

FORM 8-K

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report January 27, 2004
(Date of earliest event reported)

DENTSPLY INTERNATIONAL INC
(Exact name of Company as specified in charter)

| | | |
|--------------------------|-----------------------------|--------------------------------------|
| Delaware | 0-16211 | 39-1434669 |
| (State of Incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

| | |
|--|------------|
| 221 West Philadelphia Street, York, Pennsylvania | 17405 |
| (Address of principal executive offices) | (Zip Code) |

(717) 845-7511
(Company's telephone number including area code)

Item 7. Financial Statements and Exhibits

(a) Financial Statements - Not applicable.

(b) Exhibits:

99.1 The Dentsply International Inc. fourth quarter 2003 sales and earnings release issued January 27, 2004 as referenced in Item 12.

Item 12. - Disclosure of Results of Operations and Financial Condition

The following information is furnished pursuant to Item 12, "Disclosure of Results of Operations and Financial Condition."

On January 27, 2004, the Company issued a press release disclosing its fourth quarter 2003 sales and earnings. This earnings release references net sales excluding precious metal content. 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, the Company reports sales both with and without precious metals to show the Company's performance independent of precious metal price volatility and to enhance comparability of performance between periods. A copy of the Company's press release is attached hereto as Exhibit (99.1) and is hereby incorporated by reference.

SIGNATURES

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

DENTSPLY INTERNATIONAL INC
(Company)

/s/Bret W. Wise
Bret W. Wise
Senior Vice President and
Chief Financial Officer

Date: January 28, 2004

NEWS

For Further
Information
Contact:

Bret W. Wise
Senior Vice President and
Chief Financial Officer
(717) 849-4718

FOR IMMEDIATE RELEASE

Dentsply International Inc.
Reports Record Sales and Earnings for 2003
and Fourth Quarter

York, PA - January 27, 2004 -- DENTSPLY International Inc. (NASDAQ-XRAY) today announced record sales and earnings for the year ended December 31, 2003. Sales in 2003 increased 10.8% to \$1.57 billion compared to \$1.42 billion reported for 2002. Sales excluding precious metals, increased 11.0% for all of 2003. Sales growth was aided by currency translation as the US dollar weakened throughout 2003.

Net income for 2003 was \$174.2 million, a 17.7% increase compared to 2002 and earnings per diluted share were \$2.16, a 16.7% increase compared to \$1.85 in 2002.

Income from continuing operations was \$169.9 million for 2003, \$2.11 per diluted share, an increase of 18.2% compared to income from continuing operations of \$143.6 million, \$1.80 per diluted share for all of 2002. The 2003 period includes pre-tax charges of \$3.7 million relating to restructuring activities to consolidate the Company's lab business in the United States and the impairment of certain investments in emerging dental technology that the Company has concluded are no longer viable. The 2003 period also includes pre-tax gains of \$7.4 million relating to the Company's investment in PracticeWorks which was sold in the fourth quarter of 2003. The 2002 period includes a pre-tax gain on an insurance settlement and the reversal of a restructuring reserve of \$2.7 million.

The Company previously announced that it had entered into an agreement to sell its dental equipment business in a transaction that is expected to close in the first quarter of 2004. In addition, the Company recently announced that it was discontinuing its dental needle business in 2004. Both of these businesses are shown as discontinued operations for all periods presented. Income from discontinued operations was \$4.3 million for both 2003 and 2002.

Sales in the fourth quarter of 2003 increased 11.9% to a record of \$429.7 million compared to \$384.0 million in 2002. Sales, excluding precious metal content, increased 11.4% in the quarter to \$372.0 million. Sales growth in the quarter was positively influenced by the weakening of the US dollar versus certain key foreign currencies.

Net income for the fourth quarter of 2003 was \$50.4 million, a 19.2% increase compared to 2002, and earnings per diluted share were \$.62, a 17.0% increase compared to \$.53 in the fourth quarter of 2002.

Income from continuing operations was \$48.7 million, \$.60 per diluted share, for the 2003 fourth quarter, a 19.4% increase compared to \$40.8 million, \$.51 per diluted share, for the 2002 period. Income from continuing operations for the fourth quarter of 2003 includes the restructuring and other charges of \$3.7 million mentioned above and a pre-tax gain on the PracticeWorks investment of \$5.8 million realized during the quarter. Income from

discontinued operations was \$1.7 million for the fourth quarter of 2003 compared to \$1.5 million in the 2002 quarter.

Gary K. Kunkle, Vice Chairman and Chief Executive Officer commented that, "We are pleased to announce another year of record setting performance in 2003. This year we continued our strategic focus on developing new innovative products to improve the practice of dentistry. Recently, we announced that the Food and Drug Administration has approved Oraqix(R) our new dental anesthetic for periodontal treatment. This was a significant step in bringing this product to market in the United States. We now expect to launch Oraqix(R) in the United States in the second half of 2004. New product opportunities, combined with our expectations of accelerated growth in the dental consumables market and a recovery in the lab side of the market, position us well for continued strong results in 2004."

DENTSPLY Conference Call Information

DENTSPLY will hold a conference call on Wednesday, January 28, 2004 at 8:30 AM Eastern Time. To access the call, dial (877) 885-5820 (for domestic calls) and (706) 643-9578 (for international calls). This conference call will be broadcast live on the Internet at www.dentsply.com. An audio replay of the conference call will be available for two weeks. To access the replay, please dial (800) 642-1687 (for domestic calls) and (706) 645-9291 (for international calls). Call I.D.: 496033.

DENTSPLY designs, develops, manufactures and markets a broad range of products for the dental market. The Company believes that it is the world's leading manufacturer and distributor of dental prosthetics, precious metal dental alloys, dental ceramics, endodontic instruments and materials, prophylaxis paste, dental sealants, ultrasonic scalers, and crown and bridge materials; the leading United States manufacturer and distributor of dental handpieces, intraoral cameras, dental x-ray film holders, film mounts and bone substitute/grafting materials; and a leading worldwide manufacturer or distributor of dental injectible anesthetics, impression materials, orthodontic appliances, dental cutting instruments and dental implants. The Company distributes its dental products in over 120 countries under some of the most well established brand names in the industry.

DENTSPLY is committed to the development of innovative, high quality, cost-effective new products for the dental market.

This press release contains forward-looking statements regarding future events or the future financial performance of the company. Actual events or results may differ materially from those in the projections or other forward-looking statements set forth herein as a result of certain risk factors. These risk factors include without limitation; the continued strength of dental markets, the timing, success and market reception for our new product introductions, and changes in the general economic environment that could affect our business.

For an additional description of risk factors, please refer to the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

| | THREE MONTHS ENDED December 31, | | TWELVE MONTHS ENDED December 31, | |
|--|------------------------------------|------------|-------------------------------------|--------------|
| | 2003 | 2002 | 2003 | 2002 |
| NET SALES | \$ 429,708 | \$ 384,048 | \$ 1,570,925 | \$ 1,417,600 |
| NET SALES - Ex Precious Metals | \$ 372,034 | \$ 334,021 | \$ 1,365,890 | \$ 1,230,512 |
| COST OF PRODUCTS SOLD | 221,145 | 192,699 | 797,724 | 713,189 |
| GROSS PROFIT | 208,563 | 191,349 | 773,201 | 704,411 |
| % OF NET SALES | 48.5% | 49.8% | 49.2% | 49.7% |
| % OF NET SALES - Ex Precious Metals | 56.1% | 57.3% | 56.6% | 57.2% |
| SELLING, GENERAL & ADMINISTRATIVE EXPENSES | 131,025 | 120,049 | 501,518 | 457,691 |
| RESTRUCTURING (INCOME)/COSTS | 3,700 | 47 | 3,700 | (2,732) |
| INCOME FROM OPERATIONS | 73,838 | 71,253 | 267,983 | 249,452 |
| % OF NET SALES | 17.2% | 18.6% | 17.1% | 17.6% |
| % OF NET SALES - Ex Precious Metals | 19.8% | 21.3% | 19.6% | 20.3% |
| NET INTEREST AND OTHER EXPENSE (INCOME) | 1,741 | 10,725 | 16,787 | 35,361 |
| PRE-TAX INCOME FROM CONTINUING OPERATIONS | 72,097 | 60,528 | 251,196 | 214,091 |
| INCOME TAXES | 23,420 | 19,745 | 81,343 | 70,449 |
| INCOME FROM CONTINUING OPERATIONS | 48,677 | 40,783 | 169,853 | 143,642 |
| % OF NET SALES | 11.3% | 10.6% | 10.8% | 10.1% |
| % OF NET SALES - Ex Precious Metals | 13.1% | 12.2% | 12.4% | 11.7% |
| INCOME FROM DISCONTINUED OPERATIONS, NET OF TAX | 1,707 | 1,486 | 4,330 | 4,311 |
| NET INCOME | \$ 50,384 | \$ 42,269 | \$ 174,183 | \$ 147,953 |
| EARNINGS PER SHARE - BASIC: | | | | |
| CONTINUING OPERATIONS | \$ 0.61 | \$ 0.52 | \$ 2.15 | \$ 1.84 |
| DISCONTINUED OPERATIONS | \$ 0.02 | \$ 0.02 | \$ 0.05 | \$ 0.06 |
| TOTAL EARNINGS PER SHARE | \$ 0.63 | \$ 0.54 | \$ 2.20 | \$ 1.90 |
| EARNINGS PER SHARE - DILUTIVE: | | | | |
| CONTINUING OPERATIONS | \$ 0.60 | \$ 0.51 | \$ 2.11 | \$ 1.80 |
| DISCONTINUED OPERATIONS | \$ 0.02 | \$ 0.02 | \$ 0.05 | \$ 0.05 |
| TOTAL EARNINGS PER SHARE | \$ 0.62 | \$ 0.53 | \$ 2.16 | \$ 1.85 |
| DIVIDENDS PER SHARE | \$ 0.0525 | \$ 0.0460 | \$ 0.1970 | \$ 0.1840 |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | | | | |
| -BASIC | 79,153 | 78,358 | 78,823 | 78,180 |
| -DILUTIVE | 81,173 | 80,131 | 80,647 | 79,994 |

DENTSPLY INTERNATIONAL INC.
CONDENSED BALANCE SHEETS
(IN THOUSANDS)

| | DECEMBER 31, 2003 | DECEMBER 31, 2002 |
|--|----------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| CASH AND CASH EQUIVALENTS | \$ 163,755 | \$ 25,652 |
| ACCOUNTS AND NOTES RECEIVABLE-TRADE, NET | 241,385 | 221,262 |
| INVENTORIES, NET | 205,587 | 214,492 |
| OTHER CURRENT ASSETS | 88,463 | 79,595 |
| ASSETS HELD FOR SALE | 28,262 | -- |
| TOTAL CURRENT ASSETS | 727,452 | 541,001 |

| | | |
|--------------------------------------|-------------|-------------|
| PROPERTY, PLANT AND EQUIPMENT, NET | 376,211 | 313,178 |
| GOODWILL, NET | 963,264 | 898,497 |
| IDENTIFIABLE INTANGIBLES ASSETS, NET | 246,475 | 236,009 |
| OTHER NONCURRENT ASSETS, NET | 114,736 | 98,348 |
| ASSETS HELD FOR SALE | 17,449 | -- |
| TOTAL ASSETS | \$2,445,587 | \$2,087,033 |

LIABILITIES AND STOCKHOLDERS' EQUITY:

| | | |
|--|-------------|-------------|
| CURRENT LIABILITIES | \$ 363,228 | \$ 365,745 |
| LIABILITIES OF DISCONTINUED OPERATIONS | 21,474 | -- |
| LONG-TERM DEBT | 790,202 | 769,823 |
| OTHER LIABILITIES | 96,955 | 87,239 |
| DEFERRED INCOME TAXES | 51,241 | 27,039 |
| | ----- | ----- |
| TOTAL LIABILITIES | 1,323,100 | 1,249,846 |
| MINORITY INTEREST IN CONSOLIDATED SUBSIDIARIES | 418 | 1,259 |
| STOCKHOLDERS' EQUITY | 1,122,069 | 835,928 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$2,445,587 | \$2,087,033 |