Results 2Q18 – FLRY3

July 2018



Disclosure

This presentation may contain forward-looking statements. Such statements are not statements of historical facts and reflect the beliefs and expectations of the Company's management. The words "anticipates", "believes", "estimates", "expects", "forecasts", "plans", "predicts", "project", "targets" and similar words are intended to identify these statements, which necessarily involve known and unknown risks and uncertainties. Known risks and uncertainties include but are not limited to the impact of competitive services and pricing market acceptance of services, service transactions by the Company and its competitors, regulatory approval, currency fluctuations, changes in service mix offered, and other risks described in the Company's registration statement. Forward-looking statements speak only as of the date they are made and Grupo Fleury does not undertake any obligation to update them in light of new information or future developments.

All figures are compared to 2Q17 and 6M 2017 except when stated otherwise.

2Q18 and 6M 2018 Financial Highlights

- Net Revenues of R$ 673.4 million (+12.7%). In 6M 2018, R$ 1.3 bi (+11.9%)
- Cancellations represented 1.4% (stable). In 6M 2018, 1.4% (-44 bps)
- EBITDA reached R$ 178.8 million (+18.1%), margin of 26.6% (+122 bps). In 6M 2018, total of R$ 364.8 million (+12.4%)
- Net Income of R$ 86.6 (-1.4%), impacted by the cumulative adjustment of the effective tax rate in 2Q17. On a comparable basis, growth would have been 14.9%. In 6M 2018, R$ 183.1 million (+8.1%)
- Operating Cash Generation of R$ 211.9 million (+ 31.3%). In 6M 2018 R$ 315.8 million (+27.7%)
- Return on Invested Capital (ROIC) excluding goodwill reached 41.9% (+213 bps)
- In July/18, we announced a distribution of IOC* related to 6M 2018, in the amount of R$ 57.6 million, corresponding to R$ 0.1826 per share

*IOC: Interest on Capital

Expansion Plan

Expansion Plan: **7 new Patient Service Centers (PSCs) – April to July/18**

- a+ in São Paulo (SP): 1 large and 5 *fast-sites*
- a+ in Pernambuco (PE): 1 small

a+ Vila Andrade (SP)



a+ Brasil (SP)



a+ Alphaville Rio Negro (SP)



Expansion Plan

a+ Vila Olímpia Funchal (SP)



a+ Guarulhos (SP)



a+ Casa Forte (PE)



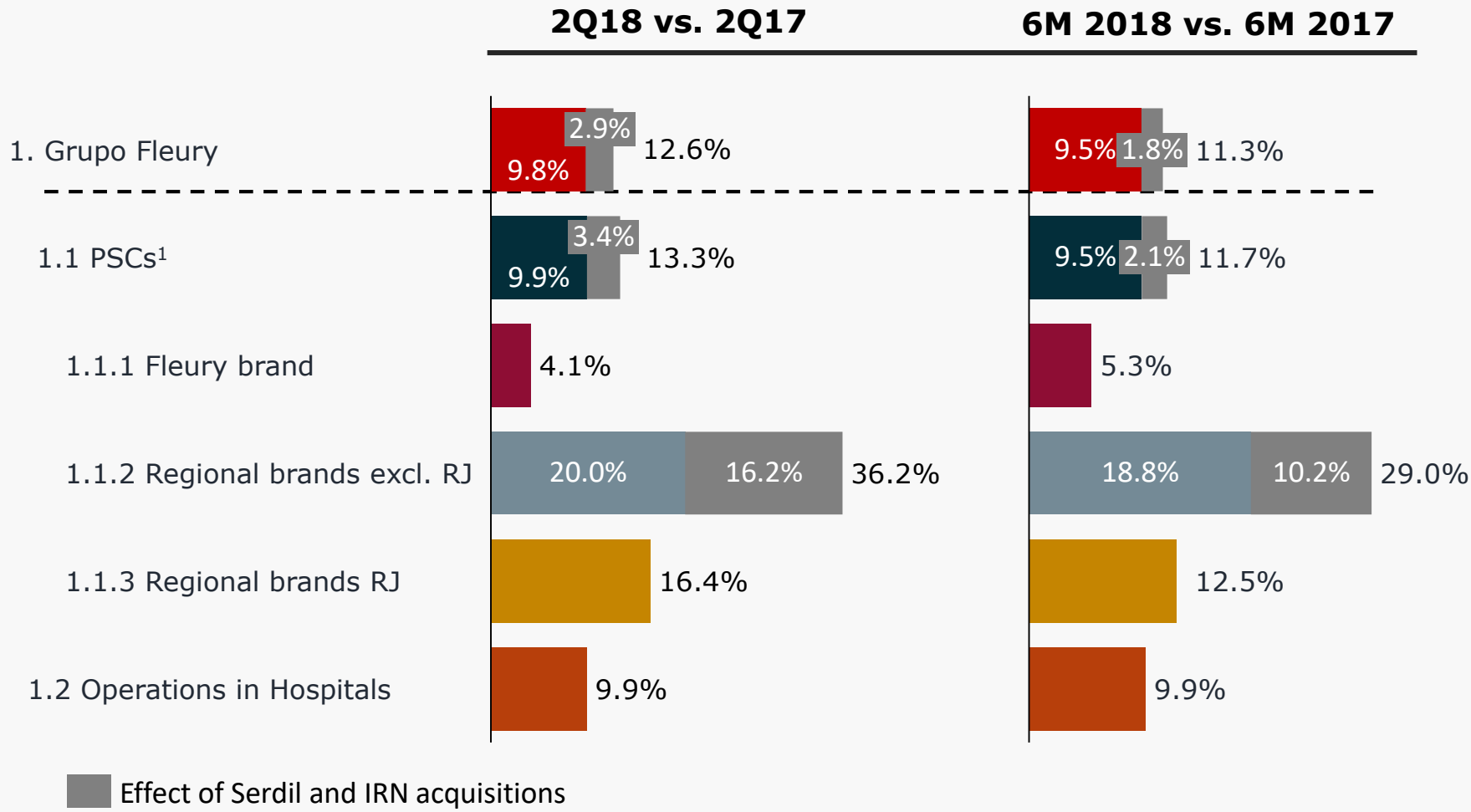
a+ Ipiranga (SP)



2Q18 Operating Highlights

- *NPS*[1] reached 76.5%, an improvement of 186 bps
- New B2B agreement with Vera Cruz Hospital in Campinas, São Paulo
- Expansion of the "Digital Reception Project" in a+ Morumbi
- Launch of *Oncofoco*, the first genomic test developed with the use of artificial intelligence in Brazil, in partnership with IBM Watson Health
- Partnership with Sabin Group for technical-scientific cooperation in startups in healthcare
- Renewal of the ISO certification with the inclusion of Felippe Mattoso brand and Central Lab in RJ
- Publishing of the Annual Sustainability Report
- Grupo Fleury Awards:
  - Valor Innovation Brazil: 2nd place in Medical Services
  - Modern Consumer Award: Leadership in Diagnostic Medicine category for the 17th consecutive year
  - Top of Mind: Weinman brand as the most remembered in Laboratory for Clinical Analyzes

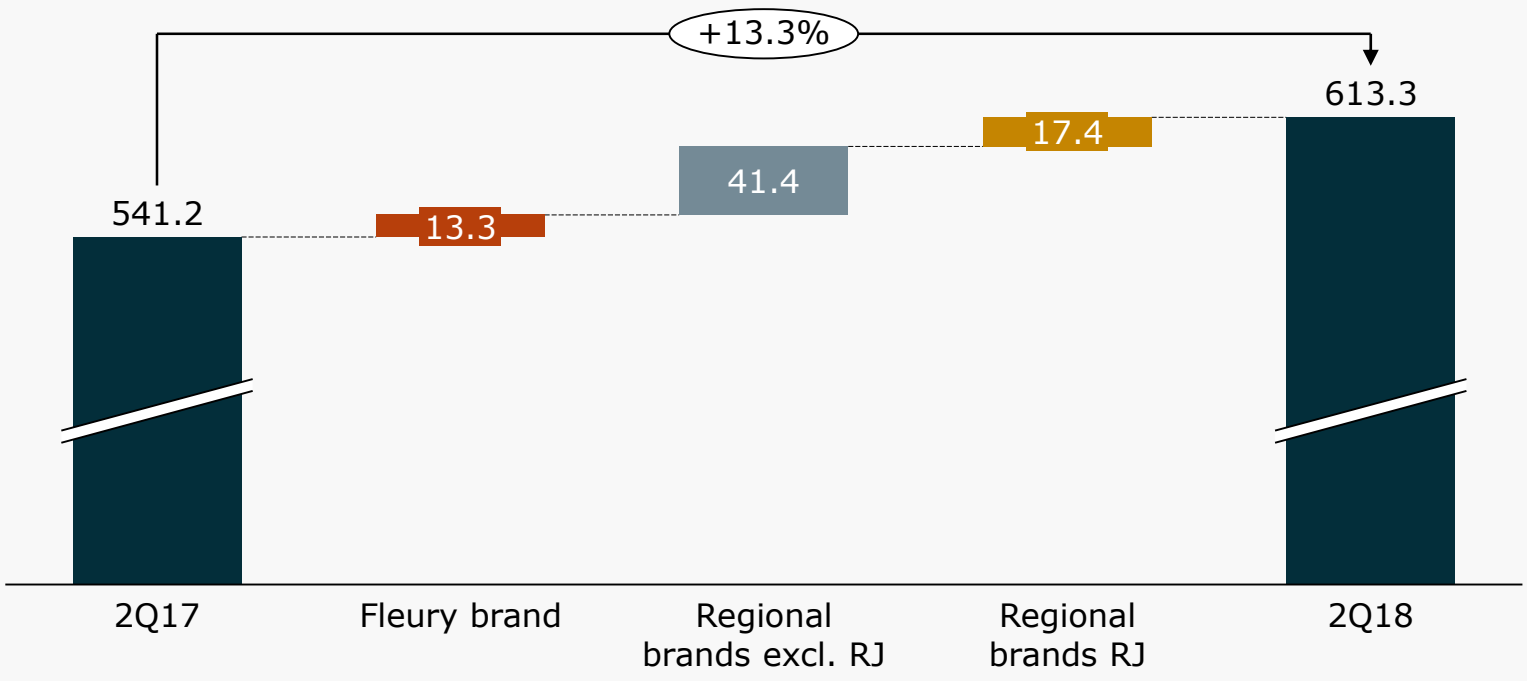
Gross Revenue
Business segments performance



[1] PSCs: Patient Service Centers

Gross Revenue
PSCs[1] indicators

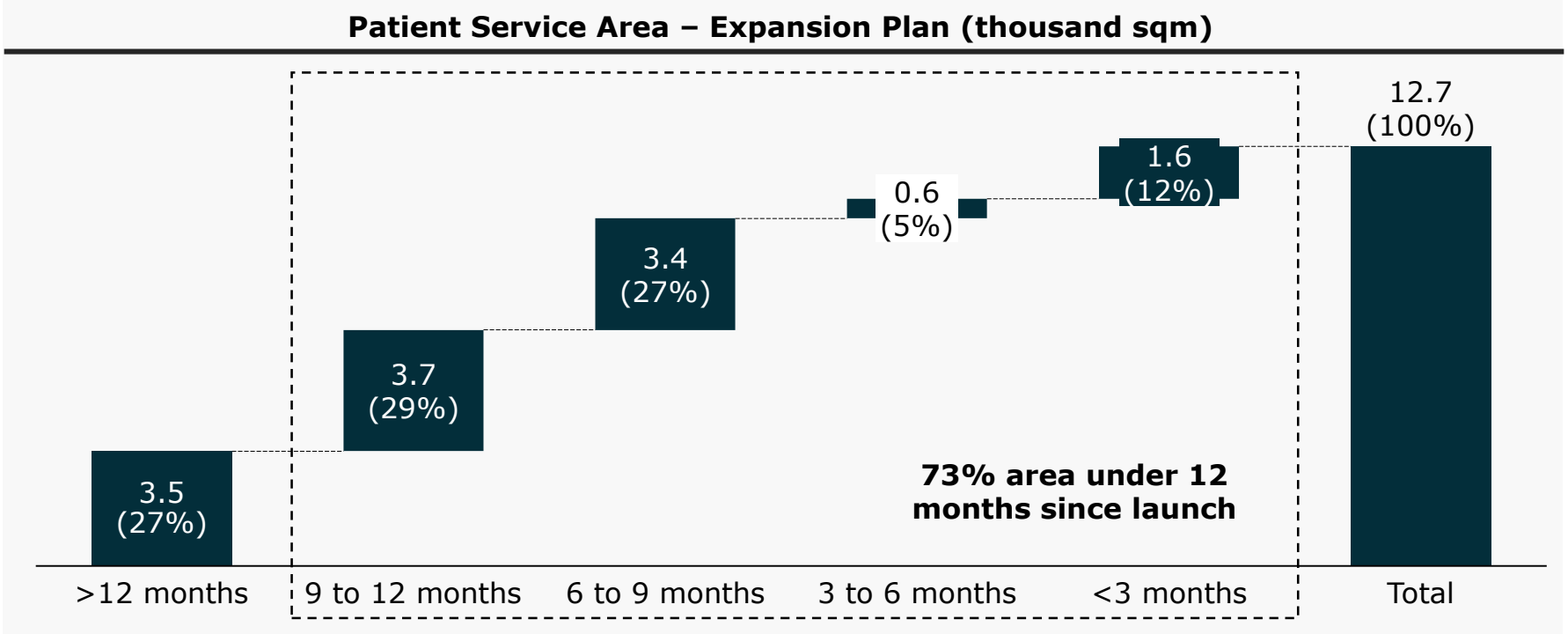
PSCs Gross Revenue (R$ MM) per brand; Gross Revenue and SSS[3] variation



GR[2] 2Q18 vs. 2Q17	+4.1%	+36.2%	+16.4%	+13.3%
SSS[3] 2Q18 vs. 2Q17	-2.0%	+10.0%	+14.6%	+3.8%

[1] PSCs: Patient Service Centers
[2] GR: Gross Revenue
[3] SSS: Same Store Sales

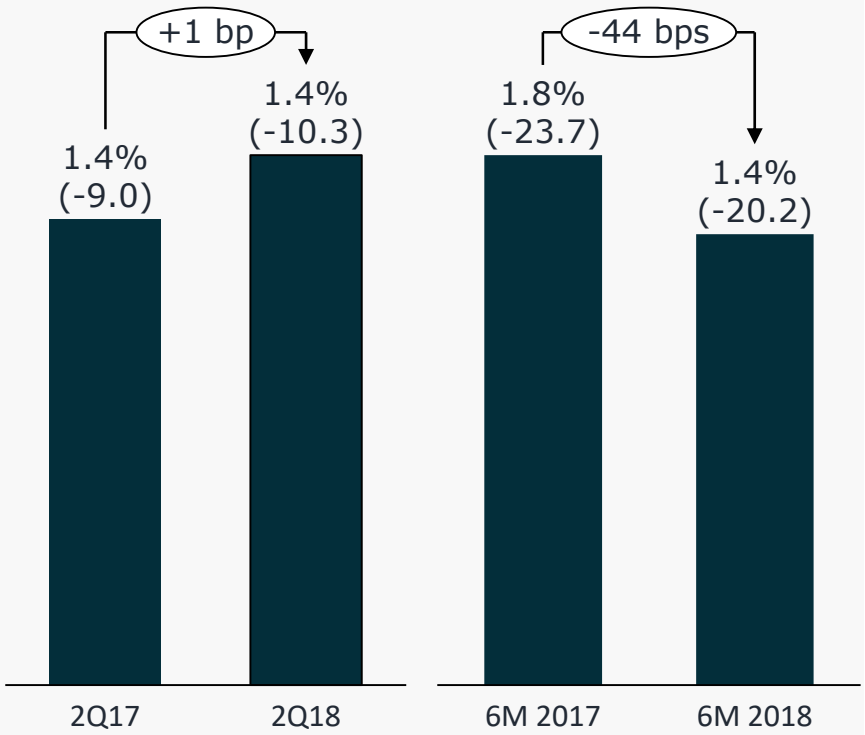
Expansion Plan
Patient Service Area



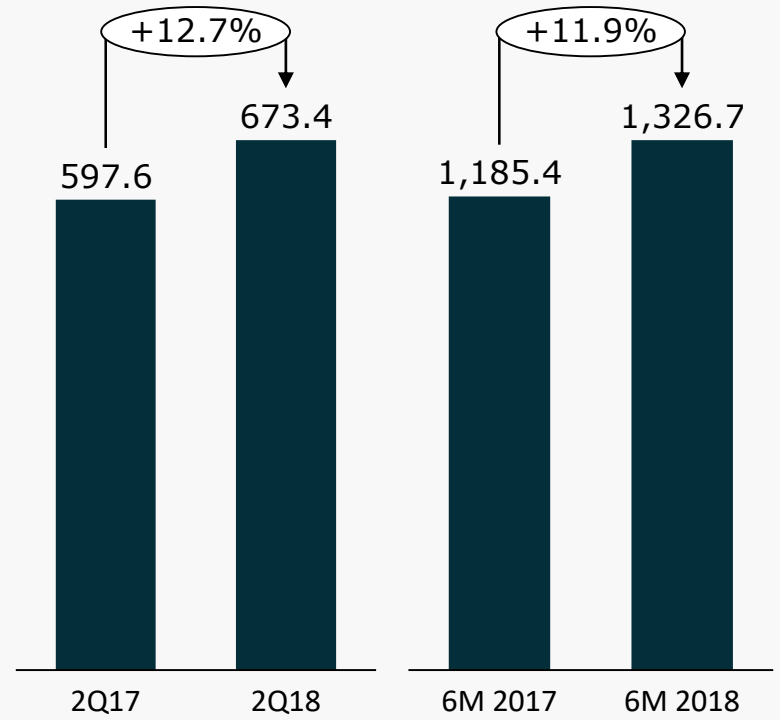
- Fleury Brand (6.2 thousand sqm): 58% area less than 12 months since launch
- Regional brands excl. RJ (5.2 thousand sqm): 83% area less than 12 months since launch
- RJ Brands (1.3 thousand sqm): 100% area less than 12 months since launch

Cancellations and Net Revenue

Deductions + Cancellations/GB[1](%)
Deductions + Cancellations (R$ MM)



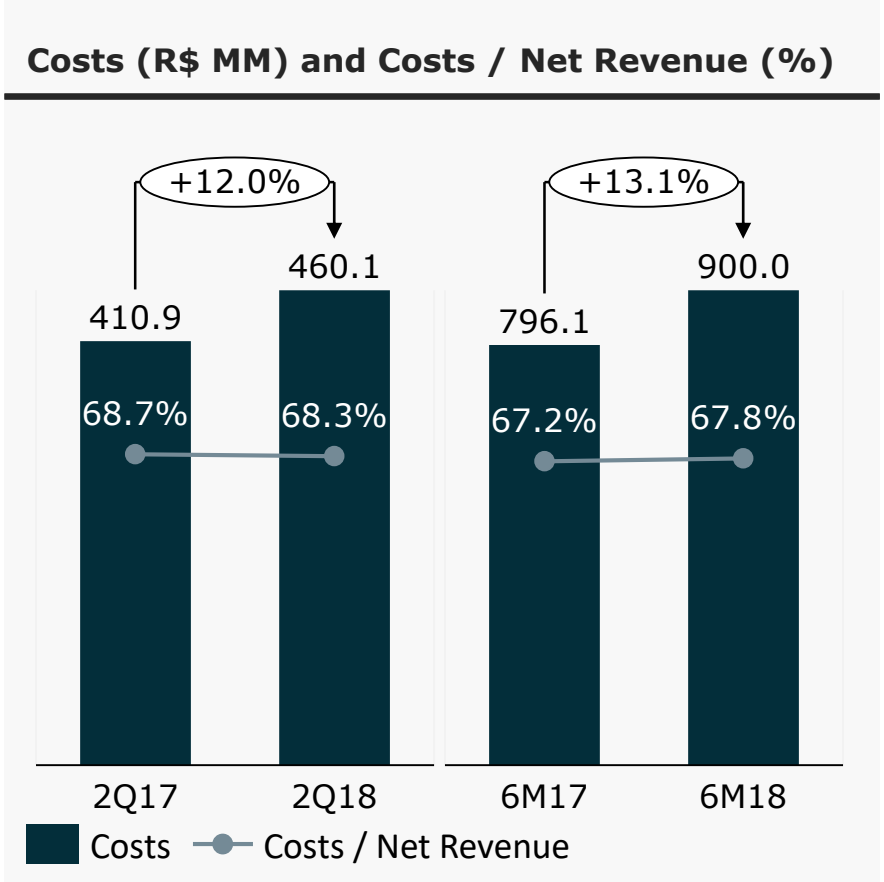
Net Revenue (R$ MM)

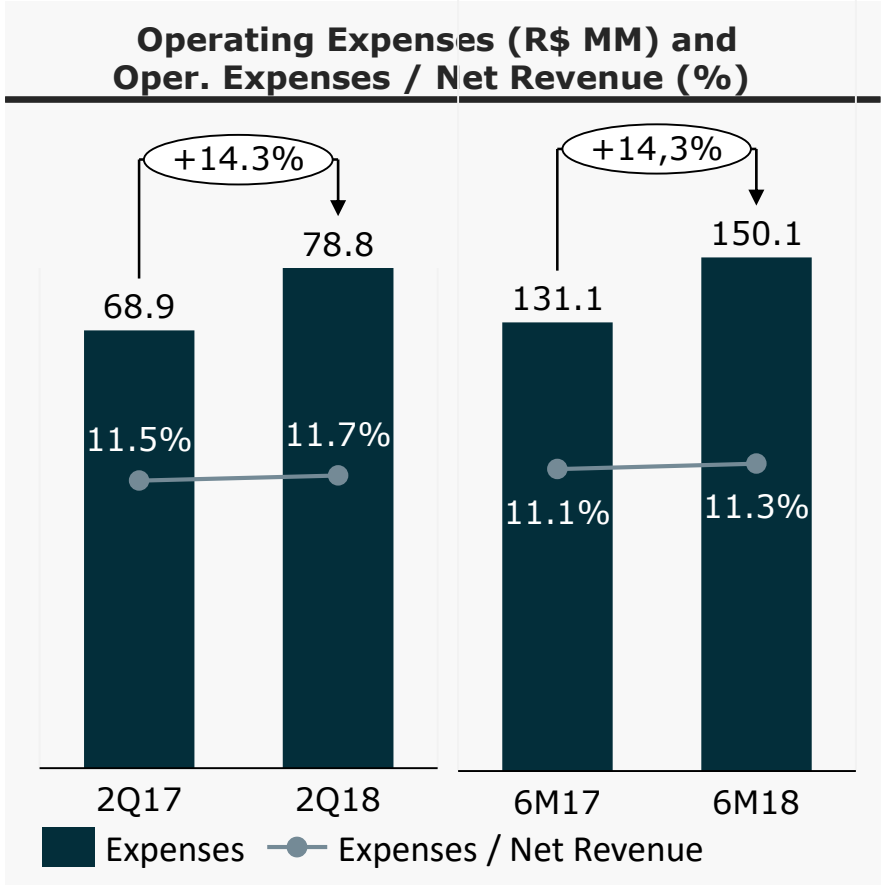


Disregarding one time effects, the indicator of cancellations would have reached 1.6% in 2Q18 and 1.8% in 2Q17

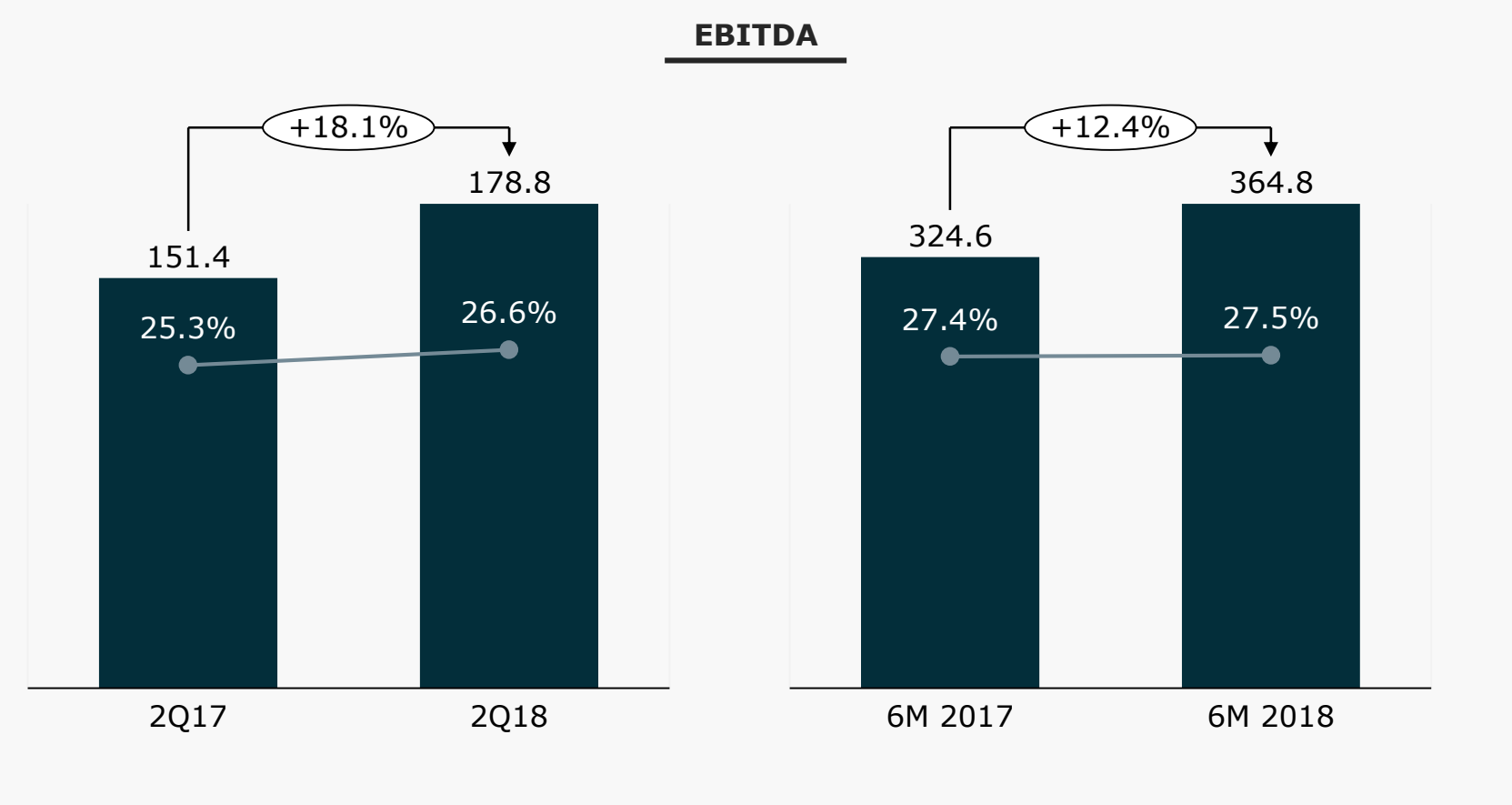
[1] GB: Gross Revenue

Costs and Expenses

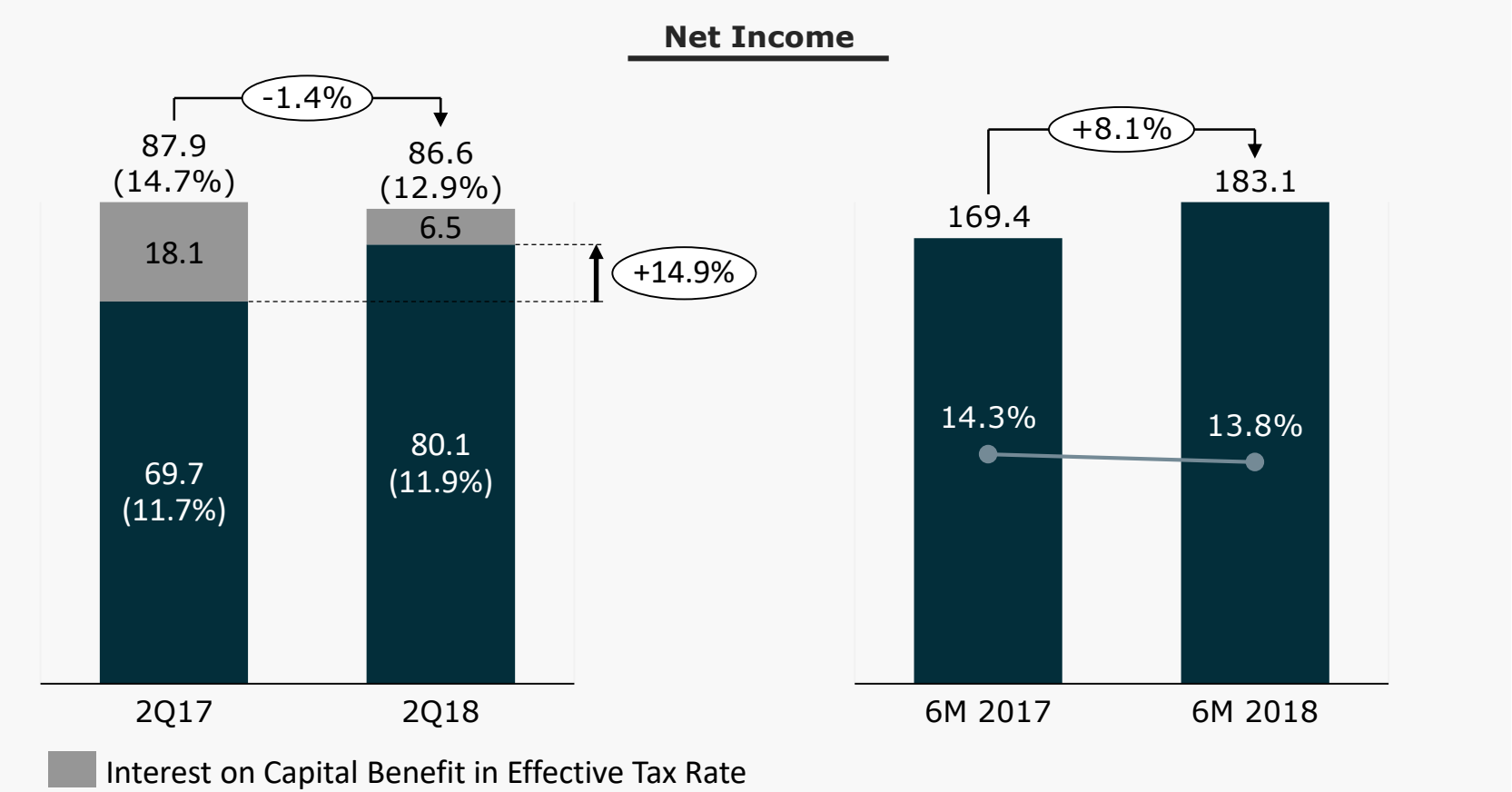




EBITDA (R$ MM) and Margin (%)



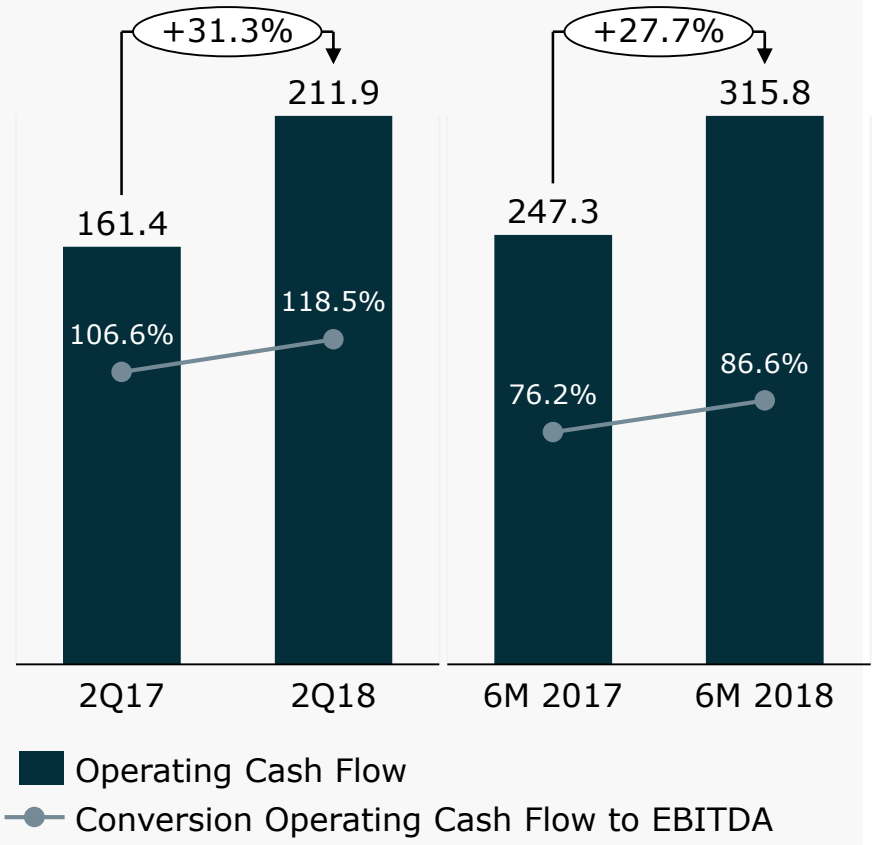
Net Income (R$ MM) and Margin (%)



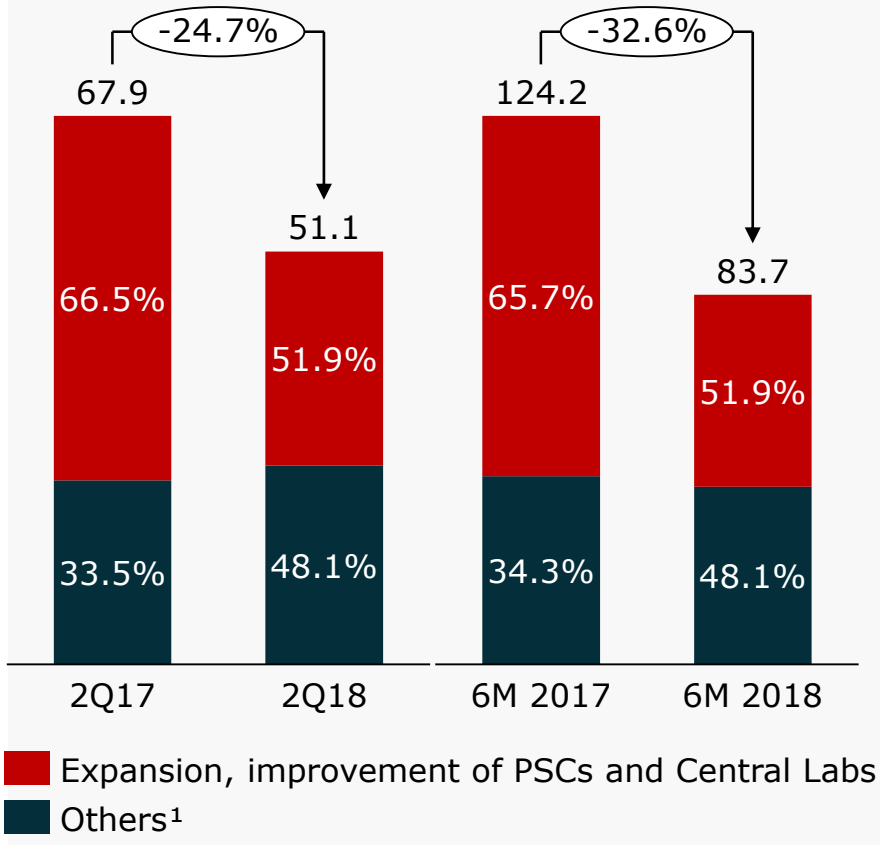
On a comparable basis, the growth would have been 14.9%

Cash Flow
Operating Cash Flow and CAPEX

Operating Cash Flow (R$ MM) and EBITDA Conversion (%)

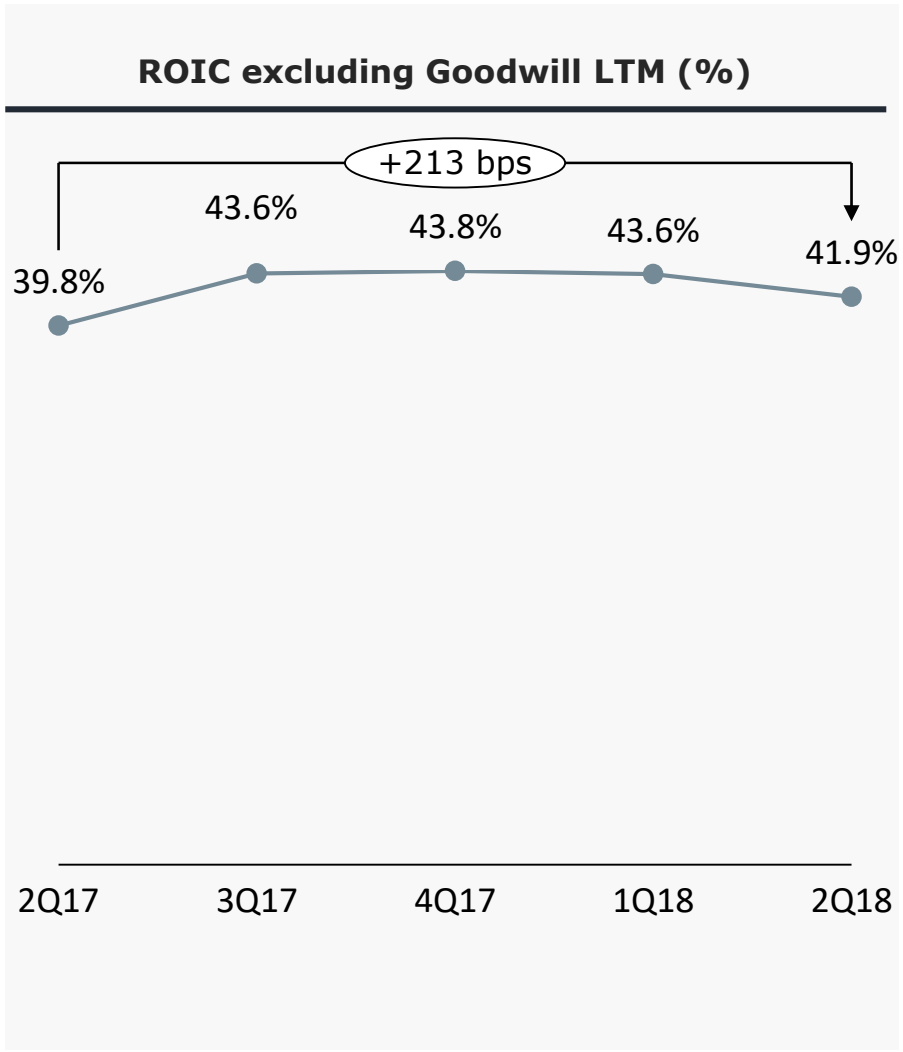


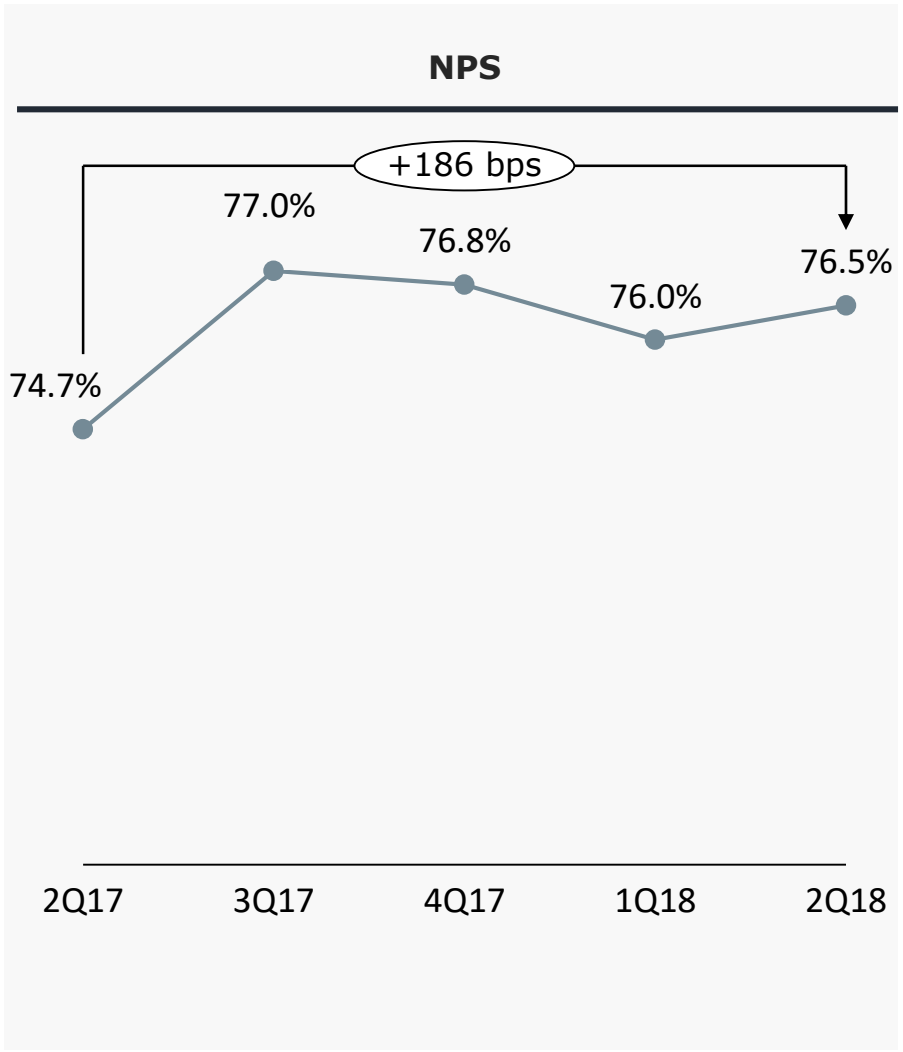
CAPEX (R$ MM)



¹ Includes CAPEX from equipment renewal, strategic projects, IT and infrastructure

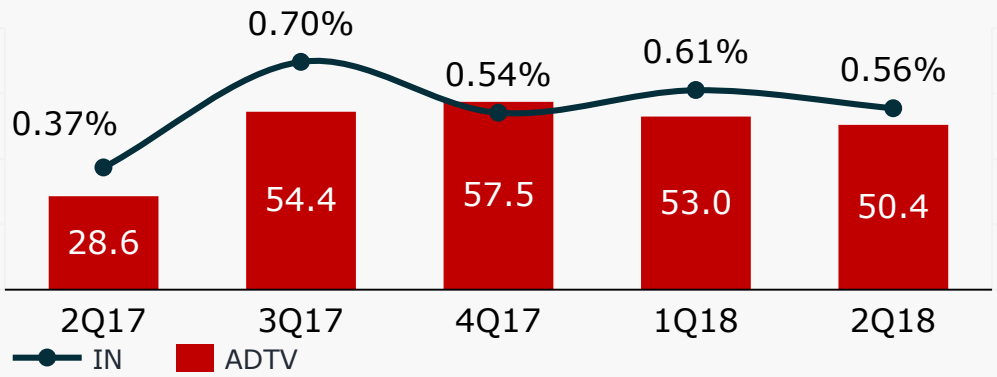
ROIC e NPS


ROIC excluding Goodwill LTM (%)
+213 bps
39.8%
43.6%
43.8%
43.6%
41.9%
2Q17
3Q17
4Q17
1Q18
2Q18


NPS
+186 bps
74.7%
77.0%
76.8%
76.0%
76.5%
2Q17
3Q17
4Q17
1Q18
2Q18

Capital Markets
06.29.2018

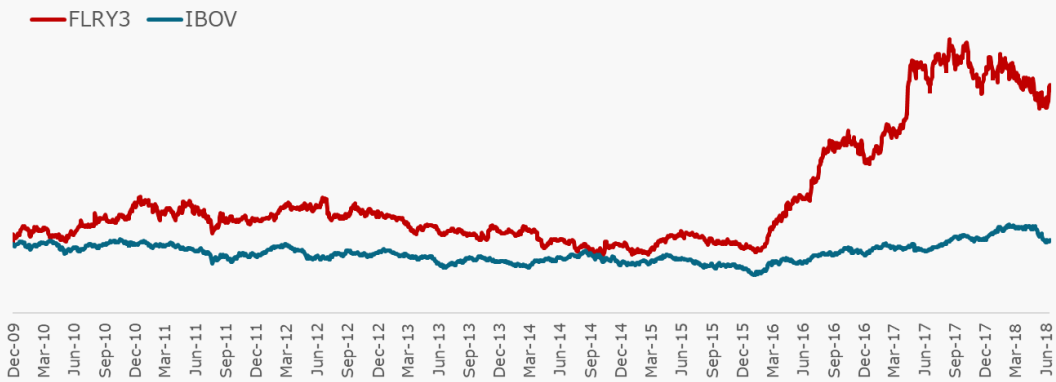
Average Daily Trading Volume (ADTV) | in R$ MM and NI[1] in %



[1] Negotiability Index

Shares and Market Cap	
Total Shares	315,312,192
Market Cap	R$ 8.3 billion
Price	R$ 26.45

Stock Performance x Ibovespa (IPO = Base 100)



▼ -2.5% 2Q18

▼ -10.7% 6M 2018

Subsequent Event
Interest on Capital (IOC) distribution

- On July 26th the Board of Directors approved the payment of Interest on Capital in the amount of R$ 57.6 million:
  - R$ 0.1826 per share
  - Distribution based on the Shareholders position of: July 31st, 2018
  - Shares ex-IOC will be traded as of: August 1st, 2018
  - Payment to Shareholders: August 15th, 2018

IR Events Calendar

Date	Event	Location
July 30	2Q18 Results meeting - UBS	São Paulo | Brazil
August 08	NDR BTG Pactual	São Paulo | Brazil
August 09	NDR BTG Pactual	Rio de Janeiro | Brazil
August 22	J.P. Morgan BZ Consumer & Healthcare Check-up	São Paulo | Brazil
August 29	NDR – Santander	Santiago | Chile
September 10 and 11	Morgan Stanley 21st Latin America Conference	London| England
September 18	UBS VII Healthcare Day	São Paulo | Brazil
October 26	Conference call – 3Q18 Results	São Paulo | Brazil
November 13 and 14	Bradesco's CEO Forum - The Leadership's View	New York | USA

Click here to access the complete calendar.

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