

FORM 10-Q

(X) QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2008

OR

() TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission File Number 0-16211

DENTSPLY International Inc.

(Exact name of registrant as specified in its charter)

Delaware 39-1434669

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

221 West Philadelphia Street, York, PA 17405-0872

(Address of principal executive offices) (Zip Code)

(717) 845-7511

(Registrant's telephone number, including area code)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: At July 29, 2008, DENTSPLY International Inc. (the "Company") had 148,659,688 shares of Common Stock outstanding, with a par value of \$.01 per share.

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DENTSPLY International Inc.
FORM 10-Q

For Quarter Ended June 30, 2008

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DENTSPLY INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF INCOME

(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands, except per share amounts)			
Net sales	\$ 594,847	\$ 507,362	\$ 1,155,629	\$ 980,226
Cost of products sold	<u>279,361</u>	<u>238,578</u>	<u>554,900</u>	<u>465,164</u>
Gross profit	315,486	268,784	600,729	515,062
Selling, general and administrative expenses	200,867	172,084	384,869	336,161
Restructuring and other costs (Note 9)	<u>1,458</u>	<u>3,207</u>	<u>1,662</u>	<u>4,197</u>
Operating income	113,161	93,493	214,198	174,704
Other income and expenses:				
Interest expense	7,901	5,209	16,153	9,665
Interest income	(4,685)	(6,995)	(9,895)	(13,496)
Other (income) expense, net	<u>-</u>	<u>(347)</u>	<u>3,097</u>	<u>(557)</u>
Income before income taxes	109,945	95,626	204,843	179,092
Provision for income taxes	<u>31,297</u>	<u>30,193</u>	<u>58,015</u>	<u>55,187</u>
Net income	<u>\$ 78,648</u>	<u>\$ 65,433</u>	<u>\$ 146,828</u>	<u>\$ 123,905</u>
Earnings per common share (Note 4):				
-Basic	\$ 0.53	\$ 0.43	\$ 0.98	\$ 0.82
-Diluted	\$ 0.52	\$ 0.42	\$ 0.96	\$ 0.80
Cash dividends declared per common share	\$ 0.045	\$ 0.040	\$ 0.090	\$ 0.080
Weighted average common shares outstanding (Note 4):				
-Basic	148,851	152,000	149,394	152,016
-Diluted	151,790	154,873	152,371	154,723

See accompanying notes to Unaudited Interim Consolidated Condensed Financial Statements.

DENTSPLY INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(unaudited)

	June 30, 2008	December 31, 2007
	(in thousands)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 113,454	\$ 169,384
Short-term investments	309,797	146,939
Accounts and notes receivable-trade, net (Note 1)	371,489	307,622
Inventories, net (Note 7)	282,795	258,032
Prepaid expenses and other current assets	<u>104,552</u>	<u>100,045</u>
Total Current Assets	1,182,087	982,022
Property, plant and equipment, net	405,603	371,409
Identifiable intangible assets, net	76,347	76,167
Goodwill, net	1,178,627	1,127,420
Other noncurrent assets, net	<u>150,544</u>	<u>118,551</u>
Total Assets	<u>\$ 2,993,208</u>	<u>\$ 2,675,569</u>
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	\$ 94,413	\$ 82,321
Accrued liabilities	195,043	189,405
Income taxes payable	31,251	39,441
Notes payable and current portion of long-term debt	<u>4,854</u>	<u>1,244</u>
Total Current Liabilities	325,561	312,411
Long-term debt	576,649	482,063
Deferred income taxes	69,727	60,547
Other noncurrent liabilities	<u>411,744</u>	<u>304,146</u>
Total Liabilities	<u>1,383,681</u>	<u>1,159,167</u>
Minority interests in consolidated subsidiaries	<u>337</u>	<u>296</u>
Commitments and contingencies (Note 13)		
Stockholders' Equity:		
Preferred stock, \$.01 par value; .25 million shares authorized; no shares issued	-	-
Common stock, \$.01 par value; 200 million shares authorized; 162.8 million shares issued at June 30, 2008 and December 31, 2007	1,628	1,628
Capital in excess of par value	180,196	173,084
Retained earnings	1,716,083	1,582,683
Accumulated other comprehensive income (Note 3)	184,615	145,819
Treasury stock, at cost, 14.0 million shares at June 30, 2008 and 12.0 million shares at December 31, 2007	<u>(473,332)</u>	<u>(387,108)</u>
Total Stockholders' Equity	<u>1,609,190</u>	<u>1,516,106</u>
Total Liabilities and Stockholders' Equity	<u>\$ 2,993,208</u>	<u>\$ 2,675,569</u>

See accompanying notes to Unaudited Interim Consolidated Condensed Financial Statements.

DENTSPLY INTERNATIONAL INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30,	
	2008	2007
	(in thousands)	
Cash flows from operating activities:		
Net income	\$ 146,828	\$123,905
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	23,943	21,505
Amortization	4,363	3,847
Deferred income taxes	18,542	17,346
Share-based compensation expense	8,404	7,124
Restructuring and other costs	1,662	4,197
Stock option income tax benefit	(2,008)	(3,659)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts and notes receivable-trade, net	(49,711)	(25,988)
Inventories, net	(10,283)	(11,453)
Prepaid expenses and other current assets	(5,314)	(5,422)
Accounts payable	9,179	5,573
Accrued liabilities	(597)	(8,851)
Income tax payable	(9,754)	25,132
Other, net	<u>3771</u>	<u>1,818</u>
Net cash provided by operating activities	<u>139,025</u>	<u>155,074</u>
Cash flows from investing activities:		
Capital expenditures	(36,574)	(21,159)
Cash paid for acquisitions of businesses and equity investment	(2,415)	(26,223)
Purchases of short-term investments	(147,434)	(109,233)
Liquidation of short-term investments	12	67
Expenditures for identifiable intangible assets	(2,191)	(3,003)
Proceeds from sale of property, plant and equipment, net	<u>799</u>	<u>236</u>
Net cash used in investing activities	<u>(187,803)</u>	<u>(159,315)</u>
Cash flows from financing activities:		
Net change in short-term borrowings	3,488	1,636
Cash paid for treasury stock	(95,467)	(44,222)
Cash dividends paid	(13,517)	(12,976)
Proceeds from long-term borrowings	77,799	149,548
Payments on long-term borrowings	-	(117,161)
Proceeds from exercise of stock options	5,741	26,312
Excess tax benefits from share-based compensation	<u>2,008</u>	<u>3,659</u>
Net provided (used in) by cash financing activities	<u>(19,948)</u>	<u>6,796</u>
Effect of exchange rate changes on cash and cash equivalents	<u>12,796</u>	<u>1,814</u>
Net (decrease) increase in cash and cash equivalents	<u>(55,930)</u>	<u>4,369</u>
Cash and cash equivalents at beginning of period	<u>169,384</u>	<u>65,064</u>
Cash and cash equivalents at end of period	<u>\$ 113,454</u>	<u>\$ 69,433</u>

See accompanying notes to Unaudited Interim Consolidated Condensed Financial Statements.

NOTES TO UNAUDITED INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTSJune 30, 2008

The accompanying Unaudited Interim Consolidated Condensed Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial statements and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. The year-end condensed balance sheet data was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair statement of the results for interim periods have been included. Results for interim periods should not be considered indicative of results for a full year. These financial statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in the Company's most recent Form 10-K filed February 25, 2008.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of DENTSPLY International Inc., as applied in the consolidated interim financial statements presented herein, are substantially the same as presented on pages 51 through 56 of the Annual Report on Form 10-K for the fiscal year ended December 31, 2007, except as indicated below:

Accounts and Notes Receivable-Trade

Accounts and notes receivables - trade are stated net of allowances for doubtful accounts and trade discounts, which were \$18.7 million and \$18.9 million at June 30, 2008 and December 31, 2007, respectively.

Fair Value Measurement

In September 2006, the Financial Accounting Standards Board (the "FASB") issued Statement of Financial Accounting Standards No. 157 ("SFAS 157"), "Fair Value Measurements," which requires the Company to define fair value, establish a framework for measuring fair value in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), and expand disclosures about fair value measurements. SFAS 157 applies under other accounting pronouncements that require or permit fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years.

On February 12, 2008, the FASB issued FASB Staff Position No. SFAS 157-2, "Effective Date of FASB Statement No. 157," which amends SFAS 157 by delaying its effective date by one year for non-financial assets and non-financial liabilities, except for items that are recognized or disclosed at fair value in the financial statements on a recurring basis. Therefore, beginning on January 1, 2008, this standard applies prospectively to new fair value measurements of financial instruments and recurring fair value measurements of non-financial assets and non-financial liabilities. On January 1, 2009, the standard will also apply to all other fair value measurements. The Company has adopted SFAS 157 and has presented the required disclosures in Note 12, Fair Value Measurement.

Fair Value Option

In February 2006, the FASB issued Statement of Financial Accounting Standards No. 159 ("SFAS 159"), "The Fair Value Option for Financial Assets and Financial Liabilities." SFAS 159 permits entities to choose to measure financial instruments and certain other items at fair value that are not currently required to be measured at fair value. This will allow entities the opportunity to mitigate volatility in reported earnings caused by measuring related assets and liabilities differently. SFAS 159 is effective for financial statements issued for fiscal years ending after November 15, 2007. While SFAS 159 became effective for the Company's 2008 fiscal year, the Company did not elect the fair value measurement option for any of the Company's financial assets or liabilities not already recorded at fair value.

New Accounting Pronouncements

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141(R) ("SFAS 141(R)", "Business Combinations." It requires the acquiring entity in a business combination to recognize all assets acquired and liabilities assumed in the transaction, establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed, and requires the acquirer to disclose the nature and financial effect of the business combination. SFAS 141(R) is effective for fiscal years beginning after December 15, 2008. The Company will adopt SFAS 141(R) in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 160 ("SFAS 160"), "Noncontrolling Interests in Consolidated Financial Statements." This statement amends Accounting Research Bulletin No. 51, "Consolidated Financial Statements," to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 is effective for fiscal years beginning after December 15, 2008. The Company will adopt SFAS 160 in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In March 2008, the FASB issued Statement of Financial Accounting Standards No. 161 ("SFAS 161"), "Disclosures about Derivative Instruments and Hedging Activities." SFAS 161 is effective for fiscal years beginning after December 15, 2008. This statement amends and expands the disclosure requirements of SFAS 133, "Accounting for Derivative Instruments and Hedging." The Company will adopt SFAS 161 in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In May 2008, the FASB issued Statement of Financial Accounting Standards No. 162 ("SFAS 162"), "The Hierarchy of Generally Accepted Accounting Principles." This statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles.

NOTE 2 – STOCK COMPENSATION

The Company maintains the 2002 Equity Incentive Plan (the "Plan") under which it may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSU") and stock appreciation rights, collectively referred to as "Awards." Awards are granted at exercise prices that approximate the fair market value of the common stock on the grant date. The Plan authorized grants of 14,000,000 shares of common stock, plus any unexercised portion of cancelled or terminated stock options granted under the DENTSPLY International Inc. 1993 and 1998 Plans, subject to adjustment as follows: each January, if 7% of the total outstanding common shares of the Company exceed 14,000,000, the excess becomes available for grant under the Plan. No more than 2,000,000 shares may be awarded as restricted stock and restricted stock units, and no key employee may be granted restricted stock units in excess of 150,000 shares of common stock in any calendar year.

Stock options generally expire ten years after the date of grant under these plans and grants become exercisable over a period of three years after the date of grant at the rate of one-third per year, except when they become immediately exercisable upon death, disability or qualified retirement. Restricted stock units vest 100% on the third anniversary of the date of grant and are subject to a service condition, which requires grantees to remain employed by the Company during the three year period following the date of grant. In addition to the service condition, certain key executives are subject to performance requirements. It is the Company's practice to issue shares from treasury stock when options are exercised.

Under SFAS 123(R), the Company continues to use the Black-Scholes option-pricing model to estimate the fair value of each award. The assumptions used to calculate the fair value of the awards granted are evaluated and revised, as necessary, to reflect market conditions and the Company's experience.

The following table represents total stock based compensation expense and the tax related benefit for the three and six months ended June 30, 2008 and 2007:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2008	2007	2008	2007
	(in millions)			
Stock option expense	\$ 2.9	\$ 3.1	\$ 5.7	\$ 6.2
RSU expense	1.1	0.5	2.1	0.8
Total stock based compensation expense	<u>\$ 4.0</u>	<u>\$ 3.6</u>	<u>\$ 7.8</u>	<u>\$ 7.0</u>
Total related tax benefit	\$ 0.7	\$ 0.9	\$ 1.8	\$ 1.8

The remaining unamortized compensation cost related to non-qualified stock options is \$16.7 million, which will be expensed over the weighted average remaining vesting period of the options, or 1.3 years. The unamortized compensation cost related to RSUs is \$9.6 million, which will be expensed over the remaining restricted period of the RSUs, or 2.1 years.

The following table summarizes the non-qualified stock options transactions from December 31, 2007 through June 30, 2008:

	Outstanding			Exercisable		
	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value	Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value
(in thousands, except per share data)						
December 31, 2007	10,314	\$ 26.41	\$ 192,333	7,378	\$ 22.46	\$ 166,664
Granted	92	39.64				
Exercised	(298)	19.29				
Forfeited	<u>(101)</u>	34.16				
June 30, 2008	<u>10,007</u>	\$ 26.66	\$ 114,801	7,234	\$ 22.76	\$ 104,346

The weighted average remaining contractual term of all outstanding options is 6.1 years and the weighted average remaining contractual term of exercisable options is 5.1 years.

The following table summarizes the unvested restricted stock units and restricted stock units dividend transactions from December 31, 2007 through June 30, 2008:

	Unvested Restricted Stock Units	
	Shares	Weighted Average Grant Date Fair Value
(in thousands, except per share data)		
Unvested at December 31, 2007	211	\$ 30.99
Granted	211	41.12
Exercised	(1)	30.80
Vested	(3)	42.10
Forfeited	<u>(11)</u>	<u>34.57</u>
Unvested at June 30, 2008	<u>407</u>	<u>\$ 36.08</u>

NOTE 3 – COMPREHENSIVE INCOME

The components of comprehensive income, net of tax, are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in millions)			
Net Income	\$ 78,648	\$ 65,433	\$ 146,828	\$ 123,905
Other comprehensive income:				
Foreign currency translation adjustments	(2,852)	14,168	97,847	27,536
Unrealized loss on available-for-sale securities	-	(41)	-	(138)
Amortization of unrecognized losses and prior year service cost, net	208	150	(119)	401
Change in assumptions for the Company's benefit plans	3,713	-	3,713	-
Net gain (loss) on derivative financial instruments	16,167	(163)	(62,645)	(5,855)
Total comprehensive income	\$ <u>95,884</u>	\$ <u>79,547</u>	\$ <u>185,624</u>	\$ <u>145,849</u>

During the quarter ended June 30, 2008, foreign currency translation adjustments included currency translation losses of \$8.8 million and gains of \$5.9 million on the Company's loans designated as hedges of net investments. During the quarter ended June 30, 2007, foreign currency translation adjustments included currency translation gains of \$10.1 million and gains of \$4.1 million on the Company's loans designated as hedges of net investments. During the six months ended June 30, 2008, foreign currency translation adjustments included currency translation gains of \$108.1 million and losses of \$10.3 million on the Company's loans designated as hedges of net investments. During the six months ended June 30, 2007, foreign currency translation adjustments included currency translation gains of \$24.7 million and gains of \$2.8 million on the Company's loans designated as hedges of net investments. These foreign currency translation adjustments were offset by net gains and losses on derivatives financial instruments, which are discussed in Note 10, Financial Instruments and Derivatives.

The balances included in accumulated other comprehensive income in the consolidated balance sheets are as follows:

	June 30, 2008	December 31, 2007
	(in thousands)	
Foreign currency translation adjustments	\$ 338,918	\$ 241,071
Unrecognized losses and prior service cost, net	(5,804)	(9,398)
Net loss on derivative financial instruments	<u>(148,499)</u>	<u>(85,854)</u>
	\$ <u>184,615</u>	\$ <u>145,819</u>

The cumulative foreign currency translation adjustments included translation gains of \$439.2 million and \$331.1 million as of June 30, 2008 and December 31, 2007, respectively, offset by losses of \$100.3 million and \$90.0 million, respectively, on loans designated as hedges of net investments. These foreign currency translation adjustments were offset by net losses on derivative financial instruments, which are discussed in Note 10, Financial Instruments and Derivatives.

NOTE 4 - EARNINGS PER COMMON SHARE

The dilutive effect of outstanding options and restricted stock is reflected in diluted earnings per share by application of the treasury stock method. The following table sets forth the computation of basic and diluted earnings per common share:

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2008	2007	2008	2007
	(in thousands, except per share amounts)			
<u>Basic Earnings Per Common Share Computation</u>				
Net income	\$ 78,648	\$ 65,433	\$ 146,828	\$ 123,905
Common shares outstanding	148,851	152,000	149,394	152,016
Earnings per common share - basic	<u>\$ 0.53</u>	<u>\$ 0.43</u>	<u>\$ 0.98</u>	<u>\$ 0.82</u>
<u>Diluted Earnings Per Common Share Computation</u>				
Net income	\$ 78,648	\$ 65,433	\$ 146,828	\$ 123,905
Common shares outstanding	148,851	152,000	149,394	152,016
Incremental shares from assumed exercise of dilutive options	<u>2,939</u>	<u>2,873</u>	<u>2,977</u>	<u>2,707</u>
Total shares	151,790	154,873	152,371	154,723
Earnings per common share - diluted	<u>\$ 0.52</u>	<u>\$ 0.42</u>	<u>\$ 0.96</u>	<u>\$ 0.80</u>

Options to purchase 1.3 million and 1.4 million shares of common stock that were outstanding during the three and six months ended June 30, 2008, respectively, were not included in the computation of diluted earnings per share since the options' exercise prices were greater than the average market price of the common shares and, therefore, the effect would be antidilutive. Antidilutive shares during the three and six months ended June 30, 2007, were 1.4 million and 1.6 million, respectively.

NOTE 5 - BUSINESS ACQUISITIONS

One of the Company's 2005 acquisitions and one of the Company's 2007 acquisitions included provisions for possible additional payments based on the post closing performance of the individual businesses. During the first six months of 2008, the Company paid \$2.4 million in additional purchase price under these agreements.

NOTE 6 - SEGMENT INFORMATION

The Company follows Statement of Financial Accounting Standards No. 131 ("SFAS 131"), "Disclosures about Segments of an Enterprise and Related Information." SFAS 131 establishes standards for disclosing information about reportable segments in financial statements. The Company has numerous operating businesses covering a wide range of products and geographic regions, primarily serving the professional dental market. Professional dental products represented approximately 97% and 97% of sales for the periods ended June 30, 2008 and 2007, respectively.

The operating businesses are combined into operating groups, which have overlapping product offerings, geographical presence, customer bases, distribution channels, and regulatory oversight. These operating groups are considered the Company's reportable segments under SFAS 131 as the Company's chief operating decision-maker regularly reviews financial results at the operating group level and uses this information to manage the Company's operations. The accounting policies of the groups are consistent with those described in the most recently filed 10-K Consolidated Financial Statements in the summary of significant accounting policies. The Company measures segment income for reporting purposes as net operating profit before restructuring, interest and taxes.

United States, Germany, and Certain Other European Regions Consumables Businesses

This business group includes responsibility for the design, manufacturing, sales, and distribution for certain small equipment and chairside consumable products in the United States, Germany, and certain other European regions.

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France, United Kingdom, Italy, CIS, Middle East, Africa, Pacific Rim Businesses

This business group includes responsibility for the sales and distribution for chairside consumable products and certain small equipment, certain laboratory products, and certain Endodontic products in France, United Kingdom, Italy, the Commonwealth of Independent States ("CIS"), Middle East, Africa, Asia (excluding Japan), Japan and Australia, as well as the sale and distribution of implant products and bone substitute/grafting materials in Italy, Asia and Australia. This business group also includes the manufacturing and sale of Orthodontic products, the manufacturing of certain laboratory products in Japan, and the manufacturing of certain laboratory and certain Endodontic products in Asia.

Canada/Latin America/Endodontics/Orthodontics

This business group includes responsibility for the design, manufacture, and/or sales and distribution of chairside consumable and laboratory products in Brazil. It also has responsibility for the sales and distribution of most Company dental products sold in Latin America and Canada. This business group also includes the responsibility for the design and manufacturing for Endodontic products in the United States, Switzerland and Germany and is responsible for sales and distribution of certain Company Endodontic products in the United States, Canada, Switzerland, Benelux, Scandinavia, and Eastern Europe, and certain Endodontic products in Germany. This business group is also responsible for the world-wide sales and distribution, excluding Japan, as well as some manufacturing of the Company's Orthodontic products. This business group is also responsible for sales and distribution in the United States for implant and bone substitute/grafting materials and the distribution of implants in Brazil.

Global Dental Laboratory Business/Implants/Non-Dental

This business group includes the responsibility for the design, manufacture, world-wide sales and distribution for laboratory products, excluding certain laboratory products mentioned earlier, and the design, manufacture, and/or sales and distribution of the Company's dental implant products and bone substitute/grafting materials, excluding sales and distribution of implants and bone substitute/grafting materials in the United States, Italy, Asia, Australia and sales and distribution of implants in Brazil. This business group is also responsible for the Company's non-dental business.

Significant interdependencies exist among the Company's operations in certain geographic areas. Inter-group sales are at prices intended to provide a reasonable profit to the manufacturing unit after recovery of all manufacturing costs and to provide a reasonable profit for purchasing locations after coverage of marketing and general and administrative costs.

Generally, the Company evaluates performance of the operating groups based on the groups' operating income, excluding restructuring and other costs, and net third party sales, excluding precious metal content.

The following tables set forth information about the Company's operating groups for the three and six months ended June 30, 2008 and 2007:

<u>Third Party Net Sales</u>	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 126,378	\$ 106,221	\$ 248,906	\$ 206,634
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	118,776	98,005	220,344	184,710
Canada/Latin America/Endodontics/Orthodontics	168,551	149,374	322,349	284,453
Global Dental Laboratory Business/Implants/Non-Dental	182,063	154,703	366,194	306,743
All Other (a)	(921)	(941)	(2,164)	(2,314)
Total	\$ 594,847	\$ 507,362	\$ 1,155,629	\$ 980,226

The presentation of net sales, excluding precious metal content, is considered a measure not calculated in accordance with generally accepted accounting principles ("GAAP"), and is therefore considered a non-GAAP measure. This non-GAAP measure is discussed further in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and a reconciliation of net sales, excluding precious metal content, to net sales is provided below.

<u>Third Party Net Sales, excluding precious metal content</u>	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 126,378	\$ 106,221	\$ 248,906	\$ 206,634
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	112,675	92,029	207,919	172,063
Canada/Latin America/Endodontics/Orthodontics	167,545	148,496	320,442	282,479
Global Dental Laboratory Business/Implants/Non-Dental	136,595	116,303	263,418	226,512
All Other (a)	(921)	(941)	(2,164)	(2,314)
Total excluding Precious Metal Content	542,272	462,108	1,038,521	885,374
Precious Metal Content	52,575	45,254	117,108	94,852
Total including Precious Metal Content	\$ 594,847	\$ 507,362	\$ 1,155,629	\$ 980,226

(a) Includes: amounts recorded at Corporate headquarters.

Inter-segment Net Sales

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 33,057	\$ 35,480	\$ 62,402	\$ 72,368
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	1,493	4,053	2,633	6,374
Canada/Latin America/Endodontics/ Orthodontics	29,720	23,293	54,828	44,819
Global Dental Laboratory Business/ Implants/Non-Dental	24,026	22,976	46,692	48,368
All Other (a)	49,308	36,279	95,673	72,201
Eliminations	<u>(137,604)</u>	<u>(122,081)</u>	<u>(262,228)</u>	<u>(244,130)</u>
Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Segment Operating Income

	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 44,881	\$ 37,869	\$ 88,235	\$ 71,802
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	4,263	4,141	5,579	4,718
Canada/Latin America/Endodontics/ Orthodontics	55,061	45,088	106,340	87,555
Global Dental Laboratory Business/ Implants/Non-Dental	36,310	28,893	68,495	57,527
All Other (b)	<u>(25,896)</u>	<u>(19,291)</u>	<u>(52,789)</u>	<u>(42,701)</u>
Segment Operating Income	114,619	96,700	215,860	178,901
Reconciling Items:				
Restructuring and other costs	(1,458)	(3,207)	(1,662)	(4,197)
Interest Expense	(7,901)	(5,209)	(16,153)	(9,665)
Interest Income	4,685	6,995	9,895	13,496
Other income (expense), net	-	347	(3,097)	557
Income before income taxes	<u>\$ 109,945</u>	<u>\$ 95,626</u>	<u>\$ 204,843</u>	<u>\$ 179,092</u>

(a) Includes: amounts recorded at Corporate headquarters and one distribution warehouse not managed by named segments.

(b) Includes: the results of Corporate headquarters, inter-segment eliminations and one distribution warehouse not managed by named segments.

Assets

	June 30, 2008	December 31, 2007
	(in thousands)	
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 415,297	\$ 382,913
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	344,680	315,531
Canada/Latin America/Endodontics/Orthodontics	785,835	715,300
Global Dental Laboratory Business/Implants/Non-Dental	961,632	898,043
All Other (a)	485,764	363,782
Total	<u>\$ 2,993,208</u>	<u>\$ 2,675,569</u>

(a) Includes: assets of Corporate headquarters, inter-segment eliminations and one distribution warehouse not managed by named segments.

NOTE 7 - INVENTORIES

Inventories are stated at the lower of cost or market. At June 30, 2008 and December 31, 2007, the cost of \$10.3 million, or 3.7%, and \$10.6 million, or 4.1%, respectively, of inventories was determined by the last-in, first-out ("LIFO") method. The cost of other inventories was determined by the first-in, first-out ("FIFO") or average cost methods. The Company establishes reserves for inventory estimated to be obsolete or unmarketable equal to the difference between the cost of inventory and estimated market value based upon assumptions about future demand and market conditions. The inventory valuation reserves were \$30.7 million and \$26.2 million as of June 30, 2008 and December 31, 2007, respectively.

If the FIFO method had been used to determine the cost of LIFO inventories, the amounts at which net inventories are stated would be higher than reported at June 30, 2008 and December 31, 2007 by \$5.3 million and \$4.4 million, respectively.

Inventories, net of inventory valuation reserves, consist of the following:

	June 30, 2008	December 31, 2007
	(in thousands)	
Finished goods	\$ 161,670	\$ 155,402
Work-in-process	56,771	49,622
Raw materials and supplies	64,354	53,008
	<u>\$ 282,795</u>	<u>\$ 258,032</u>

NOTE 8 - BENEFIT PLANS

The following sets forth the components of net periodic benefit cost of the Company's benefit plans and for the Company's other postretirement employee benefit plans for the three and six months ended June 30, 2008 and June 30, 2007, respectively:

Defined Benefit Plans	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
Service cost	\$ 1,610	\$ 1,635	\$ 3,416	\$ 3,314
Interest cost	2,187	1,650	4,435	3,431
Expected return on plan assets	(1,207)	(895)	(2,365)	(2,000)
Amortization of transition obligation	63	54	124	107
Amortization of prior service cost	43	24	89	61
Amortization of net loss	(11)	314	62	598
Net periodic benefit cost	<u>\$ 2,685</u>	<u>\$ 2,782</u>	<u>\$ 5,761</u>	<u>\$ 5,511</u>
Other Postretirement Plans	Three Months Ended June 30,		Six Months Ended June 30,	
	2008	2007	2008	2007
	(in thousands)			
Service cost	\$ 13	\$ 16	\$ 25	\$ 32
Interest cost	157	130	313	261
Expected return on plan assets	-	-	-	-
Amortization of transition obligation	-	-	-	-
Amortization of prior service cost	-	(96)	-	(193)
Amortization of net loss	37	31	74	62
Net periodic benefit cost	<u>\$ 207</u>	<u>\$ 81</u>	<u>\$ 412</u>	<u>\$ 162</u>

The following sets forth the information related to the funding of the Company's benefit plans for 2008:

	Pension Benefits	Other Postretirement Benefits
	(in thousands)	
Actual, June 30, 2008	\$ 4,654	\$ 403
Projected for the remainder of the year	<u>4,177</u>	<u>662</u>
Total for year	<u>\$ 8,831</u>	<u>\$ 1,065</u>

NOTE 9 - RESTRUCTURING AND OTHER COSTS

Restructuring Costs

Restructuring accruals of \$1.6 million for the six months ended June 30, 2008 are reflected in accrued liabilities and other non-current liabilities in the consolidated condensed balance sheets and the associated costs are recorded in restructuring and other costs in the income statements. The accruals consist of employee severance benefits, payments due under operating contracts, and other restructuring costs. For further information regarding the Company's restructuring plans and the associated accruals, refer to Note 14, Restructuring, Impairment and Other Costs in the Notes to Consolidated Financial Statements appearing in the Company's Annual Report on Form 10-K for the year ended December 31, 2007. The Company does not expect any additional significant expenses related to any existing restructuring plans. The Company did not initiate any new restructuring plans for the three months or six months ended June 30, 2008.

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As of June 30, 2008, the Company's restructuring accruals were as follows:

	Severance		
	2006 and Prior Plans	2007 Plans	Total
	(in thousands)		
Balance, December 31, 2007	\$ 1,617	\$ 925	\$ 2,542
Provisions	173	8	181
Amounts applied	(755)	(801)	(1,556)
Change in estimate	(147)	-	(147)
Balance, June 30, 2008	<u>\$ 888</u>	<u>\$ 132</u>	<u>\$ 1,020</u>
	Lease/contract terminations		
	2006 and Prior Plans	2007 Plans	Total
	(in thousands)		
Balance, December 31, 2007	\$ 252	\$ -	\$ 252
Provisions	-	165	165
Amounts applied	(61)	(165)	(226)
Change in estimate	-	-	-

Balance, June 30, 2008	\$ <u>191</u>	\$ <u>-</u>	\$ <u>191</u>
Other restructuring costs			
	2006 and Prior Plans	2007 Plans (in thousands)	Total
Balance, December 31, 2007	\$ 206	\$ 52	\$ 258
Provisions	312	515	827
Amounts applied	(283)	(164)	(447)
Change in estimate	<u>(160)</u>	<u>(92)</u>	<u>(252)</u>
Balance, June 30, 2008	\$ <u>75</u>	\$ <u>311</u>	\$ <u>386</u>

The following table provides the cumulative amounts for the provision, amounts applied, and changes in estimates for all the plans by segment:

	December 31, 2007	Provisions	Amounts applied	Change in estimate	June 30, 2008
(in thousands)					
United States, Germany, and Certain Other European Regions Consumable Businesses	\$ 234	\$ 326	\$ (289)	\$ -	\$ 271
France, United Kingdom, Italy, CIS, Middle East, Africa, Pacific Rim Businesses	220	1	(3)	-	218
Canada/Latin America/ Endodontics/Orthodontics	619	490	(557)	(92)	460
Global Dental Laboratory Business/ Implants/Non-Dental	1,979	356	(1,380)	(307)	648
	<u>\$ 3,052</u>	<u>\$ 1,173</u>	<u>\$ (2,229)</u>	<u>\$ (399)</u>	<u>\$ 1,597</u>

A legal settlement in the amount of \$0.9 million was recorded for the three months and six months ended June 30, 2008 and is reflected in accrued liabilities in the consolidated condensed balance sheets.

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NOTE 10 – FINANCIAL INSTRUMENTS AND DERIVATIVES

Financial Instruments

The Company believes the carrying amounts of short-term investments, accounts receivable (net of allowance for doubtful accounts), prepaid expenses and other current assets, accounts payable, accrued liabilities, income taxes payable and notes payable approximate fair value due to the short-term nature of these instruments. The Company estimates the fair value and carrying value of its total long-term debt, including the current portion, was \$576.8 million as of June 30, 2008. The fair value of the Company's long-term debt approximates its carrying value as the Company's debt is variable rate and reflects current market rates. The interest rates on private placement notes, revolving debt and commercial paper are variable and therefore the fair value of these instruments approximates their carrying values.

Derivative Instruments and Hedging Activities

The Company uses interest rate swaps, cross currency interest rate swaps, commodity swaps, forward exchange contracts, and foreign currency denominated debt held at the parent company level to manage risks generally associated with foreign exchange rates, interest rates and commodity price fluctuations. The aggregate pre-tax net fair value of the Company's derivative instruments at June 30, 2008 and December 31, 2007 was negative \$243.3 million and negative \$141.6 million, respectively. For a more detailed discussion of the Company's derivative instruments, refer to the Company's 2007 Annual Report on Form 10-K.

Cash Flow Hedges

The Company uses interest rate swaps to convert a portion of its variable rate debt to fixed rate debt. The Company selectively enters into commodity swaps to effectively fix certain variable raw material costs. The Company enters into forward exchange contracts to hedge the foreign currency exposure of its anticipated purchases of certain inventory from Japan. In addition, forward exchange contracts are used by certain of the Company's subsidiaries to hedge intercompany inventory purchases, which are denominated in foreign currencies.

Amounts recorded in accumulated other comprehensive income related to cash flow hedging instruments follow:

	Three Months Ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
(in thousands)				
Beginning balance	<u>\$(2,843)</u>	<u>\$(2,757)</u>	<u>\$(1,573)</u>	<u>\$(3,003)</u>
Changes in fair value of derivatives	3,510	831	2,033	578
Reclassifications to earnings from equity	<u>(322)</u>	<u>249</u>	<u>(115)</u>	<u>748</u>
Total activity	3,188	1,080	1,918	1,326
Ending balance	<u>\$ 345</u>	<u>\$(1,677)</u>	<u>\$ 345</u>	<u>\$(1,677)</u>

As of June 30, 2008, \$0.7 million of deferred net losses on derivative instruments in accumulated other comprehensive income are expected to be reclassified to current earnings during the next twelve months.

Hedges of Net Investments in Foreign Operations

The Company has numerous investments in foreign subsidiaries. The net assets of these subsidiaries are exposed to volatility in currency exchange rates. Currently, the Company uses non-derivative financial instruments, including foreign currency denominated debt held at the parent company level and derivative financial instruments to hedge some of this exposure. Translation gains and losses related to the net assets of the foreign subsidiaries are offset by gains and losses in the non-derivative and derivative financial instruments designated as hedges of net investments.

Amounts recorded in accumulated other comprehensive income related to hedges of net investments in foreign operations follow:

	Three Months Ended		Six months ended	
	June 30,		June 30,	
	2008	2007	2008	2007
	(in thousands)			
Beginning balance	\$179,947	\$113,678	\$156,790	\$106,248
Foreign currency translation adjustment	(8,785)	10,033	108,087	24,781
Changes in fair value of:				
Foreign currency debt	5,933	4,135	(10,240)	2,755
Derivative hedge instruments	12,979	(1,243)	(64,563)	(7,181)
Total activity	10,127	12,925	33,284	20,355
Ending balance	\$190,074	\$126,603	\$190,074	\$126,603

NOTE 11 – UNCERTAINTIES IN INCOME TAXES

In June 2006, the FASB issued FASB Interpretation No. 48 (“FIN 48”), “Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109, Accounting for Income Taxes,” which clarifies the accounting for income taxes. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Interpretation requires that the Company recognize in the financial statements, the impact of a tax position, if that position is more likely than not of being sustained on audit, based on the technical merits of the position. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods and disclosure.

It is reasonably possible that certain amounts of unrecognized tax benefits will significantly increase or decrease within twelve months of the reporting date of the Company’s consolidated financial statements. During the next 12 months, expiration of statutes of limitation in various jurisdictions could include unrecognized tax benefits of approximately \$3.8 million, \$0.1 million of which will have no impact upon the effective income tax rate. A decrease of unrecognized tax benefits of approximately \$23.1 million, \$6.3 million of which will have no impact upon the effective income tax rate could occur as a result of final settlement and resolution of outstanding tax matters in various jurisdictions during the next twelve months.

NOTE 12 – FAIR VALUE MEASUREMENT

The Company records financial instruments at fair value with unrealized gains and losses related to certain financial instruments reflected in accumulated other comprehensive income on the consolidated condensed balance sheet. In addition, the Company records non-performance risk adjustments on its financial instruments to the income statement. The Company primarily applies the market approach for recurring fair value measurements and endeavors to utilize the best available information. Accordingly, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

The degree of judgment utilized in measuring the fair value of financial instruments generally correlates to the level of pricing observability. Pricing observability is impacted by a number of factors, including the type of financial instrument. Financial instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of pricing observability and a lesser degree of judgment utilized in measuring fair value. Conversely, financial instruments rarely traded or not quoted will generally have less, or no pricing observability and a higher degree of judgment utilized in measuring fair value.

Effective January 1, 2008, the Company adopted the Statement of Financial Accounting Standards No. 157, which among other things, requires enhanced disclosures about financial instruments carried at fair value. SFAS 157 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. SFAS 157 establishes a hierarchal disclosure framework associated with the level of pricing observability utilized in measuring financial instruments at fair value. The three broad levels defined by the SFAS 157 hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reported date. The nature of these financial instruments include, derivative instruments whose fair value have been derived using a model where inputs to the model are directly observable in the market, or can be derived principally from or corroborated by observable market data.

Level 3 – Instruments that have little to no pricing observability as of the reported date. These financial instruments do not have two-way markets and are measured using management’s best estimate of fair value, where the inputs into the determination of fair value require significant management judgment or estimation.

Under SFAS 159, entities are permitted to choose to measure many financial instruments and certain other items at fair value. The Company did not elect the fair value measurement option under SFAS 159 for any of the Company’s financial assets or liabilities not already recorded at fair value.

The following table sets forth by level within the fair value hierarchy the Company’s financial assets and liabilities that were accounted for at fair value on a recurring basis as of June 30, 2008, which are classified as “Cash and cash equivalents,” “Other noncurrent assets,” “Other noncurrent liabilities,” and “Accrued liabilities.” As required by SFAS 157, financial assets and liabilities that are recorded at fair value as of the balance sheet date are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Six Months Ended June 30, 2008			
	Total	Level 1	Level 2	Level 3
	(in thousands)			
Assets				
Money market funds	\$ 113,454	\$ 113,454	\$ -	\$ -
Commodity forward purchase contracts	378	-	378	-
Interest rate swaps	16	-	16	-
Foreign exchange forward contracts	896	-	896	-
Total assets	<u>\$ 114,744</u>	<u>\$ 113,454</u>	<u>\$ 1,290</u>	<u>\$ -</u>
Liabilities				
Interest rate swaps	\$ 3,239	\$ -	\$ 3,239	\$ -
Cross currency interest rate swaps	241,393	-	241,393	-
Total liabilities	<u>\$ 244,632</u>	<u>\$ -</u>	<u>\$ 244,632</u>	<u>\$ -</u>

Derivative valuations are based on observable inputs to the valuation model including interest rates, foreign currency exchange rates, and future commodities prices.

The commodity forward purchase contracts, interest rate swaps, and foreign exchange forward contracts are considered cash flow hedges and cross currency interest rate swaps are considered hedge of net investments in foreign operations as discussed in Note 10, Financial Instruments and Derivatives.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

On January 5, 1999, the Department of Justice filed a Complaint against the Company in the United States District Court in Wilmington, Delaware alleging that the Company’s tooth distribution practices violated the antitrust laws and seeking an order for the Company to discontinue its practices. This case has been concluded and the District Court, upon the direction of the Court of Appeals, issued an injunction preventing DENTSPLY from taking action to restrict its tooth dealers from adding new competitive teeth lines. This decision relates only to the distribution of artificial teeth in the United States and, notwithstanding the outcome of this case, the Company is confident that it can continue to develop this business.

Subsequent to the filing of the Department of Justice Complaint in 1999, several private party class actions were filed based on allegations similar to those in the Department of Justice case, on behalf of dental laboratories and denture patients in seventeen states who purchased Trubyte teeth or products containing Trubyte teeth. These cases were transferred to the United States District Court in Wilmington, Delaware. The Court granted the Company's Motion on the lack of standing of the laboratory and patient class actions to pursue damage claims. The Plaintiffs in the laboratory case appealed this decision to the Third Circuit and the Court largely upheld the decision of the District Court in dismissing the Plaintiffs' damages claims against DENTSPLY, with the exception of allowing the Plaintiffs to pursue a damage claim based on a theory of resale price maintenance between the Company and its tooth dealers. The Plaintiffs in the laboratory case filed an amended complaint in the District Court asserting that DENTSPLY and its tooth dealers, and the dealers among themselves, engaged in a conspiracy to violate the antitrust laws. DENTSPLY and the dealers filed Motions to dismiss Plaintiffs' claims, except for the resale price maintenance claims. The District Court has granted the Motions filed by DENTSPLY and the dealers, leaving only the resale price maintenance claim. The Plaintiffs have appealed the dismissal of their claims to the Third Circuit. Additionally, manufacturers of two competitive tooth lines and a dealer, as a putative class action, have filed separate actions seeking unspecified damages alleged to have been incurred as a result of the Company's tooth distribution practice found to be a violation of the antitrust law.

On June 18, 2004, Marvin Weinstat, DDS and Richard Nathan, DDS filed a class action suit in San Francisco County, California alleging that the Company misrepresented that its Cavitron® ultrasonic scalers are suitable for use in oral surgical procedures. The Complaint seeks a recall of the product and refund of its purchase price to dentists who have purchased it for use in oral surgery. The Court certified the case as a class action in June 2006 with respect to the breach of warranty and unfair business practices claims. The class is defined as California dental professionals who purchased and used one or more Cavitron® ultrasonic scalers for the performance of oral surgical procedures. The Company filed a motion for decertification of the class and this motion was granted. Plaintiffs have appealed the decertification of the class to the California Court of Appeals.

On December 12, 2006, a Complaint was filed by Carole Hildebrand, DDS and Robert Jaffin, DDS in the Eastern District of PA. The case was filed by the same law firm that filed the Weinstat case in California. The Complaint asserts putative class action claims on behalf of dentists located in New Jersey and Pennsylvania based on assertions that the Company's Cavitron® ultrasonic scaler was negligently designed and sold in breach of contract and warranty arising from misrepresentations about the potential uses of the product because it cannot assure the delivery of potable or sterile water. The Complaint seeks damages for the allegedly defective product. Plaintiffs have filed their Motion for class certification to which the Company has filed its response.

NOTE 14 – SUBSEQUENT EVENT

On July 25, 2008, the Company entered into a Term Loan Agreement with a group of lenders providing financing in the amount of 12.6 billion Japanese Yen at a floating rate of three month Yen Libor plus 72.5 basis points through March 28, 2012. The net proceeds after deducting fees and expenses of the loan are 12.5 billion Japanese Yen or approximately \$117.9 million. The proceeds were used to refinance debt borrowed under the revolving credit facility. The obligations of the Company and the lenders are subject to the terms and conditions of the Term Loan Agreement.

Item 2 - Management's Discussion and Analysis of Financial Condition and Results of Operations

In accordance with the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995, DENTSPLY International Inc. (the "Company") provides the following cautionary remarks regarding important factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. All forward-looking statements made by the Company are subject to risks and uncertainties and are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements, or industry results to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These statements are identified by the use of such terms as "may," "could," "expect," "intend," "believe," "plan," "estimate," "forecast," "project," "anticipate" or words of similar import.

Investors are cautioned that forward-looking statements involve risks and uncertainties, which may materially affect the Company's business and prospects, and should be read in conjunction with the risk factors and uncertainties discussed within Item 1A, Part I of the Company's most recent Annual Report on Form 10-K as filed on February 25, 2008. Investors are further cautioned that the risk factors in Item 1A, Part I of Company's most recent Annual Report on Form 10-K may not be exhaustive and that many of these factors are beyond the Company's ability to control or predict. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. The Company undertakes no duty and has no obligation to update forward-looking statements.

OVERVIEW

DENTSPLY International Inc. is the world's largest manufacturer of professional dental products. The Company is headquartered in the United States, and operates in more than 120 other countries, principally through its foreign subsidiaries. The Company also has strategically located distribution centers to enable it to better serve its customers and increase its operating efficiency. While the United States and Europe are the Company's largest markets, the Company serves all of the major professional dental markets worldwide.

The Company has three main product categories: 1) Dental Consumable Products; 2) Dental Laboratory Products; and 3) Dental Specialty Products.

Dental consumable products consist of dental sundries and small equipment used in dental offices by general practitioners in the treatment of patients. DENTSPLY's dental sundry products in the dental consumable category include dental anesthetics, prophylaxis paste, dental sealants, impression materials, restorative materials, tooth whiteners and topical fluoride. The Company manufactures thousands of different dental sundry consumable products marketed under more than one hundred brand names. Small equipment products in the dental consumable category consist of various durable goods used in dental offices for treatment of patients. DENTSPLY's small equipment products include high and low speed handpieces, intraoral curing light systems, dental diagnostic systems, and ultrasonic scalers and polishers.

Dental laboratory products are used in the preparation of dental appliances by dental laboratories. DENTSPLY's products in the dental laboratory category include dental prosthetics, including artificial teeth, precious metal dental alloys, dental ceramics, and crown and bridge materials. Equipment in this category includes computer aided machining (CAM) ceramic systems and porcelain furnaces.

Dental specialty products are specialized treatment products used within the dental office and laboratory settings. DENTSPLY's products in this category include endodontic (root canal) instruments and materials, implants and related products, bone grafting materials, and orthodontic appliances and accessories.

The principal benchmarks used by the Company in evaluating its business are: (1) internal growth in the United States, Europe and all other regions; (2) operating margins of each reportable segment, excluding restructuring and other costs; (3) the development, introduction and contribution of innovative new products; (4) growth through acquisition; and (5) continued focus on controlling costs and enhancing efficiency. The Company defines "internal growth" as the increase in net sales from period to period, excluding precious metal content, the impact of changes in currency exchange rates, and the net sales, for a period of twelve months following the transaction date, of businesses that have been acquired or divested.

Management believes that an average overall internal growth rate of 4-6% is a long-term sustainable rate for the Company. This annualized growth rate expectation typically includes approximately 1-2% of price increases. The Company typically implements most of its price changes in the beginning of the fourth quarter of the year. These price changes, other marketing and promotional programs offered to customers from time to time, the management of inventory levels by distributors and the implementation of strategic initiatives, may impact sales levels in a given period.

This quarter the Company modified its methodology of calculating internal growth. This change better reflects organic growth in an environment where exchange rates have moved significantly from prior periods. The impact of this change for both the quarter and on a year to date basis was to reduce the internal growth calculation from what it would have been under the prior method. The Company changed the calculation as the previous method potentially inflated the internal growth number. The prior years have been reviewed and this change would have had little or no effect.

During the six months ended June 30, 2008, the Company's overall internal growth was 5.8%. Internal growth rates in the United States and Europe, the largest dental markets in the world, were 2.4% and 8.9%, respectively during the first six months of 2008. The internal growth rate in all other regions during the six months ended June 30, 2008 was 6.8%.

Product innovation is a key component of the Company's overall growth strategy. New advances in technology are anticipated to have a significant influence on future products in dentistry. As a result, the Company continues to pursue several research and development initiatives to support further technological developments, including partnerships and collaborations with various research institutions and dental schools. In addition, the Company licenses and purchases technologies developed by third parties. Although the Company believes these activities will lead to new innovative dental products, they involve new technologies and there can be no assurance that commercialized products will be developed.

Although the professional dental market in which the Company operates has experienced consolidation, it is still a fragmented industry. The Company continues to focus on opportunities to expand the Company's product offerings through acquisitions, investments in companies and licensing of technology. Management believes that there will continue to be adequate opportunities to participate as a consolidator or investor in the industry for the foreseeable future.

The Company also remains focused on reducing costs and achieving operational efficiencies. Management expects to continue to consolidate operations or functions to reduce costs while improving service levels. In addition, the Company remains focused on enhancing efficiency through expanded use of technology, process improvement initiatives and new marketing strategies. The Company believes that the benefits from these opportunities will improve the cost structure and offset areas of rising costs such as energy, benefits, and regulatory oversight and compliance.

RESULTS OF CONTINUING OPERATIONS, QUARTER ENDED JUNE 30, 2008 COMPARED TO QUARTER ENDED JUNE 30, 2007

Net Sales

Management believes that the presentation of net sales, excluding precious metal content, provides useful information to investors because a portion of DENTSPLY's net sales is comprised of sales of precious metals generated through sales of the Company's precious metal alloy products, which are used by third parties to construct crown and bridge materials. Due to the fluctuations of precious metal prices and because the precious metal content of the Company's sales is largely a pass-through to customers and has minimal effect on earnings, DENTSPLY reports sales both with and without precious metal content to show the Company's performance independent of precious metal price volatility and to enhance comparability of performance between periods. The Company uses its cost of precious metal purchased as a proxy for the precious metal content of sales, as the precious metal content of sales is not separately tracked and invoiced to customers. The Company believes that it is reasonable to use the cost of precious metal content purchased in this manner since precious metal alloy sale prices are typically adjusted when the prices of underlying precious metals change.

The presentation of net sales, excluding precious metal content, is considered a measure not calculated in accordance with generally accepted accounting principles (GAAP), and is therefore considered a non-GAAP measure. The Company provides the following reconciliation of net sales to net sales, excluding precious metal content. The Company's definitions and calculations of net sales, excluding precious metal content, and other operating measures derived using net sales, excluding precious metal content, may not necessarily be the same as those used by other companies.

The following is a reconciliation of net sales to net sales, excluding precious metal content.

	Three Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions)			
Net sales	\$ 594.8	\$ 507.4	\$ 87.4	17.2%
Precious metal content of sales	(52.5)	(45.3)	(7.2)	15.9%
Net sales, excluding precious metal content	\$ 542.3	\$ 462.1	\$ 80.2	17.3%

The net sales growth of 17.3%, excluding precious metal content, was comprised of 5.9% of internal growth, 8.3% of foreign currency translation and 3.1% for net acquisitions. The 5.9% of internal growth was comprised of 0.9% in the United States, 10.2% in Europe and 8.0% for all other regions combined.

Internal Sales Growth

United States

The internal sales growth for this region was 0.9%, excluding precious metal content. Overall, all product categories were impacted by a slowing of the U.S. economy. In addition, the Company's sales of local anesthetics products were lower in the period due to clearing of large back orders in the second quarter of 2007. Sales growth in the U.S., excluding local anesthetics, was 2.4%.

Europe

In Europe, the internal sales growth of 10.2%, excluding precious metal content, was led by continued strong performance in all of the specialty businesses and the consumables businesses.

All Other Regions

The internal sales growth of 8.0%, excluding precious metal content, in all other regions was primarily the result of continued strong sales growth in the specialty businesses and consumables businesses and strong regional growth in Asia, Australia, the Middle East and Latin America and solid growth in Japan.

Gross Profit

	Three Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions)			
Gross Profit	\$ 315.5	\$ 268.8	\$ 46.7	17.4%
Gross Profit as a percentage of net sales, including precious metal content	53.0%	53.0%		
Gross Profit as a percentage of net sales, excluding precious metal content	58.2%	58.2%		

Gross profit as a percentage of net sales, excluding precious metal content, was 58.2% for the three months ended June 30, 2008 and 2007. In the second quarter of 2008, gross profit was favorably impacted by product mix and operational improvements. The favorable impact was offset by negative product mix from recent acquisitions, unfavorable purchase price variances related to the weakening U.S. dollar, and significant contraction in the precious metal alloy market.

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Operating Expenses

	Three Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions)			
Selling, general and administrative expenses ("SG&A")	\$ 200.9	\$ 172.1	\$ 28.8	16.7%
Restructuring and other costs	\$ 1.5	\$ 3.2	\$ (1.7)	(53.1)%
SG&A as a percentage of net sales, including precious metal content	33.8%	33.9%		
SG&A as a percentage of net sales, excluding precious metal content	37.1%	37.2%		

SG&A Expenses

SG&A expenses, as a percentage of net sales, excluding precious metal content, decreased to 37.1% in 2008 from 37.2% in 2007. The decrease is related to leveraging of existing overhead partially offset by costs associated with our biennial Friadent Worldwide Implant Symposium.

Restructuring and Other Costs, Net

During the three months ended June 30, 2008, the Company recorded restructuring and other costs of \$1.5 million. These costs are related to legal settlements and ongoing restructuring plans to reduce operational costs. Net income for the second quarter of 2008 included restructuring and other costs, net of tax, of \$0.9 million or \$0.01 per diluted share, compared to the second quarter of 2007, which included restructuring and other costs, net of tax, of \$2.0 million, or \$0.01 per diluted share. (See also Note 9, Restructuring and Other Costs, to the Unaudited Interim Consolidated Condensed Financial Statements).

Other Income and Expense

	Three Months Ended June 30,		
	2008	2007	Change
	(in millions)		
Net interest expense (income)	\$ 3.2	\$ (1.8)	\$ 5.0
Other (income), net	-	(0.3)	0.3
Net interest and other expense (income)	\$ <u>3.2</u>	\$ <u>(2.1)</u>	\$ <u>5.3</u>

Net Interest Expense (Income)

The change in net interest in 2008 compared to 2007, for the three months ended June 30, was mainly the result of the sharp divergence of lower U.S. dollar interest rates versus increased Euro and Swiss franc interest rates, combined with weaker U.S. dollar average exchange rates against both currencies. This resulted in net expense in 2008 versus net income in 2007 on the Euro and Swiss franc net investment hedges. The impact of the Company's net investment hedges typically move in the opposite direction of currency movements, reducing some of the volatility caused by movement in exchange rates on the Company's income and equity. The negative impact in net interest expense is expected to continue throughout the year, if currency and interest rates do not change. Additionally, the Company recorded income of \$1.8 million for the provisions of SFAS 157, "Fair Value Measurements."

Other (Income), Net

Other income for the three months ended June 30, 2008, included approximately \$0.4 million of currency transaction gains and \$0.4 million of other non-operating costs. The 2007 period included \$0.4 million of currency translation gains and \$0.1 million of other non-operating losses.

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Income Taxes and Net Income

	Three Months Ended June 30,			
	2008	2007	\$ Change	% Change
	(in millions, except per share data)			
Income tax rates	28.5%	31.6%		
Net income	\$ 78.6	\$ 65.4	\$ 13.2	20.2%
Earnings per common share:				
- Diluted	\$ 0.52	\$ 0.42		

The Company's effective tax rate for the three months ended June 30, 2008 decreased to 28.5% from 31.6% for the same period in 2007. This decrease related to both a lowering of the German tax rate, which was effective as of January 1, 2008, and the benefits from a European legal entity restructuring.

For the period ending June 30, 2008, net income increased \$13.2 million, or 20.2%, to \$78.6 million. Fully diluted earnings per share were \$0.52 in the second quarter 2008, an increase of 23.8% from \$0.42 in the second quarter 2007.

Operating Segment Results

Third Party Net Sales, excluding precious metal content

	Three Months Ended June 30,			
	2008	2007	\$ Change	% Change
	(in millions)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 126.4	\$ 106.2	\$ 20.2	19.0%
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	\$ 112.7	\$ 92.0	\$ 20.7	22.5%
Canada/Latin America/Endodontics/Orthodontics	\$ 167.5	\$ 148.5	\$ 19.0	12.8%
Global Dental Laboratory Business/Implants/Non-Dental	\$ 136.6	\$ 116.3	\$ 20.3	17.5%

Segment Operating Income

	Three Months Ended June 30,			
	2008	2007	\$ Change	% Change
	(in millions)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 44.9	\$ 37.9	\$ 7.0	18.5%
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	\$ 4.3	\$ 4.1	\$ 0.2	4.9%
Canada/Latin America/Endodontics/Orthodontics	\$ 55.1	\$ 45.1	\$ 10.0	22.2%

Global Dental Laboratory Business/
Implants/Non-Dental

\$ 36.3 \$ 28.9 \$ 7.4 25.6%

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United States, Germany, and Certain Other European Regions Consumables Businesses

Net sales increased 19.0% during the three months ended June 30, 2008 compared to 2007. Sales growth was primarily driven by acquisitions completed in 2007 and strong growth in the European consumables businesses. Currency translation contributed to the growth.

Operating income increased \$7.0 million during the three months ended June 30, 2008 compared to 2007. The increase was primarily related to acquisitions completed in 2007 and from stronger sales growth in the period.

France, United Kingdom, Italy, CIS, Middle East, Africa, Pacific Rim Businesses

Net sales increased 22.5% during the three months ended June 30, 2008 compared to 2007. Strong growth occurred across most geographies within the segment. Currency translation contributed to the growth.

Operating income increased \$0.2 million during the three months ended June 30, 2008 compared to 2007. The increase in income was related to sales growth and was primarily offset by cost increases and higher investments to support future growth.

Canada/Latin America/Endodontics/Orthodontics

Net sales increased 12.8% during the three months ended June 30, 2008 compared to 2007. Growth occurred in all the businesses within the segment, especially within our Endodontic, Orthodontic, and Latin America businesses. Currency translation contributed to the growth.

Operating income increased \$10.0 million during the three months ended June 30, 2008 compared to 2007. The increase was driven primarily by sales growth.

Global Dental Laboratory Business/Implants/Non-Dental

Net sales increased 17.5% during the three months ended June 30, 2008 compared to 2007. The increase was led by solid growth of dental implants. Currency translation contributed to the growth.

Operating income increased \$7.4 million during the three months ended June 30, 2008 compared to 2007. The increase was driven primarily by the sales growth in dental implants. In addition, currency translation contributed to the operating profit.

RESULTS OF CONTINUING OPERATIONS, SIX MONTHS ENDED JUNE 30, 2008 COMPARED TO SIX MONTHS ENDED JUNE 30, 2007

Net Sales

The following is a reconciliation of net sales to net sales excluding precious metal content.

	Six Months Ended June 30,		\$ Change	% Change
	2008	2007		
		(in millions)		
Net sales	\$ 1,155.6	\$ 980.2	\$ 175.4	17.9%
Precious metal content of sales	(117.1)	(94.8)	(22.3)	23.5%
Net sales, excluding precious metal content	\$ 1,038.5	\$ 885.4	\$ 153.1	17.3%

The net sales growth of 17.3%, excluding precious metal content, was comprised of 5.8% of internal growth, 8.3% of foreign currency translation and 3.2% for net acquisitions. The 5.8% of internal growth was comprised of 2.4% in the United States, 8.9% in Europe and 6.8% for all other regions combined.

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Internal Sales Growth

United States

The internal sales growth of 2.4%, excluding precious metal content, in the United States was primarily a result of strong growth in the laboratory business. Specialty businesses growth was impacted by continued softness in the market. Consumables businesses had modest growth for the first half of 2008, excluding anesthetics products. The Company's sales of local anesthetics products were lower in the first half of 2008 due to clearing of large back orders in the second quarter of 2007.

Europe

In Europe, the internal sales growth of 8.9%, excluding precious metal content, was led by strong performance in all of our specialty businesses and solid growth in our consumables businesses.

All Other Regions

The internal sales growth of 6.8%, excluding precious metal content, in all other regions was primarily the result of continued strong sales growth in the specialty businesses and strong regional growth in Asia, Australia, the Middle East, and Latin America.

Gross Profit

Six Months Ended
June 30,

	2008	2007	\$ Change	% Change
		(in millions)		
Gross Profit	\$ 600.7	\$ 515.1	\$ 85.6	16.6%
Gross Profit as a percentage of net sales, including precious metal content	52.0%	52.5%		
Gross Profit as a percentage of net sales, excluding precious metal content	57.8%	58.2%		

The 0.4% decrease in gross profit as a percentage of net sales, excluding precious metal content, for the six months ended June 30, 2008 compared to 2007 was primarily due to recent acquisitions and unfavorable purchase price variances related to the weakening U.S. dollar. Additionally, the Company believes that a significant contraction in the precious metal alloy market, due to the dramatic increase in the price of precious metals over the past few years, continues to negatively impact product mix in the period.

Operating Expenses

	Six Months Ended June 30,		\$ Change	% Change
	2008	2007		
		(in millions)		
Selling, general and administrative expenses ("SG&A")	\$ 384.9	\$ 336.2	\$ 48.7	14.5%
Restructuring and other costs	\$ 1.7	\$ 4.2	\$ (2.5)	(59.5)%
SG&A as a percentage of net sales, including precious metal content	33.3%	34.3%		
SG&A as a percentage of net sales, excluding precious metal content	37.1%	38.0%		

SG&A Expenses

SG&A expenses, measured against net sales, excluding precious metal content, decreased to 37.1% in 2008 from 38.0% in 2007. The decrease is related to leveraging of existing overhead as well as costs associated with our biennial Friadent Worldwide Implant Symposium.

Restructuring and Other Costs, Net

During the six months ended June 30, 2008, the Company recorded restructuring and other costs of \$1.7 million. The costs associated with the six months ended June 30, 2008 related to legal settlements and costs related to restructuring to reduce operational costs. (See also Note 9 to the Unaudited Interim Consolidated Condensed Financial Statements).

Other Income and Expense

	Six Months Ended June 30,		Change
	2008	2007	
	(in millions)		
Net interest expense (income)	\$ 6.3	\$ (3.8)	\$ 10.1
Other expense (income), net	3.1	(0.6)	3.7
Net interest and other expense (income)	<u>\$ 9.4</u>	<u>\$ (4.4)</u>	<u>\$ 13.8</u>

Net Interest Expense (Income)

The change in net interest in 2008 compared to 2007, for the six months ended June 30, was mainly the result of the sharp divergence of lower U.S. dollar interest rates versus increased Euro and Swiss franc interest rates, combined with weaker U.S. dollar average exchange rates against both currencies. This resulted in net expense in 2008 versus net income in 2007 on the Euro and Swiss franc net investment hedges. The impact of the Company's net investment hedges typically move in the opposite direction of currency movements, reducing some of the volatility caused by movement in exchange rates on the Company's income and equity. The negative impact in net interest expense is expected to continue throughout the year, if currency and interest rates do not change. Additionally, the Company recorded income of \$1.8 million for the provisions of SFAS 157, "Fair Value Measurements."

Other Expense (Income), Net

Other expenses in the six months ended June 30, 2008, included approximately \$2.3 million of currency transaction losses and \$0.8 million of other non-operating losses. The 2007 period included \$0.5 million of currency transaction gains and \$0.1 million of other non-operating income.

Income Taxes and Net Income

	Six Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions, except per share data)			
Income tax rates	28.3%	30.8%		
Net income	\$ 146.8	\$ 123.9	\$ 22.9	18.5%
Earnings per common share:				
- Diluted	\$ 0.96	\$ 0.80		

The Company's effective tax rate for the six months ended June 30, 2008 decreased to 28.3% from 30.8% for the same period in 2007.

Net income increased \$22.9 million, or 18.5%, to \$146.8 million in 2008 from \$123.9 million in 2007. Fully diluted earnings per share are \$0.96 in 2008, an increase of approximately 20.0% from \$0.80 in 2007. Net income for the first half of 2008 included restructuring and other costs, net of tax, of \$1.0 million or \$0.01 per diluted share, compared to the second quarter of 2007, which included restructuring and other costs, net of tax, of \$2.7 million, or \$0.02 per diluted share.

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Operating Segment Results

Third Party Net Sales, excluding precious metal content

	Six Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions)			
U.S., Germany, and Certain Other European Regions Consumable Businesses	\$ 248.9	\$ 206.6	\$ 42.3	20.5%
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	\$ 207.9	\$ 172.1	\$ 35.8	20.8%
Canada/Latin America/Endodontics/Orthodontics	\$ 320.4	\$ 282.5	\$ 37.9	13.4%
Global Dental Laboratory Business/Implants/Non-Dental	\$ 263.4	\$ 226.5	\$ 36.9	16.3%

Segment Operating Income

	Six Months Ended June 30,		\$ Change	% Change
	2008	2007		
	(in millions)			
U.S., Germany, and Certain Other European				

Regions Consumable Businesses	\$	88.2	\$	71.8	\$	16.4	22.8%
France, U.K., Italy, CIS, Middle East, Africa, Pacific Rim Businesses	\$	5.6	\$	4.7	\$	0.9	19.1%
Canada/Latin America/Endodontics/ Orthodontics	\$	106.3	\$	87.6	\$	18.7	21.3%
Global Dental Laboratory Business/ Implants/Non-Dental	\$	68.5	\$	57.5	\$	11.0	19.1%

United States, Germany, and Certain Other European Regions Consumables Businesses

Net sales for this group increased 20.5% during the six months ended June 30, 2008 compared to 2007. Sales growth was primarily driven by acquisitions completed in 2007. This segment also benefited from strong growth in consumables businesses in Germany and certain other European regions. Currency translation contributed to the growth.

Operating profit increased \$16.4 million during the six months ended June 30, 2008 compared to 2007. The increase was primarily related to sales growth and acquisitions completed in 2007.

France, United Kingdom, Italy, CIS, Middle East, Africa, Pacific Rim Businesses

Net sales for this group increased 20.8% during the six months ended June 30, 2008 compared to 2007. Strong growth occurred across most geographies within the segment. Currency translation contributed to the growth.

Operating profit increased \$0.9 million during the six months ended June 30, 2008 compared to 2007. The increase in income was related to sales growth and was primarily offset by cost increases and higher investments to support future growth.

Net sales for this group increased 13.4% during the six months ended June 30, 2008 compared to 2007. Growth occurred in all the businesses within the segment. Currency translation contributed to the growth.

Operating profit increased \$18.7 million during the six months ended June 30, 2008 compared to 2007. The increase was driven primarily by sales growth.

Global Dental Laboratory Business/Implants/Non-Dental

Net sales for this group increased 16.3% during the six months ended June 30, 2008 compared to 2007. The growth was led by dental implants. Currency translation contributed to the growth.

Operating profit increased \$11.0 million during the six months ended June 30, 2008 compared to 2007. The increase in operating profits was driven primarily by the sales growth in dental implants. Currency translation contributed to the growth.

CRITICAL ACCOUNTING POLICIES

As discussed in Note 1, Significant Accounting Policies, to the Unaudited Interim Consolidated Condensed Financial Statements, the Company adopted SFAS 157 and SFAS 159 on January 1, 2008.

There have been no other material changes to the Company's disclosure in its 2007 Annual Report on Form 10-K filed February 25, 2008.

LIQUIDITY AND CAPITAL RESOURCES

Six months ended June 30, 2008

Cash flow from operating activities during the six months ended June 30, 2008 was \$139.0 million compared to \$155.1 million during the same period of 2007. While net income increased by \$22.9 million to \$146.8 million, the Company had higher tax payments in 2008 and an increase in working capital compared to prior year. The working capital impact on cash flow was negative for the first six months of 2008 principally due to the days in accounts receivable increasing to 56 from a low of 51 at December 31, 2007.

Investing activities during the first six months of 2008 include capital expenditures of \$36.6 million. The Company expects that capital expenditures will be approximately \$70 to \$75 million for the full year of 2008. The acquisition related activity for the period ended June 30, 2008 of \$2.4 million was related to earn-out payments on acquisitions from prior years.

At June 30, 2008, the Company had authorization to maintain up to 17,000,000 shares of treasury stock under the stock repurchase program as approved by the Board of Directors. Under this program, the Company purchased 2,404,400 shares for \$95.5 million during the first six months of 2008 at an average price of \$39.71. As of June 30, 2008, the Company held 14,047,276 shares of treasury stock. The Company also received proceeds of \$5.7 million as a result of the exercise of 297,637 stock options during the six months ended June 30, 2008.

The Company's long-term borrowings increased by a net of \$94.6 million during the six months ended June 30, 2008. This change, net of exchange, included a net new borrowing of \$77.9 million during the first six months and an increase of \$16.7 million due to exchange rate fluctuations on debt denominated in foreign currencies. At June 30, 2008, the Company's ratio of long-term debt to total capitalization increased to 26.4% compared to 24.1% at December 31, 2007. Also in that same period, the Company's cash, cash equivalents and short-term investments have increased from \$316.3 million to \$423.3 million.

Under its multi-currency revolving credit agreement, the Company is able to borrow up to \$500 million through May 2010. This facility is unsecured and contains certain affirmative and negative covenants relating to its operations and financial condition. The most restrictive of these covenants pertain to asset dispositions and prescribed ratios of indebtedness to total capital and operating income plus depreciation and amortization to interest expense. At June 30, 2008, the Company was in compliance with these covenants. The Company also has available an aggregate \$250 million under two commercial paper facilities; a \$250 million United States facility and a \$250 million U.S. dollar equivalent European facility ("Euro CP facility"). Under the Euro CP facility, borrowings can be denominated in Swiss Francs, Japanese yen, Euros, British pounds sterling and U.S. dollars. The multi-currency revolving credit facility serves as a back-up to these commercial paper facilities. The total available credit under the commercial paper facilities and the multi-currency facility in the aggregate is \$500 million with \$241.7 million outstanding under the multi-currency facility and \$184.0 million outstanding under the commercial paper facilities at June 30, 2008.

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The Company also has access to \$35.1 million in uncommitted short-term financing under lines of credit from various financial institutions. The lines of credit have no major restrictions and are provided under demand notes between the Company and the lending institutions. At June 30, 2008, \$4.7 million is outstanding under these short-term lines of credit. At June 30, 2008, the Company had total unused lines of credit related to the revolving credit agreement and the uncommitted short-term lines of credit of \$104.7 million.

At June 30, 2008, the Company held \$101.4 million of precious metals on consignment from several financial institutions. These consignment agreements allow the Company to acquire the precious metal at market rates at a point in time, which is approximately the same time and for the same price as alloys are sold to the Company's customers. In the event that the financial institutions would discontinue offering these consignment arrangements, and if the Company could not obtain other comparable arrangements, the Company may be required to obtain third party financing to fund an ownership position in the required precious metal inventory levels.

There have been no other material changes to the Company's scheduled contractual cash obligations disclosed in its 2007 Annual Report on Form 10-K filed February 25, 2008. The Company expects on an ongoing basis, to be able to finance cash requirements, including capital expenditures, stock repurchases, debt service, operating leases and potential future acquisitions, from the funds generated from operations and amounts available under its existing credit facilities.

NEW ACCOUNTING PRONOUNCEMENTS

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 141(R) ("SFAS 141(R)", "Business Combinations." It requires the acquiring entity in a business combination to recognize all assets acquired and liabilities assumed in the transaction, establishes the acquisition-date fair value as the measurement objective for all assets acquired and liabilities assumed, and requires the acquirer to disclose the nature and financial effect of the business combination. SFAS 141(R) is effective for fiscal years beginning after December 15, 2008. The Company will adopt SFAS 141(R) in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In December 2007, the FASB issued Statement of Financial Accounting Standards No. 160 ("SFAS 160"), "Noncontrolling Interests in Consolidated Financial Statements." This statement amends Accounting Research Bulletin No. 51, "Consolidated Financial Statements," to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 is effective for fiscal years beginning after December 15, 2008. The Company will adopt SFAS 160 in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In March 2008, the FASB issued Statement of Financial Accounting Standards No. 161 ("SFAS 161"), "Disclosures about Derivative Instruments and Hedging Activities." SFAS 161 is effective for fiscal years beginning after December 15, 2008. This statement amends and expands the disclosure requirements of SFAS 133, "Accounting for Derivative Instruments and Hedging." The Company will adopt SFAS 161 in the first quarter of fiscal year 2009 and is currently evaluating the impact the adoption will have on the Company's financial statements.

In May 2008, the FASB issued Statement of Financial Accounting Standards No. 162 ("SFAS 162"), "The Hierarchy of Generally Accepted Accounting Principles." This statement identifies the sources of accounting principles and the framework for selecting the principles to be used in the preparation of financial statements of nongovernmental entities that are presented in conformity with generally accepted accounting principles.

Item 3 - Quantitative and Qualitative Disclosures About Market Risk

There have been no significant material changes to the market risks as disclosed in the Company's Annual Report on Form 10-K filed for the year ending December 31, 2007.

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities and Exchange Act of 1934, as amended) as of the end of the period covered by this report were effective to provide reasonable assurance that the information required to be disclosed by the Company in reports filed under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC'S rules and forms.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal controls over financial reporting that occurred during the three months ended June 30, 2008 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1 - Legal Proceedings

On January 5, 1999, the Department of Justice filed a Complaint against the Company in the United States District Court in Wilmington, Delaware alleging that the Company's tooth distribution practices violated the antitrust laws and seeking an order for the Company to discontinue its practices. This case has been concluded and the District Court, upon the direction of the Court of Appeals, issued an injunction preventing DENTSPLY from taking action to restrict its tooth dealers from adding new competitive teeth lines. This decision relates only to the distribution of artificial teeth in the United States and, notwithstanding the outcome of this case, the Company is confident that it can continue to develop this business.

Subsequent to the filing of the Department of Justice Complaint in 1999, several private party class actions were filed based on allegations similar to those in the Department of Justice case, on behalf of dental laboratories and denture patients in seventeen states who purchased Trubyte teeth or products containing Trubyte teeth. These cases were transferred to the United States District Court in Wilmington, Delaware. The Court granted the Company's Motion on the lack of standing of the laboratory and patient class actions to pursue damage claims. The Plaintiffs in the laboratory case appealed this decision to the Third Circuit and the Court largely upheld the decision of the District Court in dismissing the Plaintiffs' damages claims against DENTSPLY, with the exception of allowing the Plaintiffs to pursue a damage claim based on a theory of resale price maintenance between the Company and its tooth dealers. The Plaintiffs in the laboratory case filed an amended complaint in the District Court asserting that DENTSPLY and its tooth dealers, and the dealers among themselves, engaged in a conspiracy to violate the antitrust laws. DENTSPLY and the dealers filed Motions to dismiss Plaintiffs' claims, except for the resale price maintenance claims. The District Court has granted the Motions filed by DENTSPLY and the dealers, leaving only the resale price maintenance claim. The Plaintiffs have appealed the dismissal of their claims to the Third Circuit. Additionally, manufacturers of two competitive tooth lines and a dealer, as a putative class action, have filed separate actions seeking unspecified damages alleged to have been incurred as a result of the Company's tooth distribution practice found to be a violation of the antitrust law.

On June 18, 2004, Marvin Weinstat, DDS and Richard Nathan, DDS filed a class action suit in San Francisco County, California alleging that the Company misrepresented that its Cavitron® ultrasonic scalers are suitable for use in oral surgical procedures. The Complaint seeks a recall of the product and refund of its purchase price to dentists who have purchased it for use in oral surgery. The Court certified the case as a class action in June 2006 with respect to the breach of warranty and unfair business practices claims. The class is defined as California dental professionals who purchased and used one or more Cavitron® ultrasonic scalers for the performance of oral surgical procedures. The Company filed a motion for decertification of the class and this motion was granted. Plaintiffs have appealed the decertification of the class to the California Court of Appeals.

On December 12, 2006, a Complaint was filed by Carole Hildebrand, DDS and Robert Jaffin, DDS in the Eastern District of PA. The case was filed by the same law firm that filed the Weinstat case in California. The Complaint asserts putative class action claims on behalf of dentists located in New Jersey and Pennsylvania based on assertions that the Company's Cavitron® ultrasonic scaler was negligently designed and sold in breach of contract and warranty arising from misrepresentations about the potential uses of the product because it cannot assure the delivery of potable or sterile water. The Complaint seeks damages for the allegedly defective product. Plaintiffs have filed their Motion for class certification to which the Company has filed its response.

Item 1A – Risk Factors

There have been no significant material changes to the risks factors as disclosed in the Company's Annual Report on Form 10-K filed for the year ending December 31, 2007.

Item 2 - Unregistered Sales of Securities and Use of Proceeds

At June 30, 2008, the Company had authorization to maintain up to 17,000,000 shares of treasury stock under the stock repurchase program as approved by the Board of Directors. During the quarter ended June 30, 2008, the Company had the following activity with respect to this repurchase program:

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Cost of Shares Purchased	Number of Shares that May be Purchased Under the Share Repurchase Program
(in thousands, except per share amounts)				
April 1-30, 2008	-	\$ -	\$ -	3,063.5
May 1-31, 2008	-	-	-	3,151.4
June 1-30, 2008	<u>200.4</u>	38.14	<u>7,643.3</u>	2,952.7
	<u><u>200.4</u></u>	\$ 38.14	<u><u>\$ 7,643.3</u></u>	

Item 4 - Submission of Matters to Vote of Security Holders

(a) On May 13, 2008, the Company held its 2008 Annual Meeting of Shareholders.

(b) The following matters were voted upon at the Annual Meeting, with the results indicated:

1. Election of Class I Directors:

Nominee	Votes For	Votes Withheld
Michael C. Alfano	124,644,955	11,819,541
Eric K. Brandt	125,575,082	10,889,414
William F. Hecht	125,065,571	11,398,925
Francis J. Lungert	125,610,281	10,854,215

2. Proposal to ratify the appointment of PricewaterhouseCoopers LLP, independent registered public accounting firm, to audit the financial statements of the Company and to audit the Company's internal control over financial reporting for the year ending December 31, 2008:

Votes For:	134,375,641
Votes Against:	1,993,259
Abstentions:	95,596

3. Proposal to require the Company to prepare a sustainability report:

Votes For:	36,482,809
Votes Against:	66,068,838
Abstentions:	20,010,371
Broker Non-Votes:	13,902,478

Item 5 – Other Information

Effective July 28, 2008, the Board of Directors of the Company amended the By-Laws of the Company. A complete copy of the Amended and Restated By-Laws is included as an exhibit to this 10-Q. The following is a description of the amendments other than editorial changes.

Previously, Article I, Section 1 of the By-Laws required the Board to establish the date, time and place of the Annual Meeting within 75 days following the close of the Company's fiscal year. This provision has been amended to delete the 75-day deadline and to instead provide that the Annual Meeting shall be held on such date and time as designated by the Board.

Article I, Section 6 of the By-Laws previously provided that a majority of the shares represented at a stockholder meeting at the time of adjournment may adjourn the meeting. This provision has been amended to remove specific reference to adjournment by stockholders and to more generally provide that stockholders' meetings may be adjourned from time to time.

Sections 11 and 12 previously provided different notice periods for stockholder proposals and stockholder nominations for directors. These sections have been amended to: (i) apply the same notice periods to both stockholder proposals and stockholder nominations, (ii) amend the notice period from 60 days to a time period of not less than 90, and not more than 120 days, prior to the anniversary date of the annual meeting, (iii) provide a separate notice period in the event the annual meeting is more than 25 days before or after the anniversary date of the prior year's annual meeting and (iv) expand the disclosure required in the stockholder's written notice to cover hedging and derivative transactions of such stockholder.

Previously, Article IV, Section 1 of the By-Laws provided that shares of the Company's stock shall be certificated and Article IV, Section 2 of the By-Laws provided for the transfer of shares with respect to certificated shares only. Sections 1 and 2 have been amended to provide for issuance and transfer of uncertificated shares.

Item 6 - Exhibits

Exhibit Number

- 3.1 By-Laws, as amended.
- 10.1 Board Compensation Agreement.
- 31 Section 302 Certification Statements.
- 32 Section 906 Certification Statement.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

DENTSPLY International Inc.

/s/ Bret W. Wise July 30, 2008
Bret W. Wise Date
Chairman of the Board, Chief Executive Officer
and President

/s/ William R. Jellison July 30, 2008
William R. Jellison Date
Senior Vice President
and Chief Financial Officer

AMENDED AND RESTATED BY-LAWS

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**AMENDED AND RESTATED BY-LAWS
OF
DENTSPLY INTERNATIONAL INC.**

(Formerly GENDEX Corporation)

ARTICLE I

STOCKHOLDERS' MEETINGS

Section 1. Annual Meetings. The annual meeting of the stockholders, for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting, shall be held on such date and at such time as shall be designated from time to time by the Board of Directors.

Section 2. Special Meetings. Except as otherwise required by law and subject to the rights of the holders of any class or series of capital stock having a preference over the common stock as to dividends or upon liquidation, special meetings of stockholders of the corporation may be called only by the Chairman of the Board, the Chief Executive Officer or the President pursuant to a resolution adopted by the Board of Directors.

Section 3. Place of Meeting. The Board of Directors may designate any place, either within or without the State of Delaware, as the place of meeting for any annual meeting, or for any special meeting called pursuant to Article I, Section 2, above. A waiver of notice signed by all stockholders entitled to vote at a meeting may designate any place, either within or without the State of Delaware, as the place for the holding of such meeting. If no designation is made, or if a special meeting shall be otherwise called, the place of meeting shall be the principal office of the corporation.

Section 4. Notice of Meeting. Written notice stating the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) nor more than sixty (60) days before the date of the meeting either personally or by mail, by or at the discretion of the Chief Executive Officer, the President or the officer or persons calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the stockholder at his address as it appears on the stock record books of the corporation, with postage thereon prepaid.

Section 5. Fixing of Record Date. For the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors of the corporation may fix, in advance, a date as the record date for any such determination of stockholders, such date in any case to be not more than sixty (60) nor less than ten (10) days prior to the date of any proposed meeting of stockholders. In no event shall the stock transfer books be closed. When a determination of stockholders entitled to vote at any meeting of stockholders has been made as provided in this Section, such determination shall be applied to any adjournment thereof.

(a) For the purpose of determining stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights, or in order to make a determination of stockholders for any other lawful purpose, the Board of Directors of the corporation may fix a date as the record date for any such determination of stockholders, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. In no event shall the stock transfer books be closed.

Section 6. Quorum. A majority of the outstanding shares of the corporation entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of stockholders. Provided that a meeting has been duly convened in accordance herewith, any meeting of the stockholders may be adjourned from time to time without further notice. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. Any meeting (a) at which all of the outstanding shares are present in person or represented by proxy and at which none of such shares attend for the purpose of objecting, at the beginning of the meeting, to the transaction of any business thereat because the meeting was not lawfully called or convened, or (b) at which all of the outstanding stock has waived notice, or (c) for which notice shall have been duly given as provided herein, shall be deemed a properly constituted meeting of the stockholders.

Section 7. Proxies. At all meetings of stockholders, a stockholder entitled to vote may vote by proxy appointed in writing by the stockholder or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the corporation before or at the time of the meeting. An instrument appointing a proxy shall, unless the contrary is stated thereon, be valid only at the meeting for which it has been given or any adjournment thereof.

Section 8. Voting of Shares. At each meeting of stockholders, every stockholder entitled to vote thereat shall be entitled to vote in person or by a duly authorized proxy, which proxy may be appointed by an instrument in writing executed by such stockholder or his duly authorized attorney or through electronic means, if applicable, such as the internet. Subject to the provisions of applicable law and the corporation's Certificate of Incorporation, each holder of common stock shall be entitled to one (1) vote for each share of stock standing registered in his name at the close of business on the day fixed by the Board of Directors as the record date for the determination of the stockholders entitled to notice of and vote at such meeting. Shares standing in the name of another corporation may be voted by any officer of such corporation or any proxy appointed by any officer of such corporation in the absence of express notice of such corporation given in writing to the Secretary of this corporation in connection with the particular meeting, that such officer has no authority to vote such shares.

Section 9. List of Stockholders. A complete list of the stockholders entitled to vote at the ensuing meeting, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder, shall be prepared by the Secretary, or other officer of the corporation having charge of said stock ledger. Such list shall be open to the examination of any stockholder during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either at a place within the city where the meeting is to be held, which place shall be specified in the notice of the meeting, or, if not so specified, at the place where said meeting is to be held, and the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and shall be subject to the inspection of any stockholder who may be present.

Section 10. Waiver of Notice by Stockholders. Whenever any notice whatever is required to be given to any stockholder of the corporation under the provisions of these By-Laws or under the provisions of the Certificate of Incorporation or under the provisions of any statute, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the stockholder entitled to such notice, shall be deemed equivalent to the giving of such notice.

Section 11. Advance Notice of Stockholder-Proposed Business at Annual Meetings. No business may be transacted at an annual meeting of stockholders, other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the annual meeting by any stockholder of the corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 11 and on the record date for the determination of stockholders entitled to notice of and to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 11.

In addition to any other applicable requirements, for business to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs.

To be in proper written form, a stockholder's notice to the Secretary must set forth as to each matter such stockholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting, the reasons for conducting such business at the annual meeting and any material interest in such business of such stockholder and any Stockholder Associated Person (as defined below), individually or in the

aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom, (ii) the name and record address of such stockholder, (iii) as to the stockholder giving the notice and any Stockholder Associated Person, (A) the class, series and number of all shares of stock of the corporation which are owned by such stockholder and by such Stockholder Associated Person, if any, (B) the nominee holder for, and number of, shares owned beneficially but not of record by such stockholder and by any such Stockholder Associated Person, and (C) any derivative positions held or beneficially held by the stockholder and by any such Stockholder Associated Person and whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit of share price changes for, or to increase or decrease the voting power of, such stockholder or any such Stockholder Associated Person with respect to any share of stock of the corporation; (iv) as to the stockholder giving the notice and any Stockholder Associated Person covered by clause (iii) of this paragraph, the name and address of such stockholder, as they appear on the corporation's stock ledger, and current name and address, if different, and of such Stockholder Associated Person; (v) a description of all proxy, contract, arrangement, understanding, or relationship between such stockholder and any other person or persons (including their names) in connection with the proposal of such business by such stockholder; and (vi) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

Notwithstanding anything in these By-Laws to the contrary, no business shall be conducted at the annual meeting except business brought before the annual meeting in accordance with the procedures set forth in this Section 11; provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 11 shall be deemed to preclude discussion by any stockholder of any such business. If the chairman of an annual meeting determines that business was not properly brought before the annual meeting in accordance with the foregoing procedures, the chairman shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

For purposes of this Section 11 and of Section 12 of this Article I, "Stockholder Associated Person" of any stockholder shall mean (i) any person controlling, directly or indirectly, or acting in concert with, such stockholder, (ii) any beneficial owner of shares of stock of the corporation owned of record or beneficially by such stockholder and (iii) any person controlling, controlled by or under common control with such Stockholder Associated Person.

Section 12. Procedure for Nomination of Directors. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the corporation, except as may be otherwise provided in the Certificate of Incorporation with respect to the right of holders of preferred stock of the corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section

12 and on the record date for the determination of stockholders entitled to notice of and to vote at such meeting and (ii) who complies with the notice procedures set forth in this Section 12.

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the corporation (a) in the case of an annual meeting, not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made, whichever first occurs; and (b) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made,

To be in proper written form, a stockholder's notice to the Secretary must set forth (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the corporation which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice and any Stockholder Associated Person, (i) the name and record address of such stockholder, (ii) the class, series and number of all shares of stock of the corporation which are owned by such stockholder and by such Stockholder Associated Person, if any, (iii) the nominee holder for, and number of, shares owned beneficially but not of record by such stockholder and by any such Stockholder Associated Person, (iv) any derivative positions held or beneficially held by the stockholder and by any such Stockholder Associated Person and whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any short position or any borrowing or lending of shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit of share price changes for, or to increase or decrease the voting power of, such stockholder or any such Stockholder Associated Person with respect to any share of stock of the corporation, (v) a description of all arrangements or understandings between such stockholder or any such Stockholder Associated Person and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (vi) as to the stockholder giving the notice, a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (vii) any other information relating to the stockholder giving the notice that would be required to be disclosed in a proxy statement or other filings required to be made in connection with

solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. 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.

NO PERSON SHALL BE ELIGIBLE FOR ELECTION AS A DIRECTOR OF THE CORPORATION UNLESS NOMINATED IN ACCORDANCE WITH THE PROCEDURES SET FORTH IN THIS SECTION 12. IF THE CHAIRMAN OF THE MEETING DETERMINES THAT A NOMINATION WAS NOT MADE IN ACCORDANCE WITH THE FOREGOING PROCEDURES, THE CHAIRMAN SHALL DECLARE TO THE MEETING THAT THE NOMINATION WAS DEFECTIVE AND SUCH DEFECTIVE NOMINATION SHALL BE DISREGARDED.

ARTICLE II

BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the corporation shall be managed by its Board of Directors. The Board of Directors may adopt, amend or repeal by-laws adopted by the Board or by the stockholders.

Section 2. Number of Directors, Tenure and Qualifications. The number of members of the Board of Directors shall be not less than three (3) nor more than thirteen (13), as determined from time to time by the Board of Directors. The directors need not be stockholders of the corporation. The directors shall be divided into three (3) classes, designated Class I, Class II and Class III. Each class shall consist, as nearly as may be possible, of one-third (1/3) of the total number of directors constituting the entire Board of Directors. Effective immediately upon the filing of the Certificate of Incorporation of the corporation dated June 11, 1993, Class I directors shall be elected for a term ending upon the next succeeding annual meeting of stockholders, Class II directors for a term ending upon the second succeeding annual meeting of stockholders and Class III directors for a term ending upon the third succeeding annual meeting of stockholders. At each succeeding annual meeting of stockholders beginning with the annual meeting immediately succeeding the filing of the Certificate of Incorporation, successors to the class of directors whose term expires at such annual meeting shall be elected for a three-year term. If the number of directors is changed, any increase or decrease shall be apportioned among the classes so as to maintain the number of directors in each class as nearly equal as possible, and any additional director of any class elected to fill a vacancy resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case will a decrease in the number of directors shorten the term of any incumbent director. A director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor shall be elected and shall qualify, subject, however, to prior death, resignation, incapacitation or removal from office, and except as otherwise required by law. In the event such election is not held at the annual meeting of stockholders, it shall be held at any adjournment thereof or a special meeting.

Section 3. Regular Meetings. Regular meetings of the Board of Directors shall be held without any other notice than this By-Law immediately after, and at the same place as, the annual meeting of stockholders, and each adjourned session thereof. The Board of Directors

may designate the time and place, either within or without the State of Delaware, for the holding of additional regular meetings without other notice than such designation.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Chief Executive Officer, the President or by members of the Board of Directors constituting no less than three-fourths (3/4) of the total number of directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix any place either within or without the State of Delaware, as the place for holding any special meeting of the Board of Directors called by them.

Section 5. Notice. Notice of any special meeting shall be given at least five (5) days previously thereto by written notice delivered or mailed to each director at his last known address, or at least forty-eight (48) hours previously thereto by personal delivery or by facsimile to a telephone number provided to the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice is given by facsimile, such notice shall be deemed to be delivered when transmitted with receipt confirmed. Whenever any notice whatever is required to be given to any director of the corporation under the provisions of these By-Laws or under the provisions of the Certificate of Incorporation or under the provisions of any statute, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Quorum. Two-Thirds (2/3) of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Manner of Acting. The act of the majority of the directors then in office shall be the act of the Board of Directors, unless the act of a greater number is required by these By-Laws or By-Law.

Section 8. Vacancies. Except as otherwise required by law, any vacancy on the Board of Directors that results from an increase in the number of directors shall be filled only by a majority of the Board of Directors then in office, provided that a quorum is present, and any other vacancy occurring on the Board of Directors shall be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. Any director elected to fill a vacancy not resulting from an increase in the number of directors shall have the same remaining term as that of his or her predecessor. The resignation of a director shall be effective upon receipt by the corporation, unless some subsequent time is fixed in the resignation, and then from that time. Acceptance of such resignation by the corporation shall not be required.

Section 9. Compensation. The Board of Directors, by affirmative vote of a majority of the directors, and irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the corporation as directors, officers or otherwise, or may delegate such authority to an appropriate committee.

Section 10. Presumption of Assent. A director of the corporation who is present at a meeting of the Board of Directors or a committee thereof at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof. Such right to dissent shall not apply to a director who voted in favor of such action.

Section 11. Committees. The Board of Directors by resolution may designate one (1) or more committees, each committee to consist of one (1) or more directors elected by the Board of Directors, which to the extent provided in such resolution, as initially adopted, and as thereafter supplemented or amended by further resolution adopted by a like vote, shall have and may exercise, when the Board of Directors is not in session, the powers of the Board of Directors in the management of the business and affairs of the corporation, except action with respect to amendment of the Certificate of Incorporation or By-Laws, adoption of an agreement of merger or consolidation (other than the adoption of a Certificate of Ownership and Merger in accordance with Section 253 of the General Corporation Law of the State of Delaware, as such law may be amended or supplemented), recommendation to the stockholders of the sale, lease or exchange of all or substantially all of the corporation's property or assets, recommendation to the stockholders of the dissolution or the revocation of a dissolution of the corporation, election of officers or the filling of vacancies on the Board of Directors or on committees created pursuant to this Section or declaration of dividends. The Board of Directors may elect one (1) or more of its members as alternate members of any such committee who may take the place of any absent or disqualified member or members at any meeting of such committee, upon request by the Chairman of the Board, the Chief Executive Officer or the President or upon request by the chairman of such meeting. Each such committee may fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

Section 12. Removal of Directors. Exclusive of directors, if any, elected by the holders of one (1) or more classes of preferred stock, no director of the corporation may be removed from office, except for cause and by the affirmative vote of two-thirds (2/3) of the outstanding shares of capital stock of the corporation entitled to vote at a meeting of the stockholders duly called for such purpose. As used in this Article II, the meaning of "cause" shall be limited to malfeasance arising from the performance of a director's duty which has a materially adverse effect on the business of the corporation.

Section 13. Action of the Board by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting of the Board of Directors or any committee thereof if prior to such action a written consent thereto is signed by all members of the Board or of the committee, as the case may be, and such written consent is filed with the minutes of the proceedings of the Board or the committee.

Section 14. Conferences. Members of the Board of Directors or any committee designated by the Board may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this Section 14 shall constitute presence in person at such meeting.

ARTICLE III

OFFICERS

Section 1. Number. The officers of the corporation shall consist of a Chairman of the Board and a Chief Executive Officer. The Board of Directors may appoint as officers a Vice Chairman of the Board, President, such number of Senior Vice Presidents and Vice Presidents, a Secretary, a Treasurer, one (1) or more Assistant Treasurers, one (1) or more Assistant Secretaries, and such other officers as are created by the Board from time to time. The same person may hold two (2) or more of such offices.

Section 2. Election and Term of Office. The Chairman of the Board and the Vice Chairman of the Board shall be elected by the directors from among their own number; other officers need not be directors. In addition to the powers conferred upon them by these By-Laws, all officers elected or appointed by the Board of Directors shall have such authority and shall perform such duties as from time to time may be prescribed by the Board of Directors by resolution.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors, whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4. Chairman of the Board. The Chairman of the Board shall preside at all meetings of the Board of Directors and meetings of the stockholders. He shall also perform such other duties as from time to time may be assigned to him by the Board of Directors.

Section 5. Vice Chairman of the Board. In the absence of the Chairman of the Board because of death or physical disability which prevents the Chairman of the Board from performing his duties, or in the event of his inability or refusal to act, the Vice Chairman of the Board shall perform the duties of the Chairman of the Board and, when so acting, have the powers of and be subject to all of the restrictions upon the Chairman of the Board.

Section 6. Chief Executive Officer. The Chief Executive Officer shall be the principal executive officer of the corporation and shall have the general charge of and control over the business, affairs and personnel of the corporation, subject to the authority of the Board of Directors. The Chief Executive Officer may, together with the Secretary, sign all certificates for shares of the capital stock of the corporation and shall perform such other duties as shall be delegated to him by the Board of Directors. Except as may be specified by the Board of Directors, the Chief Executive Officer shall have the power to enter into contracts and make

commitments on behalf of the corporation and shall have the right to execute deeds, mortgages, bonds, contracts and other instruments necessary or proper to be executed in connection with the corporation's regular business and may authorize the President, and any other officer of the corporation, to sign, execute and acknowledge such documents and instruments in his place and stead.

Section 7. President. The President shall be the chief operating officer of the corporation, and shall report to the Chief Executive Officer. The President may, together with the Secretary, sign all certificates for shares of the capital stock of the corporation and may, together with the Secretary, execute on behalf of the corporation any contract, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or the Chief Executive Officer to some other officer or agent, and shall perform such duties as are assigned to him by the Board of Directors or the Chief Executive Officer.

Section 8. Senior Vice President and Vice Presidents. Each Senior Vice President or Vice President shall perform such duties and have such authority as from time to time may be assigned to him by the Board of Directors, the Chief Executive Officer or the President.

Section 9. Secretary and Assistant Secretaries. The Secretary shall have custody of the seal of the corporation and of all books, records and papers of the corporation, except such as shall be in the charge of the Treasurer or some other person authorized to have custody and be in possession thereof by resolution of the Board of Directors. The Secretary shall record the proceedings of the meetings of the stockholders and of the Board of Directors in books kept by him for that purpose and may, at the direction of the Board of Directors, give any notice required by statute or by these By-Laws of all such meetings. The Secretary shall, together with the Chief Executive Officer or the President, sign certificates for shares of the capital stock of the corporation. Any Assistant Secretaries elected by the Board of Directors, in order of their seniority, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary as aforesaid. The Secretary or any Assistant Secretary may, together with the Chief Executive Officer, the President or any other authorized officer, execute on behalf of the corporation any contract which has been approved by the Board of Directors, and shall perform such other duties as the Board of Directors, the Chief Executive Officer or the President shall prescribe.

Section 10. Treasurer and Assistant Treasurer. The Treasurer shall keep accounts of all moneys of the corporation received and disbursed, and shall deposit all monies and valuables of the corporation in its name and to its credit in such banks and depositories as the Board of Directors shall designate. Any Assistant Treasurers elected by the Board of Directors, in order of their seniority, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and shall perform such other duties as the Board of Directors, the Chief Executive Officer or the President shall prescribe.

Section 11. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

Section 12. Representation in Other Companies. Unless otherwise ordered by the Board of Directors, the Chief Executive Officer, the President or a Vice President designated by the President shall have full power and authority on behalf of the corporation to attend and to act and to vote at any meetings of security holders of corporations in which the corporation may hold securities, and at such meetings shall possess and may exercise any and all rights and powers incident to the ownership of such securities, and which as the owner thereof the corporation might have possessed and exercised, if present. The Board of Directors by resolution from time to time may confer like powers upon any other person or persons.

ARTICLE IV

STOCK AND TRANSFER OF STOCK

Section 1. Shares of Stock. The shares of capital stock of the corporation shall be represented by a certificate, unless and until the Board of Directors of the corporation adopts a resolution permitting shares to be uncertificated. Notwithstanding the adoption of any such resolution providing for uncertificated shares, every holder of capital stock of the corporation theretofore represented by certificates and, upon request, every holder of uncertificated shares, shall be entitled to have a certificate for shares of capital stock of the corporation signed by the Chief Executive Officer or the President and by the Secretary. To the extent that shares are represented by certificates, the certificates shall be in such form as shall be determined by the Board of Directors and shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. With respect to certificated shares of stock, all certificates surrendered to the corporation for transfer shall be canceled and no new certificate or uncertificated shares shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed or mutilated certificate, a new certificate or uncertificated shares may be issued therefor upon such terms and indemnity to the corporation as the Board of Directors may prescribe.

Section 2. Transfer of Shares. Stock of the corporation shall be transferable in the manner prescribed by applicable law and in these By-Laws. Transfers of stock shall be made on the books of the corporation, and in the case of certificated shares of stock, only by the person named in the certificate or by such person's attorney lawfully constituted in writing and upon the surrender of the certificate therefor, properly endorsed for transfer and payment of all necessary transfer taxes; or, in the case of uncertificated shares of stock, upon receipt of proper transfer instructions from the registered holder of the shares or by such person's attorney lawfully constituted in writing, and upon payment of all necessary transfer taxes and compliance with appropriate procedures for transferring shares in uncertificated form; provided, however, that such surrender and endorsement, compliance or payment of taxes shall not be required in any case in which the officers of the corporation shall determine to waive such requirement. Prior to due presentment for registration of transfer of a certificate representing shares of capital stock of the corporation or of proper transfer instructions with respect to uncertificated shares, the corporation may treat the registered owner of such shares as the person exclusively entitled to vote, to receive notifications and otherwise to exercise all the rights and powers of an owner. Where a certificate for shares is presented to the corporation with a request to register for transfer, the corporation

shall not be liable to the owner or any other person suffering loss as a result of such registration of transfer if (a) there were on or with the certificate the necessary endorsements, and (b) the corporation had no duty to inquire into adverse claims or has discharged any such duty. The corporation may require reasonable assurance that said endorsements are genuine and effective and in compliance with such other regulations as may be prescribed under the authority of the Board of Directors.

ARTICLE V

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 1. Indemnification Generally. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or is alleged to have violated the Employee Retirement Income Security Act of 1974, as amended, against expenses (including attorneys' fees), judgments, fines, penalties, and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. Indemnification in Actions By or In the Right Of the Corporation. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense and settlement of such action or suit if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Delaware Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Delaware Court of Chancery or such other court shall deem proper.

Section 3. Success on the Merits; Indemnification Against Expenses. To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or Section 2 of this Article V, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

Section 4. Determination that Indemnification is Proper. Any indemnification under Section 1 or Section 2 of this Article V, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances under the standard of conduct set forth in such Section 1 or Section 2 of this Article V, as the case may be. Such determination shall be made:

- (a) By the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding;
- (b) If such a quorum is not obtainable, or, even if obtainable if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion; or
- (c) By the stockholders.

Section 5. Insurance; Indemnification Agreements. The corporation may, but shall not be required to, supplement the right of indemnification under this Article V by any lawful means, including, without limitation by reason of [remuneration], (i) the purchase and maintenance of insurance on behalf of any one or more of such indemnitees, whether or not the corporation would be obligated to indemnify such person under this Article V or otherwise, and (ii) individual or group indemnification agreements with any one or more of such indemnities.

Section 6. Advancement of Expenses. Expenses (including attorneys' fees) incurred by an indemnitee in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the corporation in advance of the final disposition of such action; , suit or proceeding upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that he or she is not entitled to be indemnified by the corporation as to such amounts.

Section 7. Rights Not Exclusive. The indemnification and advancement of expenses provided by this Article V shall be not deemed exclusive of any other right to which an indemnified person may be entitled under Section 145 of the General Corporation Law of the State of Delaware (or any successor provision) or otherwise under applicable law, or under any agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 8. Severability. To the extent that any court of competent jurisdiction shall determine that the indemnification provided under this Article V shall be

invalid as applied to a particular claim, issue or matter, the provisions hereof shall be deemed amended to allow indemnification to the maximum extent permitted by law.

Section 9. Modification. This Article V shall be deemed to be a contract between the corporation and each previous, current or future director, officer, employee or agent. The provisions of this Article V shall be applicable to all actions, claims, suits or proceedings, commenced after the adoption hereof, whether arising from any action taken or failure to act before or after such adoption. No amendment, modification or repeal of this Article V shall diminish the rights provided hereby or diminish the right to indemnification with respect to any claim, issue or matter in any then pending or subsequent proceeding which is based in any material respect from any alleged action or failure to act prior to such amendment, modification or repeal.

BOARD COMPENSATION ARRANGEMENT – July 2008

----- Annual Retainer Fee	\$40,000.00
----- ----- Committee Chair Annual Fee	\$7,500.00
----- ----- Audit Committee Chair Annual Fee	\$10,000.00
----- ----- Lead Director Annual Fee	\$10,000.00
----- ----- In-Person Board/Committee Meeting Attendance Fee	\$1,500.00
----- ----- Telephone Board/Committee Meeting Attendance Fee	\$1,000.00
----- ----- Equity Incentive Grants	As determined periodically by the Board of Directors. Currently, annual grants with a value of \$115,000 based on a Black-Scholes valuation

Section 302 Certifications Statement

I, Bret W. Wise, certify that:

1. I have reviewed this Form 10-Q of DENTSPLY International Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 30, 2008

/s/ Bret W. Wise
Bret W. Wise
Chairman of the Board, Chief Executive Officer
and President

Section 302 Certifications Statement

I, William R. Jellison, certify that:

1. I have reviewed this Form 10-Q of DENTSPLY International Inc;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal controls over financial reporting, or caused such internal controls over financial reporting to be designed under their supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal controls over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 30, 2008

/s/ William R. Jellison
William R. Jellison
Senior Vice President
and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of DENTSPLY International Inc. (the "Company") on Form 10-Q for the period ending June 30, 2008 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), We, Bret W. Wise, Chairman of the Board of Directors, President, and Chief Executive Officer of the Company and William R. Jellison, Senior Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge and belief:

- (1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company as of the date of the Report.

/s/ Bret W. Wise
Bret W. Wise
Chairman of the Board, Chief Executive Officer
and President

/s/ William R. Jellison
William R. Jellison
Senior Vice President
and Chief Financial Officer

July 30, 2008