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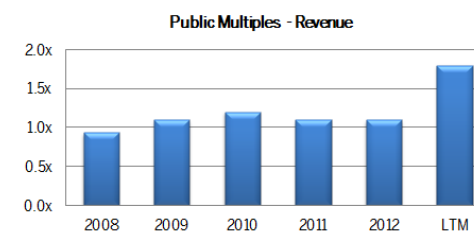
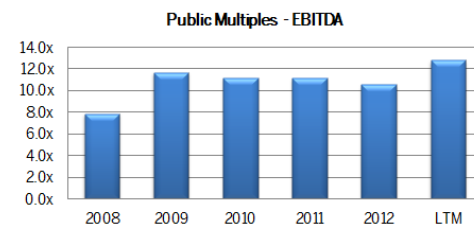
Dental Products Market Analysis

Geographic expansion and advanced technology help drive acquisitions in the dental products market

Industry Multiples and Index

The dental products market is expected to grow at an annualized rate of around 7%, reaching \$27.6 billion by 2015.¹

Revenue multiples are currently tracking at a median of 1.7x, while EBITDA multiples have a median of 12.8x. Since 2011, these have seen 55% and 21% increases, respectively. Transaction multiples are tracking in a slightly higher range, with median revenue multiples of 3.2x and median EBITDA multiples of 13.7x over the past two and a half years.



Source: CapitalIQ

Recent Trends

One major trend in the industry is that companies are using acquisitions as a means to expand their geographical reach. Companies aim to reinforce their position in existing markets as well as accelerate their international expansion and access emerging markets.

In early October, Strauman recently made two back-to-back acquisitions. The acquisitions of Medentika and Createch represent Strauman's continued effort to strengthen its business in the "value" segment of the tooth replacement market.

The merger of Keystone Dental, Inc. and Southern Implants, Inc. in June 2012 reinforces their worldwide presence in the dental implant market and strengthens their existing position in the US.

The acquisition of an initial 49% stake in Neodent S.A. in May 2012 enables Straumann Holding AG to reach a leading position in Brazil and to strengthen its presence in Latin America. In March 2013, Q&M Dental Group acquired AR Dental Supplies Sdn Bhd to achieve an expansion of their distribution business into Malaysia and other Southeast Asian countries.

Another key trend in the market is the application and expansion of CAD (computer-aided design) and CAM (computer-aided manufacturing) technology.

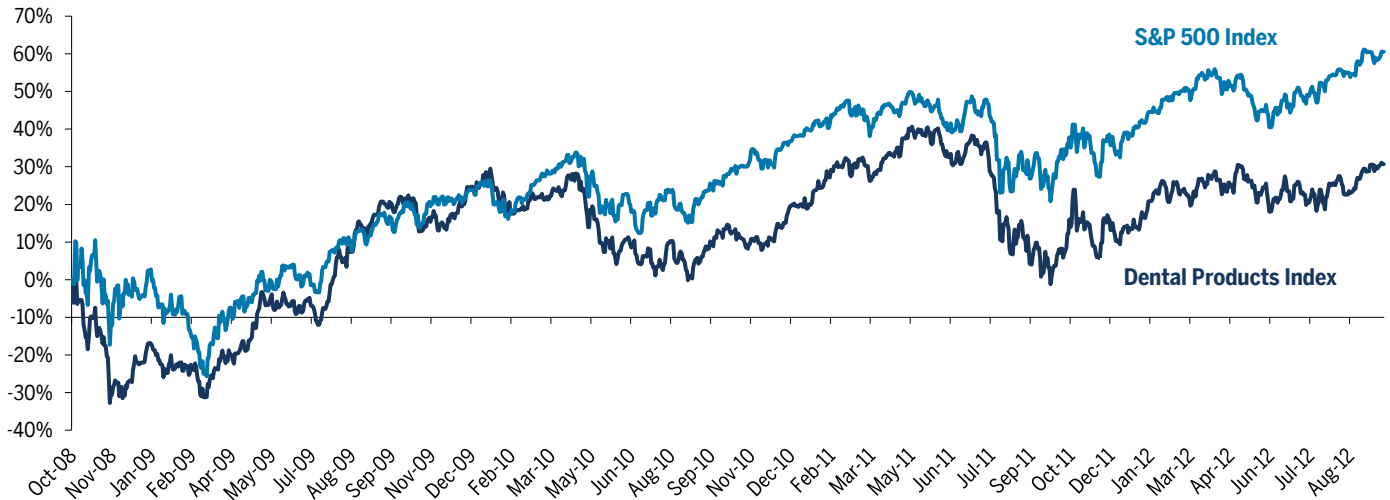
Mitsui Chemicals's acquisition of Heraeus significantly increased Mitsui's existing dental platform. The company has made a series of add-on acquisitions including Mitsui's acquisition of DENTCA Inc. in June 2013 and Heraeus's acquisition of Biomain in March 2012. Biomain and DENTCA both provide access to advanced CAD/CAM technology that enables Mitsui to expand its global dental business.

The shift to more advanced technologies is also reflected in Anthogyr S.A. acquisition of a majority stake in Simedea S.A. in May 2012. Anthogyr S.A. benefits from Simedea S.A.'s 65 years of experience in dental products as well as expertise in the field of CAD/CAM technology, particularly in the implant field.

¹ MarketsandMarkets Report

Dental Products Index

Below is an index of dental products companies compared to the S&P 500 over the past five years.



*Dental Products index includes: Align Technology, Inc.; Biolase, Inc.; COLTENE Holding AG; DENTSPLY International, Inc.; Henry Schein, Inc.; Meta Biomed Co. Ltd.; Nobel Biocare Holding AG; Osstem Implant Co. Ltd.; Patterson Companies, Inc.; SDI Ltd.; Shin Hung Co., Ltd.; Shofu, Inc.; Sirona Dental Systems, Inc. Straumann Holding AG; and Value Added Technologies Co. Ltd.
Source: Capital IQ

Comparable Company Analysis

Below is a snapshot of selected companies in the dental products market.

Company	Price	52-Week		EV*	Net Debt	Market Cap	EV/Sales			EV/EBITDA		
		High	Low				2011	2012	LTM	2011	2012	LTM
Align Technology Inc.	\$ 44.34	\$ 44.90	\$ 23.45	\$ 3,295.9	\$ (278.4)	\$ 3,574.3	3.4x	3.4x	5.5x	15.2x	13.7x	22.9x
BIOLASE, Inc.	\$ 1.20	\$ 6.02	\$ 1.53	\$ 65.4	\$ 3.9	\$ 61.5	1.5x	1.0x	1.0x	NA	NA	NA
COLTENE Holding AG	\$ 48.42	\$ 53.23	\$ 26.51	\$ 233.9	\$ 29.7	\$ 204.2	1.2x	1.0x	1.4x	9.9x	7.0x	9.8x
DENTSPLY International Inc.	\$ 42.63	\$ 44.21	\$ 35.64	\$ 7,699.7	\$ 1,583.3	\$ 6,078.5	2.8x	2.5x	2.6x	15.0x	13.9x	14.0x
Henry Schein, Inc.	\$ 105.90	\$ 107.75	\$ 73.35	\$ 10,125.8	\$ 389.4	\$ 9,268.4	0.8x	0.9x	1.1x	9.4x	10.5x	12.8x
Meta Biomed Co., Ltd.	\$ 3.58	\$ 3.78	\$ 1.92	\$ 105.6	\$ 43.5	\$ 61.2	2.9x	1.1x	1.9x	13.5x	6.5x	NA
Nobel Biocare Holding AG	\$ 12.56	\$ 13.68	\$ 7.58	\$ 1,473.7	\$ (71.3)	\$ 1,544.9	2.0x	1.3x	2.0x	11.5x	7.9x	12.7x
Osstem Implant Co., Ltd.	\$ 27.05	\$ 34.87	\$ 15.56	\$ 429.0	\$ 41.1	\$ 384.1	1.3x	2.2x	2.4x	NA	18.3x	NA
Patterson Companies, Inc.	\$ 42.36	\$ 42.62	\$ 31.36	\$ 4,705.0	\$ 257.8	\$ 4,447.2	1.0x	1.1x	1.3x	8.9x	10.0x	11.8x
SDI Limited	\$ 0.71	\$ 0.73	\$ 0.14	\$ 90.6	\$ 5.8	\$ 84.8	0.5x	0.8x	1.7x	5.8x	5.5x	12.7x
Shin Hung Co., Ltd.	\$ 6.24	\$ 7.60	\$ 5.42	\$ 85.9	\$ 25.5	\$ 59.7	0.7x	0.7x	0.7x	NA	18.8x	NA
Shofu Inc.	\$ 8.86	\$ 10.44	\$ 8.14	\$ 91.8	\$ (49.4)	\$ 141.2	0.4x	0.4x	0.5x	3.8x	4.4x	6.2x
Sirona Dental Systems Inc.	\$ 69.34	\$ 75.81	\$ 49.65	\$ 3,711.4	\$ (130.3)	\$ 3,839.6	2.7x	3.5x	3.5x	10.7x	13.6x	13.8x
Straumann Holding AG	\$ 162.46	\$ 162.88	\$ 104.63	\$ 2,381.1	\$ (131.8)	\$ 2,513.0	3.2x	2.4x	3.3x	14.6x	12.8x	18.7x
Value Added Technology Co., Ltd.	\$ 12.16	\$ 17.48	\$ 5.91	\$ 231.2	\$ 40.3	\$ 180.5	0.9x	1.1x	1.5x	28.9x	10.6x	NA

*Enterprise Value (EV) = market capitalization + debt + minority interest
All currency figures in USD. Price figures in actual dollars; EV, Net Debt, and Market Cap in millions
Market Cap and Enterprise Value as of 10/09/2013

	EV/Sales			EV/EBITDA		
	2011	2012	LTM	2011	2012	LTM
High	3.4x	3.5x	5.5x	28.9x	18.8x	22.9x
Mean	1.7x	1.6x	2.0x	12.3x	11.0x	13.5x
Median	1.3x	1.1x	1.7x	11.1x	10.6x	12.8x
Low	0.4x	0.4x	0.5x	3.8x	4.4x	6.2x

Comparable Transaction Analysis

Below is a selection of recent transactions in the dental products industry.

Closing Date	Target	Buyer	Dental Segment	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/Revenues	EV*/EBITDA
10/7/2013	Medentika GmbH	Straumann Holding AG (SWX:STMN)	Implants / Prosthetics	The acquisition of 51% stake in Medentika, a provider of implant prosthetics that are used with most leading implant and CAD/CAM systems, will strengthen Straumann's position in the "value" segment of the tooth replacement market.	43.5	85.2	5.7x	NA
10/7/2013	Creatch Medical S.L.	Straumann Holding AG (SWX:STMN)	Implants / Prosthetics	The acquisition of 30% stake in Creatch Medical, a manufacturer dental frameworks in biocompatible materials, will strengthen Straumann's position in the "value" segment of the tooth replacement market.	NA	NA	NA	NA
10/4/2013	Kol Dental Sp Z O O Spolka Komandytowo Akcyjna	Plandent Division Oy	Distribution	The acquisition allows Plandent Division to enter the Polish market.	NA	NA	NA	NA
8/15/2013	Cal Ceram Dental Lab, Inc.	Beacon Bay Holdings	Laboratory Services	The acquisition is part of BBH's strategy to partner with dental laboratories across North America. Cal Ceram, which specializes in the field of implant prosthetics, is also complementary with BBH's dental laboratory family.	NA	NA	NA	NA
8/2/2013	Mercer Advisors Inc.	Patterson Companies, Inc.	IT	Through the acquisition, Patterson will gain Mercer's proprietary OnTrack® dental practice performance software system and expand Patterson's software offerings for dental practices	NA	NA	NA	NA
7/5/2013	AR Dental Supplies Sdn. Bhd.	Q & M Dental Group (Singapore) Limited	Equipment	The acquisition brings economies of scale to Q&M's clinic operations and purchasing in Malaysia.	2.7	3.9	NA	NA
7/2/201 Announced	Zest Anchors LLC	Avista Capital Holdings, L.P.	Equipment	The private equity group reacts to an increased demand for dentures among a growing population of U.S. adults over age 65. Zest expects its implant overdentures market to grow more than 150 percent by 2017 alone.	NA	NA	NA	NA
6/30/2013	Heraeus Dental	Mitsui Chemicals, Inc.	Prosthetics	Mitsui plans to expand its activities in the dental products area, which will give Heraeus Dental promising opportunities for development.	578.8	578.8	1.3x	NA
6/20/2013	DENTCA, Inc.	Mitsui Chemicals, Inc.	Equipment	Mitsui Chemicals targets expansion of its global denture business through DENTCA's denture design technology.	NA	NA	NA	NA
6/1/2013	RIEMSER Pharma GmbH, Regeneration Operations of the Dental Business Unit	Curasan AG	Distribution	The acquisition is a strategic step to increase and accelerate the company's growth. The acquired distribution structures are used for the distribution of new Curasan products.	NA	NA	NA	NA
4/16/2013	DBG (UK) Limited	The Carlyle Group, Palamon Capital Partners	Distribution	Carlyle and Palamon will continue to grow and diversify DBG's services and will facilitate greater cooperation with IDH, which operates the largest healthcare practice network in the UK.	NA	NA	NA	NA
2/14/2013	Depot Dentaire Humblet S.A. and Eki P Dental S.A.	Planmeca Oy	Distribution	Plandent Division plans to strengthen its position in the growing Central European market through the acquisition.	NA	NA	NA	NA
1/31/2013	Young Innovations Inc.	Linden LLC	Disposables / Equipment	Linden took Young Innovations Inc. private and views Young Innovations as platform for growth in the oral care sector.	319.2	319.2	2.8x	10.4x
12/18/2012	McNeil-PPC Inc., Reach Toothbrushes	Dr. Fresh, Inc.	Equipment	REACH is a complement to Dr. Fresh's existing portfolio. Dr. Fresh aims to grow the REACH business.	NA	NA	NA	NA
12/6/2012	Boyd Industries, Inc.	Salt Creek Capital Management, LLC	Equipment	Salt Creek Capital Management plans to transition Boyd to new management and guide the business to continue growing the business. Boyd is a manufacturer of examination and operator equipment for the dental and medical specialty markets.	NA	NA	NA	NA
12/3/2012	PeriOptix Inc	Den-Mat Holdings, LLC	Equipment	The acquisition leverages Den-Mat Holdings's marketing reach and distribution network.	NA	NA	NA	NA
11/29/2012	KLOX Technologies Inc., Professional In-Dentists-Office Whitening Kit Business	Valeant Pharmaceuticals International, Inc.	Cosmetic	This acquisition is a good strategic fit for Valeant and for OraPharma, as Valeant continues to enhance its commercial capabilities within the dental market segment	NA	NA	NA	NA
11/21/2012	Wieland Dental + Technik GmbH & Co. KG	Ivoclar Vivadent AG	Implants	The acquisition strengthens Ivoclar's position in the area of all-ceramic product systems, which represent its core competencies.	NA	NA	NA	NA
11/5/2012	Southern Anesthesia & Surgical, Inc.	Beecken Petty O'Keefe & Company, Golub Capital	Distribution	Southern Anesthesia & Surgical represents a strong growth platform for Beecken Petty O'Keefe & Company.	68.0	68.0	NA	NA
9/27/2012	The Exan Group	Henry Schein, Inc.	IT	Through this transaction Henry Schein further expands its business with dental schools in the U.S. and Canada, as well as general practice dental offices primarily in Canada.	NA	NA	NA	NA
9/10/2012	Iowa Dental Supply, LLC	Patterson Dental Supply, Inc.	Distribution	Iowa Dental Supply strengthens the competitive position of Patterson Dental in several of their midwestern markets.	NA	NA	NA	NA
9/5/2012	Riemser Arzneimittel AG	AXA Private Equity	Pharmaceuticals	The acquisition supports AXA's strategy of continued specialization and internationalization.	NA	NA	NA	NA

Comparable Transaction Analysis, continued

Closing Date	Target	Buyer	Dental Segment	Transaction Description	Total Trans. Value (\$m)	Enterprise Value (\$m)	EV*/ Revenues	EV*/ EBITDA
8/31/2012	Nu-Life	Dental Lab Holdings, LLC	Laboratory Services	Dental Lab, owned by Beacon Bay Holdings, acquired Nu-Life for its full service capabilities, implant expertise and strong regional presence in the New York dental community.	NA	NA	NA	NA
8/17/2012	Orthodontic Design & Production, Inc.	G&H Wire Company, Inc.	Orthodontics	The merger with Orthodontic Design & Production makes G&H Wire Company the orthodontic industry's only full-line supplier of orthodontic appliances and accessories.	NA	NA	NA	NA
8/3/2012	IOS Technologies, Inc.	Glidewell Laboratories, Inc.	IT	The combination of the two companies will enable Glidewell to provide a complete chairside restorative system.	NA	NA	NA	NA
7/17/2012	Modern Laboratory Services, Inc.	Henry Schein, Inc.	Distribution	The acquisition helps Henry Schein strengthen its physician office laboratory presence in the U.S.	NA	NA	NA	NA
7/17/2012	TIDI Products, LLC	J.H. Whitney & Co., LLC	Disposables	J.H. Whitney & Co aims to continue the growth of TIDI. TIDI provides disposable infection prevention products for physicians, dentists and for acute care settings.	NA	NA	NA	NA
7/7/2012	Ortho Technology, Inc.	Henry Schein, Inc.	Distribution	Henry Schein enhanced its position in the specialty dental market through the acquisition of Ortho Technology.	NA	NA	NA	NA
6/24/2012	Firma Medpolimer OAO	OAO Scientific-Production Concern Eskom	Equipment	OAO Scientific-Production Concern Eskom acquired Firma Medpolimer OAO. Firma Medpolimer specializes in the manufacture of dental products used in endodontology, operative and orthodontic dentistry, and dental surgery.	NA	NA	NA	NA
6/21/2012	Southern Implants, Inc.	Keystone Dental, Inc.	Implants	The combination of Keystone's portfolio of biomaterials and dental implants with Southern's dental implant systems provides the merged company with an expanded range of dental implant products.	NA	NA	NA	NA
6/18/2012	OraPharma, Inc.	Valeant Pharmaceuticals International, Inc.	Pharmaceuticals	The acquisition of OraPharma provides a new growth platform in the oral health space. OraPharma's leading product, Arestin, is used to treat periodontitis. OraPharma's sales infrastructure is an opportunity for Valeant to cross-sell its current products.	463.9	463.9	4.9x	NA
6/4/2012	Dental Complex JSC	Danaher Corp.	Distribution	Kaltenbach & Voigt GmbH & Co. KG, subsidiary of Danaher, acquired Dental Complex from the firm's original founders.	NA	NA	NA	NA
6/1/2012	Neodent S.A.	Straumann Holding AG	Implants	With the acquisition of an initial 49% in Neodent, Straumann gains access to a much larger segment of the world's second largest market for implant dentistry, Brazil, and enhances its access to additional Latin American markets.	275.3	561.8	6.6x	NA
5/31/2012	Simeda SA	Anthogyr S.A.	Implants	Anthogyr S.A. acquired a majority stake in Simeda SA from Gottschol Alculux SA and an individual investor. The acquisition strengthens their position in the implantology sector.	NA	NA	NA	NA
3/5/2012	daVinci Dental Studios	Dental Lab Holdings, LLC	Laboratory Services	Dental Lab, owned by Beacon Bay Holdings, acquired daVinci Dental Studios for its capabilities in a range of premium dental restoration products including porcelain veneers, implants, crowns and removable prosthetics.	NA	NA	NA	NA
3/2/2012	Biomain AB	Heraeus Kulzer GmbH	Prosthetics	The acquisition strengthens Heraeus' presence in the Northern European dental market and expands its patent and product portfolio in digital implant prosthetics.	>29.9	>29.9	3.1x	NA
11/18/2011	Stick Tech Ltd.	GC Corporation	Equipment	With the acquisition GC gains access to Stick Tech's present R&D projects.	NA	NA	NA	NA
11/15/2011	Den-Mat Holdings, LLC	Centre Partners Management LLC & Mill Street Partners LLC	Costmetic / Disposables	Centre Partners Management plans to build Den-Mat into a global dental business.	NA	NA	NA	NA
9/29/2011	Medical Imaging Technologies Pty Ltd.	Shimadzu Medical Systems Pty Limited	Distribution	Shimadzu Medical Systems (Oceania) Pty Limited acquired the Planmeca & Planned (OPG & Mammography systems) distributorship from Medical Imaging Technologies Pty Ltd.	1.5	1.5	NA	NA
9/1/2011	Bio Medi Face S.A.	Heraeus Kulzer Schweiz AG	Prosthetics	The acquisition strengthens Heraeus Kulzer's CAD / CAM presence and its range of digital prosthetics.	NA	NA	NA	NA
8/31/2011	Astra Tech AB	DENTSPLY International, Inc.	Implants	The acquisition increases DENTSPLY's position in the dental implants market and expands the breadth of their portfolio in segment.	1,785.0	1,785.0	3.3x	17.0x

*Enterprise Value (EV) = market capitalization + debt + minority interest.
**As reported in Swedish media, converted at SEK 6.7 - USD 1.

Max	6.6x	17.0x
Mean	3.7x	13.7x
Median	3.2x	13.7x
Min	1.3x	10.4x