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Media Release

COLTENE is switching its accounting and reporting standard from IFRS to Swiss GAAP FER

Altstaetten, December 15, 2017 – COLTENE Holding AG (SIX Swiss Exchange: CLTN), an internationally leading developer and producer of dental consumables, will be switching its accounting standard to Swiss GAAP FER as of fiscal year 2018. Its interim and annual financial reports for the first half of 2018, the entire fiscal year 2018 and the following periods will be prepared in accordance with the new standard. They will continue to give a true and fair view of the financial position of the Company and its operating performance.

The Board of Directors of COLTENE Holding AG has decided to adopt Swiss GAAP FER as the Company's accounting and reporting standard as of fiscal year 2018. COLTENE Holding AG will publish its interim closing report on June 30, 2018 for the first time according to Swiss GAAP FER. The year-end closing report for the fiscal year 2017 will be prepared and published according to IFRS. With the switch to Swiss GAAP FER, COLTENE is adopting a pragmatic accounting and reporting standard whose informative value is comparable with that of IFRS and which is more congruent with the needs of an internationally active, mid-sized company and less complex, thus lowering compliance costs.

Reporting under Swiss GAAP FER will continue give a "true and fair view" of the Company's financial performance and position. With the switch from IFRS to Swiss GAAP FER, COLTENE will offset the entire goodwill carried in its balance sheet against equity. This will lead to a reduction of total balance sheet assets and a slightly lower equity ratio. Moreover, the balance sheet will basically be unburdened of the pension benefit reporting requirements stipulated by IAS 19 and there will no longer be a need for the actuarial valuation of these pension benefit plans either. This change will have a slightly positive impact on reported net profit. A transitional financial report will be given with the reporting of results for the first half of 2018.

The reasons for the Company's decision to switch to Swiss GAAP FER are the increasing complexity of IFRS and the related, constantly growing requirements. They entail high administrative costs for small and mid-sized companies listed on the stock market. "After careful analysis, we concluded that Swiss GAAP FER clearly offered more advantages for all our stakeholders," remarks Gerhard Mahrle, CFO of COLTENE Holding AG. COLTENE Group will continue to prepare its consolidated financial statements in accordance with "true and fair" principles, with the same quality and transparency, thus ensuring an accurate view of its financial performance and position. Under Swiss GAAP FER, previously used valuation criteria will continue to be applied to the extent that they are congruent with the new accounting standard. This will ensure the comparability of financial results from past and future reporting periods.

As a result of the transition to Swiss GAAP FER, COLTENE Holding AG will submit a request to SIX Swiss Exchange for a segment switch from the International Reporting Standard to the Swiss Reporting Standard, effective as of July 2, 2018 (first trading day of the COLTENE shares in the Swiss Reporting Standard). The shares of COLTENE Holding AG will remain in the indices of the SPI family as well as in the two SXI-indices, SXI Life Sciences and SXI Bio+Medtech of the SIX Swiss Exchange.

If COLTENE had prepared its annual report for 2016 and its interim report for 2017 in accordance with Swiss GAAP FER, reported EBIT would be slightly higher and the equity ratio marginally lower.

- Reported EBIT for the 2016 fiscal year would be approximately CHF 0.3 million higher and net profit would be about CHF 0.6 million higher. The disproportionate increase in restated net profit for 2016 would be attributable to the non-recurring effect of the absence of deferred taxes on the purely tax-relevant amortization of goodwill stemming from the acquisition of Coltène/Whaledent GmbH & Co. KG. Due to the elimination of the entire goodwill carried on the balance sheet, and the absence of the related deferred taxes as well as of the de-recognition of pension benefit liabilities, equity would be about CHF 27 million lower, resulting in a slightly smaller balance sheet. The adjusted equity ratio would be about 0.2 percentage points lower at 69.8% compared to the originally reported figure of 70.0%.
- As for the first half of 2017, both EBIT and net profit would be about CHF 0.1 million higher and the equity ratio would be virtually unchanged with a reduction in equity and a smaller balance sheet.

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About COLTENE

COLTENE is an internationally active developer, manufacturer and seller of dental consumables and small equipment in the areas of restoration, endodontics, prosthetics and treatment auxiliaries. COLTENE has state-of-the-art production facilities in the USA, Germany, Brazil and Switzerland as well as own distribution organizations in all major markets including China and India. Dentists and dental labs all around the globe trust COLTENE's high-quality products. The registered shares of COLTENE Holding AG (CLTN) are listed on SIX Swiss Exchange. Learn more about COLTENE and its products at www.coltene.com

This press release and oral statements or other written statements made, or to be made, by us contain forward-looking statements that do not relate solely to historical or current facts. These forward-looking statements are based on the current plans and expectations of our management and are subject to a number of uncertainties and risks that could significantly affect our current plans and expectations, as well as future results of operations and financial condition. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.