2015 and 4Q15 Results – FLRY3

March 2016

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 2014 and 4Q14 except when stated otherwise.

Financial Highlights 2015 and 4Q15

GrupoFleury

Gross Revenue

R$ 2.1 billions

▲ 11.6% 2015

▲ 11.0% 4Q15

Net Revenue

R$ 1.9 billion

▲ 12.9% 2015

▲ 11.9% 4Q15

EBITDA

R$ 382 millions

▲ 27.5% 2015**

▲ 23.2% 4Q15

Net Income

R$ 126 millions

▲ 72.2% 2015**

▲ 108.7% 4Q15

Operating Cash Flow

R$ 369 millions

▲ 29.1% 2015

▲ 37.0% 4Q15

- **Gross revenue grows 11.6%** in the year, 11.8%, excluding the effect of PSCs CADE RJ*. Highlights: Operations in Hospitals (+15.7%), Fleury brand (+12.4%), Rio de Janeiro (10.9% excluding the PSCs CADE RJ*), SSS of the patient service centers (+10.2%).
- **Net revenue continues to expand** more than the gross revenue, the result of actions to **reduce cancellations**: cancellation index reaches 3.4% - a 90 bps decrease compared to 2014.
- **Adjusted EBITDA margin of 20.2%** in 2015 – growth of 232 bps
- **72.2% in net income expansion** for the year (108.7% in the quarter).
- **Operating Cash Flow record** of R$ 368.9MM in the year. Conversion Operating Cash Flow/EBITDA of 103%
- **Evolution of profitability and service indicators:** adjusted ROIC without goodwill reached 22.9% from 15.3%. In 4Q15, Grupo Fleury NPS advances 290 bps and reaches 72.8% from 69.8%. Fleury brand reports NPS of 83.4% - increase of 392 bps
- **Distribution of 35% of net income** of the second half of 2015, amounting R$ 21.4 MM.

* Effect of PSCs CADE RJ: negative effect on revenue in 4Q15 from the sale of 5 PSCs in Rio de Janeiro (material fact 11/05/2015) in compliance with the agreement signed with CADE in 2014

**Adjusted excluding non-recurring items

Highlights

The first and only Company in Latin America to receive the IFCC* certification for Hemoglobin Glycated dosage by mass spectrometry

Agreement with Quest Diagnostics for technology transfer in three tests using the mass spectrometry methodology

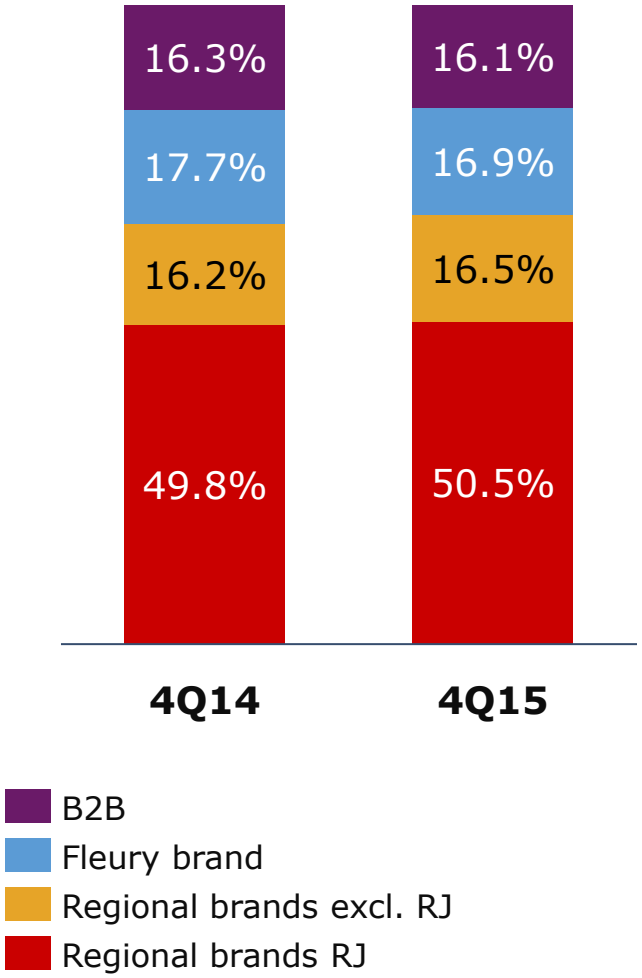
Entered in the BM&FBOVESPA's Corporate Sustainability Index for the 3rd consecutive year

- **December:** Launch of molecular test in amniotic fluid to evaluate possible association between zika viruses and microcephaly in fetuses, developed by Grupo Fleury's R&D area in six months.
- **December:** Publishing of the new Policy on Information Disclosure and Securities Trading, in which there is the definition of Valor Econômico online as the media outlet to disclosure material facts.
- **November:** Conclusion of the sale of five PCSs in Rio de Janeiro to Rise Participações in order to fulfill the commitment agreement signed with CADE.
- **October:** reopening of Fleury Jundiaí PSC, adding 351m2 to the Company's total base.
- **October:** Hiring of KPMG to replace PricewaterhouseCoopers in the audit of the financial statements and review the Company's financial statements as of the year 2016.

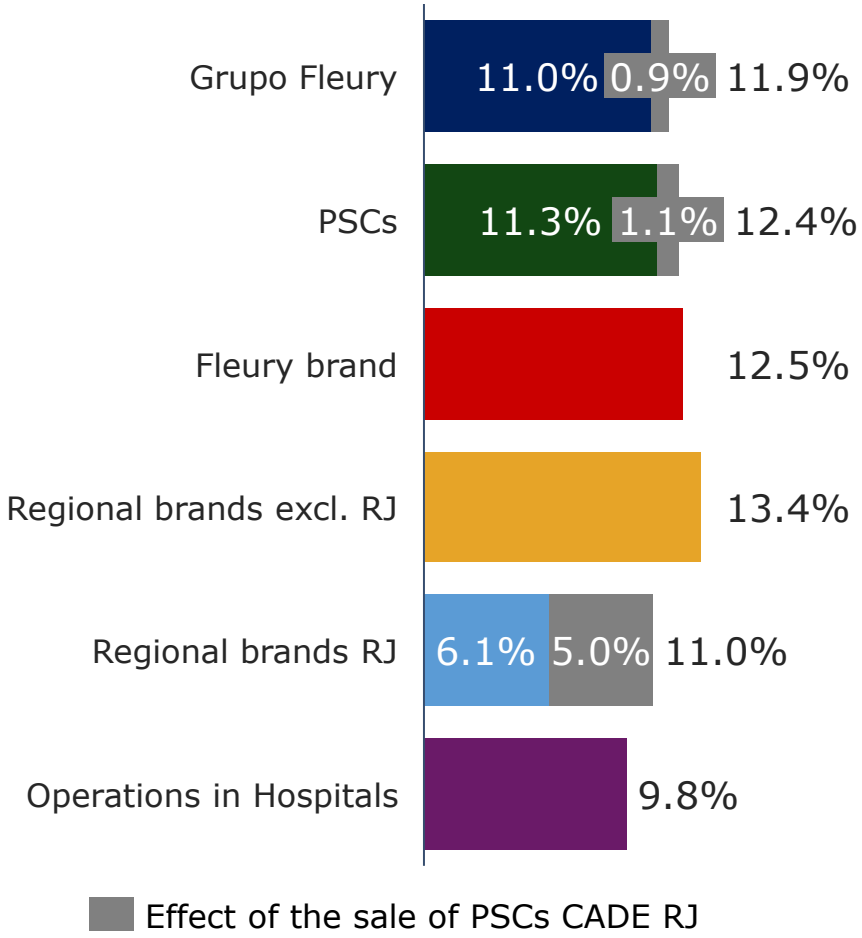
* IFCC: *International Federation of Clinical Chemistry and Laboratory Medicine*

Gross revenue – 4Q15

Gross revenue per business line

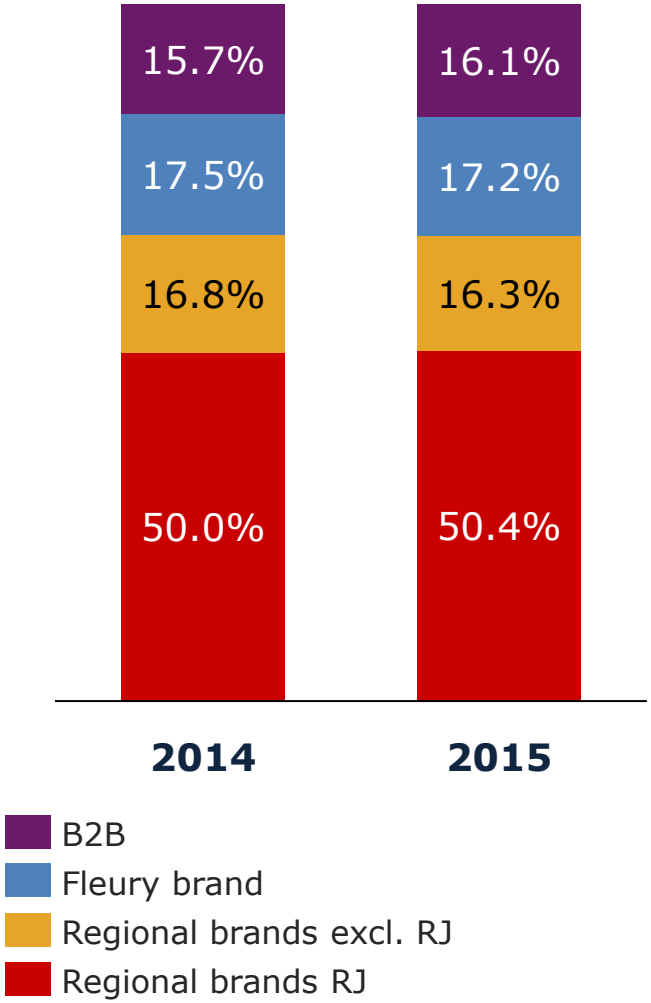


Business line performance (4Q15 vs 4Q14)

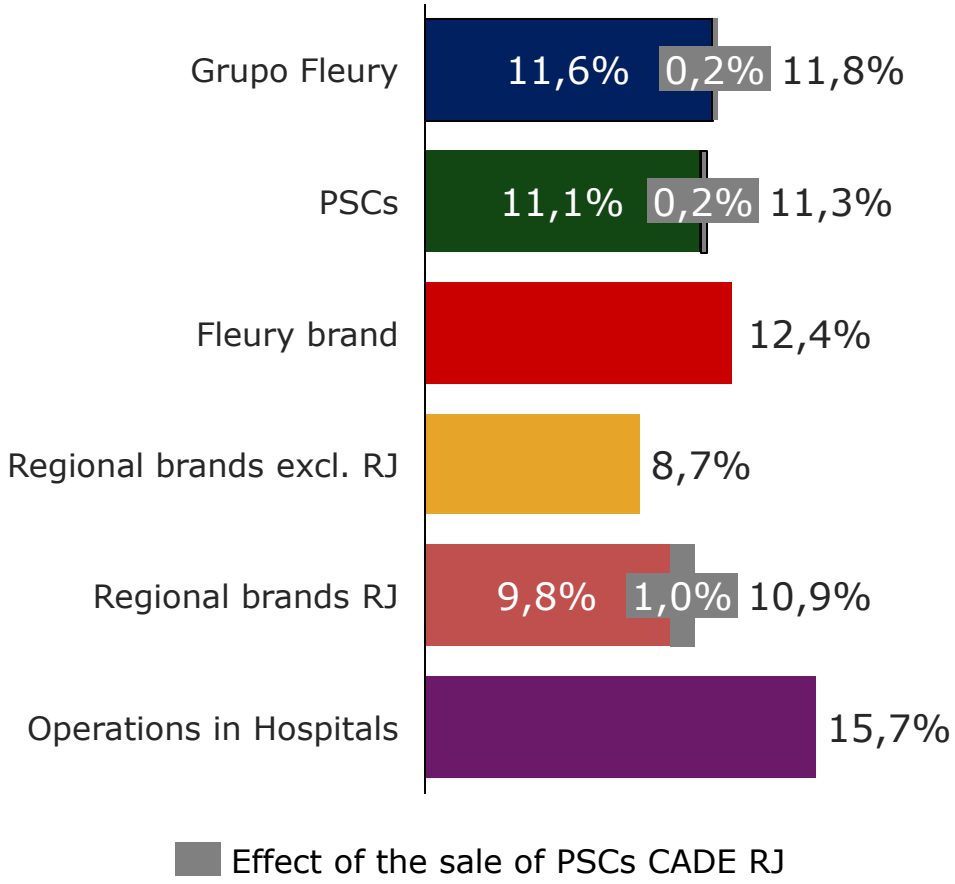


Gross revenue – 2015

Gross revenue per business line

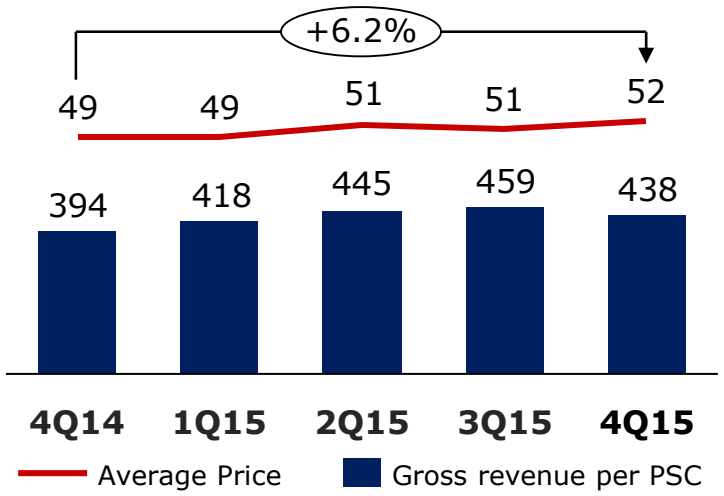


Business line performance (2015x2014)

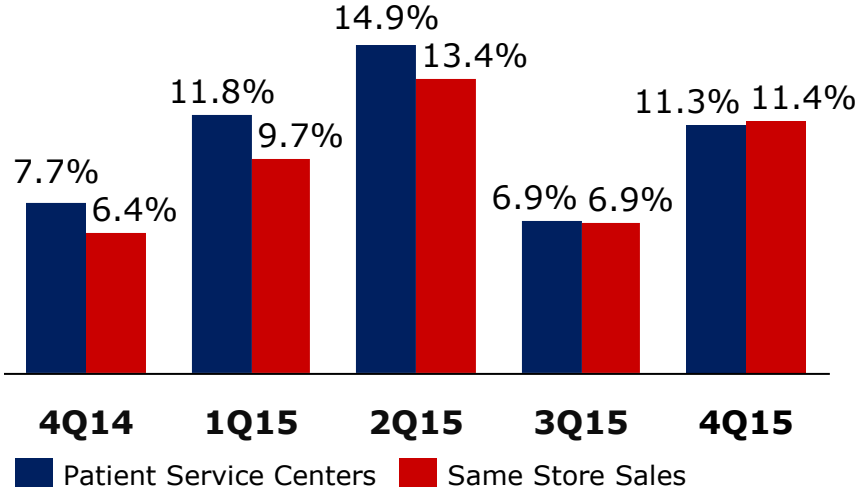


Patient Service Centers (PSC)
Revenue indicators

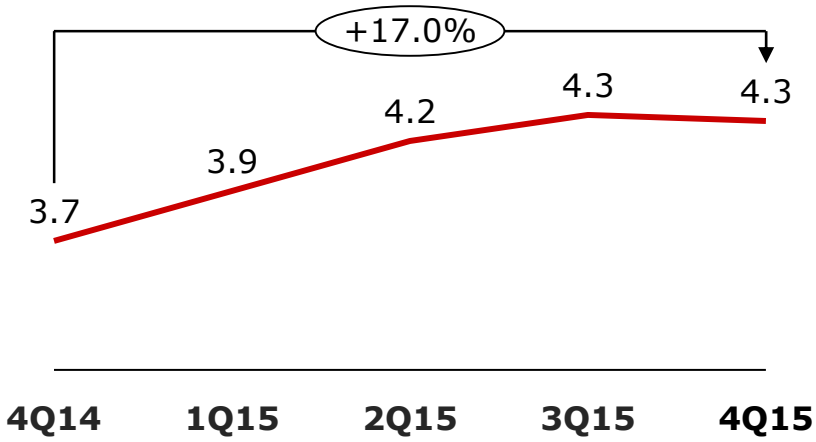
Gross revenue PSCs (R$ MM) and Average price



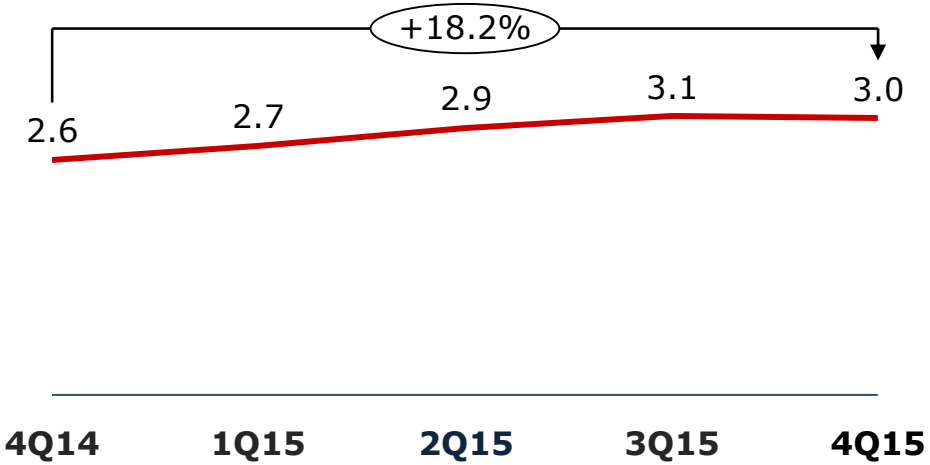
Gross revenue growth YoY



PSCs Gross revenue per m² (R$ thousand)



Gross revenue per PSCs (R$ MM)



Results by business
Patient Service Centers

- Solid growth of double-digits in Same Store Sales in 2015 for all brands: 10.7% RJ brands | 10,2% Fleury brand | 10.1% Regional brands.

- Gross Revenue / Number of Tests: RJ brands impacted by the increase in the mix of CA tests that have lower average ticket.

2015 vs. 2014

	Fleury Brand	Regional Brands excl. RJ	Brands RJ	Total (PSCs)
Indicators PSCs				
- Gross Revenue	12.4%	8.7%	9.8%	11.1%
- Gross Revenue (excl. effect of the sale of PSCs CADE RJ)	12.4%	8.7%	10.9%	11.3%
- SSS	10.2%	10.1%	10.7%	10.2%
- Gross Revenue / Number of Tests	5.2%	8.2%	-0.7%	6.4%
- Gross Revenue / Sq. Meter	9.1%	9.1%	15.8%	11.8%
- Gross Revenue / PSC	8.8%	11.2%	14.7%	13.5%

4Q15 vs. 4Q14

	Fleury Brand	Regional Brands excl. RJ	Brands RJ	Total (PSCs)
Indicators PSCs				
- Gross Revenue	12.5%	13.4%	6.1%	11.3%
- Gross Revenue (excl. effect of the sale of PSCs CADE RJ)	12.5%	13.4%	11.0%	12.4%
- SSS	11.0%	12.6%	11.4%	11.4%
- Gross Revenue / Number of Tests	7.0%	11.0%	-3.9%	6.2%
- Gross Revenue / Sq. Meter	10.1%	18.3%	23.8%	17.0%
- Gross Revenue / PSC	7.8%	18.0%	22.2%	18.2%

Diagnostic Operations in Hospitals

- **Gross revenue grows 9.8%** and reaches R$ 76.4 millions. In the year, an increase of 15.7%.
- **Stability in the average price per exam** in the quarter (+1.3%) and in the year (-0.1%).
- In the Same Hospital Sales (SHS), the growth was 10.1% in the 4Q15 and 11.6% in 2015.

Reference Lab (Lab-to-Lab) and PM[1]

- Gross revenue reaches R$ 6.7 million in 4Q15 – 4.1% growth over 4Q14.
- In the year, gross revenue of R$ 26.9 millions (+0.7%).
- **Increase of 69.7% and 31.3% in the average price** of the quarter and full year, respectively, mainly due to the business repositioning
- Preventive Medicine reaches R$ 719 thousand revenue in the 4Q15 and R$ 3.1 millions in 2015.

Since 1Q15, health assessment is included in Fleury brand revenues

[1]PM – Preventive Medicine

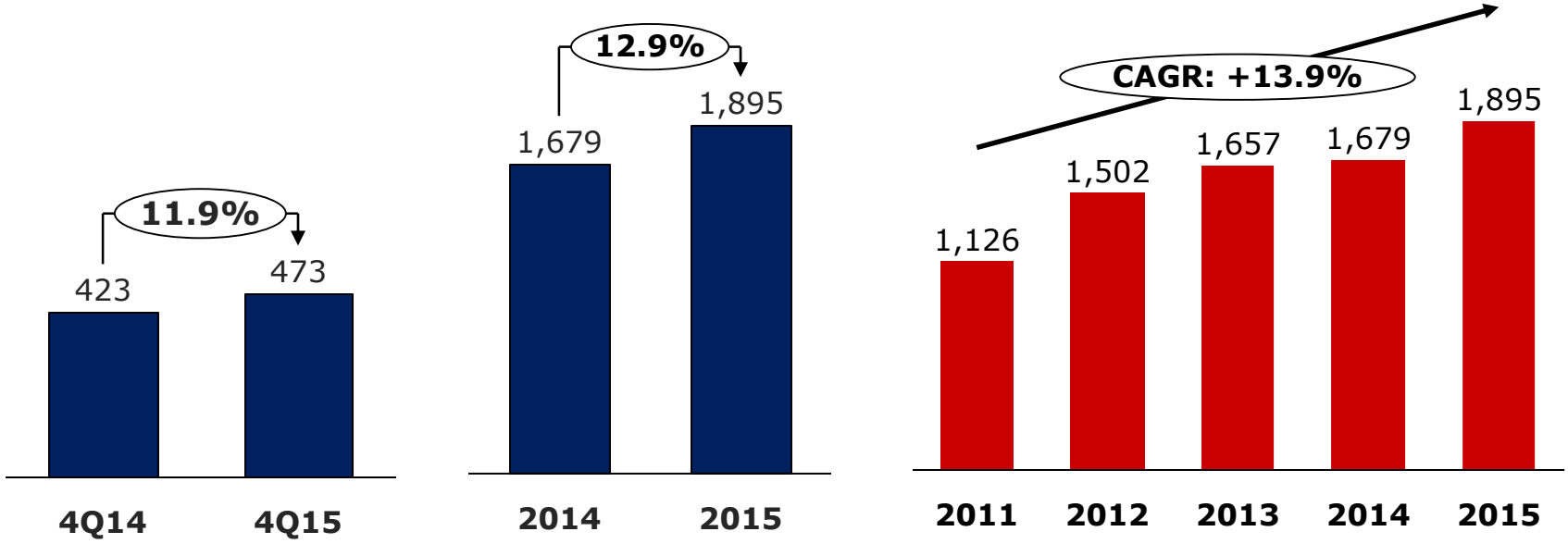
Sales taxes, deductions, allowances and net revenue

GrupoFleury

Qualification of revenue

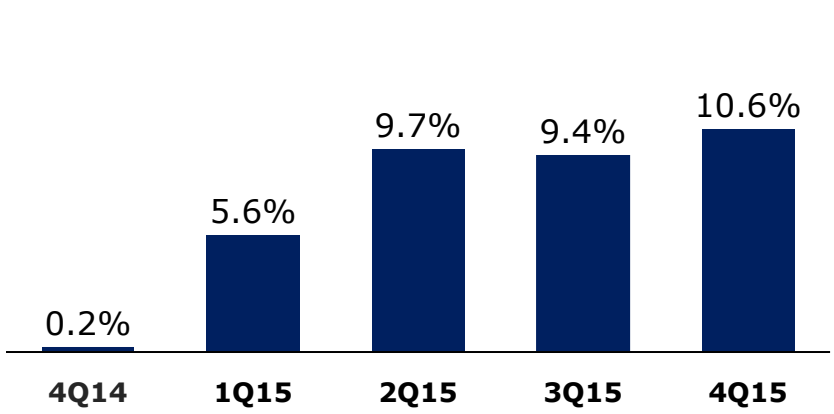
- **Deductions (cancellations and BDP) + Allowances** totaled 3.1% of gross revenue (R$16.4 millions in 4Q15). In the year, down 90 bps in this indicator, with 3.4% of gross revenue over 4.3% in 2014.
- **Sales taxes over gross revenue stable** in the quarter and in the year (6.2% over 6.3%).

Net Revenue (R$ millions)

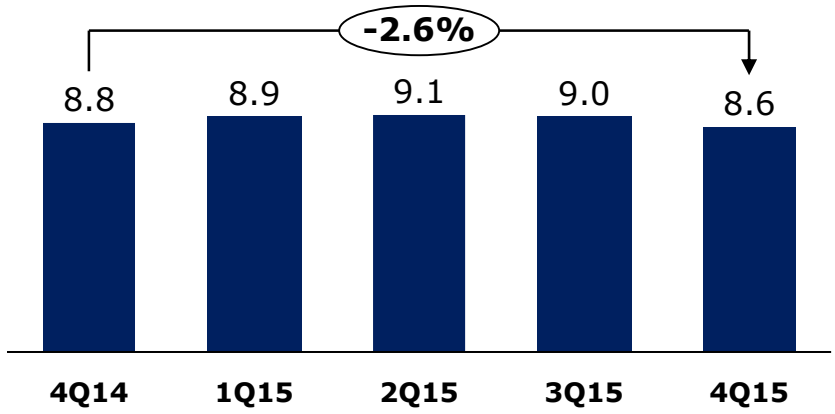


Cost of Services
Indicators

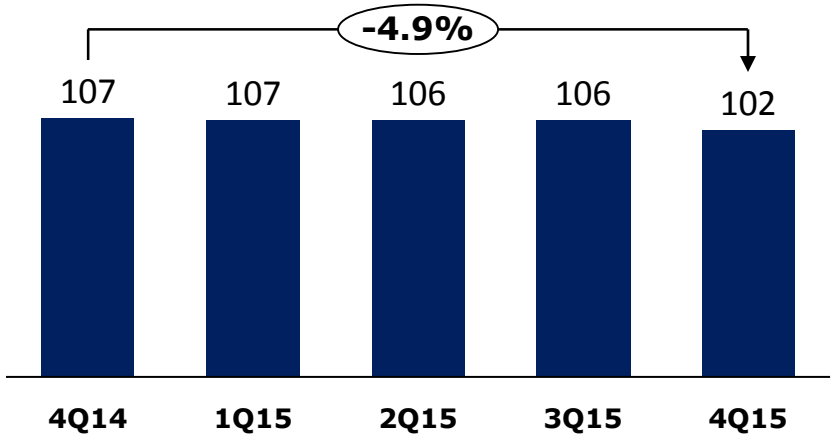
Costs growth (YoY)



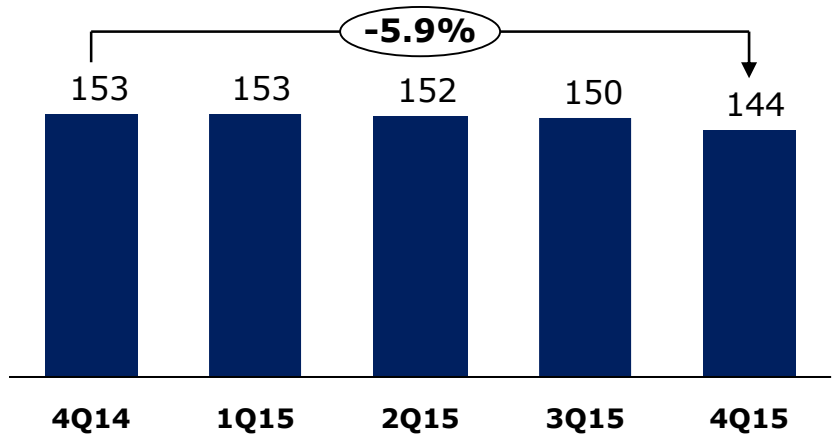
Number of employees (thousand)



M² - PSCs (thousand)



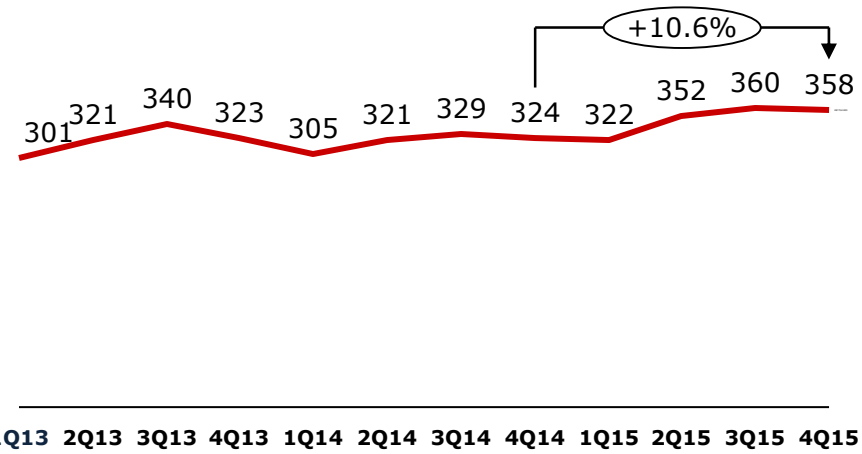
Number of PSCs



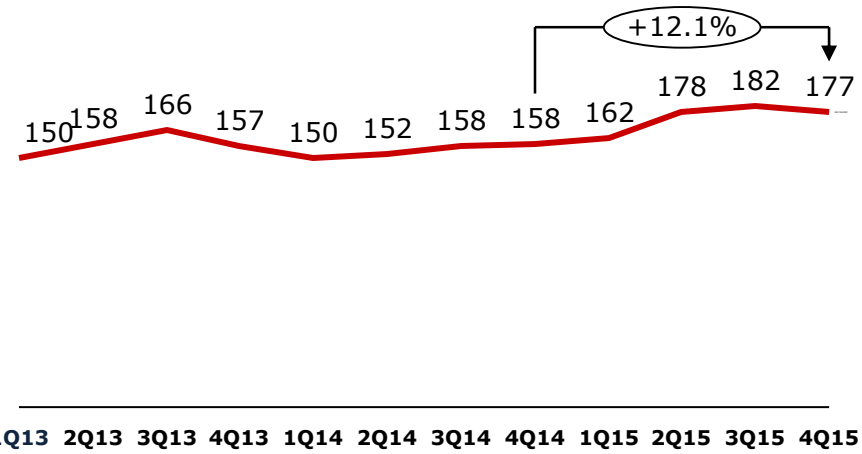
* Note: In 3Q15, there is a correction in the m2 total and number of PSCs impacting 3Q15 and previous quarters.

Cost of Services
Breakdown

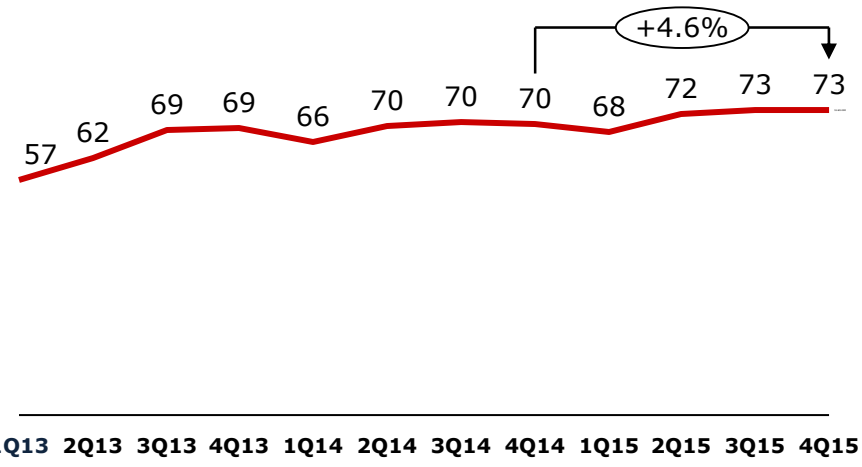
Evolution of costs (R$ MM)



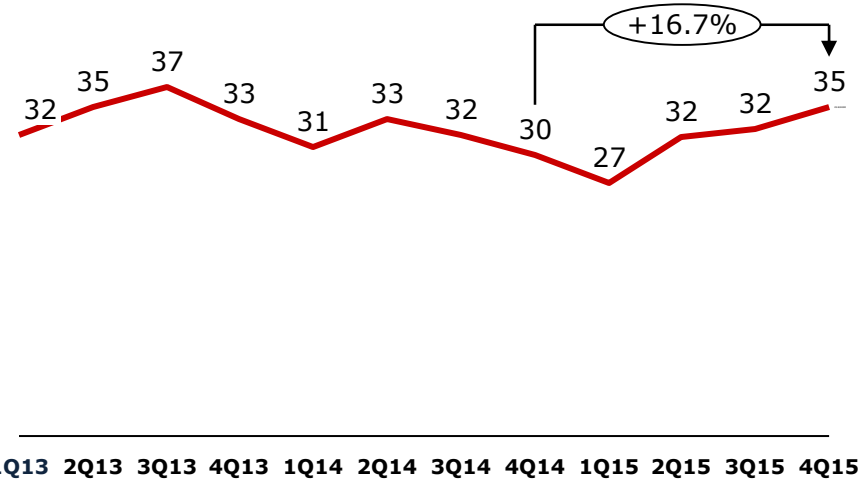
Personnel and Medical Services (R$ MM)



Gen. Services, Rentals and Util. (R$ MM)



General Expenses (R$ MM)



Cost of services

	4Q15		4Q14		2015	2014
	R$ MM	% Net Revenue	R$ MM	% Net Revenue	% Net Revenue	
Personnel and medical services	177.5	37.5%	158.4	37.5%	36.9%	36.8%
Materials and outsourcing	73.5	15.5%	70.2	16.6%	15.2%	16.4%
General services, rent and utilities	49.9	10.6%	43.1	10.2%	10.0%	10.1%
General expenses	34.6	7.3%	29.7	7.0%	6.6%	7.5%
Depreciation and Amortization	22.7	4.8%	22.6	5.3%	4.8%	5.3%
Cost of Services	358.2	75.7%	323.9	76.7%	73.5%	76.2%

- **100 bps (% NR) dilution in the total of Cost of Services:** comparing 2015 vs. 2014, 270 bps dilution.
  - **Stability (% NR) in the line of Personnel and Medical Services:** Salaries, payroll taxes and medical expenses increased below the inflation while costs related to benefits had variation above the revenue growth, impacted mainly by costs related to healthcare insurance for employees. This line was also impacted by the provision of R$ 3.9 MM in profit participation as well as a reversal of R$ 0.5 million in 4Q14.
  - **110 bps (% NR) reduction in the General Services, Rent and Utilities line,** impacted by the reduction in rental expenses of PSCs and efficiencies in cleaning, security and logistics of the operation.
  - **Increase of 30 bps (% NR) on overheads account,** impacted by increases in expenses related to maintenance of IT systems and consulting, increase in volume of tests reports impressions and contingencies costs.

Operating expenses

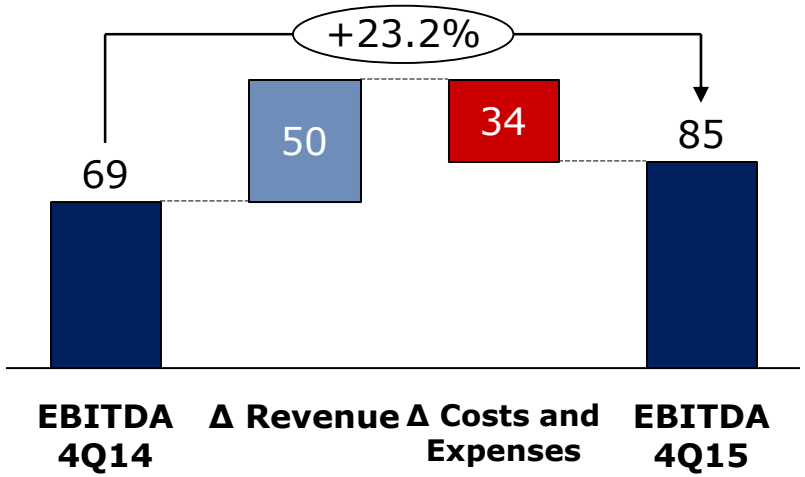
	4Q15		4Q14		Excluding non-recurring 2015	Excluding non-recurring 2014
	R$ MM	% Net Revenue	R$ MM	% Net Revenue	% Net Revenue	% Net Revenue
General and Administrative (Excl. Depreciation)	50.9	10.8%	53.9	12.7%	10.1%	11.0%
Depreciation and Amortization	8.0	1.7%	6.7	1.6%	1.6%	1.5%
Other Operating Income (Expenses), net	0.8	0.2%	-0.5	-0.1%	0.7%	0.1%
Provision for Contingency	0.6	0.1%	-1.2	-0.3%	0.4%	0.2%
Subsidiaries' share of profits	0.0	0.0%	0.1	0.0%	0.0%	0.0%
Operating Expenses	60.4	12.8%	58.9	13.9%	12.8%	12.8%

- **Dilution of 190 bps in general and administrative (excluding depreciation):** reduction of this line is related to the better efficiency of expenditure on salaries and payroll taxes that decreased 1.9%.
- **Other operating income/expenses:** amounting R$ 0.8 million, but without affecting the cash, impacted by provisions related to the judicial process and the sale of the PSCs CADE in Rio de Janeiro.

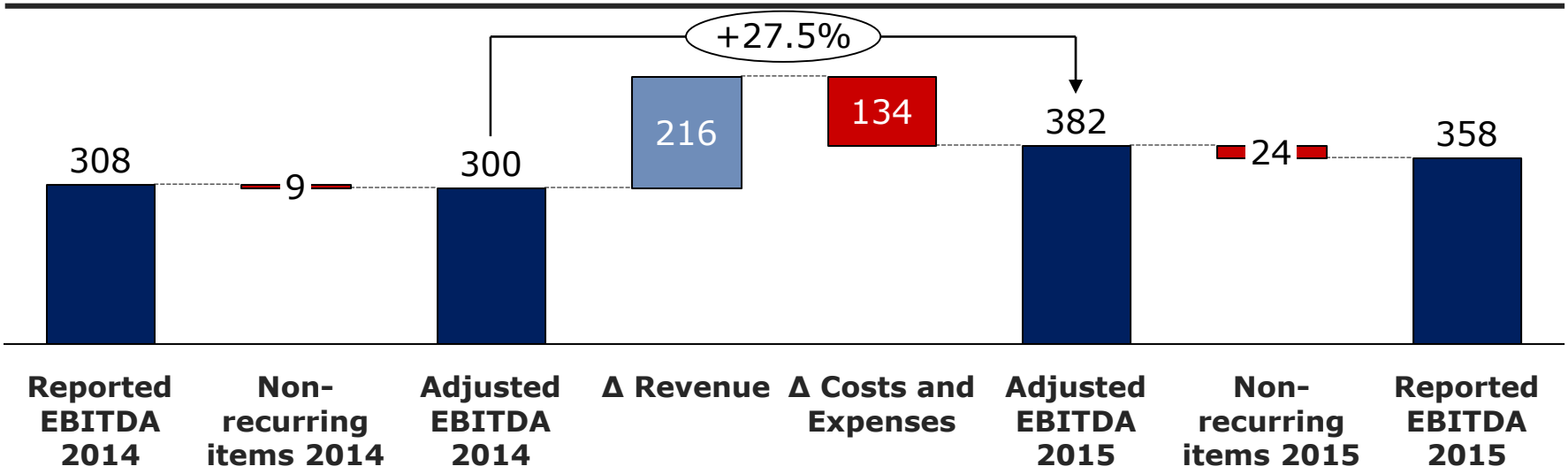
EBITDA

- In the year, **a 27.5% increase** and **margin of 20.2%**, excluding non-recurring items.
- **Consistent control** of **costs and expenses and increased revenue** contributed to the evolution of the indicator.
- In the 4Q15, **a 23.2% increase and margin of 18.0%.**

EBITDA 4Q15 vs. 4Q14 (R$ MM)



EBITDA 2015 vs. 2014 (R$ MM)



Debt

R$ MM	4Q14	3Q15	4Q15	Next 12 months
Gross Financial Debt	1,038.8	1,037.8	990.0	188.4
Cash & Cash Equivalents	(505.3)	(617.1)	(624.6)	
Net Debt	**533.5**	**420.7**	**365.4**	
Net Debt / Adjusted EBITDA LTM	1.8	1.1	1.0	
Adjusted EBITDA LTM / Adjusted Financial Income LTM	4.9	6.0	6.4	
Net Debt / EBITDA LTM	1.7	1.2	1.0	

98.1% of CDI

Average weighted cost of debt

Debentures

1st issuance in dec/11

1st Series: R$ 150MM (CDI+0.94%)

Amortization: 4Q14, 4Q15 e 4Q16

2nd Series: R$ 300MM (CDI+1.2%)

Amortization: 4Q16, 4Q17, 4Q18

2nd issuance in feb/13

R$ 500MM (CDI + 0,85%)

Amortization: 1Q18, 1Q19, 1Q20

Finep

- R$ 155MM contract signed in August 2014
- R$ 101.7 MM released in October 2014
- Deadline for settlement: 97 months, annual interest rate of 4%

Financial result

R$ MM	4Q15	4Q14	Excl - Non-recurring Items 2015	2014
Financial income (expenses), net	(13.4)	(14.4)	(60.0)	(61.2)
Financial income	24.7	20.4	84.7	66.6
Interest and inflation adjustment	3.4	3.6	14.2	9.7
Exchange rate change and hedge	0.2	0.0	0.4	0.1
Interest received	22.4	16.8	72.6	56.8
Other expenses	(1.2)	0.0	(2.5)	0.0
Financial expenses	(38.2)	(34.8)	(144.7)	(127.9)
Interest and inflation adjustment	(37.3)	(33.2)	(140.5)	(123.9)
Exchange rate change and hedge	(0.0)	(0.7)	(0.4)	(0.9)
Other expenses	(0.8)	(1.0)	(3.7)	(3.0)

- Financial income reached R$ (13.4) millions compared to R$ (14.4) millions in the 4Q14. In 2015, excluding the non-recurring items, the result reached R$ (60.0) millions compared to R$ (61.2) millions in 2014.
- In 2015 spending on net financial income reached 3.2% of net revenue (3.6% in 2014), reflecting the reduction in average net debt of 6.1% in the same period.

Income tax and social contribution

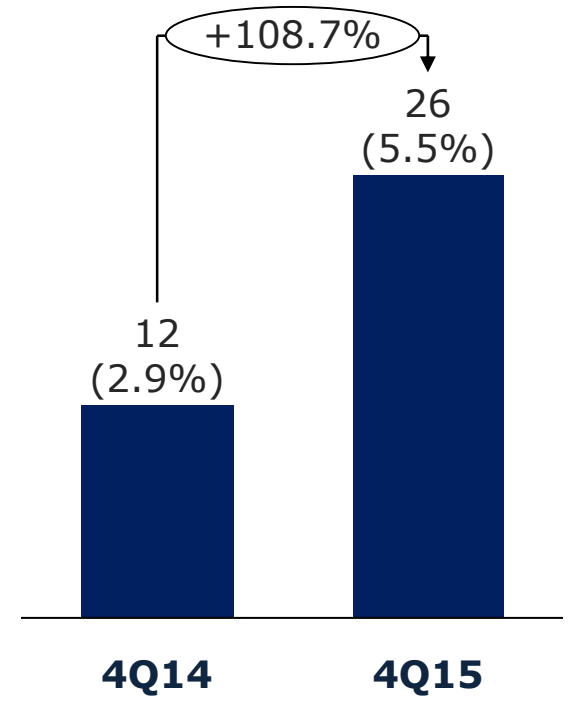
(R$ MM)	4Q15	4Q14	2015	2014
Earnings Before Taxes (EBT)	40.9	25.3	172.5	143.6
Combined income tax and social contribution rate	13.9	8.6	58.6	48.8
Non-deductible Expenses and interest on capital	1.2	4.3	6.4	9.0
Equity Pickup	(0.0)	(0.1)	0.1	0.0
Income tax and social contribution	15.1	12.9	65.1	57.8
% EBT	36.8%	51.0%	37.8%	40.2%
Current	3.2	0.0	15.9	0.0
Deferred	11.8	12.9	49.3	57.8

- The income tax and social contribution rate was 36.8% in the quarter and 37.8% in 2015.
- Due the amortization benefit of goodwill from acquisitions, cash tax in 2015 was R$ 15.9 millions.

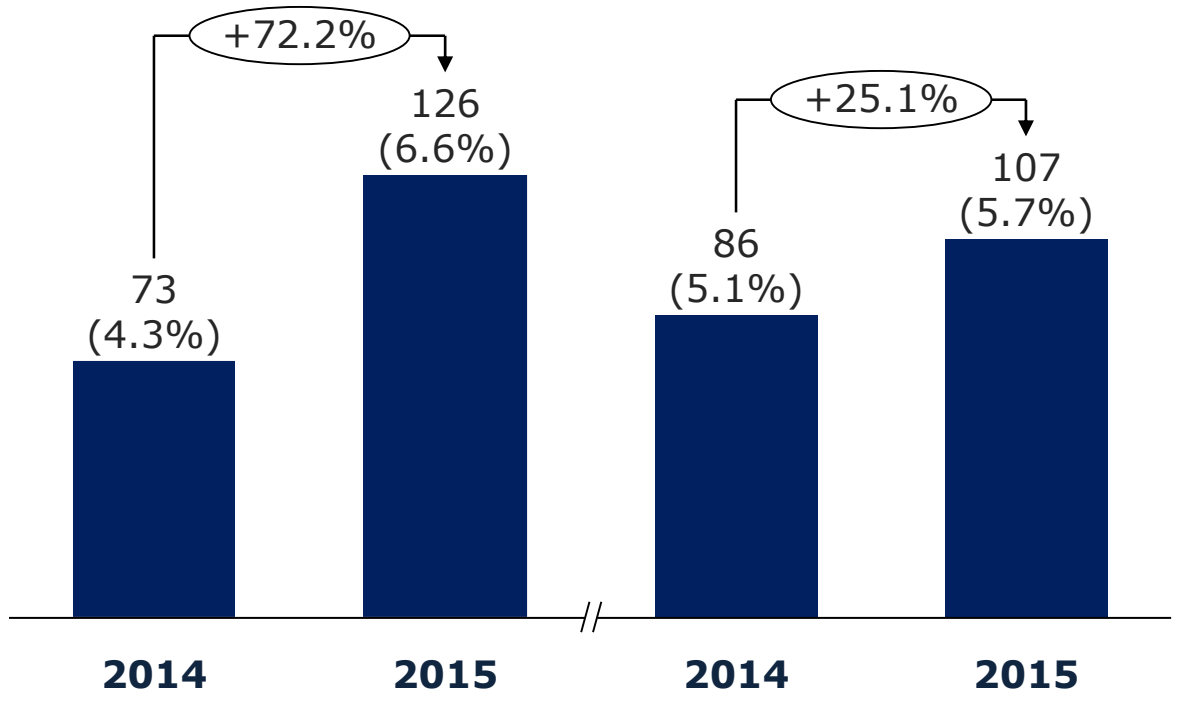
Net profit (R$ millions)

- Improvement in operating income with stability in the financial result and improvement in the effective rate (income tax), leading to **increase 72.2% in the net income in 2015.**

Net profit 4Q15 vs. 4Q14 (R$ millions)



Net Profit 2015 vs. 2014 (R$ millions)



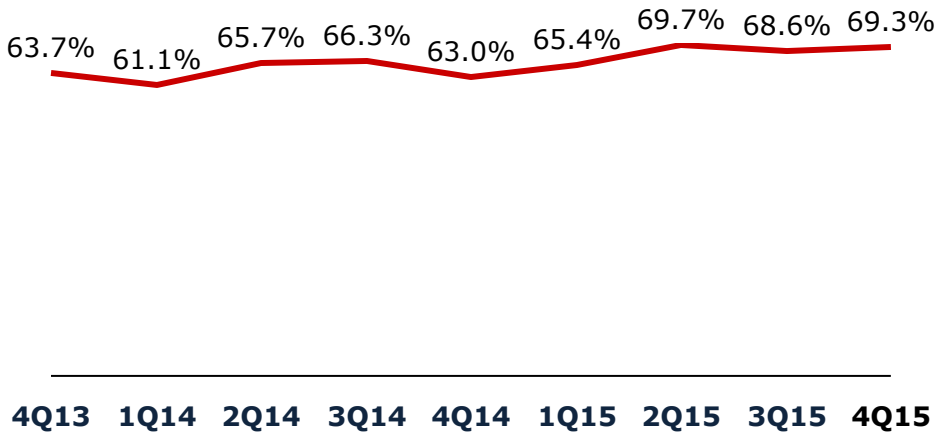
Receivables

Account Receivable (R$ MM)	4Q14	3Q15	4Q15
Trade receivables	440	482	443
Sales Deductions Provisions	(50)	(50)	(45)
Total	**390**	**433**	**398**

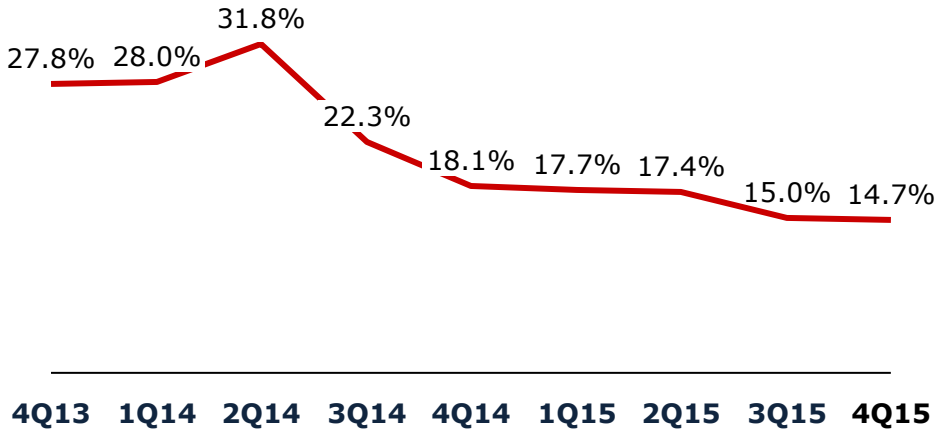
Aging Acc. Receivable (R$ MM)	4Q14	3Q15	4Q15
Current	258	352	324
Up to 120 days past due	102	58	54
121 to 360 days past due	51	43	38
Over 360 days past due	29	30	27

- **Improvement in the aging profile:** current receivables respond for 73.1% against 58.6% in 4Q14.
- **Days Sales Outstanding decreased:** 71 days vs. 78 in 4Q14.

Provision Coverage Index
(BDP/ receivables due for more than 120 days)



Receivables due over 120 days / Total Receivables



Cash Flow

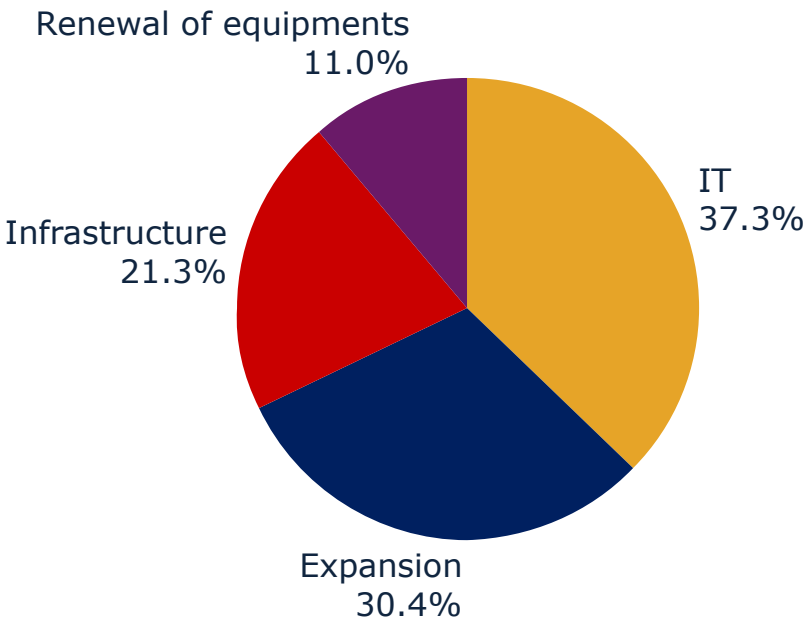
	4Q15	4Q14	Δ	2015	2014	Δ
Net Income	**25.9**	**12.4**	**109%**	**107.3**	**85.8**	**25%**
Items not affecting cash:	82.3	71.1	15.9%	361.1	298.4	21.0%
Δ Working capital:						
Trade accounts receivables	19.5	11.6	67.6%	(76.2)	(69.7)	-9.3%
Suppliers	12.9	15.3	-15.5%	(1.6)	(0.1)	-1031.7%
Salaries / Charges	(14.3)	(16.6)	13.8%	11.3	0.2	5617.7%
Others Assets and Liabilities	1.0	(5.8)	117.8%	(9.2)	(25.0)	63.2%
Financial Expenses paid	(1.4)	(1.2)	-14.8%	(4.4)	(3.9)	-13.0%
Income tax and social contribution paid with credits	(7.0)	0.0	0.0%	(19.5)	0.0	0.0%
Operating Cash Flow	**118.9**	**86.8**	**37%**	**368.9**	**285.7**	**29%**
Investing Activities	(51.8)	(40.8)	-26.9%	(128.4)	(120.5)	-6.6%
Financing Activities	(59.6)	(59.5)	-0.3%	(121.2)	(199.9)	39.4%
Cash Flow	**7.5**	**(13.5)**	**155%**	**119.3**	**(34.7)**	**444%**
Conversion (Operating Cash Flow / EBITDA)	**140%**	**126%**	**1408.1 bps**	**103%**	**93%**	**1038.7 bps**

Historical record on operating cash flow in 2015

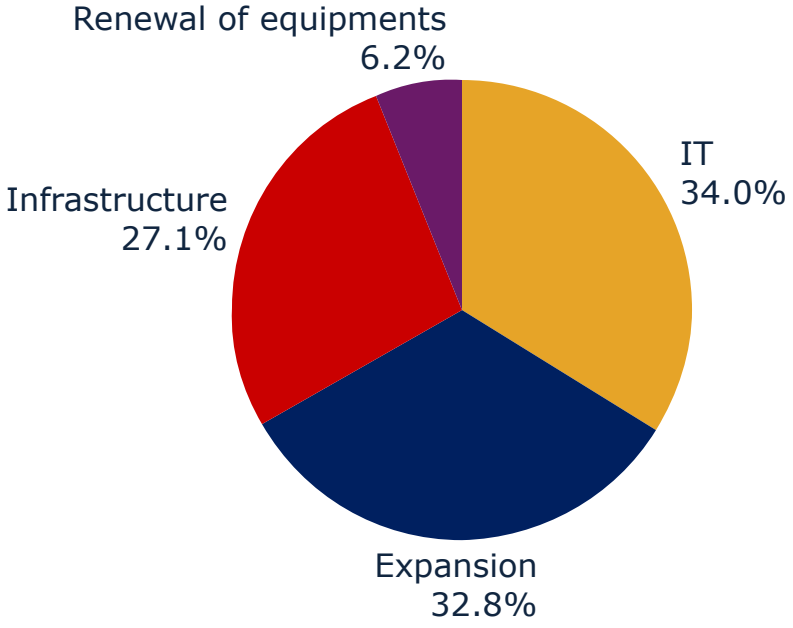
Capex

- In the year, investments concentrated in (i) the Fleury brand expansion plan and (ii) strategic projects related to IT, that include SAP reimplementation and the front office system integration in Rio de Janeiro.

2015 = R$ 111.7 MM

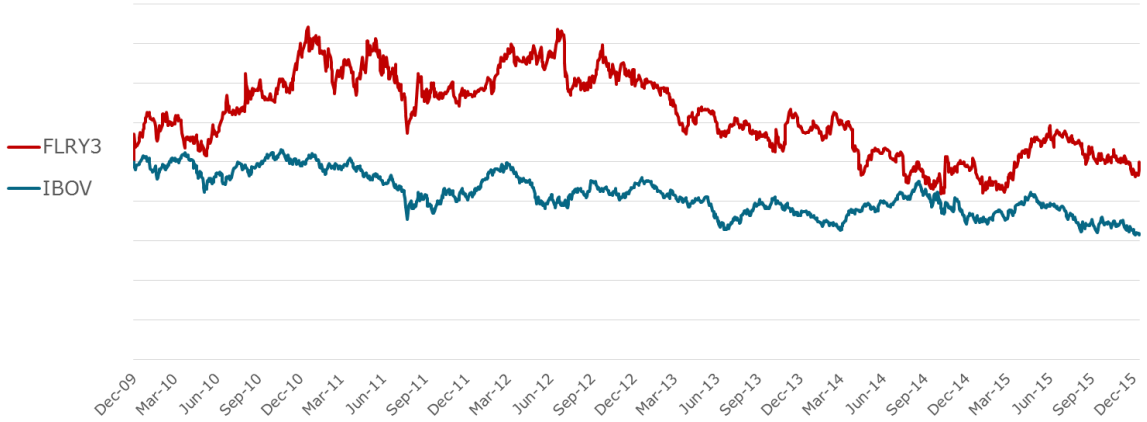


4Q15 = R$ 41.3 MM



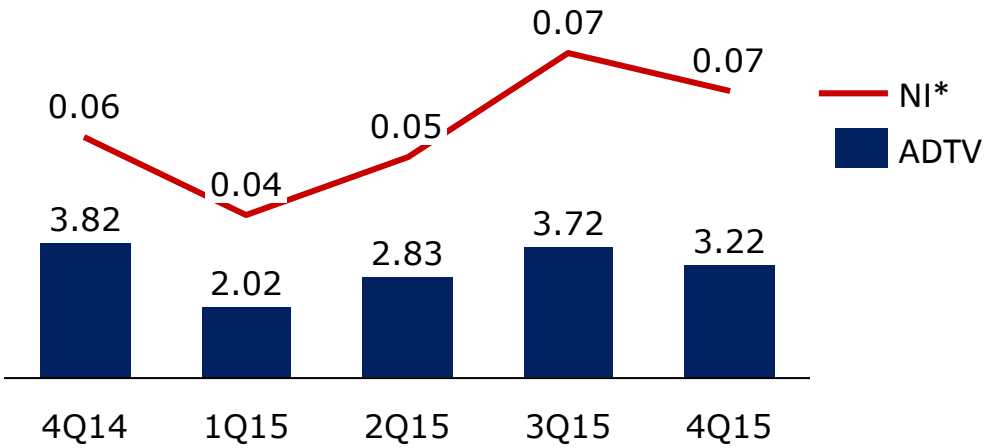
Market Performance (12/31/2015)

Shares performance x Ibovespa (IPO)



▼ **-1.72% vs. 2014**

Average Daily Trading Volume (ADTV) R$ MM and Negotiability Index* (IN)



Shares and Market Cap	
Total Shares	156,293,356
Market Cap	R$ 2.5 bn
Closing Price	R$ 16.00

Agenda

Grupo Fleury's management will attend the following events on the next months:

Date	Event	Location
March 10th	9th Santander Healthcare Conference	São Paulo | Brazil
April 5th and 6th	Bradesco's 3rd Brazil Investment Forum	São Paulo | Brazil
May 18th	Itau BBA CEO Conference	New York | USA

For further information, please access: www.fleury.com.br/ri

2015 and 4Q15 Results – FLRY3

March 2016