



Corporate Presentation 2009

aap Implantate AG

Biense Visser, CEO
Bruke Seyoum Alemu, COO
November 2009

aap Overview

- German MedTech Company, („Medical Devices“)
- Based in Germany (Berlin-Dieburg-Obernburg) and The Netherlands (Nijmegen)
- Founded 1990, origins at Depuy and Merck, 277 employees
- Listed at Frankfurt Stock Exchange -Prime Standard-
Market Cap: approx. € 32 million (Going Public 1999)
- Strong sales growth in the last five years
(2004: €11.5 million, 2008: € 32 million, CAGR ca. 30%)
- Expectation 2009: Strong earnings improvement,
EBITDA € 5-7 million

Business Segments/Competencies

Ortho

- Bone Cements
- Cementing Techniques
- Shoulder, Hip and Knee



Trauma

- Plates, Screws, Nails
- Bone substitutes
- Tissue Regeneration
- Infection Care



Spine

- Adhesion barrier
- Vertebroplasty



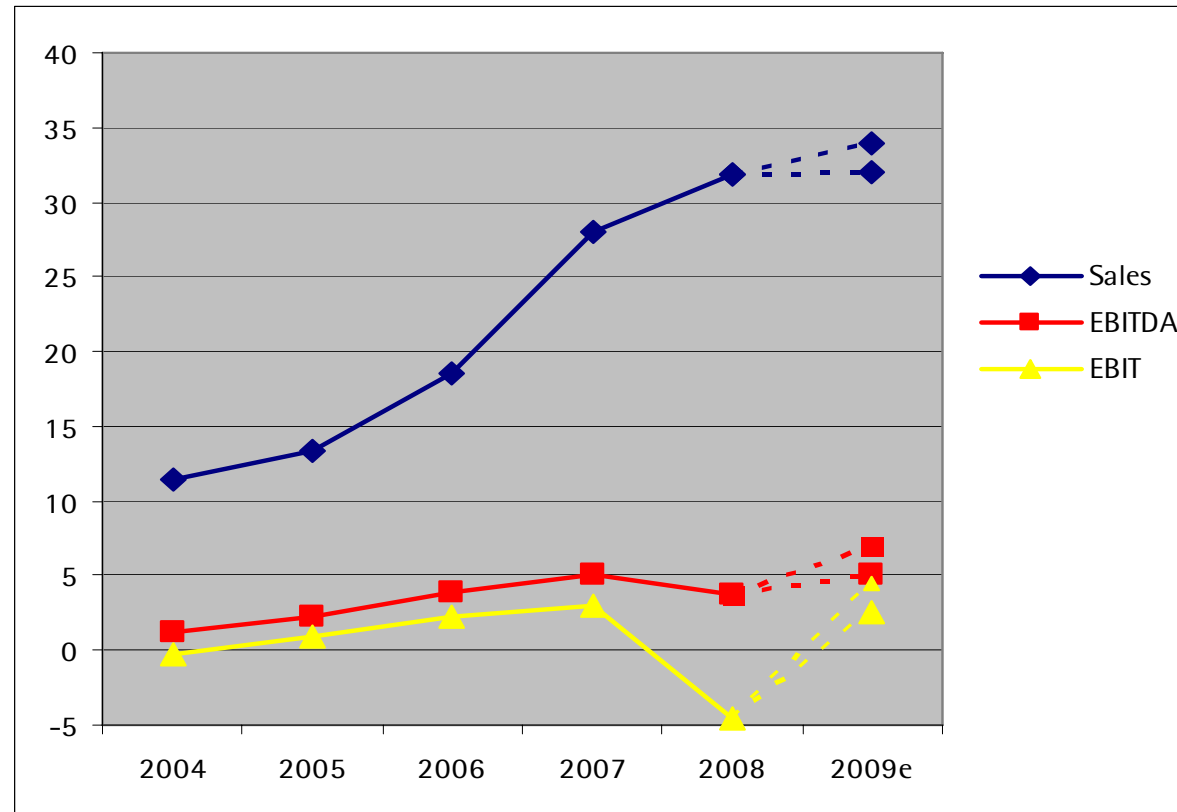
Non-Core Areas

- Analytics
- Medical Aesthetics
- Dental

Changes in the Management Board

- Biense Visser CEO, since January 1st, 2009
 - Since February 15, 2007 member of the Supervisory Board
 - Long experience as CEO of different Pharmaceutical- & Healthcare-companies
 - Pharmacist & MBA, Dutch citizen
 - Responsible for the finance division
- Bruke Seyoum Alemu COO, since December 1st, 2008
 - Responsible for Research & Development, Supply Chain, Sales & Marketing

aap Group – Revenue Development



in € Mio.	2004	2005	2006	2007	2008	2009e	CAGR
Sales	11,5	13,4	18,5	28	31,8	32-34	23%
EBITDA	1,2	2,3	3,9	5,1	3,7	5-7	40%
EBIT	-0,3	0,9	2,2	3	-4,6	2,5-4,5	35%

Profitable Growth

Current performance Figures Q1-Q3/2009

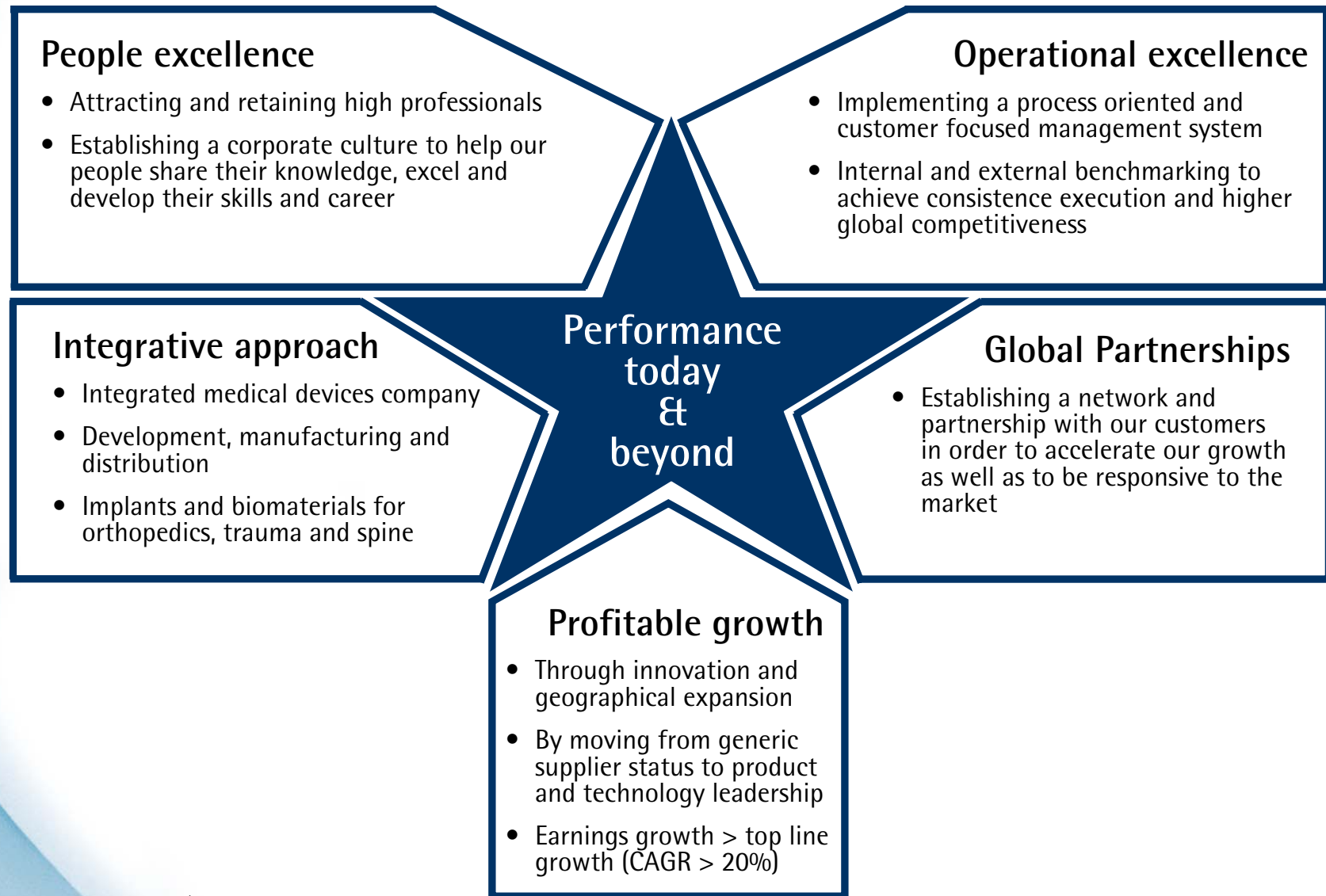
(€ million)

	Q1-Q3/2009	Q1-Q3/2008	Change
Sales	25.590	24.170	6%
EBITDA	5.570	3.662	52%
EBIT	3.313	1.283	158%
EBT	2.648	608	336%
Shareholders Equity	44.219	46.830	-6%
Shareholders Equity ratio	66%	63%	5%
Total assets	66.754	73.969	-10%
Employees (Headcount)	277	302	-8%
Employees (FTE)	256,1	262,2	-2%
ICR	8,4	5,4	56%
DCR	2,4	3,9	-38%

Latest News

- *aap* signs license agreement with a € 3.0 million total value
 - Exclusive license agreement on the utilization of the intellectual property of a product in the field of medical aesthetics , non-core business area
 - *aap* will continue to manufacture and supply the product
- Contract signed with one of the globally leading orthopaedic companies, supply agreement for bone cement for use in spinal surgery and trauma
- Contract signed to sell a bone graft substitute patent in the dental sector worth € 1 million
- Contracts signed to get access to micro- and nano-silver technology to be combined with *aap's* cement technology targeting to be the first company with Silver-Antibiotics-Cement

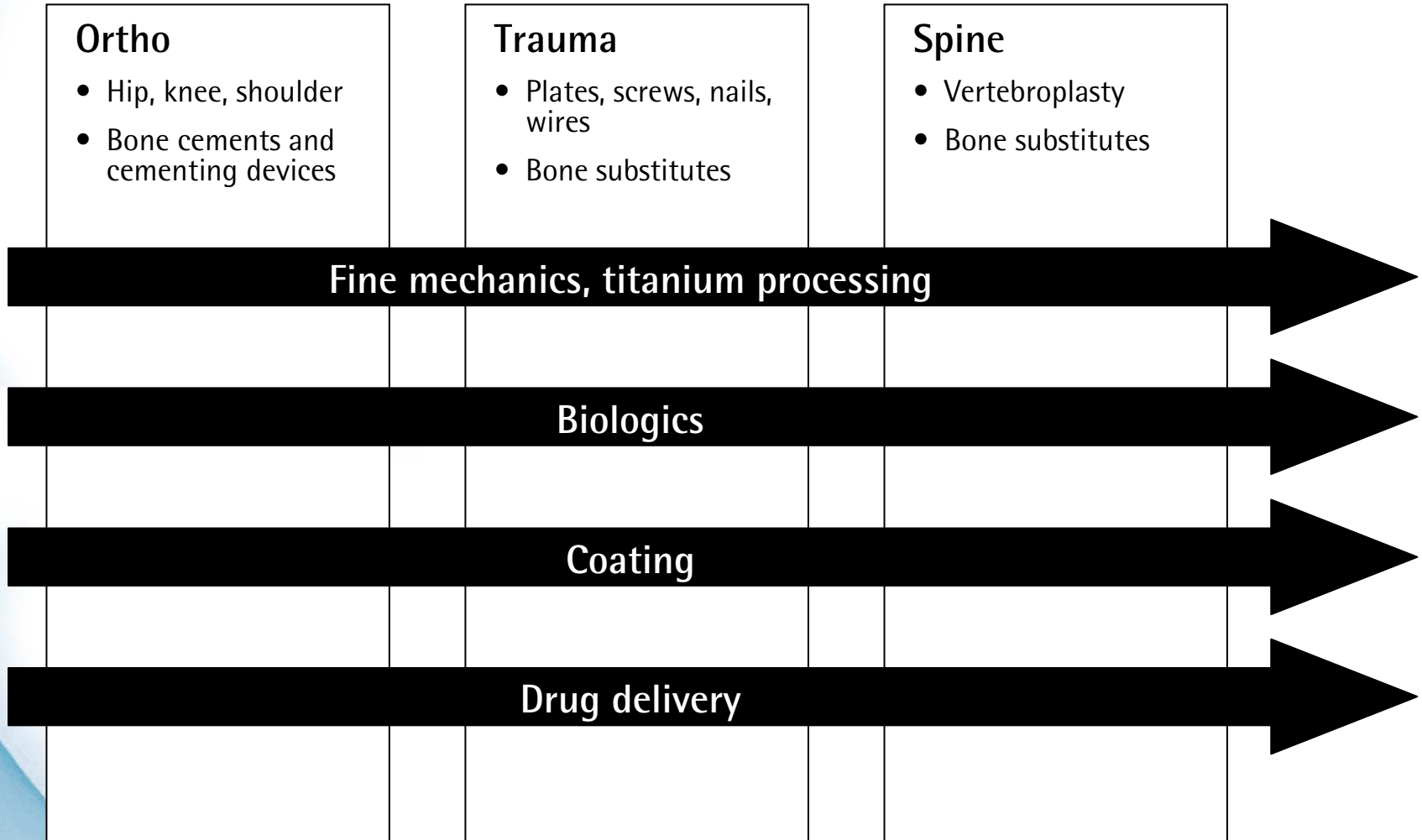
Strategic Framework



➔ Solid strategic framework for mid- and long-term sustainable growth 8

Strategic Framework

Integrative approach



➔ Leverage core competencies across *aap's* portfolio and services offered

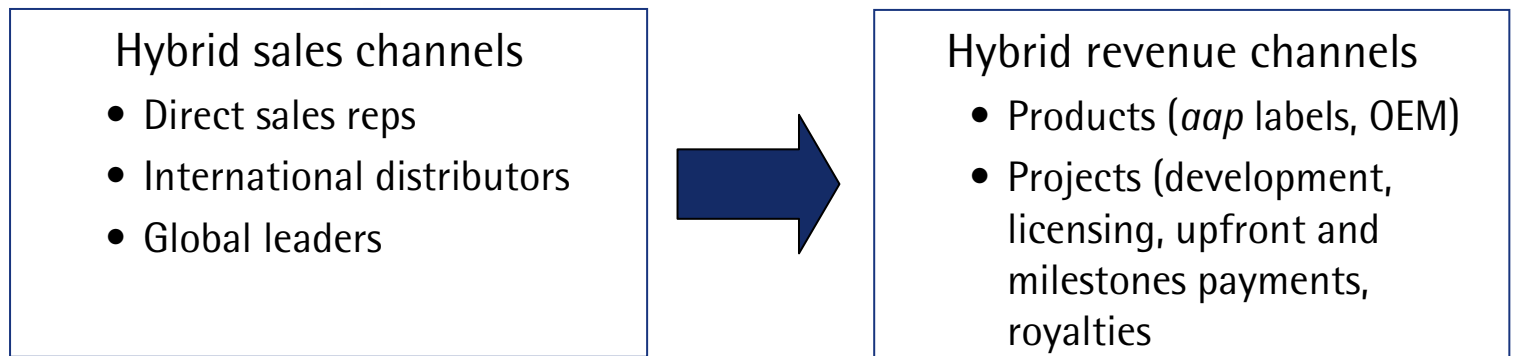
Platform Technologies and Derivative Products (Strategic IP-Portfolio)

Platform Technologies	Derivative Products	
Cement and Cement Mixing Technology	PMMA-Cements HA-PMMA-Cements Vacuum Mixing Systems All-in-One Prepack Mixing System Disposable Mixing System Ortho.	Vertebroplasty Cements Disposable Mixing/ Transfer System Vertebro. Cement injection gun Vacuum pump
Nano/Micro-Silver Technology	Nano-Ag-Coating	Micro/Nano-Ag-Cement
HA und CaP Technology	Ostim OsteoCem Ostim granules PerOssal	Oral Care Products Nano-HA-Coating Cerabone, natural HA-ceramic Synthetic non-resorbable HA-ceramic
Magnesium Alloy Technology	Small Plates & Screws Interference Screws	Products for Cartilage Repair
Locking Compression Fixation Technology	Anatomical Plates, WSG Radius & Humerus	Anatomical Plates, WSG Tibia & Femur
Shoulder System Technology	Trauma Shoulder System	Inverse Shoulder System
Collagen Technology	Jason Jason G Jason Membrane Collagen with Chondrocytes	Collagen prolonged release Dermis Dental Dermis Rotator
Tissue Processing Technology	Bone Graft Osnatal Bone Grafts AB	Tissues Processing
Ultra-Pure BioPolymer Technology	Ultra-pure BioPolymers Rebasol RC-Spine	Dual-Technology (bone replacement) Dual-Technology (anti-adhesion) Dual-Technology (spine)

➔ Unique platform technology mix combined with a solid strategic IP-portfolio as a fundament for developing innovative products as well as for sustainable corporate value enhancement

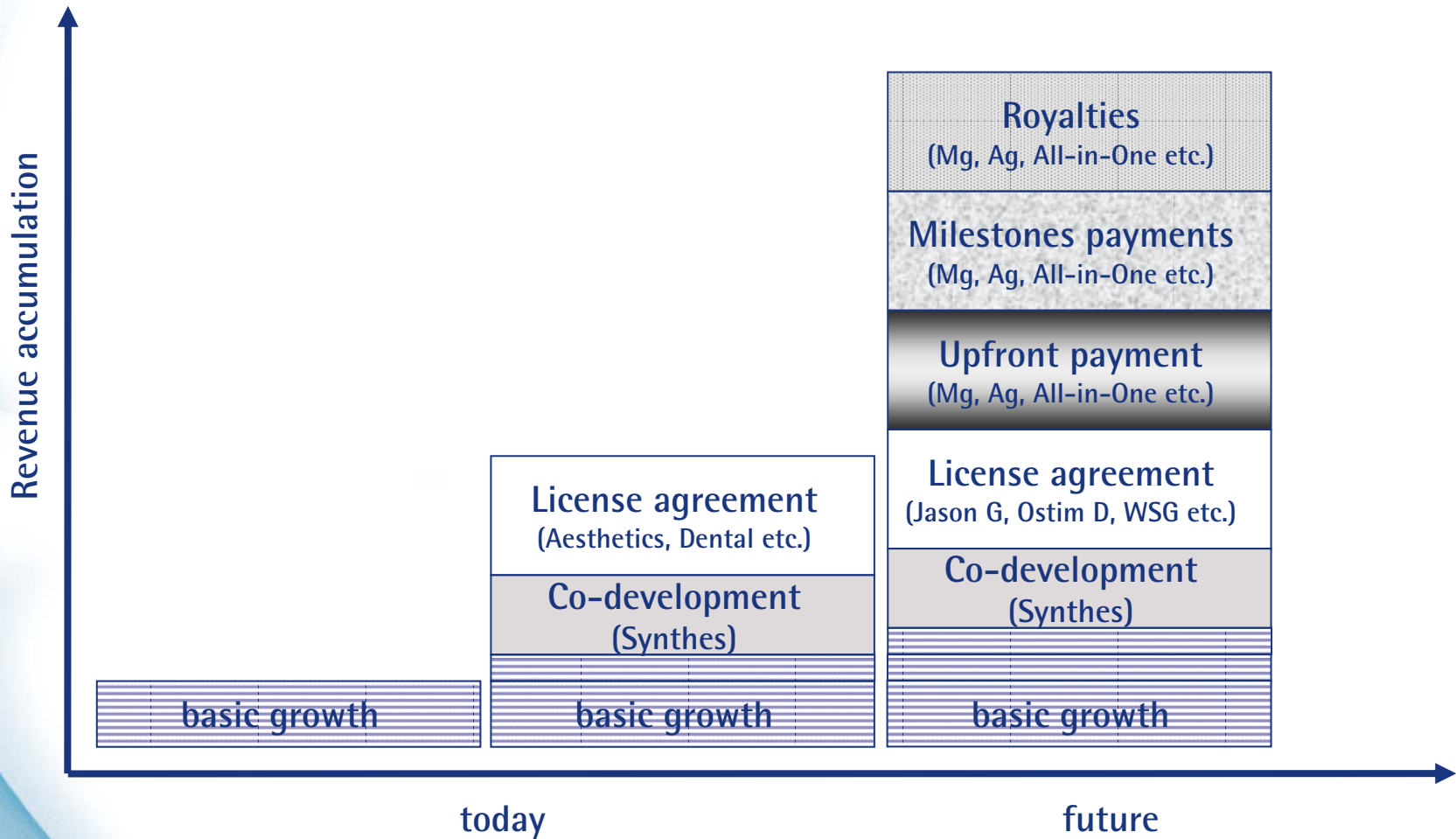
Key steps to build up a strategic portfolio with product and technology leadership

- Attract and retain talented people
- Focused R&D
 - To extend current product lines
 - To feed our partnership programs
 - To address unmet market needs
- Strategic IP-portfolio management
- Hybrid sales channels for hybrid revenue streams:



- Focus on cash flow and secure financing of R&D

Growth Drivers and Revenue Streams



Global Partnerships

Global Ortho/Spine League	
2004	2009
Zimmer Inc.	<u>Zimmer Inc.</u> ✓
J&J Depuy	<u>J&J Depuy</u> ✓
Stryker	Stryker
Medtronic	<u>Medtronic</u> ✓
Synthes	<u>Synthes</u> ✓
Biomet	<u>Biomet</u> ✓
<u>Smith & Nephew</u> ✓	<u>Smith & Nephew</u> ✓
Wright Medical	<u>Wright Medical</u> ✓
Aesculap	<u>Aesculap</u> ✓

- Active relationships to almost all global ortho/spine market leaders since 2004
- Constant exchange and communication on new technologies and directions
- Partnerships for next generation products
- Sales maximum after 2-4 years

➔ Strategic and tactical global partnerships for a more dynamic growth

Business Outlook

- Sustainable profitable growth
- Continuous Focus on customers, costs and cash
- Cost reduction & performance enhancing measures for gaining efficiency
- Improvement of the finance situation and optimizing the capital structure (DCR < 3 and ICR > 6)
- Approval of various products in all areas (CE, FDA, approvals in Asia)
- Expanding the international distribution network
- Extending the OEM-partnerships network
- Building a strategic IP-Portfolio



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Risks and uncertainties include general industry conditions and competition; economic conditions, such as interest rate and currency exchange rate fluctuations; technological advances and patents attained by competitors; challenges inherent in new product development, including obtaining regulatory approvals; domestic and foreign health care reforms and governmental laws and regulations; and trends toward health care cost containment.

A further list and description of these risks, uncertainties and other factors can be found in the Company's Annual Report for the fiscal year ended December 31, 2008. The Company does not undertake to update any forward-looking statements as a result of new information or future events or developments.