SIRONA DENTAL SYSTEMS, INC.
Form DEF 14A
January 27, 2014
TABLE OF CONTENTS
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A
Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

- Preliminary Proxy Statement

- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

- Definitive Proxy Statement

- Definitive Additional Materials

- Soliciting Material Pursuant to §240.14a-12

SIRONA DENTAL SYSTEMS, INC.
(Name of Registrant as Specified in its Charter)
Not Applicable
(Name of Person(s) Filing Proxy Statement if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):

- No fee required.

- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1)

- Title of each class of securities to which transaction applies:

2)

- Aggregate number of securities to which transaction applies:

3)

- Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4)

- Proposed maximum aggregate value of transaction:

5)

- Total fee paid:

- Fee paid previously with preliminary materials.

- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1)

- Amount Previously Paid:

2)

- Form, Schedule or Registration Statement No.:

3)

- Filing Party:

4)

- Date Filed:

TABLE OF CONTENTS

January 27, 2014

Dear Stockholders:

You are cordially invited to attend the 2013 Annual Meeting of Stockholders of Sirona Dental Systems, Inc. (the "Company"), to be held on Wednesday, February 19, 2014 beginning at 11:00 a.m. at the offices of Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654.

Information about the meeting and the various matters on which the stockholders will vote is included in the Notice of Meeting and Proxy Statement which follow. Also included is a proxy card and postage-paid return envelope. Please sign, date and mail the enclosed proxy card in the return envelope provided, or submit your proxy to vote your shares via the Internet or by telephone by following the instructions provided on the proxy card, as promptly as possible, whether or not you plan to attend the meeting. A copy of the Company's 2013 Annual Report is also enclosed for your review.

I look forward to greeting you personally at the meeting.

Sincerely,

Jeffrey T. Slovin
President and Chief Executive Officer

TABLE OF CONTENTS

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

February 19, 2014

TO THE STOCKHOLDERS OF SIRONA DENTAL SYSTEMS, INC.:

Notice is hereby given that the Annual Meeting of Stockholders of Sirona Dental Systems, Inc. (the "Company") will be held on Wednesday, February 19, 2014 beginning at 11:00 a.m., at the offices of Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654, for the following purposes:

1.

- To elect four (4) directors to serve for three-year terms or until their respective successors are elected and qualified;

2.

- To ratify the selection of KPMG AG, Wirtschaftsprüfungsgesellschaft, Frankfurt, Germany ("KPMG") as the Company's independent auditor for the fiscal year ending September 30, 2014;

3.

- To conduct an advisory vote on compensation of the Company's named executive officers as disclosed in this Proxy Statement under "Other Information for the Annual Meeting of Sirona Dental Systems, Inc.'s Stockholders — Compensation of Executive Officers";

4.

- To adopt amendments to the Company's Amended and Restated Certificate of Incorporation to declassify the Board of Directors; and

5.

- To transact such other business as may properly come before the meeting or any adjournments thereof.

The Board of Directors recommends a vote "FOR" for proposals (1), (2), (3) and (4) above. Only holders of record of Common Stock as of the close of business on December 23, 2013 are entitled to notice of and to vote at the meeting and any adjournments thereof.

If you attend the meeting in person, please proceed to the security desk at the front of the building and be prepared to show at least one form of photo identification.

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held on February 19, 2014: The 2013 Proxy Statement and the Company's 2013 Annual Report are available at www.sirona.com.

In accordance with Delaware law, a list of the holders of Common Stock entitled to vote at the 2013 Annual Meeting will be available for examination by any stockholder for any purpose germane to the Annual Meeting, during ordinary business hours, for at least 10 days prior to the Annual Meeting, at the offices of the Company, located at 30-30 47th Avenue, Suite 500, Long Island City, New York 11101, and will be available at the 2013 Annual Meeting during the whole time of the meeting and may be examined by any stockholder who is present.

You Are Cordially Invited To Attend The Meeting. Whether Or Not You Plan To Attend The Meeting, Please Complete, Date And Sign The Enclosed Proxy Card And Return It Promptly In The Enclosed Envelope, Which Needs No Postage If Mailed In The United States, Or Submit Your Proxy By Internet Or By Telephone By Following The Instructions Contained On The Enclosed Proxy Card. If You Later Desire To Revoke Your Proxy, You May Do So At Any Time Before It Is Exercised.

* * * *

By Order of the Board of Directors,

Jonathan Friedman
Secretary
Long Island City, New York
January 27, 2014

TABLE OF CONTENTS
TABLE OF CONTENTS

	Page
PROXY STATEMENT FOR ANNUAL MEETING OF STOCKHOLDERS	1
Attending the Annual Meeting	1
Stockholders Entitled to Vote	1
Quorum	1
Street Name Holders and Record Holders	1
PROPOSAL 1 — ELECTION OF DIRECTORS	4
CORPORATE GOVERNANCE AND BOARD MATTERS	9
PROPOSAL 2 — RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITOR	14
PROPOSAL 3 — ADVISORY VOTE ON APPROVAL OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT UNDER "OTHER INFORMATION FOR THE ANNUAL MEETING OF SIRONA DENTAL SYSTEMS, INC.'S STOCKHOLDERS — COMPENSATION OF EXECUTIVE OFFICERS"	16
PROPOSAL 4 — ADOPTION OF AMENDMENTS TO OUR AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO DECLASSIFY THE BOARD OF DIRECTORS	17
OTHER INFORMATION FOR THE ANNUAL MEETING OF SIRONA DENTAL SYSTEMS, INC.'S STOCKHOLDERS	18
Security Ownership of Certain Beneficial Owners and Management	18
Section 16(a) Beneficial Ownership Reporting Compliance	20
Equity Compensation Plan Information	20
Compensation of Directors	20
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	46
HOUSEHOLDING OF PROXY MATERIALS	46
SOLICITATION OF PROXIES	46
PROPOSALS FOR THE 2014 ANNUAL MEETING	47
GENERAL	48
OTHER MATTERS	48
APPENDIX A	A-1

TABLE OF CONTENTS

Sirona Dental Systems, Inc.
30-30 47th Avenue
Suite 500
Long Island City, New York 11101
(718) 482-2011

PROXY STATEMENT
FOR
ANNUAL MEETING OF STOCKHOLDERS
To Be Held On February 19, 2014

We are sending you our proxy materials in connection with the solicitation of the enclosed proxy by the Board of Directors of Sirona Dental Systems, Inc. (the "Company") for use at the 2013 Annual Meeting of Stockholders, and at any adjournments thereof.

Attending the Annual Meeting

The Annual Meeting will be held on February 19, 2014, at 11:00 a.m., at the offices of Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois 60654 to consider the matters set forth in the Notice of Annual Meeting of Stockholders. This Proxy Statement and the form of proxy enclosed are being mailed to stockholders with the Company's Annual Report to Stockholders commencing on or about January 27, 2014.

Stockholders Entitled to Vote

Only stockholders of record of the Common Stock, par value $0.01 per share, of the Company (the "Common Stock") at the close of business on December 23, 2013 will be entitled to vote at the Annual Meeting. As of that date, a total of 55,153,641 shares of Common Stock were outstanding, each such share being entitled to one vote. Shares of Common Stock owned by the Company are not entitled to vote at the Annual Meeting. There is no cumulative voting.

Quorum

The presence, at the commencement of the Annual Meeting, in person or by proxy of the holders of a majority of the issued and outstanding shares of Common Stock of the Company will constitute a quorum for the transaction of business at the Annual Meeting. If, however, a quorum is not present or represented at the Annual Meeting, the stockholders entitled to vote thereat, present in person or by proxy, may adjourn the Annual Meeting, without notice other than announcement at the Annual Meeting, until a quorum shall be present or represented.

Shares owned by the Company do not count for quorum purposes and are not entitled to vote at the Annual Meeting. In order to assure the presence of a quorum at the Annual Meeting, please submit a proxy to vote your shares in accordance with the instructions described above, even if you plan to attend the Annual Meeting. Abstentions and broker non-votes are counted as present for purposes of establishing a quorum. A "broker non-vote" occurs when a broker or other nominee holding shares for a beneficial owner does not vote on a particular proposal because the broker or nominee does not have discretionary voting power and has not received instructions from the beneficial owner.

Street Name Holders and Record Holders

If you own shares through a broker, the registered holder of those shares is the broker or its nominee. Such shares are often referred to as held in "street name," and you, as the beneficial owner of those shares, do not appear in our stock register. For street name shares, there is a two-step process for distributing our

TABLE OF CONTENTS

proxy materials and tabulating votes. Brokers inform us how many of their clients own Common Stock in street name, and the broker forwards our proxy materials to those beneficial owners. If you receive our proxy materials, including a voting instruction card, from your broker, you should vote your shares by following the procedures specified on the voting instruction card. Shortly before the Annual Meeting, your broker will tabulate the votes it has received and submit a proxy card to us reflecting the aggregate votes of the street name holders. If you plan to attend the Annual Meeting and vote your street name shares in person, you should contact your broker to obtain a broker's proxy card and bring it to the Annual Meeting.

If you are the registered holder of shares, you are the record holder of those shares, and you should vote your shares as described below under "How Record Holders Vote."

How Record Holders Vote

If you are the registered holder of your shares, you can vote your shares in person at the Annual Meeting or you may submit a proxy to vote your shares. We recommend that you submit a proxy to vote your shares even if you plan to attend the Annual Meeting. You can always attend the Annual Meeting and revoke your proxy by voting in person. Attendance at the meeting, of itself, will not revoke a previously granted proxy.

There are three ways to vote by proxy:

- By telephone — You can submit a proxy to vote your shares by touch tone telephone by calling toll-free 1-877-456-7915 and following the instructions on our proxy card;

- By Internet — You can submit a proxy to vote your shares by Internet by going to the website http://proxy.georgeson.com and following the instructions on our proxy card; or

- By mail — You can submit a proxy to vote by mail by completing, signing, dating and mailing our enclosed proxy card.

By giving us your proxy, you are authorizing the individual named on our proxy card, the proxy, to vote your shares in the manner you indicate. You may submit a proxy to (i) vote for the election of all of our director nominees, (ii) withhold authority to vote for all of our director nominees, or (iii) vote for the election of one or more of our director nominees and withhold authority to vote for the other nominee(s), by so indicating on your proxy. You may submit a proxy to vote "FOR" or "AGAINST" or "ABSTAIN" from voting on the ratification of the appointment of KPMG as the Company's independent auditor for fiscal year ending September 30, 2014, the approval of the compensation of the Company's named executive officers as described in this Proxy Statement under "Other Information for the Annual Meeting of Sirona Dental Systems, Inc.'s Stockholders — Compensation of Executive Officers" and the adoption of amendments to the Company's Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") to declassify the Board of Directors of the Company.

If you submit a proxy without indicating your instructions, your shares will be voted as follows:

FOR:

- The election of our four (4) director nominees;

- The ratification of the appointment of KPMG as the Company's independent auditor;

- The approval of the compensation of the Company's named executive officers as described in this Proxy Statement under "Other Information for the Annual Meeting of Sirona Dental Systems, Inc.'s Stockholders — Compensation of Executive Officers"; and

- The adoption of amendments to the Certificate of Incorporation to declassify the Board of Directors.

Revocation of Proxies

A stockholder may revoke a proxy at any time prior to its exercise (i) by giving to the Company's Corporate Secretary a written notice of revocation of the proxy's authority, (ii) by submitting a duly elected proxy bearing a later date or (iii) by attending the Annual Meeting and voting in person.

TABLE OF CONTENTS

The Vote Necessary for Action to be Taken

The nominees for director for three-year terms will be elected, provided that they receive the affirmative vote of a plurality of the shares of Common Stock present at the Annual Meeting, whether in person or by proxy. This means that, if a quorum is present, the four nominees receiving the greatest number of votes will be elected to serve as directors. As a result, withholding authority to vote for a nominee, or abstentions, and broker non-votes with respect to the election of directors will not affect the outcome of the election of directors.

The affirmative vote of holders of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote on the proposal is required to approve the ratification of the selection of our independent auditors and to approve the advisory proposal on the compensation of the Company's named executive officers. An abstention with respect to either of these proposals will be treated as being present and entitled to vote on that proposal and, therefore, will have the effect of votes against the proposal. Brokers do not have discretionary authority to vote uninstructed shares on the advisory proposal on the compensation of the Company's named executive officers. Because that proposal must be approved by a majority of the shares of Common Stock present in person or by proxy at the Annual Meeting and entitled to vote on the matter, broker non-votes as to that proposal will have no effect on whether the proposal is approved.

The affirmative vote of the holders of at least 75% of the shares of Common Stock issued and outstanding and entitled to vote on the proposal to adopt the amendments to the Certificate of Incorporation to declassify the Company's Board of Directors is required to approve that proposal. Abstentions and broker non-votes with respect to the proposal to adopt the amendments to the Certificate of Incorporation to declassify the Company's Board of Directors will have the effect of votes against the proposal.

Other Matters

As of the date of this Proxy Statement, the Board of Directors of the Company does not know of any business that will be presented for consideration at the Annual Meeting other than the matters described in this Proxy Statement. If any other matters are properly brought before the Annual Meeting, the person named in the enclosed form of proxy will vote the proxies in accordance with such person's best judgment.

TABLE OF CONTENTS

PROPOSAL 1 — ELECTION OF DIRECTORS

The Board of Directors of the Company (the "Board") is currently composed of seven members divided into three classes. The members of each class are elected to serve three-year terms with the term of office of each class ending in successive years. Mr. William K Hood, Mr. Thomas Jetter, Mr. Harry M. Jansen Kraemer, Jr. and Mr. Jeffrey T. Slovin are the directors in the class whose term expires at the Annual Meeting. The Board of Directors has approved the nomination of Mr. William K Hood, Mr. Thomas Jetter, Mr. Harry M. Jansen Kraemer, Jr. and Mr. Jeffrey T. Slovin for re-election, and each of these four nominees has indicated a willingness to serve. The members of the two other classes of directors will continue in office for their existing terms. Following the Annual Meeting, the Board will be composed of seven members divided into the three classes. As explained in further detail in Proposal 4, the Board of Directors is proposing to amend our Certificate of Incorporation to declassify the Board of Directors. If Proposal 4 is approved by the Company's stockholders, at each annual meeting of stockholders commencing with the 2014 Annual Meeting, the class of directors whose terms expire at such meeting will be elected for one-year terms. At the 2017 Annual Meeting and at each annual meeting of stockholders thereafter, all directors shall be elected to hold office for a one-year term expiring at the next annual meeting of stockholders. A plurality of the shares of Common Stock present and voting at the Annual Meeting is necessary to elect the nominees for director. With regards to uncontested elections, our Board has adopted a policy that in the event a nominee receives a greater number of "WITHHELD" votes than votes "FOR" his or her election, such nominee shall tender his or her written resignation to the Board of Directors, and the Nominating and Corporate Governance Committee shall then make a recommendation to the Board of Directors as to whether to accept or reject the resignation. The Board of Directors will act on the Nominating and Corporate Governance Committee's recommendation and publicly disclose its decision and the reasons for it within 90 days from the date that the election results are certified.

The person named as proxy in the enclosed form of proxy will vote the proxies received by them for the election of Mr. William K Hood, Mr. Thomas Jetter, Mr. Harry M. Jansen Kraemer, Jr. and Mr. Jeffrey T. Slovin unless otherwise directed. In the event that any of the nominees become unavailable for election at the Annual Meeting, the person named as proxy in the enclosed form of proxy may vote for a substitute nominee in their discretion as recommended by the Board.

Information concerning the nominees and incumbent directors whose terms will continue after the Annual Meeting is set forth below.

David K. Beecken (Term expiring at 2014 Annual Meeting)	Age 67, has served as a Director since the exchange transaction (the "Exchange") (1) and has served as Chairman of the Audit Committee and member of the Finance Committee of our Board of Directors. Mr. Beecken currently serves as a Partner of Beecken Petty O'Keefe & Company, which is the General Partner of Beecken Petty O'Keefe Fund II, an investment limited partnership focused exclusively on private equity investments in healthcare. Prior to co-founding Beecken Petty O'Keefe in April 1996, Mr. Beecken was Senior Managing Director of ABN AMRO Incorporated, a broker dealer, from February 1993 to March 1996. From 1989 to February 1993, Mr. Beecken was a Senior Vice President-Managing Director of First National Bank of Chicago. Mr. Beecken also serves on the Boards of Directors of Scrip Products Corporation, ISG, Inc., Dentistry for Children, Inc. and Paragon Medical, Inc. Mr. Beecken received a B.A. from the University of the South, an M.Sc. from the London School of Economics and an M.B.A. from the University of Chicago. Mr. Beecken has extensive experience investing in a range of businesses and the dental industry.

(1)

- On June 20, 2006, the Company completed the Exchange as a result of which the Company acquired all of the issued and outstanding share capital of Sirona Holding GmbH ("Sirona") and a promissory note issued by Sirona to Sirona Holdings Luxco S.C.A. ("Luxco") in the original principal amount of €150,992,464, in exchange for 36,972,480 shares of the Company's Common Stock. In May 2011, Luxco sold all of its remaining shares of Sirona common stock pursuant to an underwritten follow-on public offering.

TABLE OF CONTENTS

William K. Hood (Term expiring at 2013 Annual Meeting)	Age 90, has served as a Director since 2002. Prior to the Exchange, Mr. Hood served as Chairman of our Board of Directors between June 2004 and June 2006 and was Chairman of the Audit Committee of the Board of Directors from February 2002 until June 2006. Mr. Hood is currently a member of the Audit Committee of the Board of Directors. Mr. Hood has also served as a member of the Compensation Committee since May 2002. Mr. Hood served as a member of the Nominating Committee from August 2004 until June 30, 2010 when our Board of Directors replaced the Nominating Committee with the Nominating and Corporate Governance Committee. Mr. Hood has been retired since 1996. From 1989 to 1996, Mr. Hood served as a Consultant to Harlyn Products, Inc. and as a member of its Board of Directors. From 1983 to 1988, he was Senior Vice President of American Bakeries Company. From 1981 to 1983, Mr. Hood served as Dean of the Chapman University School of Business Management. From 1972 to 1980, he was President and Chief Executive Officer of Hunt Wesson Foods, Inc. Mr. Hood is a Trustee of Chapman University. Mr. Hood has extensive experience in finance, management, leadership and executive compensation.
Thomas Jetter (Term expiring at 2013 Annual Meeting)	Age 56, has served as a Director since April 2010 and has served as the Company's Chairman of the Board since February 20, 2013. Mr. Jetter is currently a member of the Nominating and Corporate Governance Committee and a member of the Finance Committee of our Board of Directors. Mr. Jetter has assumed a senior leadership position for the Soros Economic Development Fund as of February 1, 2014. Mr. Jetter also served as a non-executive Director of Gourmondo GmbH, an internet company from May 2008 to September 2012. From April 1995 to March 2008, Mr. Jetter was a Partner at Permira GmbH, where he initiated and managed investments in a variety of industrial, medtech and chemical companies. At Permira, Mr. Jetter gained extensive international experience as lead for investments in the chemicals sector, and helped expand the firm's global reach to include areas such as the US and China. Prior to that time, Mr. Jetter was a Senior Engagement Manager with McKinsey in Germany and Brazil, where he led projects on cost optimization, organization and strategy. Between 1985 and 1988, Mr. Jetter was an Investment Banking Associate at JP Morgan in Frankfurt and New York. Mr. Jetter holds a PhD-degree in economics/banking and an MBA from the University Saarbrücken, Germany. Mr. Jetter has extensive experience in financial transactions and international business.
Arthur D. Kowaloff (Term expiring at 2014 Annual Meeting)	Age 66, has served as a Director since 2004. Mr. Kowaloff has been a member of the Audit Committee of our Board of Directors since October 2004. Mr. Kowaloff has served as a member of the Compensation Committee of the Board of Directors since August 2011. Since the Exchange, he has served on the Nominating and Corporate Governance Committee and, until October 2011, on the Finance Committee of our Board of Directors. From October 2004 until the Exchange he served on the Compensation Committee of our Board of Directors, and was Chairman of the Special Litigation Committee from November 2004 until the Exchange. Mr. Kowaloff has been retired since

2003. From 1998 to 2003, Mr. Kowaloff served as a Managing Director of BNY Capital Markets, Inc. From 1991 to 1998, he was Chief Operating Officer and Senior Managing Director

TABLE OF CONTENTS

	of Patricof & Company Capital Corporation. Prior to that, Mr. Kowaloff was an attorney at the New York City firm of Willkie Farr & Gallagher, where he served as Senior Partner and Executive Committee Member and specialized in corporate and securities law and mergers and acquisitions. Mr. Kowaloff is currently a Trustee of Carleton College, the President and a Director of the PBP Foundation of New York, and a Director and Chairman of the Audit and Compliance and Compensation Committees of the Greater Hudson Valley Health System. Mr. Kowaloff received a B.A. from Carleton College and holds a Juris Doctor degree from Yale Law School. Mr. Kowaloff has extensive experience in capital markets, finance and corporate governance.
Harry M. Jansen Kraemer, Jr. (Term expiring at 2013 Annual Meeting)	Age 59, has served as a Director since the Exchange and is the Chairman of the Nominating and Corporate Governance Committee and member of the Compensation Committee of our Board of Directors. Mr. Kraemer currently serves as an Executive Partner of Madison Dearborn Partners, LLC, a private equity investment firm based in Chicago that invests in management buyout and other private equity transactions across a broad spectrum of industries and serves as Clinical Professor of Management & Strategy at Northwestern University's Kellogg School of Management. Mr. Kraemer was the Chairman, President and Chief Executive Officer of Baxter International Inc. until April 2004. Mr. Kraemer had been a Director of Baxter International since 1995, Chairman of the Board since January 1, 2000, President since 1997 and Chief Executive Officer since January 1, 1999. Mr. Kraemer is active in business, education and civic affairs. He serves on the board of directors of Leidos Corporation and as chairman of its Audit Committee. He also serves on the board of directors of VWR International, Inc. and Catamaran Corporation (CTRX) and is a member of Catamaran's Audit Committee. In addition, he serves on the board of trustees of Lawrence University, Northwestern University, the Conference Board and NorthShore University HealthSystem. He is also a member of the Dean's Advisory Board of Northwestern University's Kellogg School of Management, the Commercial Club of Chicago, the Chicago Council on Global Affairs and the Economics Club of Chicago. He is a past member of the Business Roundtable, the Business Council and the Healthcare Leadership Council. Mr. Kraemer received a B.A. from Lawrence University and an M.B.A. from the Kellogg School of Management at Northwestern University and is a certified public accountant. Mr. Kraemer has extensive experience in finance, management, leadership and corporate governance.
Jeffrey T. Slovin (Term expiring at 2013 Annual Meeting)	Age 49, has served as our President since September 20, 2010 and as our Chief Executive Officer since February 2013. Prior to September 20, 2010, Mr. Slovin served as our Executive Vice President and Chief Operating Officer of U.S. Operations since the Exchange. Prior to that time, Mr. Slovin was Chief Executive Officer of Schick Technologies, Inc. ("Schick") since June 2004 and Schick's President from December 1999 to June 2004. He has also served as a Director since December 1999. In addition, from November 2001 to June 15, 2004, Mr. Slovin served as Schick's Chief Operating Officer. From 1999 to November 2001, Mr. Slovin was a Managing Director of Greystone & Co., Inc. From 1996

to 1999, he served in various

6

TABLE OF CONTENTS

	executive capacities at Sommerset Investment Capital LLC, including Managing Director, and as President of Sommerset Realty Investment Corp. During 1995, Mr. Slovin was a Manager at Fidelity Investments Co. From 1991 to 1994, he was Chief Financial Officer of SportsLab U.S.A. Corp. and, from 1993 to 1994, was also President of Sports and Entertainment Inc. From 1987 to 1991, Mr. Slovin was an associate at Bear Stearns & Co., specializing in mergers and acquisitions and corporate finance. Mr. Slovin is currently a member of the Board of Fellows of the Harvard School of Dental Medicine, and a member of the Young President's Organization. Mr. Slovin holds an M.B.A. degree from Harvard Business School. Mr. Slovin brings to the Board financial, management and leadership experience. In addition, Mr. Slovin has extensive experience in the dental industry.
Timothy P. Sullivan (Nominee for term expiring at 2015 Annual Meeting)	Age 56, has served as a Director since the Exchange and is the Chairman of the Compensation Committee and member of the Finance Committee and Nominating and Corporate Governance Committee of our Board of Directors. Mr. Sullivan is a founder and Managing Director of Madison Dearborn Partners, LLC, which specializes in management buyouts and special equity investing and manages over 18 billion dollars of committed capital and portfolio investments. Prior to co-founding Madison Dearborn Partners in 1993, Mr. Sullivan was with First Chicago Venture Capital for three years after having served in the U.S. Navy. Mr. Sullivan concentrates on investments in the health care sector and currently serves on the Board of VWR International, Inc and Sage Products LLC. In addition, he is on the Board of Trustees of Northwestern University, Northwestern Memorial Hospital, the United States Naval Academy Foundation, Northlight Theatre and Loyola Academy. Mr. Sullivan also serves on the Finance and Investment Committees of the Archdiocese of Chicago and Cristo Rey Jesuit High School. Mr. Sullivan holds a B.S. from the United States Naval Academy, an M.S. from the University of Southern California and an M.B.A. from the Stanford University Graduate School of Business. Mr. Sullivan has extensive experience in financial transactions, investing in a range of businesses and the healthcare industry.

In addition to Mr. Slovin, our executive officers include Mr. Rainer Berthan, Mr. Jonathan Friedman, Mr. Ulrich Michel and Mr. Walter Petersohn. Information concerning the business experience of Mr. Berthan, Mr. Friedman, Mr. Michel and Mr. Petersohn follows.

Rainer Berthan (Executive Vice President)	Age 50, was promoted to Executive Vice President responsible for the Company's business segments on November 16, 2012 as part of the succession plan whereby Mr. Slovin succeeded Mr. Fischer as Chief Executive Officer following last year's Annual Meeting. Prior to his promotion to Executive Vice President, Mr. Berthan served as a Vice President of the Company. Prior to joining the Company in September 2012, Mr. Berthan served at Demag Cranes AG, a publicly listed company, as Executive Vice President. From 2004 to 2008, Mr. Berthan was President of Weidmuller in China, a leading German company in the industrial automation business. Prior to those roles, Mr. Berthan held various senior management positions at leading

companies. Mr. Berthan holds a Degree in Economics from the University of Applied Science Munich, Germany.

TABLE OF CONTENTS

Jonathan I. Friedman (General Counsel and Secretary)	Age 43, has served as our General Counsel since September 2007, and was appointed Secretary in October 2007. From 2001 to 2007, Mr. Friedman was Chief Legal Officer and Secretary of National Medical Health Card Systems, Inc., a NASDAQ listed pharmacy benefit manager. In this role, Mr. Friedman's primary focus was on corporate acquisitions and financings, general corporate transactions, Exchange Act reporting, corporate governance, intellectual property matters and regulatory compliance. Prior to his tenure at National Medical Health Card Systems, Inc. Mr. Friedman served as Vice President and Deputy General Counsel to a publicly traded company and was an associate at a major New York City law firm. In each of those roles, Mr. Friedman's emphasis was on public and private securities offerings, mergers and acquisitions, commercial transactions, technology licensing, regulatory compliance and securities law. Mr. Friedman holds a J.D. (graduating cum laude) from St. John's University School of Law, where he was also the Articles and Notes Editor of the Law Review.
Ulrich Michel (Executive Vice President & Chief Financial Officer)	Age 51, has served as Executive Vice President and Chief Financial Officer of the Company since October 2013. From April 2005 to October 2013, he was Chief Financial Officer of WABCO, a New York Stock Exchange listed company that is a global technology leader in the commercial vehicle industry. Prior to that, he served as Chief Financial Officer for American Standard's Trane Commercial Systems' business in the Europe, Middle East, Africa & India Region. Michel joined American Standard from Honeywell International/Allied Signal where he spent six years in financial leadership positions in the U.S. and Europe, with areas of focus including mergers and acquisitions, the Specialty Chemicals business and the Control Products business. Before joining Honeywell International/Allied Signal, he spent eight years at PriceWaterhouse, working both in the U.S. where he qualified as a U.S. Certified Public Accountant, and in Europe where he became a German Wirtschaftsprüfer. He holds a Degree in International Business from the University of Applied Science in Pforzheim, Germany.
Walter Petersohn (Executive Vice President of Sales)	Age 47, has served as Executive Vice President of Sales since September 2010. From 2003 through September 2010, Mr. Petersohn was Vice President Sales for Sirona, where he oversaw the expansion of Sirona's international presence into markets including China, Italy and Korea. Between 1999 and 2003, he served as Vice President Sales for Asia-Pacific and the Middle East and was responsible for the Company's expansion into Japan and Australia. From 1995 to 1999, Mr. Petersohn was a Product Manager and Director of Marketing for Sirona's Treatment Center Division. Mr. Petersohn received a Masters degree in history from the University of Würzburg, Germany and an MBA from the State University of New York at Albany.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" EACH OF THE NOMINEES FOR ELECTION AS DIRECTORS NAMED HEREIN.

TABLE OF CONTENTS

CORPORATE GOVERNANCE AND BOARD MATTERS

Board Committees and Meetings

During fiscal 2013, the Board held six meetings. At all Board meetings our independent directors meet separately without management present. All of the then current members of our Board attended the 2012 annual meeting of stockholders. The Company has no policy regarding director attendance at its Annual Meeting. A majority of the Board, consisting of Messrs. Beecken, Hood, Jetter, Kowaloff, Kraemer and Sullivan are “independent directors”, as such term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules. The following table provides membership information as of September 30, 2013 for the Audit, Compensation and Nominating and Corporate Governance committees of our Board:

Name	Audit		Compensation		Nominating & Corporate Governance	
David K. Beecken	X	*				
William K. Hood	X		X			
Thomas Jetter					X	
Arthur D. Kowaloff	X		X		X	
Harry M. Jansen Kraemer, Jr.			X		X	*
Jeffrey T. Slovin						
Timothy P. Sullivan			X	*	X	

*

- Committee Chairperson

Below is a description of the Audit, Compensation and Nominating and Corporate Governance committees of our Board and information regarding committee meetings held in fiscal 2013.

Audit Committee. Our Audit Committee is currently composed of three directors, Messrs. Beecken (who serves as Chairman), Hood and Kowaloff, all of whom are independent directors as such term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules, and as required by the Audit Committee Charter. In addition, our Board has determined that each of Messrs. Hood and Kowaloff is an “audit committee financial expert,” as defined by the U.S. Securities and Exchange Commission (the “SEC”).

The primary function of the Audit Committee is to serve as an independent and objective party to oversee our accounting and financial reporting processes and internal control system; to pre-approve all auditing and non-auditing services to be provided by our independent auditor; to review and oversee the audit efforts of our independent auditor; and to provide an open avenue of communication among the independent auditor, financial and senior management and our Board. The Audit Committee has responsibility and authority, among other matters, to review with our management any financial information filed with the SEC or disseminated to the public; to establish and maintain procedures for receiving and treating complaints regarding accounting, internal accounting controls and auditing matters, and for the confidential anonymous submission by employees of concerns regarding these matters; to appoint, determine funding for and oversee our independent auditor; to review, in consultation with the independent auditor and our accounting personnel, the integrity of our financial reporting processes; and to review in advance any proposed transaction between us and any related party. A copy of our Audit Committee Charter can be found on our corporate website at www.sirona.com. The Audit Committee met eight times during the fiscal year ended September 30, 2013.

Compensation Committee. The Compensation Committee has oversight responsibility relating to the compensation of our executive officers and directors and the administration of awards under our 2006 Equity Incentive Plan. In August 2011, our Board expanded the number of members of the Compensation Committee from three to four directors. Our Compensation Committee is now composed of Messrs. Hood, Kraemer, Sullivan and Kowaloff. Our Board has determined that Messrs. Hood, Kraemer, Sullivan and Kowaloff are independent directors as such term is

defined in Rule 5605(a)(2) of the NASDAQ Listing Rules and, as a result, the Compensation Committee is comprised solely of independent directors. On July 1, 2013, the Board amended and restated our Compensation Committee Charter to expand the responsibilities, duties and authority of the Compensation Committee in compliance with the new

TABLE OF CONTENTS

NASDAQ Listing Rules related to compensation committees. In particular, under the amended and restated Compensation Committee Charter, the Compensation Committee (i) has the authority, in its sole discretion, to retain or obtain the advice of a compensation consultant, legal counsel or other adviser, (ii) is directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel and other adviser, (iii) will receive appropriate funding, as determined by the Compensation Committee, for payment of reasonable compensation to a compensation consultant, legal counsel or any other adviser; and (iv) will select, or receive advice from, a compensation consultant, legal counsel or other adviser, other than in-house legal counsel, only after taking into consideration factors related to the independence of such compensation consultant, legal counsel or other adviser, as required by the NASDAQ Listing Rules. A copy of our amended and restated Compensation Committee Charter can be found on our corporate website at www.sirona.com. The Compensation Committee met eight times during the fiscal year ended September 30, 2013.

Since October 2007, the Compensation Committee has retained independent compensation consultant Pearl Meyer & Partners ("PM&P") to provide advice and recommendations with respect to the competitiveness of compensation for our named executive officer group and our non-employee directors. Other than as described above, PM&P performs no other services for the Company or Company's management.

Compensation Committee Interlocks and Insider Participation. No member of the Compensation Committee is an officer or employee, or former officer or employee, of our Company or any of our subsidiaries. No interlocking relationship existed during the fiscal year ended September 30, 2013 between the members of our Board or Compensation Committee and the board of directors or compensation committee of any other company, nor have any other "compensation committee interlocks" existed in the past.

Nominating and Corporate Governance Committee. The former Nominating Committee was established by resolution of our Board on August 3, 2004. On July 30, 2010, our Board replaced the Nominating Committee with the Nominating and Corporate Governance Committee. Our Board reduced the number of members of the Nominating and Corporate Governance Committee to four directors: Messrs. Jetter, Kowaloff, Kraemer and Sullivan. The functions of the Nominating and Corporate Governance Committee are to (i) establish criteria for selecting candidates for nomination to our Board and actively seek candidates who meet those criteria, (ii) recommend nominees to our Board and (iii) advise the Board on corporate governance matters and Board performance matters. The Nominating and Corporate Governance Committee will consider director candidates who have relevant business experience, are accomplished in their respective fields and who possess the skills and expertise to make a significant contribution to our Board, us and our stockholders. Director nominees should have relevant business or other experience, knowledge about issues affecting us and the ability and willingness to apply sound and independent business judgment. The Company's Corporate Governance Guidelines provide that directors should be selected so that the Board is a diverse body, with diversity reflecting gender, ethnic background, country of citizenship and professional experience. The Nominating and Corporate Governance Committee does not discriminate on the basis of race, gender or ethnicity. The Nominating and Corporate Governance Committee will establish procedures by which it will exercise oversight of the evaluation of the Board and management. The Nominating and Corporate Governance Committee will also establish procedures for the Board, on at least an annual basis, to evaluate the Board's performance and to make any recommendations to the Board that the Committee deems appropriate regarding improvements of the Board's operations. Our Board determined that Messrs. Jetter, Kowaloff, Kraemer and Sullivan are independent directors as such term is defined in Rule 5605(a)(2) of the NASDAQ Listing Rules and, as a result, the Nominating and Corporate Governance Committee is comprised solely of independent directors. The Nominating and Corporate Governance Committee will consider nominees for election or appointment to our Board that are recommended by stockholders, provided that a complete description of the nominees' qualifications, experience and background, together with a statement signed by each nominee in which he or she consents to act as such, accompanies the recommendations. Such recommendations should be submitted in writing to the attention of the Nominating and Corporate Governance Committee, c/o Corporate Secretary, Sirona

TABLE OF CONTENTS

Dental Systems, Inc., 30-30 47th Avenue, Suite 500 Long Island City, NY 11101 and should not include self-nominations. A copy of our Nominating and Corporate Governance Committee Charter can be found on our corporate website at www.sirona.com. The Nominating and Corporate Governance Committee met five times in the fiscal year ended September 30, 2013.

Attendance at Board and Committee Meetings. Each of our directors attended all meetings of the Board during the fiscal year ended September 30, 2013. In addition, each of our directors attended all meetings held by all committees of the Board on which such director served during the fiscal year ended September 30, 2013.

Corporate Governance Guidelines

The Board of Directors adopted Corporate Governance Guidelines, a copy of which is available on our Internet website at www.sirona.com. Our Corporate Governance Guidelines address topics such as (i) the role and responsibilities of the Board of Directors, (ii) the definition of independence, (iii) the selection of Board of Director nominees, (iv) Board membership criteria, (v) Board leadership, (vi) Board meetings, (vii) committees, (viii) director compensation, (ix) orientation and continuing education of directors, (x) management development and succession planning, (xi) attendance of directors at the Annual Meeting of Stockholders, (xii) directors' access to management and independent advisors, (xiii) evaluation of the Board of Directors and committees and (xiv) submission of director resignations. The Corporate Governance Guidelines were revised in fiscal 2013 with the following changes: we included a director resignation policy which states that any nominee for director in an uncontested election who receives a greater number of votes "withheld" from his or her election than votes "for" such election is required to tender his or her resignation to the Board of Directors, and we added the position of senior independent director, who will be appointed annually by the independent directors, and who is responsible for presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors.

The Board of Directors also adopted new Stock Ownership Guidelines to ensure that the interests of the executive officers and directors are aligned with those of stockholders. The individual stock ownership guideline level for each executive officer is equal to the number of shares equivalent to: (i) six (6) times the annual base salary for the Chief Executive Officer; or (ii) one (1) times the annual base salary of any executive officer other than the Chief Executive Officer. The individual stock ownership guideline level for each director is equal to the number of shares equivalent to five (5) times the annual cash retainer payable to such director. A copy of the Stock Ownership Guidelines is available on our Internet website at www.sirona.com.

Code of Ethics

On June 2, 2004, by resolution of our Board, we adopted a code of ethics governing the conduct of our personnel, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the current code of ethics is available on our website at www.sirona.com. In addition, a free copy of the code may be obtained by stockholders upon request by contacting Jonathan Friedman, General Counsel of the Company, at (718) 482-2011.

In the event that any amendment is made to the code of ethics, and such amendment is applicable to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, we shall disclose the nature of any such amendment on our website within four business days following the date of the amendment. In the event that we grant a waiver, including an implicit waiver, from a provision of the code of ethics, to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, we shall disclose the nature of any such waiver, including the name of the person to whom the waiver is granted and the date of such waiver, on our website within four business days following the date of the waiver. Our website address is www.sirona.com.

Stockholder Communications with the Board of Directors

Historically, we have not adopted a formal process for stockholder communications with our Board. Nevertheless, every effort has been made to ensure that the views of stockholders are heard by our Board or

TABLE OF CONTENTS

individual directors, as applicable, and that appropriate responses are provided to stockholders in a timely manner. We believe our responsiveness to stockholder communications to our Board has been excellent, and to date, we have not considered it necessary to adopt a formal process. Nevertheless, during the upcoming year the Board will continue to monitor whether it would be appropriate to adopt a formal process for stockholder communications with the Board.

Report of the Audit Committee of the Board of Directors

In executing its responsibilities, the Audit Committee has reviewed and discussed our audited financial statements with our management. The Audit Committee has also discussed with the Company's independent auditor the overall scope and plans for their audits of the Company. Furthermore, the Audit Committee has discussed with our independent auditor the matters required to be discussed by SAS 61, as amended. In addition, the Audit Committee has received written disclosures and a letter from our independent auditor delineating all relationships between them and us, consistent with the applicable requirements of the Public Company Accounting Oversight Board regarding the independent auditor's communications with the Audit Committee concerning independence, and has discussed with them matters pertaining to their independence. The Audit Committee also considered whether the additional services unrelated to audit services performed by KPMG during the fiscal year ended September 30, 2013 were compatible with maintaining their independence in performing their audit services. In addition, the Audit Committee met with the independent auditor, with and without management present, to discuss the results of their examinations, their evaluations of the Company's internal controls, and the overall quality of the Company's financial reporting.

Based upon the reviews and discussions referred to above, the Audit Committee recommended to our Board of Directors that the audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended September 30, 2013 for filing with the SEC. The Audit Committee and Board of Directors have also recommended the selection of KPMG as our independent auditor for the fiscal year ending September 30, 2014.

From the members of the Audit Committee of Sirona Dental Systems, Inc.:

David K. Beecken, Chairman

William K. Hood

Arthur D. Kowaloff

Leadership Structure

Our Board is committed to adopting governance policies and practices that promote the most effective and ethical management of the Company. In addition, the Board believes that it is important to retain flexibility to determine the Company's optimal leadership structure and to choose the best qualified person(s) to serve in the roles of Chief Executive Officer and Chairman of the Board. Consequently, after our former Chairman and Chief Executive Officer, Mr. Fischer, retired in February 2013, the Board determined that the designation of an independent, Non-Executive Chairman represented the optimal leadership structure for the Company. The directors believe that this role provides the Board with independent leadership and allows Mr. Slovin, the Company's Chief Executive Officer, to concentrate on the Company's business operations. Therefore, Mr. Jetter, who served as a director since April 2010, was appointed to the role of Non-Executive Chairman of the Board following our last Annual Meeting on February 20, 2013. Moreover, during this past fiscal year, we added the position of 'senior independent director'. This director will be appointed annually by the independent directors at the board of directors meeting immediately following the Company's annual meeting and will be responsible for presiding at all meetings of the Board at which the Chairman is not present, including executive sessions of the independent directors.

We recognize that different board leadership structures may be appropriate for companies in different situations and believe that no one structure is suitable for all companies. Because the leadership structure that is appropriate for a company can also change over time, we intend to review our leadership structure annually to determine if it is the most appropriate one for the Company.

TABLE OF CONTENTS

Risk Oversight

Our Board is responsible for overseeing the Company's risk management process. The Board focuses on the Company's general risk management strategy, the most significant risks facing the Company, and ensures that appropriate risk mitigation strategies are implemented by management. The Board is also apprised of particular risk management matters in connection with its general oversight and approval of corporate matters.

The Board has delegated to the Audit Committee oversight of the Company's risk management process. Among its duties, the Audit Committee (a) reviews with management Company policies with respect to risk assessment and management of risks that may be material to the Company, including the risk of fraud, (b) reviews the integrity of the Company's financial reporting processes, both internal and external, including reviewing management's report on its assessment of the effectiveness of internal control over financial reporting as of the end of each fiscal year, (c) reviews the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures and (d) the Company's compliance with legal and regulatory requirements. The Audit Committee is also responsible for reviewing major legislative and regulatory developments that could materially impact the Company's contingent liabilities and risks. Our other Board committees also consider and address risk as they perform their respective committee responsibilities. All committees report to the full Board as appropriate, including when a matter rises to the level of a material or enterprise level risk.

The Company's management is responsible for day-to-day risk management. Our Internal Audit area serves as the primary monitoring and testing function for company-wide policies and procedures, and manages the day-to-day oversight of the risk management strategy for the ongoing business of the Company. This oversight includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, and compliance and reporting levels.

We believe the division of risk management responsibilities described above is an effective approach for addressing the risks facing the Company and that our Board leadership structure supports this approach.

TABLE OF CONTENTS

PROPOSAL 2 — RATIFICATION OF THE SELECTION OF INDEPENDENT AUDITOR

The Audit Committee of our Board has selected KPMG as independent auditor for the fiscal year ending September 30, 2014 and has further directed that management submit the selection of independent auditor for ratification by the stockholders at the Annual Meeting. A proposal to ratify the appointment of KPMG will be presented at the Annual Meeting. Representatives of KPMG are expected to be present at the Annual Meeting, and will have an opportunity to make a statement if they desire to do so and will be available to answer questions from stockholders. KPMG was the Company's independent auditor during the fiscal year ended September 30, 2013.

Neither our By-laws nor other governing documents or law require stockholder ratification of the selection of KPMG as our independent auditor. However, the Board of Directors is submitting the selection of KPMG to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee, in its discretion, may direct the appointment of a different independent auditor at any time during the year if it determines that such a change would be in the best interests of us and our stockholders.

The affirmative vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting will be required to ratify the selection of KPMG.

AUDIT FEES

The aggregate fees billed for professional services rendered for the Company by KPMG, the Company's independent auditor, for the years ended September 30, 2013 and 2012 were:

	2013	**2012**
	(in thousands)	
Audit Fees	$1,518.2	$ 1,311.8
Audit-Related Fees	11.6	10.1
Tax Fees	—	—
All Other Fees	108.3	47.5
Total Fees	$1,638.1	$ 1,369.4

"Audit Fees" include time billed to the Company for professional services and expenses relating to the audit and review of the financial statements of the respective years. For the fiscal years ended September 30, 2013 and September 30, 2012, audit fees included fees for professional services and expenses relating to the reviews of our quarterly financial statements for the quarters ended December 31, 2011 through June 30, 2013 on Form 10-Q and the audit of our annual financial statements and effectiveness of our internal controls over financial reporting, included in our Annual Report on Form 10-K for each of fiscal years 2013 and 2012.

"Audit-Related Fees" include fees billed to the Company in the respective fiscal year for professional services and expenses related to reviews of proxy, Form 8-K, Form S-8 and Form S-3 filings with the U.S. Securities and Exchange Commission, debt covenant compliance attestations, and electronic and other filings of local statutory financial statements.

"Tax Fees" include time billed to the Company for professional services and expenses principally related to tax planning, tax consulting and tax compliance.

"All Other Fees" include time billed to the Company for professional services and expenses primarily related to accounting and tax due diligences performed in connection with business acquisition activities.

All fees are agreed to in Euros. Total fees billed amounted to €1,213.5 and €1,059.7 (in thousands) in fiscal 2013 and fiscal 2012, respectively (or $1,638.1 and $1,369.4, in thousands, using an exchange rate of 1.3499 and 1.2922 in fiscal 2013 and 2012, respectively).

No other professional services were rendered or fees were billed by KPMG for the years ended September 30, 2013 and 2012.

TABLE OF CONTENTS

Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy and procedures for the pre-approval of audit and non-audit services rendered by our independent auditor KPMG. The policy generally pre-approves specified services in the defined categories of audit services, audit-related services and tax services up to specified amounts. Pre-approval may also be given as part of our Audit Committee's approval of the scope of the engagement of the independent auditor or on an individual explicit case-by-case basis before the independent auditor is engaged to provide each service. The pre-approval of services may be delegated to one or more of our Audit Committee members, but the decision must be reported to the full Audit Committee at its next scheduled meeting. All audit-related services for fiscal 2013 and 2012 were pre-approved by the Audit Committee.

The Audit Committee has determined that the rendering of the services, other than the audit services, by KPMG, is compatible with maintaining the principal accountant's independence.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE "FOR" RATIFICATION OF THE SELECTION OF KPMG AS THE COMPANY'S INDEPENDENT AUDITOR FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2014.

TABLE OF CONTENTS

PROPOSAL 3 — ADVISORY VOTE ON APPROVAL OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT UNDER "OTHER INFORMATION FOR THE ANNUAL MEETING OF SIRONA DENTAL SYSTEMS, INC.'S STOCKHOLDERS — COMPENSATION OF EXECUTIVE OFFICERS"

The Board of Directors believes that the Company's compensation policies and procedures are centered on a pay-for-performance culture and are strongly aligned with the long-term interests of stockholders. You are urged to read the Compensation Discussion and Analysis section of this Proxy Statement for additional details on the Company's executive compensation, including the Company's philosophy and objectives and the 2013 compensation of the named executive officers.

Congress enacted legislation requiring a non-binding advisory "say-on-pay" vote on executive compensation beginning in 2011. In light of the results of the stockholder's non-binding advisory vote at the Annual Meeting of the Stockholders for the fiscal year ended in 2010 (the "2010 Annual Meeting") with respect to the frequency with which stockholders will vote for the approval of the compensation of the Company's named executive officers, the Company currently intends to hold an annual non-binding advisory vote on such named executive officer compensation. This proposal gives you as a stockholder the opportunity to endorse or not endorse our executive pay program through the following resolution:

"Resolved, that the stockholders approve, on an advisory basis, the compensation of the Company's named executive officers as disclosed in this Proxy Statement."

As an advisory vote, this proposal is non-binding. However, the Board of Directors and the Compensation Committee value the opinions of stockholders and will consider the outcome of the vote when making future compensation decisions for the named executive officers.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE APPROVAL OF THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS AS DISCLOSED IN THIS PROXY STATEMENT UNDER "OTHER INFORMATION FOR THE ANNUAL MEETING OF SIRONA DENTAL SYSTEMS, INC.'S STOCKHOLDERS — COMPENSATION OF EXECUTIVE OFFICERS".

TABLE OF CONTENTS

PROPOSAL 4 — ADOPTION OF AMENDMENTS TO OUR AMENDED AND RESTATED CERTIFICATE OF INCORPORATION TO DECLASSIFY THE BOARD OF DIRECTORS

Background

Currently, our Certificate of Incorporation divides the members of our Board into three classes. One class of directors is elected at each annual meeting of stockholders to hold office for a term beginning on the date of the election and ending on the date of the third annual meeting of stockholders following the date of the election.

At our 2012 annual meeting of stockholders, our stockholders supported and approved a non-binding stockholder proposal to elect each director annually. In response to such support, and based on the evaluation by the Board of our corporate governance practices and the best interests of the Company and its stockholders, we are asking our stockholders to approve amendments to the Certificate of Incorporation to declassify the Board and to establish annual election of directors. The Board unanimously approved and declared advisable the proposed amendments to the Certificate of Incorporation, and recommends that our stockholders adopt the proposed amendments to the Certificate of Incorporation.

Proposed Amendments to the Certificate of Incorporation

The proposed amendments to the Certificate of Incorporation would modify Article SEVENTH of the Certificate of Incorporation to declassify the Board of Directors.

If this Proposal 4 is approved by the Company’s stockholders at the Annual Meeting, our Certificate of Incorporation will be amended to provide that the classification of the Board will be phased out beginning with the 2014 annual meeting of stockholders. During the phase-out period, the director nominees for election at the 2014 annual meeting of stockholders will be elected to serve for one-year terms expiring at the 2015 annual meeting of stockholders , the director nominees for election at the 2015 annual meeting of stockholders will be elected to serve for one-year terms expiring at the 2016 annual meeting of stockholders and the director nominees for election at the 2016 annual meeting of stockholders will be elected to serve for one-year terms expiring at the 2017 annual meeting of stockholders. Beginning with the 2017 annual meeting of stockholders, the Board will no longer be classified, and all director nominees will be elected for one-year terms.

If this Proposal 4 is not approved by the Company’s stockholders, the proposed amendments to our Certificate of Incorporation will not become effective, and the Board will remain classified, with directors in each class serving a term ending on the date of the third annual meeting of stockholders following the date of their election. The complete text of the proposed amendments to the Certificate of Incorporation is included in Appendix A to this proxy statement. The foregoing summary is qualified in its entirety by reference to the text of the amendments. You are urged to read the proposed amendments in their entirety.

Vote Required and Board Recommendation

The approval of the proposed amendments to the Certificate of Incorporation requires the affirmative vote of the holders of at least 75% of the shares of our Common Stock issued and outstanding and entitled to vote on the proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE “FOR” THE PROPOSAL TO ADOPT AMENDMENTS TO OUR CERTIFICATE OF INCORPORATION TO DECLASSIFY THE COMPANY’S BOARD OF DIRECTORS.

TABLE OF CONTENTS

OTHER INFORMATION FOR THE ANNUAL MEETING OF
SIRONA DENTAL SYSTEMS, INC.'S STOCKHOLDERS

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of December 23, 2013, certain information regarding the ownership of the Common Stock of the Company by (1) each of our named executive officers and directors; (2) all of our executive officers and directors as a group; and (3) persons who are beneficial owners of more than five percent of our Common Stock:

Name	Number of Shares Beneficially Owned (1)	Percentage of Outstanding Shares
Neuberger Berman Group LLC (2)	4,909,264	8.9 %
Vanguard Group, Inc. (3)	3,321,248	6.0 %
Blackrock Institutional Trust Company, N.A. (4)	3,314,220	6.0 %
Ruane, Cunniff & Goldfarb, Inc. (5)	2,954,817	5.4 %
William Blair & Company, L.L.C. (6)	2,950,724	5.3 %
Jeffrey T. Slovin (7)	714,489	1.3 %
Simone Blank (8)	196,749	*
Jonathan Friedman (9)	56,913	*
Walter Petersohn (10)	56,685	*
Rainer Berthan (11)	4,500	*
David K. Beecken (12)	13,065	*
William K. Hood (13)	52,465	*
Thomas Jetter (14)	3,732	*
Arthur D. Kowaloff (15)	63,065	*
Harry M. Jansen Kraemer, Jr. (16)	83,065	*
Timothy P. Sullivan (17)	3,065	*
All current executive officers and directors as a group (11 persons) (18)	1,247,793	2.2 %

*

- Less than 1%

(1)

- Beneficial ownership is determined in accordance with rules of the SEC and includes voting power and/or investment power with respect to securities. Shares of Common Stock subject to options currently exercisable or exercisable within 60 days of December 23, 2013 are deemed outstanding for computing the number and the percentage of outstanding shares beneficially owned by the person holding such options but are not deemed outstanding for computing the percentage beneficially owned by any other person.

(2)

- According to a Schedule 13F filed by Neuberger Berman Group LLC with the SEC for the quarter ended September 30, 2013. The address for Neuberger Berman Group LLC is 605 Third Avenue, New York, New York 10158.

(3)

- According to a Schedule 13F filed by Vanguard Group, Inc. with the SEC for the quarter ended September 30, 2013. The address for Vanguard Group, Inc. is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355-2331.

(4)

- According to a Schedule 13F filed by BlackRock Institutional Trust Company, N.A. with the SEC for the quarter ended September 30, 2013. The address for BlackRock Institutional Trust Company, N.A. is 400 Howard Street, San Francisco, California 94105.

(5)

- According to a Schedule 13F filed by Ruane, Cunniff & Goldfarb, Inc. with the SEC for the quarter ended September 30, 2013. The address for Ruane, Cunniff & Goldfarb, Inc. is 767 Fifth Avenue, New York, New York 10153-0109.

(6)

- According to a Schedule 13F filed by William Blair & Company, L.L.C. with the SEC for the quarter ended September 30, 2013. The address for William Blair & Company, L.L.C. is 222 West Adams Street, Chicago, Illinois 60606.

TABLE OF CONTENTS

(7)

- Includes 10,000 shares purchased on the open market by Mr. Slovin; 3,659 options exercised by Mr. Slovin; 678,341 shares issuable upon the exercise of options granted to Mr. Slovin; 3,422 Restricted Stock Units that vested on December 8, 2011; 4,041 Restricted Stock Units that vested on November 22, 2012 and 3,919 Restricted Stock Units that vested on December 8, 2012; 3,597 Restricted Stock Units that vested on December 8, 2013 and 7,510 Restricted Stock Units that vested on November 22, 2013.

(8)

- Includes 18,750 shares purchased on the open market by Ms. Blank; 168,750 shares issuable upon the exercise of options granted to Ms. Blank; 3,083 Restricted Stock Units that vested on December 8, 2011; 3,083 Restricted Stock Units that vested on November 22, 2012 and 3,083 Restricted Stock Units that vested on December 8, 2012. Does not include any changes to Ms. Blank's ownership after October 14, 2013, the date on which she resigned from her positions as Executive Vice President, Chief Financial Officer and director of the Company.

(9)

- Includes 17,000 shares purchased on the open market by Mr. Friedman; 32,682 options exercised by Mr. Friedman; 2,968 shares issuable upon the exercise of options granted to Mr. Friedman; 814 Restricted Stock Units that vested on December 8, 2011; 873 Restricted Stock Units that vested on November 22, 2012; 797 Restricted Stock Units that vested on December 8, 2012; 652 Restricted Stock Units that vested on December 8, 2013 and 1,127 Restricted Stock Units that vested on November 22, 2013.

(10)

- Includes 1,300 shares purchased on the open market by Mr. Petersohn; 50,521 shares issuable upon the exercise of options granted to Mr. Petersohn; 833 Restricted Stock Units vested on January 1, 2012; 2,166 Restricted Stock Units that vested on January 1, 2013 and 3,165 Restricted Stock Units that vested on January 1, 2014.

(11)

- Includes 4,500 shares issuable upon the exercise of options granted to Mr. Berthan.

(12)

- Includes 5,000 shares purchased on the open market by Mr. Beecken; 1,667 Restricted Stock Units that vested on May 10, 2011; 1,666 Restricted Stock Units that vested on May 10, 2012; 1,667 Restricted Stock Units that vested on May 10, 2013; 1,000 Restricted Stock Units that vested on June 14, 2013; 999 Restricted Stock Units that vested on June 14, 2012 and 1,066 Restricted Stock Units that vested on May 8, 2013.

(13)

- Includes 15,000 shares issuable upon the exercise of stock options granted to Mr. Hood pursuant to the Company's 1997 Director Stock Option Plan; 30,000 shares issuable upon the exercise of stock options granted to Mr. Hood under the Company's 2006 Plan; 1,666 Restricted Stock Units that vested on May 10, 2011; 1667 Restricted Stock Units that vested on May 10, 2012; 1,000 Restricted Stock Units that vested on June 14, 2012; 1,066 Restricted Stock Units that vested on May 8, 2013; 1,667 Restricted Stock Units that

vested on May 10, 2013 and 999 Restricted Stock Units that vested on June 14, 2013.

(14)

- Includes 1,066 Restricted Stock Units that vested on May 8, 2013; 1,667 Restricted Stock Units that vested on May 10, 2013 and 999 Restricted Stock Units that vested on June 14, 2013.

(15)

- Consists of 15,000 shares issuable upon the exercise of stock options granted to Mr. Kowaloff pursuant to the Company's 1997 Director Stock Option Plan; 40,000 shares issuable upon the exercise of stock options granted to Mr. Kowaloff pursuant to the Company's 2006 Plan; 1,667 Restricted Stock Units that vested on May 10, 2011; 1,666 Restricted Stock Units that vested on May 10, 2012 and 1,000 Restricted Stock Units that vested on June 14, 2012; 1,066 Restricted Stock Units that vested on May 8, 2013; 1,667 Restricted Stock Units that vested on May 10, 2013 and 999 Restricted Stock Units that vested on June 14, 2013.

(16)

- Includes 15,000 shares issuable upon the exercise of stock options granted to Mr. Kraemer pursuant to the Company's 1997 Director Stock Option Plan; 60,000 shares issuable upon the exercise of stock options granted to Mr. Kraemer under the Company's 2006 Plan; 1,667 Restricted Stock Units that vested on May 10, 2011; 1,666 Restricted Stock Units that vested on May 10, 2012 and 1,000 Restricted Stock Units that vested on June 14, 2012; 1,066 Restricted Stock Units that vested on May 8, 2013; 1,667 Restricted Stock Units that vested on May 10, 2013 and 999 Restricted Stock Units that vested on June 14, 2013.

TABLE OF CONTENTS

(17)

- Includes 1,000 Restricted Stock Units that vested on June 14, 2012; 1,066 Restricted Stock Units that vested on May 8, 2013; and 999 Restricted Stock Units that vested on June 14, 2013.

(18)

- Includes 1,080,080 shares issuable upon exercise of options held by current executive officers and directors.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act, requires our directors and executive officers, and persons who own more than 10% of a registered class of our equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of our Common Stock and other of our equity securities. Specific due dates for these reports have been established, and we are required to disclose any failure to file by these dates during fiscal 2013. Our officers, directors and greater than 10% stockholders are required by the SEC regulations to furnish us with copies of all Section 16(a) forms they file.

To our knowledge, based solely on a review of the copies of such reports furnished to us and representations that no other reports were required, during the fiscal year ended September 30, 2013, all Section 16(a) filing requirements applicable to our officers, directors and greater than 10% beneficial owners were complied with.

Equity Compensation Plan Information

The following table sets forth the following information, as of September 30, 2013, with respect to compensation plans (including individual compensation arrangements) under which equity securities of the Company are authorized for issuance: the number of securities to be issued upon the exercise of outstanding options, warrants and rights; the weighted-average exercise price of such options, warrants and rights; and, other than the securities to be issues upon the exercise of such options, warrants and rights, the number of securities remaining available for future issuance under the plan:

	Number of securities to be issued upon exercise of outstanding options, warrants and rights	**Weighted-average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))**
	(a)	**(b)**	**(c)**
Plan category			
Equity compensation plans approved by security holders	1,778,102	15.74	675,830
Equity compensation plans not approved by security holders	—	—	—
Total	1,778,102	15.74	675,830

Compensation of Directors

In May 2008, the Compensation Committee retained compensation consultant PM&P to provide advice and recommendations with respect to competitive benchmarking of our compensation system within our Peer Group (as defined in “Compensation Discussion and Analysis” below) and with respect to specific compensation decisions

concerning our non-employee directors. After review of the competitive benchmarking within the Peer Group, in October 2008, the Compensation Committee implemented, beginning in fiscal 2009, changes to the compensation structure of our non-employee directors. In May 2013, PM&P updated its competitive benchmarking review and the Company adopted the following compensation program for fiscal 2013 to better align compensation levels and cash/equity mix with the market:

Non-Executive Director Board Cash Retainer

- $50,000:Annual Cash Retainer (no change)
- $40,000:Additional Annual Cash Retainer for the Non-Executive Chairman (Total cash retainer = $90,000)

TABLE OF CONTENTS

Non-Executive Director Committee Cash Retainers

- $15,000:Audit Chairman (no change)
- $10,000:Compensation Chairman
- $10,000:Corporate Governance and Nominating Committee Chairman
- $7,500:Audit Committee Members (increase from $5,000)
- $5,000:Other Committee Members (no change)

Non-Executive Director Annual Equity Award

- 2,106 RSUs (decreased from 3,200 RSUs)

All non-employee directors received director fees in fiscal 2013. Directors who are also our paid employees are not separately compensated for any services they provide as directors.

On May 14, 2013, Messrs. Beecken, Hood, Jetter, Kowaloff, Kraemer and Sullivan received an award of 2,106 RSUs pursuant to the Company's 2006 Plan. The RSUs vest in three equal annual installments beginning on May 14, 2014.

The compensation earned by our non-employee directors for the fiscal year ended September 30, 2013 is summarized as follows:

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1)	Option Awards ($) (3)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
David K. Beecken	66,042	149,989	—	—	—	—	216,031
William K. Hood	61,042	149,989	—	—	—	—	211,031
Thomas Jetter	68,750	149,989	—	—	—	—	218,739
Arthur D. Kowaloff	63,125	149,989	—	—	—	—	213,114
	59,167	149,989	—	—	—	—	209,156

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($) (1)	Option Awards ($) (3)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Harry M. Jansen Kraemer, Jr.							
Timothy P. Sullivan	57,083	149,989	—	—	—	—	207,072

(1)

- These amounts reflect the grant date fair value of the restricted stock units calculated in accordance with applicable standards for financial statement reporting purposes for the fiscal year ended September 30, 2013 in accordance with FASB ASC Topic 718, Compensation-Stock Compensation. The following are the aggregate number of unvested restricted stock units held by each of our non-employee directors as of September 30, 2013: Mr. Beecken: 5,241; Mr. Hood: 5,241; Mr. Jetter: 5,241; Mr. Kowaloff: 5,241; Mr. Kraemer: 5,241; and Mr. Sullivan: 5,241.

(2)

- As of September 30, 2013, the number of stock options held by each non-employee director and the vesting of such options is as follows:

Name	Vested Stock Options	Unvested Stock Options	Total
David K. Beecken	—	—	—
William K. Hood	45,000	—	45,000
Thomas Jetter	—	—	—
Arthur D. Kowaloff	55,000	—	55,000
Harry M. Jansen Kraemer, Jr.	75,000	—	75,000
Timothy P. Sullivan	—	—	—

TABLE OF CONTENTS

Compensation of Executive Officers

Compensation Discussion and Analysis

Fiscal 2013 Performance Highlights:

- Revenue growth of 12.5% (11.7% constant currency) to $1.1 billion
- GAAP Gross profit up 12.9% to $591.4 million; GAAP Gross profit margin of 53.7%
- GAAP Diluted EPS up 10.7% ($2.61 vs. $2.36) and Non-GAAP Adjusted Diluted EPS up 12.4% ($3.41 vs. $3.03)
- Three-year total shareholder return (TSR) outperformed market and compensation peer group
- Record number of new products introduced at the bi-annual International Dental Show, including our “CAD/CAM for Everyone” product suite

Fiscal 2013 Executive Compensation and Governance Highlights:

- CEO transition successfully completed on February 20, 2013
- Separated CEO and Chairman of the Board role by appointing a Non-Executive Chairman upon Mr. Slovin’s appointment as CEO
- All directors are independent other than the CEO. Non-employee directors attended all scheduled Board and Committee meetings
- Stock ownership requirements for executive officers and directors (6x base salary for CEO; 1x for other named executive officers (“NEOs”) and 5x annual cash retainer for directors)
- Equity plan prohibits repricing and backdating

- No excise tax gross-ups

- Revision of the Corporate Governance Guidelines to (i) include a new director resignation policy and (ii) create a new senior independent director position

- Amendment to the Amended and Restated Certificate of Incorporation to declassify the Board of Directors (described in detail under Proposal 4 above)

Say-on-Frequency and Say-on-Pay

Consistent with the desire of the shareholders (per the Say-on-Frequency vote in early 2011), Sirona has adopted the practice of conducting an annual non-binding advisory vote on NEO compensation. The Compensation Committee has and will continue to monitor the results of the annual advisory Say-on-Pay proposal and incorporate such results as one of many factors considered in connection with the discharge of its responsibilities, although no such factor is assigned a quantitative weighting. Despite receiving near universal support for the Company's fiscal 2012 compensation program, Sirona, in keeping with evolving corporate governance best practices, implemented certain changes to the Company's compensation program (see Fiscal 2013 Executive Compensation and Governance Highlights).

Independent Compensation Consultant

Since October 2007, the Compensation Committee has retained PM&P to provide advice and recommendations with respect to the competitiveness of Sirona's executive and director compensation programs. The Compensation Committee directly engaged PM&P to conduct competitive market assessments for Sirona's NEO group in fiscal 2008, 2011 2012 and 2013. In the first quarter of fiscal 2013, PM&P provided advice/guidance to the Compensation Committee with respect to the Company's CEO succession plan. Additionally, PM&P was also engaged to provide competitive market assessments of Sirona's Non-Employee Director Compensation program in fiscal 2008 and 2011. PM&P has never performed any services other than executive and director compensation consulting for the Company, and performed its services only on behalf of and at the direction of the Compensation Committee.

TABLE OF CONTENTS

The Compensation Committee believes that there was no conflict of interest between the compensation consultant and the Compensation Committee during the year ended September 30, 2013. In reaching this conclusion, the Compensation Committee has analyzed whether the work of PM&P as a compensation consultant has raised any conflict of interest, taking into consideration the following factors: (i) the provision of other services to the Company by PM&P; (ii) the amount of fees from the Company paid to PM&P as a percentage of PM&P's total revenue; (iii) the policies and procedures of PM&P that are designed to prevent conflicts of interest; (iv) any business or personal relationship of PM&P or the individual compensation advisors employed by PM&P with an executive officer of the Company; (v) any business or personal relationship of the individual compensation advisors with any member of the Compensation Committee; and (vi) any stock of the Company owned by PM&P or the individual compensation advisors employed by PM&P.

Our Named Executive Officers for Fiscal 2013:

Executive	Title	Comments
Slovin, J.	President & CEO	Mr. Slovin was appointed CEO on February 20, 2013
Fischer, J.	Former CEO & COB	Mr. Fischer retired on February 20, 2013*
Blank, S.	Former CFO	Ms. Blank's resignation was effective as of October 14, 2013. Mr. Ulrich Michel was appointed CFO & EVP on October 14, 2013
Berthan, R.	EVP	
Friedman, J.	General Counsel & Secretary	
Petersohn, W.	EVP, Sales	

*

- Mr. Fischer's retirement provisions are discussed in detail under the section "Employment Agreements." Additionally, his fiscal 2013 compensation amounts are disclosed in the Summary Compensation Table.

Compensation Philosophy: We do business in a competitive and dynamic industry. Our continued success in such an environment depends, in large part, on our ability to attract and retain talented senior executives. In order to align the compensation delivered to these executives with shareholder interests, a significant portion (approximately 72% of total target compensation) is variable (short- and long-term incentives) and based on corporate performance. As a result, the Compensation Committee's compensation policies are designed to:

(i)

- Provide a competitive level of compensation to attract and retain talented management;

(ii)

- Reward senior executives for corporate performance;

(iii)

- Align the interests of senior executives with our stockholders in order to maximize stockholder value;

(iv)

- Motivate executive officers to achieve our business objectives; and

(v)

- Reward individual performance.

To achieve these compensation objectives, the Compensation Committee has developed a compensation program for the NEOs generally consisting of base salary, annual cash bonus and long-term incentive compensation in the form of stock options, restricted shares/units and/or performance-contingent shares.
Target compensation levels for the NEOs approximate the market as follows:

- Base Salary: 55 th percentile of Market
- Annual Cash Bonus: 65 th percentile of Market
- Long-term Incentive: 65 th percentile of Market

TABLE OF CONTENTS

Base salary levels are positioned just above market median to account for Sirona's greater product complexity and broader geographic reach. However, as mentioned above, compensation is primarily driven by incentive awards tied to Sirona's performance. As in past years, the Compensation Committee continues to believe that the Company's growth targets justify positioning target incentive compensation (short- and long-term) at above-median levels.

The resulting target total compensation pay mix for the President and CEO, Jeffrey T. Slovin, is:

- Base Salary: 23%
- Annual Cash Bonus: 23%
- Long-term Incentive: 54%

The average total compensation pay mix for the other NEOs is structured to be:

- Base Salary: 30%
- Annual Cash Bonus: 17%
- Long-term Incentive: 53%

The Compensation Committee believes that placing heavier weight on long-term incentives helps ensure strong alignment with creating long-term value for shareholders.

Review of Market Data for Peer Companies

Compensation levels for our named executive officers are determined based on a number of factors, including a review of the compensation levels in the marketplace for similar positions. The Peer Group was generally consistent with the Peer Group established in 2007, but updated to take into account changes within the industries and the Company's business. The current peer group ("Peer Group") consists of the following companies:

Align Technology, Inc.	Henry Schein Inc.	Resmed Inc.
CONMED Corporation	Hill-Rom Holdings, Inc.	Steris Corporation
The Cooper Companies Inc.	Hologic, Inc.	Straumann Holding AG
DENTSPLY International Inc.	IDEXX Laboratories Inc.	Nobel Biocare Holding AG
Edward Lifesciences Corp.	Integra LifeSciences Holdings	Patterson Companies Inc.

*

- NuVasive Inc., Orthofix International N.V. and Thoratec Corporation were removed from the peer group and Align Technology, Edward Lifesciences, Hill-Rom Holdings and Hologic were added to better reflect Sirona's size and performance.

Base Salaries (Short-term Fixed Pay)

The Compensation Committee generally reviews base salary levels on an annual basis and determines if increases are warranted to align with prevailing market levels. For Fiscal 2013, Mr. Slovin's base salary increase reflects his promotion to Chief Executive Officer, while increases for Ms. Blank, Mr. Petersohn and Mr. Friedman were made to better align with the market 55th percentile. Mr. Berthan was hired as a Vice President of the Company on September 1, 2012 and subsequently promoted to Executive Vice President as of November 16, 2012. He did not receive a base salary increase as a result of his promotion.

Executive	Fiscal 2012 Base Salary	Fiscal 2013 Base Salary	Increase %
Slovin, J.	$475,000	$850,000	79 %
Blank, S.	$479,412	$507,783	6 %
Berthan, R.	—	$288,662	—
Friedman, J.	$310,000	$324,000	5 %
Petersohn, W.	$259,844	$295,223	14 %

TABLE OF CONTENTS

Non-Equity Performance Compensation (Short-Term Variable Pay)

The Compensation Committee believes that annual bonuses can serve an important function by adding a fiscal performance-based incentive to an executive's compensation package. To that end, the Company maintains two bonus programs for the NEOs: Executive Bonus Plan ("Executive Plan") and Employee Profit Sharing Bonus Plan. The Executive Plan covers the President and CEO (Mr. Slovin), CFO (for fiscal 2013, Ms. Blank) and the EVP, Sales (Mr. Petersohn), while the Employee Profit Sharing Bonus Plan covers the EVP (Mr. Berthan) and General Counsel and Secretary (Mr. Friedman).

Executive Bonus Plan

The purpose of the Executive Plan is to provide to senior executive officers selected by the Compensation Committee cash bonus compensation that is (1) performance based and (2) competitive at target performance with the cash bonuses paid to similarly situated senior executives. The Executive Plan replaced the 2008 Executive Bonus Plan (the "2008 Plan") which had previously replaced the cash bonus compensation component of total compensation used in prior years for the participants of the 2008 Plan. The Compensation Committee annually determines target performance metrics based upon budgetary estimates of financial performance approved by the Board of Directors in the first quarter of each fiscal year. The target bonus amount of each participant is a percentage of such participant's annual base salary. The Compensation Committee also determines the percentage of target bonus payable to each participant at performance levels above and below target performance for each of the metrics described below on an annual basis. In fiscal 2013, cash bonuses were targeted at the 65th percentile of the Company's Peer Group. While the Compensation Committee retains discretion to target annual cash bonuses other than in reference to the Peer Group, it did not exercise that discretion in fiscal 2013.

The financial performance metrics used to measure and reward performance under the Executive Plan has two major components: a Revenue Metric and an Earnings Metric.

(a) Revenue Metric: The Revenue Metric is the Company's fiscal year revenue, as reported in its financials. The Revenue Metric is given a weighting of 25% in calculating each participant's bonus. In the event that the actual fiscal year Revenue Metric achieves target, each participant will receive 25% of his or her target bonus. Each participant will receive greater or less than the 25% of target bonus to the extent the Revenue Metric exceeds or is less than the revenue target. Payout range is zero to 2x target (i.e., 0% to 50% of target annual bonus).

(b) Earnings Metric: The Earnings Metric consists solely of an Adjusted EBITDA Metric. The Adjusted EBITDA Metric has been determined by the Committee to be fiscal year net income as reported by the Company in its financials, plus (i) net interest expense, (ii) provision for income taxes, (iii) depreciation and amortization, (iv) option expenses, (v) foreign exchange effect from Patterson exclusivity fee revaluation, (vi) refinancing expenses, (vii) foreign exchange effect from intra-group loans, (viii) non-cash gain/loss on foreign exchange derivatives, (ix) release of the Patterson exclusivity fee (x) and other special items set forth by the Compensation Committee (historically, special items have been: write-off of IPR&D and expenses related to refinancing or secondary offerings by Luxco) less a gain from a patent infringement settlement. The Earnings Metric is given an overall weight of 75%. If the fiscal year Adjusted EBITDA Metric achieves target, each participant will receive 75% of his or her target bonus. Each participant will receive greater or less than the 75% of target bonus to the extent the Adjusted EBITDA Metric exceeds or is less than the adjusted EBITDA target. Payout range is zero to 2x target (i.e., 0% to 150% of target annual bonus).

The bonus awards for all participants in the Executive Plan are calculated with the same method: Fiscal year cash bonus = bonus earned due to actual fiscal year Revenue Metric performance + bonus earned due to actual fiscal year Adjusted EBITDA Metric performance. There are no elements of individual performance considered in determining any award.

The Compensation Committee determined for fiscal 2013 that the target bonus amounts were:

-
  - Mr. Slovin: 100% of base salary (upon appointment to CEO)
-

- Ms. Blank: 70% of base salary
-
- Mr. Petersohn: 63% of base salary

TABLE OF CONTENTS

Consistent with Sirona's compensation philosophy, target bonus amounts are within +/-15% of the market 65 th percentile.

Revenue Metric. Each participant would earn 25% of his or her target bonus if actual fiscal year 2013 revenue achieved target of $1,075 million. Each participant would earn greater or less than 25% of target bonus as set forth below, with all other points determined on a straight line basis. Revenue attainment below $1,050 million would yield zero payout and revenue above $1,140 million would result in a capped payout of 2x target.

Fiscal 2013 Revenue	% of Target Bonus
Below $1,050 million	0 %
$1,050 million	12.5 %
$1,075 million	25 %
$1,117 million	37.5 %
$1,140 million	50 %
Greater than $1,140 million	50 %

Adjusted EBITDA Metric. Each participant would earn 75% of his or her target bonus if actual fiscal year 2013 Adjusted EBITDA achieved target of $293 million. Each participant would earn greater or less than 75% of target bonus as set forth below, with all other points determined using the $289 million and the $311 million points, except that no additional bonus was awarded for achieving over $311 million in fiscal year 2013 Adjusted EBITDA. Adjusted EBITDA below $289 million would yield zero payout and Adjusted EBITDA above $311 million would result in a capped payout of 2x target.

Fiscal 2013 Adjusted EBITDA	% of Target Bonus
Below $289 million	0 %
$289 million	37.5 %
$293 million	75 %
$296 million	93.75 %
$305 million	112.5 %
$311 million	150 %
Greater than $311 million	150 %

2013 Fiscal Year Performance and Bonus Results under Executive Plan. The fiscal 2013 results for the Revenue Metric and the Adjusted EBITDA Metric, as derived from the Company's audited fiscal 2013 financial statements in accordance with the definitions approved by the Compensation Committee, were $1,101.5 million and $289.3 million, respectively. After applying the calculations set forth in the charts above for performance below, at or above target, the Compensation Committee determined that the bonus payable to each of the participating named executive officers for each of the Revenue Metric and the Adjusted EBITDA Metric, as a percentage of target bonus, was approximately 33% and approximately 40% respectively, totaling an aggregate cash bonus for each participating named executive officer of 73% of his or her target bonus.

Pursuant to the foregoing, each of the covered executives earned the following:

Executive	Target Bonus	Actual Bonus Earned	Actual as % of Target
Slovin, J.	$850,000	$620,500	73 %
Blank, S.	€270,900	€197,757	73 %
Petersohn, W.	€141,750	€103,478	73 %

*

- Note, bonus amounts for Ms. Blank and Mr. Petersohn were paid in Euros; the exchange rate used to convert to USD was 1.31210. Mr. Slovin was paid in U.S. dollars.

TABLE OF CONTENTS

There are no payments under the Executive Plan to any person upon termination of employment (for any reason) or upon a change in control of the Company, however, participants may be eligible for such payments under their employment or other agreements with the Company. Please see "Employment Agreements" below.

Employee Profit Sharing Bonus Plan and 2013 Fiscal Year Bonus Results

Mr. Berthan and Mr. Friedman were both eligible to receive cash bonuses under the Employee Profit Sharing Bonus Plan for fiscal 2013. The Chief Executive Officer, in collaboration with the Compensation Committee, annually determines target performance metrics based upon budgetary estimates in the first quarter of each fiscal year.

For fiscal 2013, Mr. Berthan's bonus was guaranteed at €140,000, per his employment agreement. Under normal course, €100,000 of his target bonus will be determined in accordance with Sirona's bonus plan while the remaining €40,000 will be based on performance criteria determined on an annual basis. Additionally, Mr. Berthan has the ability to earn above target with the maximum award capped at €195,000.

Mr. Friedman's bonus is based on two major components: (i) the Company's Earnings Per Share ("EPS") performance, weighted at 50% and (ii) certain qualitative targets relating to the individual projects, weighted at 50%. If target EPS of $3.43 was achieved for the 2013 fiscal year, Mr. Friedman would receive 50% of his target bonus. He would receive greater or less than the target bonus to the extent EPS exceeded or was less than target, subject to a threshold of 66.7% of the target and a cap of 133.3% of the target.

In the event that the actual fiscal year qualitative targets relating to the individual project targets achieved target Mr. Friedman would receive 50% of his target bonus and he would receive greater or less than the 50% of target bonus to the extent the qualitative achievements exceeded or was less than the target, subject to a threshold of 20% and a flattened bonus curve after 120% target achievement.

For fiscal 2013, Mr. Friedman's target bonus was $129,600 (40% of base salary). Fiscal 2013 performance resulted in an EPS level just under target ($3.41 vs. target of $3.43) and Mr. Friedman's performance against qualitative goals was just above target. Therefore, the earned bonus payout is equal to 100% of target or $129,600.

Short-term Variable Pay — Fiscal 2014 Adjustments. The Compensation Committee approved a change to the Executive Plan by selecting the following performance metrics for fiscal 2014:

- Sales Growth:
  - 25% weighting
- Operating Income Margin:
  - 25% weighting
- Diluted EPS:
  - 25% weighting
- Free Cash Flow:
  - 25% weighting

The selected performance metrics focus on top-line growth, bottom-line performance and cash management providing a more balanced approach to shareholder value creation. In addition to the change in performance metrics, the fiscal 2014 Executive Plan will be expanded to unite all NEOs under one common corporate short-term performance program.

Equity Awards (Long-term Variable Pay)

As discussed above, the Compensation Committee targets long-term incentive compensation at the 65 th percentile of the Peer Group. Additionally, the Compensation Committee has determined that granting long-term incentives on an annual basis, rather than on a periodic basis, is more aligned with market practice and is in the best interest of shareholders.

In furtherance of Sirona’s desire to award the appropriate mix of stock options, time-vested restricted stock/units and performance-based shares to its NEOs, the Compensation Committee has granted a combination of time-vested restricted stock units and stock options for fiscal 2013. The Compensation Committee determined that this shift is more aligned with market practice and increases the focus on performance. The mix of stock options (46%) and restricted stock units (54%) provide an appropriate balance between performance, desire for shareholder alignment and retention. Stock options are inherently

TABLE OF CONTENTS

performance-oriented and aligned with shareholder interest because stock price appreciation above the exercise price is required before an executive realizes any value. Unlike stock options, a restricted stock unit award has some value regardless of stock price volatility thereby enhancing retention during times of stock price volatility. Moreover, retention is further enhanced by requiring the first tranche (1/3rd) of restricted stock units to vest two years following the grant date and annually thereafter (as opposed to stock options which vest 25% one year following the grant date and 25% each year thereafter). However, in addition to being a retention vehicle, restricted stock units also align with shareholder interests since their value appreciates as the value of the Company's common stock increases.

As Sirona and its marketplace continue to evolve, the Compensation Committee will continue to balance shareholder alignment with the motivational impact of the current equity award mix for the NEOs. To that end, Sirona's fiscal 2014 equity awards (granted on November 26, 2013) consist of time-vested restricted stock units, stock options and performance-based shares. The Compensation Committee decided to introduce a performance-based share instrument focused on relative and absolute performance metrics into the equity mix to enhance the compensation programs linkage between pay and performance. Equity mix reflects:

- CEO
  - Time-vested restricted stock:
    - 30%
  - Stock options:
    - 30%
  - Performance shares:
    - 40%
- Other NEOs (excluding Ms. Blank)
  - Time-vested restricted stock:
    - 50%
  - Stock options:
    - 25%
  - Performance shares
    - 25%

The Company does not publicly disclose specific long-term incentive plan targets on a prospective basis due to potential competitive harm. Revealing specific objectives prospectively would provide competitors and other third parties with insights into our confidential planning process and strategies, thereby causing competitive harm.

Severance Payments and Change in Control

In March 2008, the Compensation Committee, after review of the competitive market assessment conducted by PM&P, determined that Ms. Blank and Mr. Slovin should receive payments of up to 24 months annual base salary and two times target bonus in the year of termination in the event that any of them were terminated without cause or if any of them terminated their employment for good reason. The Compensation Committee also decided that equity awards held in the Company by Ms. Blank and Mr. Slovin would be accelerated in the event of a change in control. Mr. Slovin's employment agreement already provided for such acceleration of equity awards held by him.

On December 2, 2008, the Compensation Committee approved amendments to employment agreements of Ms. Blank and Mr. Slovin for the purposes of providing the revised severance and change in control benefits described in the paragraph above. Additionally, Mr. Slovin's employment agreement was further amended to reflect his promotion to Chief Executive Officer. For further detail see terms set forth under the section "Employment Agreements" below.

In connection with Mr. Fischer's retirement following the Annual Meeting, Mr. Fischer and the Company executed a Transition Agreement. The details of the Transition Agreement, including severance payments that will be made to Mr. Fischer, are set forth under the section "Employment Agreements" below.

In connection with Ms. Blank's resignation on October 14, 2013, Ms. Blank and the Company entered into a Separation Agreement in August 2013. The details of the Separation Agreement are set forth under the section "Employment Agreements" below.

TABLE OF CONTENTS

Other Compensation

Executive pension plans are common in European companies but are declining in the United States. In March 2008, the Compensation Committee, after review of the competitive market assessment conducted by PM&P, decided that Mr. Fischer and Ms. Blank should be enrolled in a defined contribution retirement savings plan because they are not eligible to participate in the Company's 401(k) plan. The Compensation Committee believes that such a retirement savings plan provides a competitive benefit to our Europe-based named executive officers. While such benefit was authorized by the Compensation Committee in fiscal 2008, the retirement saving plan became available to our Europe-based named executive officers during fiscal 2009. For a description of this plan, see "Nonqualified Defined Contribution and other Nonqualified Deferred Compensation." The Compensation Committee also determined that the Company should provide payments on behalf of some named executive officers for private health care insurance coverage. In fiscal 2013, payments of €3,646 ($4,784 at an average exchange rate of 1.31210 for fiscal 2013), €3,000 ($3,936 at an average exchange rate of 1.31210 for fiscal 2013) and $33,077 were made on behalf of Mr. Fischer, Ms. Blank and Mr. Slovin, respectively. The Compensation Committee also decided in March 2008, after review of the competitive market assessment conducted by PM&P, to continue the Company's current practice of providing limited auto, housing and tax advisory services to its named executive officers. These perquisites facilitate the performance of our named executive officers' managerial duties and provide for competitive total compensation when compared to the total compensation of the Peer Group.

Modification of Compensation Policies

The Omnibus Budget Reconciliation Act of 1993 includes potential limitations on tax deductions for compensation in excess of $1,000,000 paid to our executive officers. The Compensation Committee has analyzed the impact of this provision of the tax law on our compensation policies, has determined that historically the effect of this provision on the taxes paid by us has not and would not have been significant and has decided for the present not to modify our compensation policies based on such provision. In the event that a material amount of compensation might potentially not be deductible, it will consider what actions, if any, should be taken to seek to make such compensation deductible without compromising its ability to motivate and reward excellent performance.

Tax Equalization Agreements

In fiscal 2010, the Company entered into agreements with Messrs. Slovin, Fischer and Ms. Blank providing for tax equalization. These payments were in recognition of the fact that these executives are required to spend an increased percentage of their time outside their respective home countries and were designed to make the executives whole on an after-tax basis.

In connection with his September 2010 appointment to President of the Company, Mr. Slovin agreed to be relocated to Bensheim, Germany for two years. During the period of relocation, the Company agreed to make Mr. Slovin whole on an after-tax basis for German employment income and other applicable taxes on his remuneration in excess of the tax that he would owe if his income was subject only to federal, state and local taxation applicable to Mr. Slovin prior to his relocation. This tax equalization payment is calculated by the Company's outside accounting firm and paid with the monthly payroll. On October 1, 2012, the Company entered into a Letter Amendment to Mr. Slovin's existing Amended and Restated Employment Agreement, providing that Mr. Slovin's relocation to Bensheim, Germany will be extended until March 31, 2013. On May 7, 2013, the Company entered into an amendment to Mr. Slovin's existing Amended and Restated Employment Agreement, providing that Mr. Slovin's relocation to Germany is to be extended for a period to be determined within the sole discretion of Mr. Slovin. Furthermore, in the event that the Company's housing, car lease, insurance, maintenance or tuition payments are deemed to be income to Mr. Slovin, Mr. Slovin will receive additional payments to make him whole on an after-tax basis.

On November 15, 2010, the Compensation Committee approved supplement agreements to the service agreements of each of Mr. Fischer and Ms. Blank for the purposes of providing that each of Mr. Fischer and Ms. Blank's yearly salary and bonus under the service agreement will be paid by the Company pro rata to the days he/she has worked for the Company compared to total days to be worked under the service agreement, with the remaining portion of the yearly salary and bonus to be paid by Sirona Dental GmbH.

TABLE OF CONTENTS

In order to facilitate the payment mechanism, the Company will pay Mr. Fischer and Ms. Blank a fixed amount on a monthly basis in the amount of 20% of the total salary, with the remaining 80% to be paid by Sirona Dental GmbH. Within 30 days following the end of the calendar year, the Company and Sirona Dental GmbH will each compensate the other for the difference between the portion of salary actually paid and the pro rata portion to be paid for such calendar year.

The supplement agreements further provide that Mr. Fischer and Ms. Blank will be subject to tax equalization, by which he/she will remain neutral, subject to certain conditions and limitation, from a tax perspective with respect to (i) compensation received from the Company and/or Sirona Dental GmbH, including any U.S. tax on salary, bonuses, share based compensation (including effects in case of exercises) and (ii) the indirect investment of each of Mr. Fischer and Ms. Blank in the Company, subject to certain limits. Mr. Fischer and Ms. Blank will pay the same amount of income taxes as he/she would have paid had he/she performed all of his/her duties in Austria and did not perform the duties in the U.S. and been subject to a salary split mentioned above. These supplemental agreements were effective for fiscal 2013 for Mr. Fischer until his retirement and Ms. Blank until her resignation.

Report of the Compensation Committee of the Board of Directors

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis provided above. Based on its review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement and the Company’s Annual Report on Form 10-K for its 2013 fiscal year.

From the members of the Compensation Committee of Sirona Dental Systems, Inc.:

Timothy P. Sullivan, Chairman

William K. Hood

Harry M. Jansen Kraemer, Jr.

Arthur D. Kowaloff

Shareholder Approval of Executive Compensation

Pursuant to section 14A of the Securities Exchange Act, the Company is providing stockholders with the opportunity to cast an advisory (non-binding) vote to approve the compensation of the Company’s named executive officers. As an advisory vote, this proposal is non-binding. However, the Board of Directors and the Compensation Committee value the opinions of stockholders and will consider the outcome of the vote when making future compensation decisions for the named executive officers. In light of the results of the stockholder’s non-binding advisory vote at the 2010 Annual Meeting with respect to the frequency with which stockholders will vote for the approval of the compensation of the Company’s named executive officers, the Company currently intends to hold an annual non-binding advisory vote on such named executive officer compensation.

TABLE OF CONTENTS

Summary Compensation Table

The following table provides summary information concerning compensation paid or accrued by the Company to or on behalf of named executive officers for services rendered during fiscal 2013, fiscal 2012 and fiscal 2011.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($) (2)(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($) (4)	Total ($) (6)
ffrey T.	2013	717,654	—	1,059,440	999,520	620,500	—	588,790	3,985,904
ovin	2012	475,000	—	440,330	388,840	346,465	—	362,979	2,013,614
resident, hief									
xecutive	2011	442,900	—	768,702	—	620,060	—	386,465	2,218,127
fficer and irector									
st	2013	349,893	—	—	—	255,422	—	71,125	676,440
scher (5)(7)	2012	792,524	—	1,000,750	883,727	825,810	—	169,603	3,672,414
ormer hairman and									
hief	2011	791,222	—	1,524,163	—	1,582,445	—	156,916	4,054,746
xecutive fficer									
mone	2013	507,783	—	497,600	427,040	259,477	—	125,098	1,816,998
lank (5)	2012	479,412	—	440,330	388,840	349,684	—	125,238	1,783,504
ormer xecutive ice									
resident, hief	2011	470,190	—	768,702	—	670,866	—	122,901	2,032,659
nancial fficer and irector									
nathan	2013	324,000	—	155,500	133,450	129,600	—	17,437	759,987
riedman	2012	310,000	—	90,068	79,535	123,312	—	13,241	616,156
eneral ounsel and	2011	296,400	—	147,120	—	153,566	—	13,001	610,087
ecretary									
alter	2013	295,223	—	435,400	373,660	135,773	—	21,132	1,261,188
etersohn (5)	2012	259,844	—	240,180	212,094	155,906	—	20,482	888,506
xecutive ice									
resident of	2011	244,248	—	294,240	—	165,530	—	21,845	725,863
ales									
ainer	2013	288,662	—	—	—	183,694	—	11,656	484,012
erthan (8)	2012	—	—	537,240	280,298	—	—	—	817,538
xecutive	2011	—	—	—	—	—	—	—	—

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($) (2)(3)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($) (4)	Total ($) (6)

ice
resident

(1)

- Represents the aggregate grant date fair value calculated in accordance with applicable standards for financial statement reporting purposes for the fiscal years ended September 30, 2013, September 30, 2012 and September 30, 2011, in accordance with FASB ASC Topic 718. The assumptions used in calculating these amounts are set forth in Note 5, Employee Share-Based Compensation, to the consolidated financial statements included in the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2013.

(2)

- 2013, 2012 and 2011 amounts represent amounts earned in fiscal 2013, 2012 and fiscal 2011 by Mr. Slovin, Mr. Fischer and Ms. Blank based on fiscal 2013, fiscal 2012 and fiscal 2011 performance under the Company's Executive Plan. Amounts earned by Mr. Slovin for fiscal 2013 were paid in December 2013, amounts earned by Mr. Slovin in fiscal 2012 were paid in December, 2012 and amounts earned by Mr. Slovin for fiscal 2011 were paid in December 2011. Amounts earned by Mr. Fischer and Ms. Blank in fiscal 2013 were paid in December, 2013. Amounts earned by Mr. Fischer in fiscal 2012 were paid from November, 2012 to February, 2013. Amounts earned by Ms. Blank in fiscal 2012 were paid from November, 2012 to April, 2013 and amounts earned by Mr. Fischer and Ms. Blank in fiscal 2011 were paid from January to June 2012. Bonus payments made to Mr. Petersohn in fiscal 2012 and 2013 are based upon performance under the Executive Bonus Plan and will be paid from January to June 2014. Bonus payments made to Mr. Petersohn in fiscal 2011 and 2012 were based upon the Employee Profit Sharing Bonus Plan.

(3)

- Represents bonus payments made to Mr. Friedman and Mr. Berthan based upon performance under the Employee Profit Sharing Bonus Plan, as described under "Short-term Pay — Non-Equity

TABLE OF CONTENTS

Performance Compensation — Employee Profit Sharing Bonus Plan." Amount paid to Mr. Friedman was paid in December 2013. The amount paid to Mr. Berthan represents the bonus earned by Mr. Berthan in fiscal 2013 as agreed for the first year of his employment in his employment contract dated February 20, 2012.

(4)

- Includes all other compensation as described in the following table:

Name	Year	Savings Plan Contribution (a) ($)	Tax Advice (b) ($)	Car Allowance (c) ($)	Housing/ Education Allowance ($)	Healthcare Allowance (f) ($)	Insurance Premiums ($)
Jeffrey T. Slovin	2013	12,815	25,379	18,313	235,888	(e) 33,469	876
	2012	12,263	7,775	18,133	93,031	(e) 30,703	219
	2011	—	5,845	19,480	124,086	(e) 32,983	—
Jost Fischer	2013	5,552	4,550	13,385	20,511	(d) 4,784	—
	2012	32,987	4,677	32,169	48,686	(d) 11,368	—
	2011	35,437	2,973	28,959	(c) 44,000	(d) 12,212	—
Simone Blank	2013	24,930	—	16,224	48,175	(d) 3,936	—
	2012	24,685	—	16,065	48,475	(d) 3,898	—
	2011	26,518	—	18,510	43,600	(d) 4,187	—
Jonathan Friedman	2013	7,946	—	8,615	—	—	876
	2012	6,365	—	6,000	—	—	876
	2011	6,125	—	6,000	—	—	876
Walter Petersohn	2013	—	—	21,132	—	—	—
	2012	—	—	20,482	—	—	—
	2011	—	—	21,845	—	—	—
Rainer Berthan	2013	—	—	11,656	—	—	—
	2012	—	—	—	—	—	—
	2011	—	—	—	—	—	—

(a)

- Amounts for Mr. Slovin and Mr. Friedman reflect matching contributions under the Sirona Dental Systems 401(k) Savings Plan (the "Savings Plan"). Amounts for Mr. Fischer and Ms. Blank in fiscal 2010, 2011, 2012 and 2013 reflect amounts paid beginning in January 2010 into a defined contribution retirement savings plan, as described below under "Nonqualified Defined Contribution and other Nonqualified Deferred Compensation," with the fiscal 2010 amount reflecting a pro rata amount due to the payment being made for only part of the fiscal year. Amounts paid to Mr. Friedman in fiscal 2013 were paid from October 1, 2012 through September 30, 2013.

(b)

- Represents the value of the tax advice given to Mr. Slovin and Mr. Fischer.

(c)

- Represents payments for car leases.

(d)

- Represents housing payments for Mr. Fischer and Ms. Blank in New York City.

(e)

- Represents (1) housing payments in Germany for Mr. Slovin incurred by the Company on his behalf, (2) family education payments including prepaid tuition expenses for the 2013-2014 school year and (3) relocation expenses for 2013.

(f)

- Includes an allowance for healthcare premiums payable by Mr. Fischer and Ms. Blank. Amounts for Mr. Slovin reflect the premiums paid by the Company to the Company's International Health Insurance for Expatriates.

(g)

- Includes an allowance for life insurance premiums payable by the named executive officer.

(h)

- Represents the aggregate of tax equalization payments and tax 'gross up', paid in respect of compensation or payments relating to the (i) Non-Equity Compensation Plan, tax advice, car allowance, housing/education allowance, and healthcare allowance for Mr. Slovin, (ii) tax advice and housing allowance for Mr. Fischer and (iii) housing allowance for Ms. Blank.

TABLE OF CONTENTS

(5)

- Mr. Fischer, Ms. Blank and Mr. Petersohn were compensated in Euros. All 2013 amounts have been converted to U.S. dollars at an exchange rate of 1.31210, the average exchange rate for the fiscal year ended September 30, 2013, and all 2012 amounts have been converted to U.S. dollars at an exchange rate of 1.29922, the average exchange rate for the fiscal year ended September 30, 2012, and all 2011 amounts (excluding non-equity incentive plan compensation) have been converted to U.S. dollars at an exchange rate of 1.359570, the average exchange rate for the fiscal year ended September 30, 2011.

(6)

- Amounts included in the table above do not include one-time cash payments in an amount totaling $6.625 million made on August 1, 2011 by certain existing shareholders of Luxco, a former significant shareholder of the Company, to the Chief Executive Officer and Chief Financial Officer of the Company in connection with their participation with Luxco. Mr. Fischer was paid $3,975,000 and Ms. Blank was paid $2,650,000. Although the Company did not make such payments, the Company nonetheless was required to record a non-cash compensation charge in that period as a result of such payments.

(7)

- All amounts shown are as of February 28, 2013, Mr. Fischer's last day of employment with the Company.

(8)

- Mr. Berthan's base salary for fiscal 2013 was €220,000, or $288,662, based on an exchange rate of 1.31210, the average exchange rate for the fiscal year ended September 30, 2013. Mr. Berthan was hired as a Vice President of the Company on September 1, 2012 and subsequently promoted to Executive Vice President as of November 16, 2012.

Employment Agreements

Mr. Slovin (President and Chief Executive Officer):

In June 2006, the Company entered into an employment agreement with Mr. Slovin that superseded his prior employment and other compensatory arrangements. The employment agreement was subsequently amended on December 2, 2008, September 20, 2010, October 1, 2012 and May 7, 2013 (collectively, the "Employment Agreement"). Pursuant to the Employment Agreement, Mr. Slovin currently serves as President and Chief Executive Officer. Throughout his employment, he will serve as a Director of the Company, subject to election by the stockholders. Mr. Slovin's annual base salary for fiscal 2011 and 2012 was $442,900 and $475,000, respectively. Mr. Slovin's annual base salary for fiscal 2013 increased to $850,000 effective upon his promotion to Chief Executive Officer. Mr. Slovin is also eligible to receive a bonus under the Company's Fiscal 2009 Executive Bonus Plan. Pursuant to the Employment Agreement, in the event that the Company terminates Mr. Slovin's employment agreement without cause (as defined in the Employment Agreement), or Mr. Slovin terminates his employment with good reason (as defined in the Employment Agreement), in each case, Mr. Slovin will be entitled to receive severance payments, consisting of his base salary in effect at the time of termination, paid for a period of 24 months, a payment of two times the target bonus he would otherwise have received during the year in which termination occurs, and health and welfare benefits for a maximum of 24 months following termination. In addition, Mr. Slovin agreed not to compete with the Company or solicit or hire any of its current employees or former employees who left employment within the previous six months, during his employment and for a period of twelve months thereafter.

Moreover, according to the Employment Agreement, "cause" is defined as any of the following events: (i) a majority, plus at least one, of the members of the Company's Board of Directors, excluding employee, determines that (a) the employee has committed an act of fraud against the Company, or (b) the employee has committed an act of

malfeasance, recklessness or gross negligence against the Company that is materially injurious to the Company or its customers; or (ii) the employee has materially breached the terms of his employment agreement; or (iii) the employee is indicted for, or convicted of, or pleads no contest to, a felony or a crime involving the employee's moral turpitude. In addition, "good reason" is defined as any of the following events: (i) the Company reduces the amount of the employee's base salary or bonus opportunity; (ii) the Company changes the employee's titles or reduces his responsibilities in a manner that is materially inconsistent with the office he holds; (iii) the failure of employee to be a member of either the Company's Board of Directors or the Company's Executive Committee, if any or (iv) the Company's

TABLE OF CONTENTS

election to provide notice to employee of its intention not to renew the initial term or any successive renewal term of the Employment Agreement. If Mr. Slovin desires to resign for Good Reason, he has agreed to provide the Company 30 to 90 working days notice prior to such resignation, and the Company shall have the opportunity to cure such conduct.

Mr. Michel (Executive Vice President and Chief Financial Officer):

In July 2013, the Company entered into an employment agreement with Mr. Michel, pursuant to which Mr. Michel was hired as the Chief Financial Officer of the Company. Mr. Michel's annual base salary is denominated in Euros. Mr. Michel's annual base salary for fiscal 2014 is €420,000.

In addition to his base salary, Mr. Michel is eligible to receive an annual cash bonus under the Company's Executive Bonus Plan, pursuant to which his bonus target shall be 70% of his then-current salary. Mr. Michel's annual bonus can be as high as 140% of his annual base salary based on extraordinary achievements of performance bonus targets as defined by the Board of Directors.

In the event the Company terminates Mr. Michel's employment agreement for cause, Mr. Michel will have no right to any further compensation other than accrued amounts. "Cause" is defined as (i) conviction in a final judgment by a court of competent jurisdiction of a felony which involves dishonesty or moral turpitude; (ii) any willful act or omission that constitutes a material breach of the employment agreement or (iii) repeatedly engaging in any conduct in willful violation of any applicable written policy of the Company, which conduct, in the reasonable judgment of the Company, is materially detrimental to the business operations or reputation of the Company. The Company may also terminate Mr. Michel's employment agreement without cause with 90 days' written notice, in which case Mr. Michel will be entitled to receive severance payments, consisting of his base salary in effect at the time of termination, paid for a period of 24 months and the bonus that he would have otherwise received during the year in which termination occurs. Pursuant to the employment agreement, Mr. Michel agreed not to compete with the Company or solicit or hire any of its employees who was an employee while Mr. Michel was employed with the Company, during his employment and for a period of twelve months thereafter.

Mr. Berthan (Executive Vice President):

In February 2012, the Company entered into an employment contract with Mr. Berthan, pursuant to which Mr. Berthan was hired as a Vice President of the Company. He was promoted to Executive Vice President responsible for the Company's business segments on November 16, 2012. Mr. Berthan's annual base salary is denominated in Euros. Mr. Berthan's annual base salary for fiscal 2013 was €220,000 ($288,662 at an average exchange rate of 1.31210 for fiscal 2013).

In addition to his base salary, Mr. Berthan is eligible to receive an annual cash bonus based on meeting certain targets set by our Chief Executive Officer in line with the Employee Profit Sharing Bonus Plan as well as other performance criteria. For fiscal 2013, Mr. Berthan's annual cash bonus was guaranteed at target (€140,000 or 64% of base salary). The employment agreement may be terminated by either party upon fifteen months' prior notice, with such termination going into effect as of the end of the calendar quarter. The Company may terminate Mr. Berthan's employment at any time but will still be obligated to pay his compensation in accordance with the employment contract.

Mr. Friedman (General Counsel and Corporate Secretary):

In August 2007, the Company entered into an offer of employment letter agreement with Mr. Friedman. Under the terms of this agreement, Mr. Friedman is employed as the Company's General Counsel. He is also our Corporate Secretary. Mr. Friedman's annual base salary for fiscal 2011 and 2012 was $296,400 and $310,000, respectively. Mr. Friedman's annual base salary for fiscal 2013 was $324,000. In addition to his base salary, at the discretion of the Chief Executive Officer, Mr. Friedman is eligible to receive an annual cash bonus of up to 40% of his base salary pursuant to the Employee Profit Sharing Bonus Plan. If Mr. Friedman's employment with the Company is terminated other than for cause, Mr. Friedman is eligible to receive one year of base salary severance provided that he make himself available to work as a full-time consultant to the Company for the first three months following termination of employment. Mr. Friedman also receives a monthly car allowance.

TABLE OF CONTENTS

Mr. Petersohn (Executive Vice President of Sales):

In October 2007, the Company entered into an employment agreement with Mr. Petersohn. Mr. Petersohn was promoted to Executive Vice President of Sales on September 20, 2010. Mr. Petersohn's annual base salary is denominated in Euros. Mr. Petersohn's annual base salary for fiscal 2011 and 2012 was €175,000 ($244,248 at an average exchange rate of 1.39570 for fiscal 2011) and €200,000 ($259,844 at an average exchange rate of 1.29922 for fiscal 2012), respectively. Mr. Petersohn's annual base salary for fiscal 2013 was €225,000 ($295,223 at an average exchange rate of 1.31210 for fiscal 2013).

In addition to his base salary, Mr. Petersohn is eligible to receive an annual cash bonus pursuant to the Executive Bonus Plan at a target level of 63% of base salary. The employment agreement may be terminated by Mr. Petersohn with a six-month notice period and a 12 month non-compete and by the Company with an 18-month notice period. In addition, either party may terminate the employment agreement for cause.

Mr. Fischer (Former Chairman and Chief Executive Officer):

On November 16, 2012, the Company announced Mr. Fischer's retirement from his position as Chief Executive Officer and Chairman of the Board (collectively the "Positions" and each a "Position") effective as of February 20, 2013. In connection with Mr. Fischer's retirement, Mr. Fischer and the Company entered into a Transition Agreement, dated November 16, 2012 (the "Transition Agreement"). Pursuant to the Transition Agreement, Mr. Fischer retired from the Positions, and the amended and restated service agreement, dated December 2, 2008, as amended by the supplement agreement dated November 15, 2010 (the "Service Agreement") was terminated. Mr. Fischer's retirement from the Positions and his final day of employment with the Company was effective as of February 28, 2013 (the "Separation Date").

As provided in the existing Service Agreement, Mr. Fischer received a severance payment in an amount equal to €1,933,125 ($2,511,555 at an average exchange rate of 1.29922 for fiscal 2012), which represents 1.5 times the sum of (i) Mr. Fischer's most recent annual base salary, (ii) 100% of Mr. Fischer's target bonus for fiscal 2013 and (iii) the monetary value of Mr. Fischer's most recent annual health and welfare benefits (collectively, the "Severance Payment"). Mr. Fischer received an amount equal to 1/3 of the Severance Payment within 10 days of the Separation Date and an amount equal to the remaining 2/3 of the Severance Payment on December 31, 2013.

Mr. Fischer also received his unpaid salary and accrued vacation through the Separation Date within 10 days of the Separation Date. Further, Mr. Fischer received the pro rata portion of his annual bonus for the last financial year, which started on October 1, 2012 through the Separation Date.

As provided in the existing Service Agreement, Mr. Fischer has agreed not to compete with the Company for a period of 12 months after the Separation Date. In addition, if from the Separation Date through the 24 months thereafter, Mr. Fischer does not compete with the Company, the Company will pay Mr. Fischer an additional amount equal to 1/3 of the Severance Payment (€644,375, or $837,185 at an average exchange rate of 1.29922 for fiscal 2012).

The Company will continue to make available to Mr. Fischer the corporate apartment currently leased by the Company for Mr. Fischer's use until the expiration of the current lease on January 31, 2014, as well as the automobile currently leased for Mr. Fischer's use until May 2015.

All stock options and restricted stock units (collectively, "Incentive Equity") held by Mr. Fischer as of the Separation Date which have not otherwise fully vested as of the Separation Date will continue to vest in accordance with the terms and conditions of such Incentive Equity, subject to the following modifications: (i) rather than vesting being conditioned on continued employment with the Company, such vesting shall be conditioned on Mr. Fischer not competing with the Company and (ii) if, during the period beginning on the Separation Date and ending on November 22, 2015, Mr. Fischer does not compete with the Company, then the period permitted for exercising any stock options included in the Incentive Equity will be extended until November 22, 2016. If Mr. Fischer does compete with the Company at any time during the period beginning on the Separation Date and ending on November 22, 2015, then the period permitted for exercising any stock options included in the Incentive Equity will not be extended and rather will revert to the existing terms.

TABLE OF CONTENTS

Ms. Blank (Former Executive Vice President and Chief Financial Officer):

In August 2013, the Company entered into a separation agreement (the "Separation Agreement") with Ms. Blank, providing for her resignation from her positions as Executive Vice President and Chief Financial Officer of the Company as of October 14, 2013 (the "Resignation Date") and the termination of her employment as of January 31, 2014 (the "Separation Date"). As provided in the Separation Agreement, Ms. Blank is entitled to receive a severance payment in an amount equal to €991,350 ($1,300,750 at an average exchange rate of 1.31210 for fiscal 2013), which represents 1.5 times the sum of (i) Ms. Blank's most recent annual base salary, (ii) 100% of Ms. Blank's target bonus for fiscal 2013 and (iii) the monetary value of Ms. Blank's most recent annual health and welfare benefits (collectively, the "Severance Payment"). Ms. Blank will receive an amount equal to 1/3 of the Severance Payment within 10 days of the Separation Date, and an amount equal to 2/3 will be due and payable in 12 equal installments during the 12 months following the Separation Date. In addition, on the Separation Date, the Company may, but is not obligated to, make an additional special departure bonus to Ms. Blank in such amount as is determined by the Company's Board of Directors in its sole discretion, after consultation with the Company's Chief Executive Officer.

Ms. Blank will also receive her unpaid salary and accrued vacation through the Separation Date within 10 days of the Separation Date.

Ms. Blank has agreed not to compete with the Company for a period of 18 months after the Separation Date (the "Noncompete Period"). For each month of the Noncompete Period, Ms. Blank will receive a compensation payment in an amount equal to 1/18 th of €991,350. If and to the extent the Severance Payment is paid, this amount is already included in, and therefore satisfied by payment of, the respective amount of the Severance Payment.

Schick Technologies, Inc. 1996 Plan

General. The 1996 Plan provides for the grant to officers, directors and employees of the Company and consultants, advisors and independent contractors of Schick of both "incentive stock options" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, and stock options that are non-qualified for federal income tax purposes, sometimes referred to as non-statutory options.

Administration and Eligibility. The 1996 Plan is administered by the Board of Directors and/or by a duly appointed committee of the Board of Directors. The 1996 Plan is currently administered by the Compensation Committee. The Compensation Committee determines, among other things, which officers, employees, directors, consultants, advisors and contractors will receive options under the 1996 Plan, the type of option (incentive stock options or non-qualified stock options, or both) to be granted, vesting, the number of shares subject to each option, and, subject to certain conditions discussed below, the exercise price of the option and duration of the options. Members of the Compensation Committee are not eligible to receive options under the 1996 Plan.

Terms and Conditions of Option. The exercise price of incentive stock options is determined by the Compensation Committee, but may not be less than the fair market value of our Common Stock on the date of grant and the term of any such option may not exceed ten years from the date of grant. With respect to any participant in the 1996 Plan who owns stock representing more than 10% of the voting power of our outstanding capital stock, the exercise price of any incentive stock option may not be less than 110% of the fair market value of our Common Stock on the date of grant and the term of such option may not exceed five years from the date of grant.

The exercise price of non-qualified stock options is determined by the Compensation Committee on the date of grant, but may not be less than 85% of the fair market value of our Common Stock on the date of grant, and the term of any such option may not exceed ten years from the date of grant.

The Compensation Committee may establish the time or times when an option becomes exercisable subject to limits on such option's term.

Payment of Exercise Price. Payment of the exercise price may be made by cash, check or cash equivalent, by tender of shares of our Common Stock then owned by the optionee, by the assignment of the proceeds of the sale of some or all of the shares of our Common Stock being acquired upon the exercise of an option or by any combination of the foregoing. Options may be granted which do not permit all of the foregoing forms of payment.

TABLE OF CONTENTS

Restrictions on Transfer. Options granted pursuant to the 1996 Plan are not transferable, except by will or the laws of descent and distribution in the event of death. During an optionee's lifetime, the option is exercisable only by the optionee.

Change in Control. In the event of a proposed dissolution, liquidation or sale of the Company, the options terminate immediately prior to the consummation of such proposed event, unless otherwise provided for by the Compensation Committee. The Compensation Committee may, in its sole discretion, give each optionee the right to exercise his or her options, even if such would not otherwise be exercisable.

Pursuant to an amendment of the 1996 Plan, in addition to our employees, employees of, or consultants to, any company that the Company has agreed to acquire, will be eligible to receive non-statutory stock options under the 1996 Plan. After the amendment of the 1996 Plan in 2004, approximately 183 persons were eligible to receive options under the 1996 Plan; provided, however, that after April 22, 2006 no options may be granted under the 1996 Plan. As of September 30, 2011, 134,835 options were outstanding under the 1996 Plan. At the Company's 2008 annual meeting of stockholders, the Company's stockholders approved an amendment of our 1996 Plan to permit an option exchange offer program pursuant to which outstanding underwater options granted under our 1996 Plan were cancelled in a value-for-value exchange for new options for a lesser number of shares granted under our 2006 Plan. This resulted in a reduction of 1,619,750 shares outstanding under the 1996 Plan.

The 2006 Plan

General. The 2006 Plan provides for the grant to officers, directors (including non-employee directors) and employees of the Company and service providers to the Company of both "incentive stock options" within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, and stock options that are non-qualified for federal income tax purposes, sometimes referred to as non-statutory options, as well as stock appreciation rights, restricted stock, deferred stock, dividend equivalents, other stock-based awards and performance awards.

Administration, Eligibility, and Terms and Conditions of Options. The 2006 Plan is administered by the Compensation Committee or the Board of Directors. The 2006 Plan is currently administered by the Compensation Committee. The Compensation Committee determines, among other things, which officers, employees, directors and service providers will receive awards under the 2006 Plan, the form and substance of grants made under the 2006 Plan and the conditions and restrictions applicable to such grants. The Compensation Committee certifies whether conditions and restrictions applicable to the grant have been met, and may modify the terms of grants made under the 2006 Plan.

The exercise price of stock options is determined by the Compensation Committee, but may not be less than the fair market value of our Common Stock on the date of grant and the term of any such option may not exceed ten years from the date of grant. In the case of an incentive stock option granted to an employee who owns stock representing more than 10% of the voting power of our outstanding capital stock on the date the grant, the exercise price of any incentive stock option may not be less than 110% of the fair market value of our Common Stock on the date of grant and the term of such option may not exceed five years from the date of grant.

Options may be exercised upon payment of the exercise price may be made by cash, by delivery of shares of our Common Stock then owned by the optionee, by simultaneous sale through a broker of shares acquired upon exercise, as permitted by Regulation T of the Federal Reserve Board, by authorizing the Company to withhold shares issuable upon exercise in the number necessary such that the fair market value of such withheld shares equals the aggregate exercise price or by any combination of the foregoing.

Stock Appreciation Rights. SARs entitle a participant to receive the amount by which the fair market value of a share of our Common Stock on the date of exercise exceeds the grant price of the SAR. The grant price and the term of an SAR will be determined by the Compensation Committee, however the grant price shall not be less than 100% of the fair market value of a share of Common Stock as of the date of grant. Furthermore, no SAR may have a term exceeding ten years.

Termination of Options and SARs. Unless otherwise determined by the Compensation Committee, and subject to certain exemptions and conditions, if a participant ceases to be a director, officer or employee of, or to otherwise perform services for us for any reason other than death, disability, retirement

TABLE OF CONTENTS

or termination for cause, all of the participant's options and SARs that were exercisable on the date of such cessation will remain exercisable for, and will otherwise terminate at the end of, a period of 90 days after the date of such cessation. In the case of death or disability, all of the participant's options and SARs that were exercisable on the date of such death or disability will remain so for a period of 180 days from the date of such death or disability. In the case of retirement, all of the participant's options and SARs that were exercisable on the date of retirement will remain exercisable for, and shall otherwise terminate at the end of, a period of 90 days after the date of retirement. In the case of a termination for cause, or if a participant does not become a director, officer or employee of, or does not begin performing other services for us for any reason, all of the participant's options and SARs will expire and be forfeited immediately upon such cessation or non-commencement, whether or not then exercisable.

Restricted Stock and Deferred Shares. Restricted stock is a grant of shares of our Common Stock that may not be sold or disposed of, and that may be forfeited in the event that a participant ceases to be a director, officer, employee or otherwise perform services for us for reasons other than death, disability or retirement prior to the end of a restricted period set by the Compensation Committee. A participant granted restricted stock generally has all of the rights of a stockholder, unless the Compensation Committee determines otherwise. An award of deferred shares confers upon a participant the right to receive shares of our Common Stock at the end of a deferral period set by the Compensation Committee, subject to possible forfeiture of the award in the event of certain terminations of employment prior to the end of the deferral period. Prior to settlement, an award of deferred shares carries no voting or dividend rights or other rights associated with share ownership.

Dividend Equivalents. Dividend equivalents confer the right to receive, currently or on a deferred basis, cash, shares of our Common Stock, other awards or other property equal in value to dividends paid on a specific number of shares of our Common Stock. Dividend equivalents may be granted alone or in connection with another award, and may be paid currently or on a deferred basis. If deferred, dividend equivalents may be deemed to have been reinvested in additional shares of our Common Stock, awards or other investment vehicles and subject to restrictions and risk of forfeiture as determined by the Compensation Committee.

Other Stock-Based Awards. The Compensation Committee is authorized to grant other awards that are denominated or payable in, valued by reference to, or otherwise based on or related to shares of our Common Stock, under the 2006 Plan. These awards may include convertible or exchangeable debt securities, other rights convertible or exchangeable into shares of Common Stock, purchase rights for shares of Common Stock, awards with value and payment contingent upon our performance as a company or any other factors designated by the Compensation Committee. The Compensation Committee will determine the terms and conditions of these awards.

Performance Awards. The Compensation Committee may make performance awards payable in cash, shares of our Common Stock or other awards, subject to the achievement of certain performance goals. The performance goals shall consist of one or more business criteria and a targeted level or levels of performance against such criteria, or other personal or business goals or objectives as the Compensation Committee shall determine. Achievement of the performance goals is measured by the Compensation Committee which may alter or adjust performance goals at its discretion. The Compensation Committee will determine the circumstances under which performance awards shall be paid or forfeited during the performance period or prior to settlement of a performance award.

With respect to performance awards that are intended to be treated as "performance-based compensation" under Section 162(m) of the Internal Revenue Code, the Compensation Committee shall, no later than ninety (90) days following the commencement of any fiscal year in question or any other designated fiscal period or period of service, in writing, (i) designate one or more participants, (ii) select the performance criteria applicable to the performance period, (iii) establish the performance goals, and amounts of such awards, as applicable, which may be earned for such performance period, and (iv) specify the relationship between the performance criteria and the performance goals and the amounts of such awards, as applicable, to be earned by each participant for such performance period. The Compensation Committee may determine performance goals in respect of the performance of the Company, any of its subsidiaries or affiliates or any combination thereof on either a consolidated, business unit or divisional level. Performance goals may be absolute or relative and may be expressed in terms of a progression within a specified range.

TABLE OF CONTENTS

Change in Control. In general, if a change in control (as defined in the 2006 Plan) occurs and if a 2006 Plan participant's employment or other service is terminated within twelve months after the change in control (other than a termination by us for "cause," or by the participant without "good reason") the participant's outstanding awards will become fully vested and will remain exercisable for up to 180 days after the date of termination. If, as part of the change in control, we are acquired by another company, outstanding awards may be cashed out and/or canceled.

As of September 30, 2013, the combined total of the number of shares of restricted stock issued under the 2006 Plan, the number of shares covered by restricted stock units and the number of shares covered by options outstanding under the 2006 Plan was 675,830. At the Company's 2008 annual meeting of stockholders, the Company's stockholders approved an amendment to the 2006 Plan to increase the number of shares issuable under the 2006 Plan to 4,550,000.

Grants of Plan-Based Awards for fiscal year ended September 30, 2013

The following table shows all plan-based awards granted to the named executive officers during the fiscal year ended September 30, 2013.

Name	Grant Date		Board Approval Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards (1)			All Other Stock Awards: Number of Shares of Stock or Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards ($/Sh)	Grant Date Fair Value of Stock and Option Awards
				Threshold ($)	Target ($)	Maximum ($)				
Jeffrey T. Slovin	1/20/2012	(1)	11/13/2012	—	850,000	1,700,000	8,000	20,000	62.20	924,640
	2/20/2013		2/20/2013	—	—	—	8,000	24,000	70.23	1,134,320
Jost Fischer (2)	—		—	—	349,893	699,787	—	—	—	—
Simone Blank	11/20/2012	(1)	11/13/2012	—	355,448	710,896	8,000	20,000	62.20	924,640
Jonathan Friedman	11/20/2012		11/13/2012	56,182	129,600	—	2,500	6,250	62.20	288,950
Walter Petersohn	11/20/2012		11/13/2012	—	185,990	371,980	7,000	17,500	62.20	809,060
Rainer Berthan	—		—	183,694	183,694	255,860	—	—	—	—

(1)

- For a discussion of amounts earned by Mr. Slovin, Ms. Blank and Mr. Petersohn, see "Non-Equity Performance Compensation (Short-term Variable Pay) The Target Amount is the full year amount payable upon achievement of target performance of the measures defined in the Executive Plan. The Maximum Amount is twice the Target Amount, pursuant to the terms of the Executive Plan. Ms. Blank and Mr. Petersohn are compensated in Euros. Amounts earned by Mr. Friedman and Mr. Berthan represent amounts earned in fiscal 2013 based on fiscal 2013 performance under the Employee Profit Sharing Bonus Plan. Note that for Mr. Fischer, target and maximum amounts are prorated to reflect his retirement from the Company on February 28, 2013. For a discussion of amounts earned by Mr. Berthan and Mr. Friedman see "Employee Profit Sharing Bonus Plan and 2013 Fiscal Year Bonus Results."

(2)

- All amounts shown are as of February 28, 2013, Mr. Fischer's last day of employment with the Company.

Outstanding Equity Awards at fiscal year end September 30, 2013

The following table provides information regarding the outstanding equity awards held by each named executive officer as of September 30, 2013.

TABLE OF CONTENTS

	Option Awards					Stock Awards			
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($) (7)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) (8)	Equi Incen Pla Awar Marke Payo Value Unear Shar Units Oth Righ Tha Have Vest ($)
	3,659		—	7.50	11/3/2013				
	15,856			10.50	6/9/2014				
	562,735			14.09	9/25/2015				
	75,000			11.90	12/8/2018				
	6,875	20,625		40.03	11/22/2021				
T.		20,000		62.20	11/20/2022				
(9)		24,000		70.23	2/20/2023				
						6,167	(1) 412,757		
						12,334	(2) 825,515	3,000	200,79
						11,000	(3) 736,230		
						8,000	(4) 535,440		
						8,000	(5) 535,440		
	0	46,875	—	40.03	11/22/2021				
						10,167	(1) 680,477		
(10)						23,867	(2) 1,597,418	7,000	468,51
						25,000	(3) 1,673,250		
	150,000		—	11.90	12/8/2018				
	6,875	20,625		40.03	11/22/2021				
	0	20,000		62.20	11/20/2022				
						6,167	(1) 412,757		
						12,334	(2) 825,515	3,000	200,79
						11,000	(3) 736,230		
						8,000	(4) 535,440		
		4,219	—	40.03	11/22/2021				
		6,250		62.20	11/20/2022				
n						1,217	(1) 81,454		
an						2,667	(2) 178,502		
						2,250	(3) 150,593		
						2,500	(4) 167,325		
	20,000		—	11.90	12/8/2018				
nn	7,154			11.73	12/13/2016				
	11,492			11.73	12/11/2017				

	Option Awards				Stock Awards	
3,750	11,250		40.03	11/22/2021		
	17,500		62.20	11/20/2022		
					1,667	(1) 111,572
					5,334	(2) 357,005
					6,000	(3) 401,580
					7,000	(4) 468,510
	18,000	—	44.77	7/2/2022		
					12,000	(6) 803,160

TABLE OF CONTENTS

(1)

- The total number of unvested RSU's is comprised of six grants. The first grant from December 8, 2009 vests over four years with one-third vesting on each of December 8, 2011, December 8, 2012 and December 8, 2013.

(2)

- The second grant from November 22, 2010 vests over four years with one-third vesting on each of November 22, 2012, November 22, 2013 and November 22, 2014.

(3)

- The third grant from November 22, 2011 vests over four years with one-third vesting on each of November 22, 2013, November 22, 2014 and November 22, 2015.

(4)

- The fourth grant from November 20, 2012 vests over four years with one-third vesting on each of November 22, 2014, November 22, 2015 and November 22, 2016.

(5)

- The fifth grant from February 20, 2013 vests over four years with one-third vesting on each of November 22, 2015, November 22, 2016 and November 22, 2017.

(6)

- The sixth grant from July 2, 2012 vests over four years with one-third vesting on each of January 1, 2015, July 2, 2015 and July 2, 2016.

(7)

- Represents the market value of unvested restricted stock units calculated by multiplying the number of restricted stock units held by the closing market price of our Common Stock on September 30, 2013.

(8)

- Performance-based restricted stock units shall vest in their entirety at the end of fiscal 2013, provided that the Company has achieved certain established EBITDA levels. See "Equity Awards (Long-term Variable Pay)".

(9)

- Mr. Slovin received 1,130,000 options in connection with the acquisition of Schick Technologies, Inc. on September 25, 2005. The options vested pro rata on a daily basis over a four-year period commencing with the close of the acquisition on June 20, 2006. The exercise price of these options was $25.10. Exchanged options began vesting on March 30, 2010 at the same percentage as the options surrendered at the close of the exchange. On March 30, 2010, 478,539 options vested. Any unvested options continued to vest pro rata on a daily basis until June 20, 2011.

(10)

- All amounts shown are as of February 28, 2013, Mr. Fischer's last day of employment with the Company.

Option exercises and stock vested for fiscal year ended September 30, 2013

	Options		Restricted Stock Units	
	Shares Acquired on Exercise	Value Realized on Exercise ($)	Shares Acquired on Vesting	Value Realized on Vesting ($)
Jeffrey T. Slovin	2,126	117,887	12,333	767,113
Jost Fischer (2)	—	—	22,100	1,374,691
Simone Blank	—	—	12,333	767,113
Jonathan Friedman	4,406	194,586	2,550	158,615
Walter Petersohn	—	—	4,333	279,305
Rainer Berthan	—	—	—	—

(1)

- Calculated by multiplying the number of exercised stock options by the difference between the exercise price of those options and the closing market price of our Common Stock on the date of exercise.

(2)

- All amounts shown are as of February 28, 2013, Mr. Fischer's last day of employment with the Company.

TABLE OF CONTENTS

Pension Benefits

None of the named executive officers participate in a defined benefit pension plan.

Nonqualified Defined Contribution and other Nonqualified Deferred Compensation

Mr. Fischer and Ms. Blank participate in a defined contribution retirement savings plan (the "Defined Contribution Plan"). While such benefit was authorized by the Compensation Committee in fiscal 2008, no contributions were made on behalf of Mr. Fischer and Ms. Blank until January 2009. The Company's contribution for fiscal 2010 was $34,462 for Mr. Fischer and $25,788 for Ms. Blank. The Company's contribution for fiscal 2011 was $35,437 for Mr. Fischer and $26,518 for Ms. Blank. The Company's contribution for fiscal 2012 was $32,987 for Mr. Fischer and $24,685 for Ms. Blank. The Company's contribution for fiscal 2013 was $5,552 for Mr. Fischer and $24,930 for Ms. Blank. These contribution amounts were denominated in Euro and then converted into U.S. dollars at the average exchange rates of 1.35730 for fiscal 2010, 1.39570 for fiscal 2011, 1.29922 for fiscal 2012 and 1.31210 for fiscal 2013.

Employer contributions are used to make payments on an insurance policy. Pursuant to the terms of the policy, the accumulated benefit bears interest as determined pursuant to the insurance policy. This policy has been pledged to the beneficiaries. The only payments to which the beneficiaries are entitled are the proceeds of the insurance policy and the employer has no further obligation. Beginning on the first month following the 65th birthday of such executive, the benefits under the Defined Contribution Plan become automatically due and payable. The executive may also elect to have such benefits begin at any time after his or her 60th birthday. If the executive elects to receive benefits early, the accumulated funds are converted into a retirement pension using actuarial methods at that time. In the case of inability to work, the surrender value of the insurance becomes due and payable. If the executive dies prior to retirement a fully insured death lump sum is converted into an annuity for the executive's spouse. If the executive dies following retirement, 60% of the accumulated benefit is converted into an annuity for the executive's spouse. If the beneficiary leaves the Company prior to reaching retirement age, the accumulated benefit is paid to the executive when the executive reaches the normal retirement age. Alternatively, a private continuation of the contract can be agreed.

	Nonqualified Defined Compensation				
	Executive Contributions in Last Fiscal Year ($) (1)	**Registrant Contributions in Last Fiscal Year ($) (1)**	**Aggregate Earnings in Last Fiscal Year ($)**	**Aggregate Withdrawals/ Distributions ($)**	**Aggregate Balance at Last Fiscal Year End ($) (2)**
Jeffrey T. Slovin	—	—	—	—	—
Jost Fischer (3)	—	$5,552	$3,985	—	$118,738
Simone Blank	—	$24,930	$4,669	—	$105,905
Jonathan Friedman	—	—	—	—	—
Walter Petersohn	—	—	—	—	—

(1)

- These amounts are included in the named executive officer's compensation for the current fiscal year, as reported in the Summary Compensation Table.

(2)

- The aggregate balance at year end represents the guaranteed policy reserve, which is the surrender value of the insurance contract. The following amounts are also reported in the Summary Compensation Table as 2013

compensation: Mr. Fischer, $5,552; Ms. Blank, $24,930.

(3)

- All amounts shown are as of February 28, 2013, Mr. Fischer's last day of employment with the Company.

Potential Payments upon Termination or Change in Control

The following tables provide information on the compensation payable to each named executive officer upon voluntary termination, disability, death, termination for cause or upon a change in control. The amounts shown assume that the termination was effective as of September 30, 2013 and are estimates of the

TABLE OF CONTENTS

amounts that would be paid to the named executive officer upon his or her separation from the Company. The actual amounts to be paid to each named executive officer can only be determined at the time of such person's separation from the Company. See "Employment Agreements."

Name	Benefit	Termination without Cause or for Good Reason		Disability		Death		Termination for Cause	Voluntary Termination	Change in Control	
effrey . lovin	Salary Continuation	$1,700,000	(1)	—		—		—	—	—	
	Bonus	$1,700,000	(2)	—		—		—	—	—	
	Health and Welfare Benefits	$120,196	(3)	—		—		—	—	—	
	Stock Option Acceleration	—	(4) (5)	$393,525	(4)(5)	$393,525	(4)(5)	—	—	$3,246,172	(4)(
	RSU Acceleration	—		—	(7)	—	(7)	—	—	$649,413	(8)
	Other	55,465	(9)	—		—		—	—	—	

(1)

- Represents Mr. Slovin's annual base salary as in effect on September 30, 2013 for a period of 24 months following termination without cause or termination for good reason. For any termination event, Mr. Slovin would also receive a lump sum payment equal to value of accrued, but unused, vacation days.

(2)

- The bonus is 2 times the target bonus Mr. Slovin would have otherwise received during the year in which the termination occurred.

(3)

- Represents health and medical benefits for a period of 24 months following termination without cause or termination for good reason.

(4)

- Pursuant to the terms of the 2006 Plan, if Mr. Slovin dies, becomes disabled or retires, all restrictions on unvested restricted stock units granted to Mr. Slovin shall lapse.

(5)

- If Mr. Slovin's employment is terminated by the Company without cause or for good reason or Mr. Slovin dies or becomes permanently disabled, the unvested stock options that were scheduled to vest during the one year period following such events will instead vest on the date of such event, and the remaining unvested portion would automatically expire.

(6)

- In the event of any change of control of the Company, Mr. Slovin's stock options shall immediately vest and become exercisable.

(7)

- Pursuant to the terms of the 2006 Plan, if Mr. Slovin dies, becomes disabled, or retires, all restrictions on unvested restricted stock units granted to Mr. Slovin shall lapse.

(8)

- Represents the value of unrestricted stock units as of September 30, 2013, calculated by multiplying the number of unvested restricted stock units by the closing market price of our Common Stock on September 30, 2013.

(9)

- Reflects car allowance for 24 months.

Name	Benefit	Termination without Cause		Disability		Death		Termination for Cause	Change in Control	
Jonathan Friedman	Salary	$324,000	(1)	—		—		—	—	
	Stock Option Acceleration	—		—		—		—	$577,874	(2)
	RSU Acceleration	—		—	(3)	—	(3)	—	$143,054	(4)

(1)

- Represents 12 months of Mr. Friedman's base salary as of September 30, 2013, payable if Mr. Friedman makes himself available as a full-time consultant to the Company for the three months after termination of employment.

(2)

- Pursuant to the terms of the 2006 Plan, if there is a Change in Control (as defined in the 2006 Plan) and Mr. Friedman's employment is terminated by the Company without cause, Mr. Friedman dies,

TABLE OF CONTENTS

becomes disabled or retires, or Mr. Friedman terminates his employment for Good Reason (as defined in the 2006 Plan), within 12 months of a change in control, unvested options held by Mr. Friedman will immediately vest.

Represents the value of unvested stock options as of September 30, 2013, calculated by multiplying the number of unvested stock options by the difference between the exercise price of those options and the closing market price of our Common Stock on September 30, 2013.

(3)

- Pursuant to the terms of the 2006 Plan, if Mr. Friedman dies, becomes disabled or retires, all restrictions on unvested restricted stock units granted to Mr. Friedman shall lapse.

(4)

- Represents the value of unrestricted stock units as of September 30, 2013, calculated by multiplying the number of unvested restricted stock units by the closing market price of our Common Stock on September 30, 2013.

Name	Benefit	Voluntary Termination/ Termination without Cause (1)	Termination with Good Reason (4)	Disability (5)	Death	Termination for Cause (6)	Change in Control
Walter Petersohn	Salary	$442,834	(2) $442,834	(2) $49,204	—	—	—
	Bonus	$278,985	(3) $278,985	(3) $30,998	—	—	—
	Stock Option Acceleration	—	—	—	—	—	$1,338,667 (7)
	RSU Acceleration	—	—	—	—	—	$385,400 (8)
	Defined Contribution Plan	—	—	—	—	—	—
	Other (9)	$31,699	$31,699	$3,522	—	—	—

(1)

- Reflects amounts payable to Mr. Petersohn in the event of termination by Mr. Petersohn or by the Company, in each case without cause and without good reason, with a six-month notice period and a 12 month non-compete if Mr. Petersohn terminates and with an 18 month notice period if the Company terminates, provided the terms of a non-compete provision of his employment agreement are complied with for a period of 18 months following the delivery of a termination notice. Amounts include payments made during the term of the employment agreement for services rendered under the employment agreement (i.e., between the notice of termination and the end of services under Mr. Petersohn's employment agreement).

(2)

- Represents Mr. Petersohn's annual salary, as in effect on September 30, 2013, for a period of 18 months. Mr. Petersohn was compensated in Euros. All amounts have been converted to U.S. dollars at an exchange rate of 1.31210, the average exchange rate for the fiscal year ended September 30, 2013.

(3)

- Represents the target bonus amount pursuant to the Executive Bonus Plan, as in effect on September 30, 2013, for a period of 18 months.

(4)

- Reflects amounts payable to Mr. Petersohn in the event of termination by Mr. Petersohn for good reason, without cause and with a six month notice period provided the terms of a non-compete provision of his employment agreement are complied with for a period of 18 months following the delivery of a termination notice. Amounts reflected include payments made during the term of the employment agreement for services rendered under the employment agreement (i.e., between the notice of termination and the end of services under Mr. Petersohn's employment agreement).

(5)

- Pursuant to the terms of his employment agreement, in the event of Mr. Petersohn's illness the Company shall pay Mr. Petersohn pursuant to the terms of statutory and contractual arrangements. The above numbers represents 6 weeks of full remuneration and 4 weeks of half remuneration.

(6)

- Cause as defined by Austrian law.

(7)

- Represents the value of unvested stock as of September 30, 2013, calculated by multiplying the number of unvested stock options by the difference between the exercise price of those options and the closing market price of our Common Stock on September 30, 2013.

(8)

- Represents the value of unrestricted stock units as of September 30, 2013, calculated by multiplying the number of unvested restricted stock units by the closing market price of our Common Stock on September 30, 2013.

(9)

- Reflects car allowance for 24 months.

TABLE OF CONTENTS

Name	Benefit	Voluntary Termination/ Termination without Cause (1)	Termination with Good Reason (4)	Disability (5)	Death	Termination for Cause (6)	Change in Control
Rainer Berthan	Salary	432,993 (2)	432,993 (2)	36,083	—	—	—
	Bonus	275,541 (3)	275,541 (3)	22,962	—	—	—
	Stock Option Acceleration	—	—	—	—	—	803,160 (7)
	RSU Acceleration	—	—	—	—	—	398,880 (8)
	Defined Contribution Plan	—	—	—	—	—	—
	Other (9)	17,484	17,484	1,457	—	—	—

(1)

- Reflects amounts payable to Mr. Berthan in the event of termination by Mr. Berthan or by the Company, in each case without cause and without good reason, with a 15-month notice period to the end of a quarter. Amounts include payments made during the term of the employment agreement for services rendered under the employment agreement (i.e., between the notice of termination and the end of services under Mr. Berthan's employment agreement).

(2)

- Represents Mr. Berthan's annual salary, as in effect on September 30, 2013, for a period of 18 months. Mr. Berthan was compensated in Euros. All amounts have been converted to U.S. dollars at an exchange rate of 1,31210, the average exchange rate for the fiscal year ended September 30, 2013.

(3)

- Represents the target bonus amount for a period of 18 months pursuant to the Bonus Plan as agreed in his employment agreement dated February 20, 2012.

(4)

- Reflects amounts payable to Mr. Berthan in the event of termination by Mr. Berthan for good reason, without cause and with a six month notice period provided the terms of a non-compete provision of his employment agreement are complied with for a period of 18 months following the delivery of a termination notice. Amounts reflected include payments made during the term of the employment agreement for services rendered under the employment agreement (i.e., between the notice of termination and the end of services under Mr. Berthan's employment agreement).

(5)

- Pursuant to the terms of his employment agreement, in the event of Mr. Berthan's illness the Company shall pay Mr. Berthan pursuant to the terms of statutory and contractual arrangements. The above numbers

represents 6 weeks of full remuneration.

(6)

- Cause as defined by German law.

(7)

- Represents the value of unvested stock as of September 30, 2013, calculated by multiplying the number of unvested stock options by the difference between the exercise price of those options and the closing market price of our Common Stock on September 30, 2013.

(8)

- Represents the value of unrestricted stock units as of September 30, 2013, calculated by multiplying the number of unvested restricted stock units by the closing market price of our Common Stock on September 30, 2013.

(9)

- Reflects car allowance for 24 months.

Mr. Fischer retired from his positions as Chief Executive Officer and Chairman of the Board as of February 28, 2013 (the "Separation Date"). He received a severance payment of €1,933,125 ($2,511,555 at an average exchange rate of 1.29922 for fiscal 2012). Mr. Fischer also received his accrued vacation through the Separation Date in the amount of €640,000 ($831,501 at an average exchange rate of 1.29922 for fiscal 2012). Further, Mr. Fischer received the pro rata portion of his annual bonus for the last financial year, which started on October 1, 2012 through the Separation Date, in the amount of $255,422. If Mr. Fischer does not compete with the Company for 24 months after the Separation Date, the Company will pay Mr. Fischer an additional amount of €644,375 ($837,185 at an average exchange rate of 1.29922 for fiscal 2012).

The Company will continue to make available to Mr. Fischer the corporate apartment currently leased by the Company for Mr. Fischer's use until the expiration of the current lease on January 31, 2014. The cost to lease the apartment from the Separation Date to the end of fiscal 2013 was $28,673.84. The Company

TABLE OF CONTENTS

will continue to make available the automobile currently leased for Mr. Fischer's use until May 2015. The cost to lease the automobile from the Separation Date to the end of fiscal 2013 was €14,173.53. The Company also provided tax advice for Mr. Fischer till the end of fiscal 2013, which amounted to €4,846.21 ($6,296 at an average exchange rate of 1.29922 for fiscal 2012).

Ms. Blank resigned from her positions as Executive Vice President, Chief Financial Officer and director as of October 14, 2013 (the "Resignation Date"), and the termination of her employment is effective on January 31, 2014 (the "Separation Date"). She is entitled to receive a severance payment of €991,350 ($1,300,750 at an average exchange rate of 1.31210 for fiscal 2013) (the "Severance Payment"). She will receive an amount equal to 1/3 of the Severance Payment within 10 days of the Separation Date, and an amount equal to 2/3 will be due and payable in 12 equal installments during the 12 months following the Separation Date.

Ms. Blank will also receive her accrued vacation through the Separation Date within 10 days of the Separation Date. If Ms. Blank does not compete with the Company for a period of 18 months after the Separation Date (the "Noncompete Period"), she will receive a monthly compensation payment in an amount equal to 1/18 th of €991,350 ($1,300,750 at an average exchange rate of 1.31210 for fiscal 2013). If and to the extent the Severance Payment is paid, this amount is already included in, and therefore satisfied by payment of, the respective amount of the Severance Payment. In addition, on the Separation Date, the Company may, but is not obligated to, make an additional special departure bonus to Ms. Blank in such amount as is determined by the Company's Board of Directors in its sole discretion, after consultation with the Company's Chief Executive Officer.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

None.

Review, Approval or Ratification of Transactions with Related Persons

Pursuant to the charter of our Audit Committee, the Audit Committee must review, in advance, any proposed transaction between the Company and any related party. No such related-party transaction may be consummated by the Company without the approval of the Audit Committee. All related party transactions reported since the beginning of the Company's 2013 fiscal year were approved in accordance with such policies and procedures.

HOUSEHOLDING OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as "householding," potentially means extra convenience for stockholders and cost savings for companies. This year, a number of brokers with account holders who are Sirona Dental Systems, Inc.'s stockholders will be "householding" our proxy materials. A single proxy statement will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that it will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate proxy statement and annual report, please call or write your broker or direct your written request to Legal Department, Sirona Dental Systems, Inc., 30-30 47th Avenue, Suite 500, Long Island City, New York, New York 11101 or contact Jonathan Friedman, Esq. at (718) 482-2163. Stockholders who currently receive multiple copies of the proxy statement at their address and would like to request "householding" of their communications should contact their broker.

SOLICITATION OF PROXIES

The Company is paying the costs for the solicitation of proxies, including the cost of preparing and mailing this Proxy Statement. In addition to this solicitation by mail, regular employees of the Company

TABLE OF CONTENTS

may solicit proxies in person or by telephone. We have also retained Georgeson Inc., New York, NY to assist in the solicitation of brokers, banks, institutional and other shareholders for a fee of approximately $9,000. The Company will reimburse brokers, banks and other custodians and nominees for their reasonable out-of-pocket expenses incurred in sending proxy materials to the Company's stockholders.

PROPOSALS FOR THE 2014 ANNUAL MEETING

Pursuant to federal securities laws, any proposal by a stockholder to be presented at the 2014 Annual Meeting of Stockholders and to be included in the Company's proxy statement must be received at the Company's executive office at 30-30, Suite 500, 47th Avenue, Long Island City, New York 11101, no later than the close of business on September 24, 2014 and must otherwise comply with the SEC's rules, to be considered for inclusion in our proxy materials relating to our 2014 Annual Meeting of Stockholders. Proposals should be sent to the attention of the Secretary. If you intend to present any such proposal at next year's annual meeting, you must give timely notice thereof in writing to the Secretary at the address above.

Additionally, pursuant to the Company's By-laws, in order for business to be properly brought before an annual meeting of stockholders by a stockholder, the stockholder must give written notice of such stockholder's intent to bring a matter before the annual meeting not less than ninety days prior to the date of such meeting; provided, however, that if less than ninety days' notice or prior public disclosure of the date of such meeting is given to stockholders or made, the stockholder must give such written notice no later than the close of business on the tenth (10th) day following the day on which notice or public disclosure of the date of such meeting is given or made. To be timely for purposes of the 2014 Annual Meeting, such notice must be received at the Company's executive office on or before November 21, 2014.

Notice of a proposal must include, as to each matter, (i) a brief description (which includes all material aspects thereof) of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (ii) your name and address, as they appear on the stock records of the Company, (iii) the class and number of shares of each class of capital stock of the Company that are owned beneficially and of record by you, your affiliates, all groups of which you are a member and all persons with whom you are acting in concert (in each case, identifying them) and (iv) any material direct or indirect interest of you and your affiliates, groups or persons in such business.

In order for a shareholder to nominate a candidate for director, under our By-laws, timely notice of the nomination must be received by us in advance of the meeting. To be timely, as shareholder's notice must be received at the Company's executive office on or before November 21, 2014. Notice of a nomination must include:

(i) as to each individual whom such stockholder proposes to nominate for election as a director, (a) the name, date of birth, business address and residential address of such individual, (b) the principal occupation or employment of such individual for at least the five years preceding the date of such notice, (c) the classes and number of each class of the capital stock of the Company that are owned beneficially and of record by such individual, his affiliates, all persons with whom he is acting in concert and all groups of which he is a member (in each case, identifying them) and (d) all information relating to such individual that is required to be disclosed in solicitations of proxies for election of directors pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder; and

(ii) as to the stockholder giving such notice, (A) the name and address of such stockholder, as they appear on the stock records of the Company, (B) the classes and number of shares of each class of capital stock of the Company that are owned beneficially and of record by such stockholder, his affiliates, all persons acting in concert with him and all groups of which he is a member (in each case, identifying them) and (C) any professional, commercial, business or familial relationship of such stockholder, affiliates, persons or groups (in each case, identifying them) to such nominees, his affiliates, any person acting in concert with him or any group of which he is a member (in each case, identifying them).

Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

TABLE OF CONTENTS

You may contact our Secretary at our principal executive offices for a copy of the relevant By-Law provisions regarding the requirements for making stockholder proposals and nominating director candidates.

GENERAL

The Company's Annual Report for the fiscal year ended September 30, 2013 is being mailed to stockholders together with this Proxy Statement. The Annual Report is not part of the soliciting materials.

The information set forth in this Proxy Statement under the captions "Report of the Compensation Committee" and "Report of the Audit Committee" shall not be deemed to be (i) incorporated by reference into any filing by the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that in any such filing the Company expressly incorporates such information by reference, or (ii) "soliciting material" or to be "filed" with the SEC.

OTHER MATTERS

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

By Order Of The Board Of Directors

Jonathan Friedman
Secretary
January 27, 2014

A copy of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2013, including the financial statements and the financial statement schedules thereto, is available without charge upon written request to: Corporate Secretary, Sirona Dental Systems, Inc., 30-30 47th Avenue, Suite 500, Long Island City, New York, 11101.

TABLE OF CONTENTS

Appendix A

CERTIFICATE OF AMENDMENT
TO
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
SIRONA DENTAL SYSTEMS, INC.

Pursuant to Section 242 of the General Corporation Law of the State of Delaware (the "General Corporation Law"), Sirona Dental Systems, Inc., a Delaware corporation (the "Corporation"), hereby certifies as follows:

1. That the Amended and Restated Certificate of Incorporation of the Corporation, as heretofore amended, is hereby further amended by deleting Article SEVENTH thereof and replacing it with the following:

"SEVENTH: DIRECTORS

The business and affairs of the Corporation shall be managed by or under the direction of the Board. The number of directors shall, at the time this Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Corporation becomes effective pursuant to the Law (the "Effective Time"), be the number of directors then in office and shall thereafter, subject to any limitations which may be set forth in the By-Laws and subject to the right, if any, of holders of shares of Preferred Stock outstanding to elect additional directors expressly set forth in the resolution or resolutions providing for the issuance of such shares, be such number or such greater or lesser number as may be fixed from time to time and at any time by a resolution or resolutions adopted by the affirmative vote of a majority of the Whole Board.

At each annual meeting of stockholders commencing with the 2014 annual meeting (i.e., the next annual meeting of stockholders following the 2013 annual meeting of stockholders held in February 2014), the directors shall be elected annually for terms of one year, except that any director in office at the 2014 annual meeting whose term expires at the 2015 or 2016 annual meeting (a "Continuing Classified Director"), or any successor to any such director, shall continue to hold office until the end of the term for which such director was elected or appointed and until such director's successor shall have been duly elected or qualified, or until such director's earlier death, resignation, retirement, disqualification or removal. For the avoidance of doubt, at the 2014 annual meeting, the directors whose terms expire at such meeting (or such directors' successors) shall be elected to hold office for a one-year term expiring at the 2015 annual meeting; at the 2015 annual meeting of stockholders, the directors whose terms expire at such meeting (or such directors' successors) shall be elected to hold office for a one-year term expiring at the 2016 annual meeting of stockholders; at the 2016 annual meeting of stockholders, the directors whose terms expire at such meeting (or such directors' successors) shall be elected to hold office for a one-year term expiring at the 2017 annual meeting of stockholders; and at the 2017 annual meeting of stockholders and at each annual meeting of stockholders thereafter, all directors shall be elected to hold office for a one-year term expiring at the next annual meeting of stockholders. Except as otherwise provided in the By-Laws, the election of directors is not required to be conducted by written ballot.

Subject to the special rights, if any, of one or more series of Preferred Stock to elect directors, any director may be removed, with or without cause, but only upon the affirmative vote of holders of at least 75% of the voting power of all shares of capital stock of the Corporation then outstanding and entitled to vote generally for the election of directors, except that any Continuing Classified Director and any director appointed to fill a vacancy caused by the death, resignation, retirement, disqualification or removal of any Continuing Classified Director may be removed only for cause and only upon the affirmative vote of the holders of at least 75% of the voting power of all shares of capital stock of the Corporation then outstanding and entitled to vote in the election of directors.

TABLE OF CONTENTS

Except for the special rights, if any, of holders of one or more series of Preferred Stock then outstanding to fill such vacancies, and except as otherwise required by the law, any vacancies on the Board resulting from an increase in the authorized number of directors, or from the death, resignation, retirement, disqualification or removal of a director or any other cause, shall be filled exclusively by a majority vote of the directors then in office (even though they constitute less than a quorum), unless no directors are then in office in which (but only in which) event such vacancies may be filled by the stockholders. No decrease in the authorized number of directors shall shorten the term of any incumbent director.

In connection with managing the business and affairs of the Corporation, including, but not limited to, determining whether and to what extent any action may be in the best interests of the Corporation or the stockholders, approving or disapproving any action or determining whether to make any recommendation and what recommendation to make to stockholders with respect to any matter, each director and the Board (and any committee of the Board) may consider: (i) the long-term and short-term interests of the employees, suppliers, creditors and customers of the Corporation and its subsidiaries; (ii) the long-term and short-term interests of the communities in which the Corporation and its subsidiaries conduct any business or other activities; and (iii) the long-term and short-term interests of the Corporation, its subsidiaries and the stockholders, including the possibility that such interests may best be served by the continued independence of the Corporation."

2. The foregoing amendments to the Amended and Restated Certificate of Incorporation of the Corporation, as heretofore amended, have been duly adopted in accordance with the provisions of Section 242 of the General Corporation Law.

[Signature Page Follows]

TABLE OF CONTENTS

IN WITNESS WHEREOF, the undersigned has caused this Certificate of Amendment to be executed by its duly authorized officer this __ day of _____, 2014.

SIRONA DENTAL SYSTEMS, INC.
By:
Name:
Title:

TABLE OF CONTENTS

Sirona Dental Systems, Inc.01QFLD1 U PX +Using a black ink pen, mark your votes with an X as shown inthis example. Please do not write outside the designated areas.Annual Meeting Proxy Card.C Authorized Signatures — This section must be completed for your vote to be counted. — Date and Sign BelowPlease sign exactly as name(s) appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, corporate officer, trustee, guardian, or custodian, please give full title.Date (mm/dd/yyyy) — Please print date below. Signature 1 — Please keep signature within the box. Signature 2 — Please keep signature within the box.+B Non-Voting ItemsA Proposals — The Board of Directors of the Company recommends a vote FOR each of the nominees listed in Proposal 1 and FORProposals 2, 3 and 4.Change of Address — Please print new address below.For Against Abstain2. To ratify the selection of KPMG AG,Wirtschaftsprüfungsgesellschaft, Frankfurt, Germany("KPMG") as the Company's independent auditor for thefiscal year ending September 30, 2014.4. To adopt amendments to the Company's Amended andRestated Certificate of Incorporation to declassify theBoard of Directors.1. To elect four (4) directors to serve for three-year terms or until their respective successors are elected and qualified:Mark here to WITHHOLDvote from all nomineesMark here to voteFOR all nomineesFor All EXCEPT - To withhold authority to vote for anynominee(s), write the name(s) of such nominee(s) below._____01 - William K. Hood 02 - Thomas Jetter 03 - Harry M. Jansen Kraemer, Jr. 04 - Jeffrey T. SlovinIMPORTANT ANNUAL MEETING INFORMATIONFor Against Abstain3. To approve, on an advisory basis, the compensationof the Company's named executive officers asdisclosed in the Proxy Statement.5. To transact such other business as may properlycome before the meeting or any adjournments thereof.MMMMMMMMMMMMMMMMMMMMMMMMMMMM000000000.000000 ext000000000.000000 ext000000000.000000 ext000000000.000000 ext000000000.000000 ext000000000.000000 ext1234 5678 9012 345MMMMMMM 1 7 8 7 2 6 1MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE ANDMR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE ANDMR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND MMMMMMMMMC 1234567890 J N TC123456789000004MR A SAMPLEDESIGNATION (IF ANY)ADD 1ADD 2ADD 3ADD 4ADD 5ADD 6ENDORSEMENT_LINE_____ SACKPACK_____Vote by Internet• Log on to the Internet and go tohttp://proxy.georgeson.com/• Follow the steps outlined on the secured website.Vote by telephone• Call toll free 1-877-456-7915 within the USA,US territories & Canada any time on a touch tonetelephone. There is NO CHARGE to you for the call.•Follow the instructions provided by the recorded message.qIF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.qElectronic Voting InstructionsYou can vote by Internet or telephone!Available 24 hours a day, 7 days a week!Instead of mailing your proxy, you may choose one of the two votingmethods outlined below to vote your proxy.VALIDATION DETAILS ARE LOCATED BELOW IN THE TITLE BAR.Proxies submitted by the Internet or telephone must be received by5:00 p.m. EDT, on February 18, 2014.

TABLE OF CONTENTS

IF YOU HAVE NOT VOTED VIA THE INTERNET OR TELEPHONE, FOLD ALONG THE PERFORATION, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE.ANNUAL MEETING OF HOLDERS OF COMMON SHARESProxy — Sirona Dental Systems, Inc.TO BE HELD ON FEBRUARY 19, 2014THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORSThe undersigned appoints Jonathan Friedman with full power of substitution and revocation as Proxy to vote all shares of stock standing in my name on thebooks of Sirona Dental Systems, Inc. (the "Company") at the close of business on December 23, 2013, which the undersigned would be entitled to vote ifpersonally present at the Annual Meeting of Stockholders of the Company to be held at the offices of Kirkland & Ellis LLP, 300 North LaSalle, Chicago, Illinois,on February 19, 2014, at 11:00 AM, Central Time, and at any and all adjournments, upon the matters set forth in the Notice of the meeting. The Proxy is furtherauthorized to vote in her or his discretion as to any other matters which may come before the meeting. At the time of preparation of the Proxy Statement, theBoard of Directors knows of no business to come before the meeting other than that referred to in the Proxy Statement.THE SHARES COVERED BY THIS PROXY WILL BE VOTED IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN AND WHEN NO INSTRUCTIONSARE GIVEN WILL BE VOTED FOR PROPOSALS 1, 2, 3 AND 4, AS DESCRIBED IN THE ACCOMPANYING NOTICE OF ANNUAL MEETING ANDPROXY STATEMENT AND ON THIS PROXY.The proxy statement and annual report to stockholders are available at http://www.sirona.com.