

Henry Schein Announces Pricing of \$200 Million Convertible Senior Notes

August 4, 2004

MELVILLE, N.Y.--(BUSINESS WIRE)--Aug. 4, 2004--Henry Schein, Inc. (Nasdaq NM: HSIC), the largest provider of healthcare products and services to office-based practitioners in the combined North American and European markets, announced today that it has priced its previously announced private offering of \$200 million in aggregate principal amount of Contingent Convertible Senior Notes due 2034. The Company also granted the initial purchasers an option to purchase up to an additional \$40 million of convertible notes. Net proceeds from the offering will be used to repay approximately \$195 million of outstanding indebtedness and for general corporate purposes.

The notes will pay interest semi-annually in arrears at an annual rate of 3% and will be convertible into shares of Henry Schein, Inc.'s common stock at an initial conversion price of approximately \$92.68 per share (an initial conversion rate of 10.7898 shares per \$1,000 principal amount of notes). The initial conversion price represents an approximately 41% premium to the \$65.73 per share closing price of Henry Schein, Inc.'s common stock on August 3, 2004. The ability of the holders to convert the notes into the Company's common stock is subject to certain conditions, including, among others, the closing price of the Company's common stock must exceed 130% of the conversion price over certain periods and other specified events. Upon conversion, Henry Schein will satisfy its conversion obligation with respect to the principal amount of the notes to be converted in cash, with any remaining amount to be satisfied in shares of its common stock.

The Company will have a call option, pursuant to which it may redeem the securities, in part or in whole, on or after August 20, 2010, at 100% of the principal amount, in accordance with conditions specified in the offering memorandum. Holders may require the Company to repurchase the notes for cash on August 15, 2010, 2014, 2019, 2024 and 2029 at a repurchase price equal to 100% of the principal amount of the notes plus accrued interest.

Offers and sales of the notes will be made only in the United States to qualified institutional buyers in transactions exempt from the registration requirements of the Securities Act of 1933, as amended. Neither the notes nor the shares of the Company's common stock into which they will be convertible have been registered under the Securities Act of 1933, as amended, or any state securities laws, and they may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Henry Schein

Henry Schein, a Fortune 500(R) company, is recognized for its excellent customer service and highly competitive prices. The Company's four business groups--Dental, Medical, International and Technology--serve more than 450,000 customers worldwide, including dental practices and laboratories, physician practices and veterinary clinics, as well as government and other institutions. The Company's sales reached a record \$3.4 billion in 2003. The Company operates through a centralized and automated distribution network, which provides customers in more than 125 countries with a comprehensive selection of over 90,000 national and Henry Schein private-brand products.

Henry Schein also offers a wide range of innovative value-added practice solutions, including such leading practice management software systems as DENTRIX(R) and Easy Dental(R) for dental practices, and AVImark(R) for veterinary clinics, which are installed in over 50,000 practices; and ArubA(R), Henry Schein's electronic catalog and ordering system.

Headquartered in Melville, N.Y., Henry Schein employs more than 9,000 people in 16 countries. For more information, visit the Henry Schein Web site at www.henryschein.com

Certain information contained herein includes information that is forward-looking. The matters referred to in forward-looking statements may be affected by the risks and uncertainties involved in the Company's business. These forward-looking statements are qualified in their entirety by the cautionary statements contained in the Company's Securities and Exchange Commission filings.

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