:STMN)	Straumann Holding AG acquired Etkon CAD-CAM Iberica S.L. from Etkon AG for \$11.5 million. Etkon CAD-CAM Iberica S.L. is a distributor of dental CAD/CAM solutions based in Málaga, Spain.	11.5	11.5	NA	NA
3/15/2008	Shirokusu Dental Supply Works	KaVo Dental GmbH & Co. KG	KaVo Dental GmbH & Co. KG, a subsidiary of Danaher Corp., designs and manufactures dental equipment and instruments for dentists and dental technicians. Shirokusu Dental Supply Works is a medical device company and is based in Osaka, Japan.	NA	NA	NA	NA
2/22/2008	Dental Plus Kft.	Nobel Biocare Holding AG (SWX:NOBN)	DentalPlus Kft., based in Hungary, engages in the distribution of Nobel Biocare Holding's products.	NA	NA	NA	NA
2/18/2008	Brasseler USA, Inc.	Carousel Capital	Carousel Capital III, L.P. of Carousel Capital along with Brasseler's Chief Executive Officer, Don Waters, and other members of management acquired Brasseler USA, Inc. from Peter Brasseler and family.	NA	NA	NA	NA

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares

## 5. Comparable Transaction Analysis - Dental Products (cont'd)

Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV* / Revenues	EV* / EBITDA
2/6/2008	AlphabioTec Ltd.	Nobel Biocare Holding AG (SWX:NOBN)	Nobel Biocare Holding AG signed an agreement to acquire AlphabioTec Ltd. from Ophir Fromovich, Owner and Chief Executive Officer of AlphabioTec for \$95 million. The consideration will be paid in a combination of cash and stock. AlphabioTec is a dental implant company.	95.0	95.0	NA	NA
1/30/2008	Implant Logic Systems, Ltd.	BioHorizons, Inc.	BioHorizons Implant Systems, Inc. acquired Implant Logic Systems for undisclosed amount. Implant Logic Systems provides software technology solutions to the dental implant market.	NA	NA	NA	NA
1/16/2008	ORMEDENT spol. s r.o. (nka: Straumann sro)	Straumann Holding AG (SWX:STMN)	Straumann Holding AG acquired ORMEDENT spol. s r.o. for \$2.9 million. As a part of the consideration \$1.45 million was paid in cash at the time of acquisition. The agreement includes an earn-out with a maximum of \$1.45 million payable in 2010 conditional upon a set of performance criteria regarding the acquired business.	2.9	2.9	NA	NA
1/15/2008	Lifecore Biomedical, LLC	Warburg Pincus, LLC	Lifecore Biomedical, LLC Dental division develops and markets precision surgical and prosthetic devices for the restoration of missing dentition.	243.6	199.6	2.8x	15.2x
12/14/2007	BioMimetic Therapeutics, Inc., Dental Business	Luitpold Pharmaceuticals, Inc.	Luitpold Pharmaceuticals, Inc. acquired dental business of BioMimetic Therapeutics Inc. for \$40 million.	40.0	40.0	NA	NA
12/11/2007	Denics International Co. Ltd. (nka: Astra Tech K.K.)	Astra Tech AB	Astra Tech AB acquired Denics International Co. Ltd. for \$5 million in cash. Denics International distributes and markets dental products. For the year 2006, its revenues were \$30 million.	5.0	5.0	0.2x	NA
12/1/2007	Precision Dental International, Inc. and Precise Dental Products, Ltd.	Integra LifeSciences Holdings Corporation (NasdaqGS:IART)	Integra LifeSciences Holdings Corp. acquired Precision Dental International, Inc. and Precise Dental Products, Ltd. for \$10.5 million in cash.	10.5	10.5	NA	NA
11/14/2007	Nevin Labs	DentalEZ, Inc.	DentalEZ Group, Gordon Hagler, President of DentalEZ, along with Bob Nevin and Denis Sexton of Nevin acquired Nevin Labs for undisclosed amount. Nevin Labs designs, builds, and installs dental laboratory furniture and processing equipment.	NA	NA	NA	NA
11/12/2007	European Design, Inc.	Midmark Corporation	European Design, Inc. manufactures dental equipment, furniture, cabinetry, and dental delivery systems.	NA	NA	NA	NA
10/2/2007	JP Medical BV	Medeco B.V.	Medeco B.V. acquired JP Medical from the Managing Director of JP Medical and other private investors for \$12.6 million in cash. JP Medical provides healthcare products, including dental care. The company reported total sales of \$18.0 million for the year ended December 31, 2006.	12.6	12.6	0.7x	NA
10/1/2007	Lingualcare, Inc.	3M Unitek Corporation	Lingualcare, Inc., an orthodontic technology and services company, provides products, materials, tools, training, and product marketing programs for the orthodontic practice in the United States.	NA	NA	NA	NA

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares

## 5. Comparable Transaction Analysis - Dental Products (cont'd)

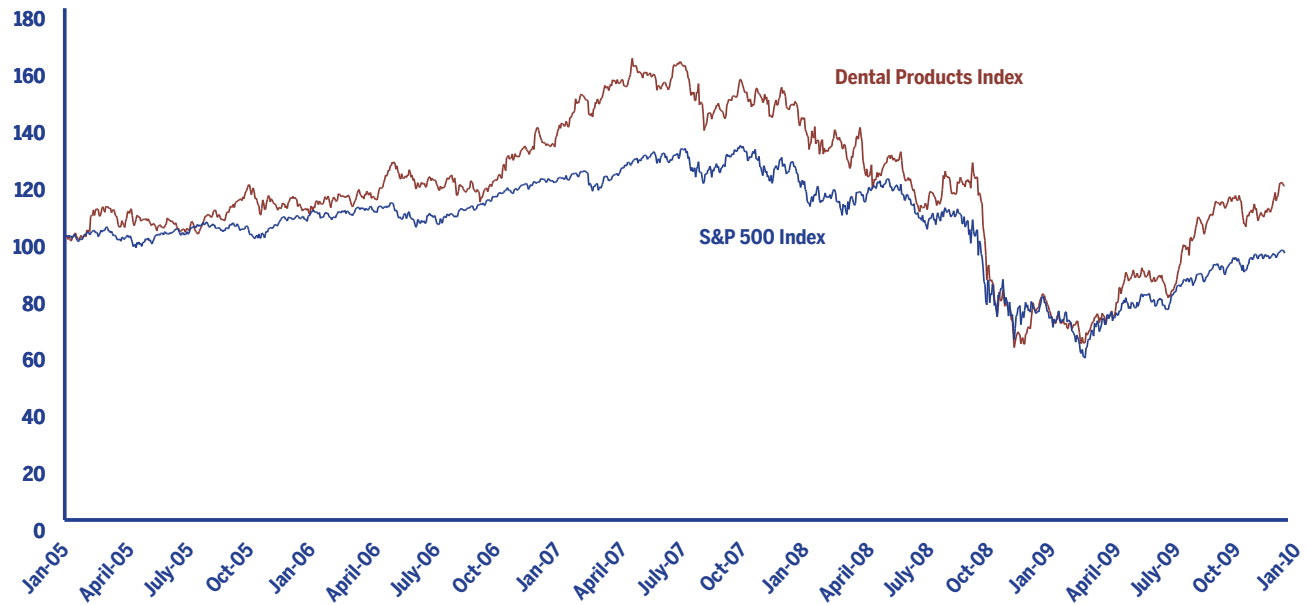
Closing Date	Target	Buyer	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/ Revenues	EV*/ EBITDA
9/27/2007	Atlantis Components, Inc.	Astra Tech AB	Astra Tech AB, a subsidiary of AstraZeneca (LSE: AZN) acquired Atlantis Components, Inc. from a consortium of investors for \$71 million in cash. Atlantis Components designs and machines titanium abutments that allow dentists to restore implants.	71.0	71.0	NA	NA
9/26/2007	Strong Dental Products, Inc.	Crosstex International, Inc.	Crosstex International, Inc., a subsidiary of Cantel Medical Corp., acquired Strong Dental Products, Inc. for \$4.7 million in cash. Strong Dental Products had annual revenues of approximately \$1 million.	4.7	4.7	4.7x	NA
9/12/2007	Abzil Industria e Comercio Ltda.	3M Unitek Corporation	Abzil Industria e Comercio Ltda. manufactures orthodontic products in Brazil.	NA	NA	NA	NA
8/7/2007	BI Trading Co. Ltd.	Straumann Holding AG (SWX:STMN)	Straumann Holding acquired BI Trading Co. Ltd. for \$10.1 million in cash.	10.1	10.1	NA	NA
8/1/2007	NEKS Technologies, Inc, TMV Medica SA, Sportswire.com	DENTSPLY International, Inc. (NasdaqGS:XRAY)	DENTSPLY International, Inc. (NasdaqNM: XRAY) acquired NEKS Technologies, Inc, TMV Medica SA, Sportswire.com from BDC Venture Capital for \$19.1 million in cash. NEKS Technologies, Inc. is a dental equipment manufacturer in Canada, which develops and commercializes proprietary, non-invasive, handheld dental instruments for early diagnosis of pathologies. TMV Medica is a sales and marketing organization for implant products in Spain. Sportswire is a manufacturer of endodontic materials based in Oklahoma.	19.1	19.1	NA	NA
7/2/2007	Daishin Implant System Co. Ltd.	Straumann Holding AG (SWX:STMN)	Straumann Holding AG acquired Daishin Implant System for a purchase price of \$70.2 million. As per the terms of the agreement, \$62.0 million was paid in cash and an additional performance-based consideration of up to \$8.2 million will be paid on or before February 1, 2014. Daishin Implant System engages in the distribution of implant dentistry products and services in Japan.	70.2	70.2	NA	NA
5/14/2007	Blue X Imaging Srl	Sirona Dental Systems Inc. (NasdaqGS:SIRO)	Blue X Imaging Srl engages in the design, manufacture, and distribution of imaging equipment for the dental community.	NA	NA	NA	NA
4/10/2007	Fluorinex Active Ltd.	Syneron Medical Ltd. (NasdaqGS:ELOS)	Fluorinex Active Ltd. has raised a round of funding from Syneron Medical Ltd. Fluorinex Active Ltd. engages in the research and development of tooth care systems for the prevention of dental caries and aesthetic tooth whitening.	NA	NA	NA	NA
3/2/2007	Etkon AG (nka: Straumann CAD/CAM GmbH)	Straumann Holding AG (SWX:STMN)	Straumann Holding AG acquired 78% majority stake in Etkon AG from Alfred Wieder AG for \$102.83 million. Straumann CAD/CAM GmbH develops, manufactures, and distributes dental CAD/CAM solutions.	102.83	131.83	NA	NA

High	4.7x	NM
Median	1.3	NM
Mean	1.9	NM
Low	0.2	NM

\*Enterprise Value (EV) = Market Capitalization - cash & equivalents + debt + minority interest + preferred shares



## 6. Dental Products Index



Dental Products Index includes: Align Technology, Inc., Biolase Technology, Inc., COLTENE Holding AG, DENTSPLY International, Inc., National Dentex Corporation, Nobel Biocare Holding AG, Remedent, Inc., Sirona Dental Systems, Inc., Straumann Holding AG, Young Innovations, Inc. The index is weighted by market capitalization.

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## 8. Contact Information

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