



alliar médicos à frente
sistema de diagnósticos de saúde



1Q17 EARNINGS PRESENTATION

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1Q17 HIGHLIGHTS

- **Net revenue** growth of **32%**, with **13%** coming from same stores (**SSS**)
- Addition of **11 stores**, new MRIs and collection rooms
- **Adjusted EBITDA** of R\$ **49.7** million (**18%** growth), with **20.1%** margin
- **Recurring operating cash flow** of R\$ **24.1** million, **29%** growth
- **17.2% ROIC** without goodwill, increase of **141** bps
- Net Promoter Score (**NPS**) of **70.5%**

EXPANSION

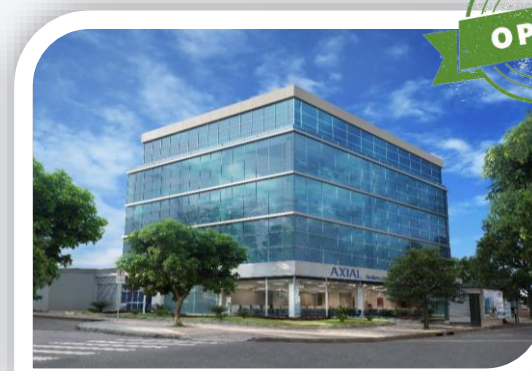
Mega CDB Morumbi

March/2017



Mega Axial Bernardo Monteiro

March/2017



Multiscan

March/2017

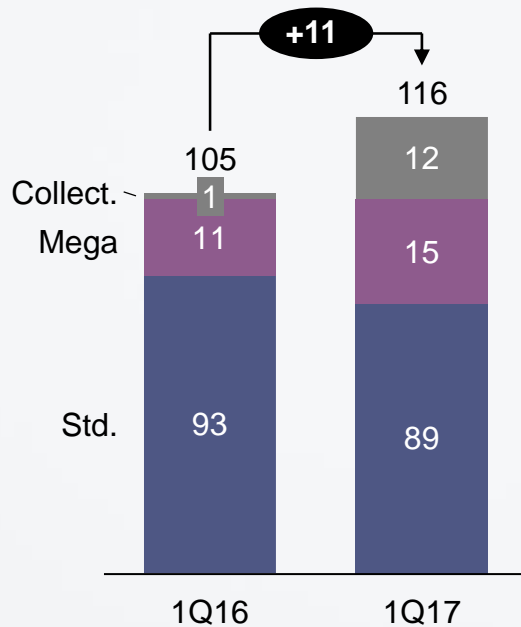
- **Leader** in diagnostics imaging in the **Espírito Santo** state
- **4 stores, 8 MRIs**
- 2017e: EBITDA R\$ **15** million, net income R\$ **10** million
- Valuation of **6.9x** EV/EBITDA and **9.2x** P/E
- Payment in **5** years



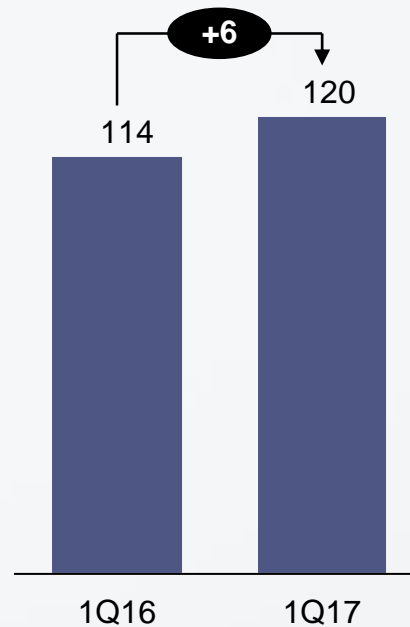
KEY ASSETS

EVOLUTION

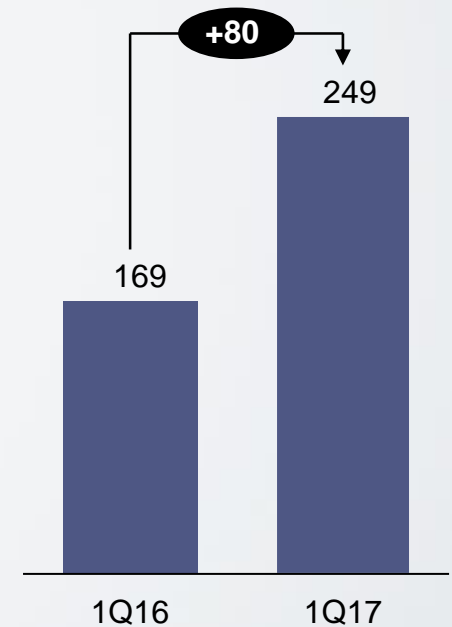
STORES



MRIs



C. ANALYSIS ROOMS

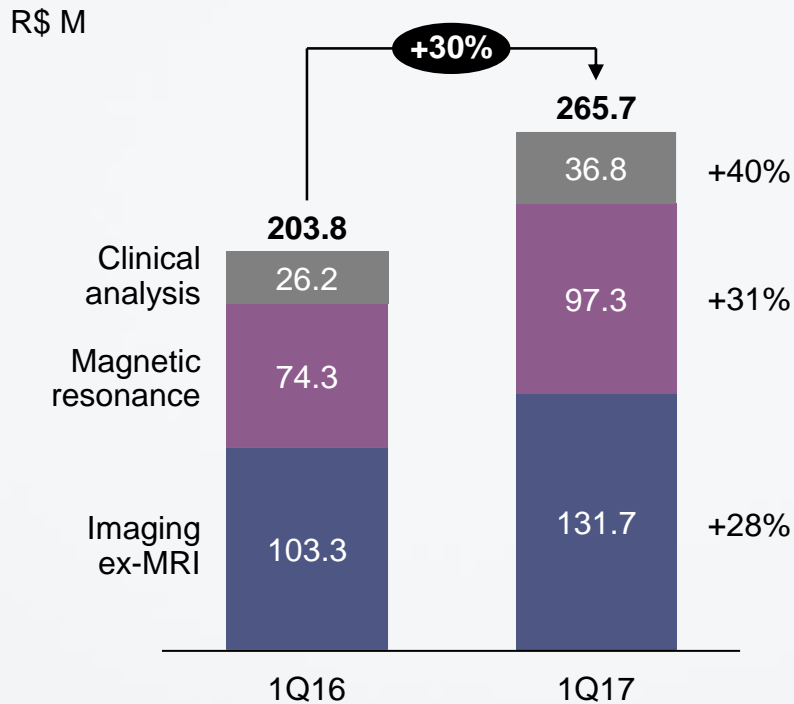


HIGHLIGHTS

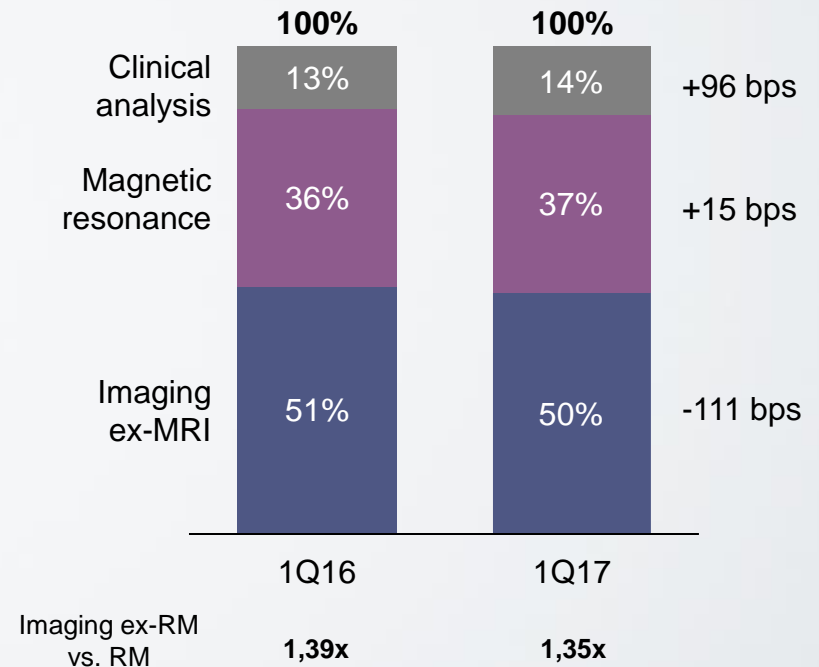
- Addition of **4** mega stores and **11** collection points; closure of **4** standard stores
- Strong expansion of clinical analysis collection rooms, now available in **42** stores

GROSS REVENUE EX-CONSTRUCTION

GROWTH



SHARE



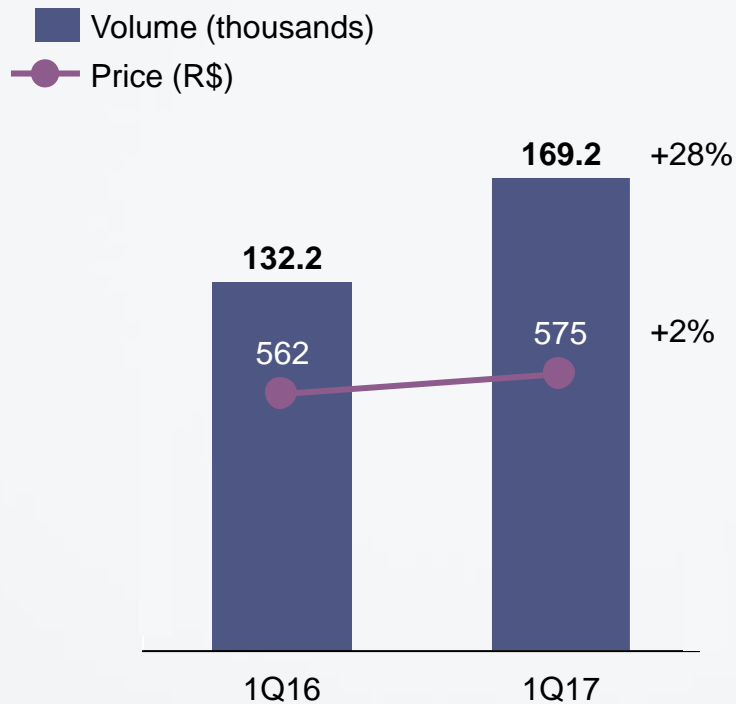
HIGHLIGHTS

- Strong clinical analysis growth, representing 14% of revenues
- Robust imaging growth, maintaining the proportion between MRI and other exams

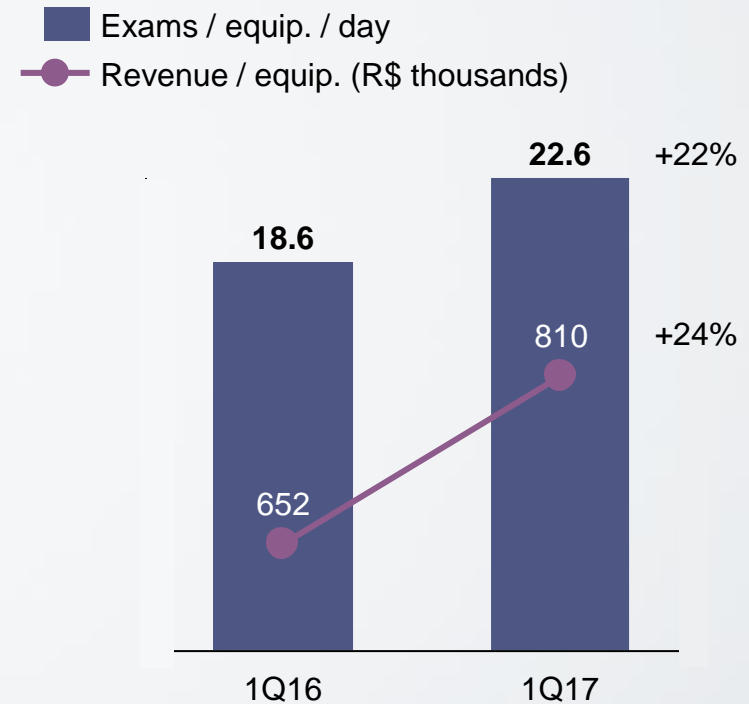
GROSS REVENUE

MAGNETIC RESONANCE

VOLUME AND PRICE



PRODUCTIVITY

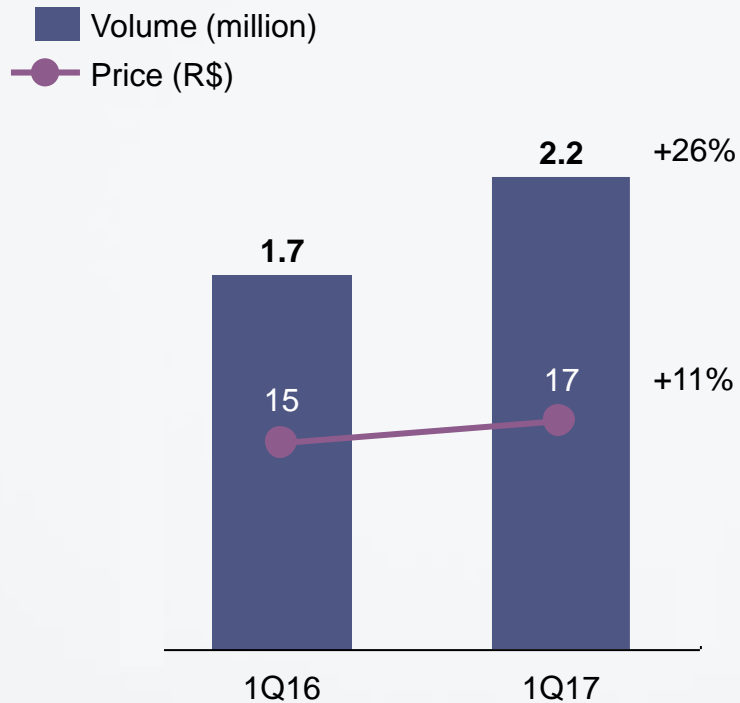


HIGHLIGHTS

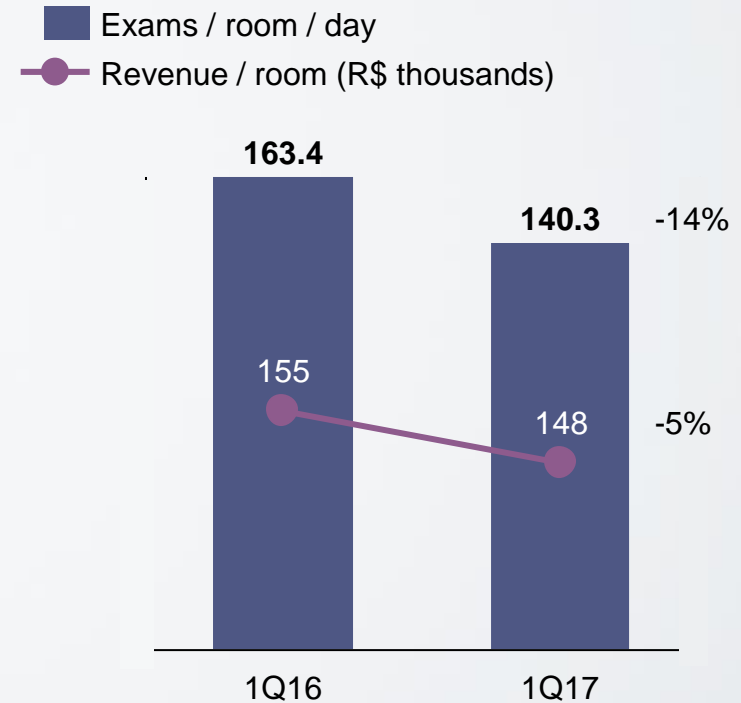
- Ramp-up of existing equipment, supported by new contracts
- Delfin **acquisition** and RBD **ramp-up**

GROSS REVENUE CLINICAL ANALYSIS

VOLUME AND PRICE



PRODUCTIVITY

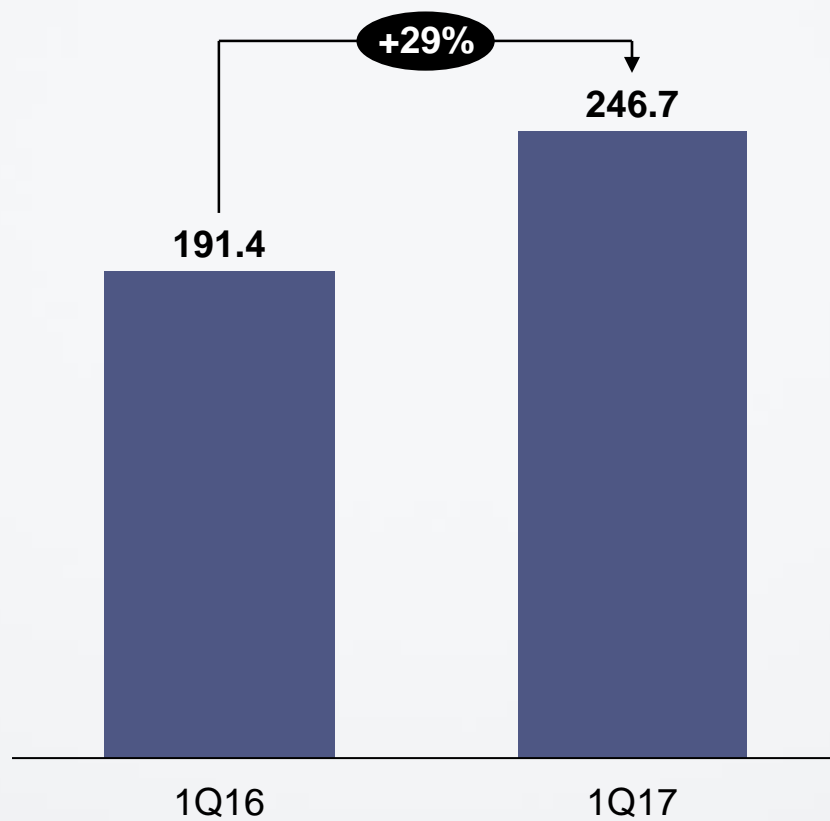


DESTAQUES

- New CDB **contracts**
- **Multilab** acquisition and **ramp-up** of collection room in existing stores

NET REVENUE EX-CONSTRUCTION

R\$ M



COST OF SERVICES

Cost of Services (R\$ Million)	Accounting		
	1Q17	1Q16	YoY
Medical Services	-44.0	-35.9	23%
Employees	-43.1	-33.4	29%
Supplies and Support Labs	-33.2	-26.1	27%
Maintenance	-7.2	-5.5	32%
Occupancy	-14.2	-11.3	25%
Third-party services and others	-9.9	-6.1	61%
Depreciation and amortization	-18.6	-13.1	42%
Total costs ex-construction	-170.2	-131.4	29%

HIGHLIGHTS

- Medical services, supplies, support labs and occupancy: **margin improvement**
- Employees and third party services: acquisitions and **opening of new stores**
- Depreciation: reflects R\$ 132 million increase in **fixed assets**

OPERATING EXPENSES

Operating Expenses (R\$ Million)	Accounting		
	1Q17	1Q16	YoY
General and administrative expenses	-53.5	-37.7	42%
Employees	-26.1	-20.7	26%
Occupancy, third-party services and others	-22.8	-15.5	47%
Depreciation and amortization	-2.3	-1.5	60%
Long-term incentive program	-2.3	0.0	n/a
Other expenses, net	-1.5	-0.7	127%
Equity in the earnings (loss) of subsidiaries	3.5	1.1	207%
Total Expenses	-51.6	-37.2	38%

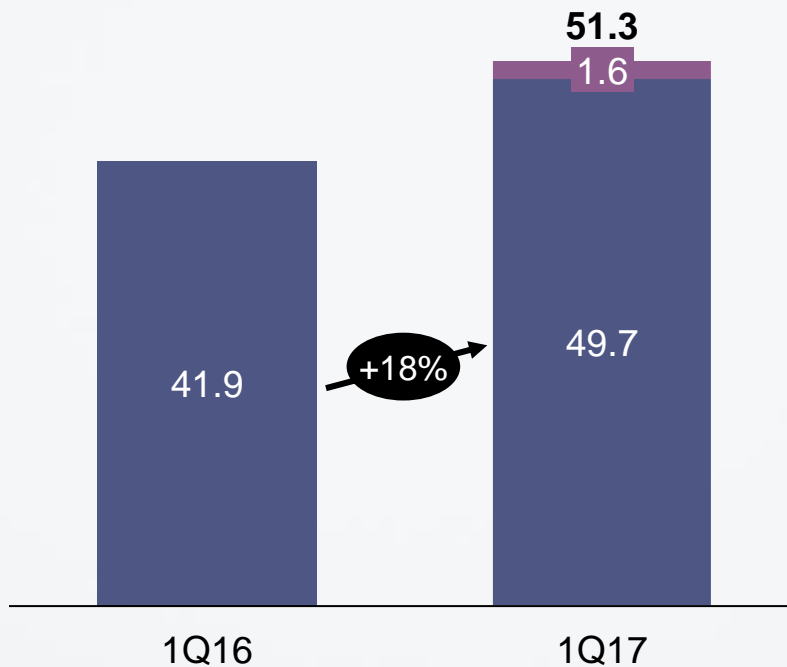
HIGHLIGHTS

- Employees: **acquisitions**, central call-center and **post-IPO** team
- Occupancy and third party services: acquisitions, SSC IT, marketing new stores and **RBD**
- Long-term incentive: change from stock options to restricted shares (no more dilution)

EBITDA

ADJUSTED EBITDA

R\$ M



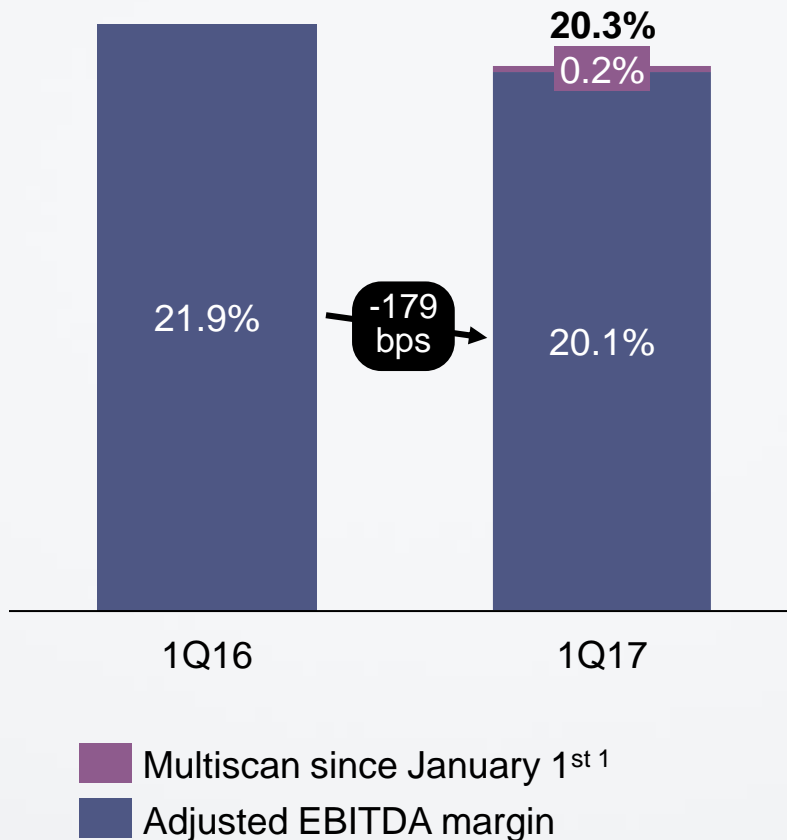
- Multiscan since January 1st
- Adjusted EBITDA

HIGHLIGHTS

- 1Q17 includes R\$ **2.3** million of **restricted stocks**; on 1Q16 “cost” of long-term incentives (stock options) was shareholder **dilution**
- Only **1 adjustment** (write down of RBD financial asset); parts accounted for as depreciation

EBITDA MARGIN

ADJUSTED EBITDA MARGIN



HIGHLIGHTS

- 1Q17 includes R\$ 2.3 million of **restricted stocks**; on 1Q16 “cost” of long-term incentives (stock options) was shareholder **dilution**
- 1Q17 impacted by the opening of **new stores** and by **call-center centralization** (personnel duplicity and termination costs)

FINANCIAL RESULT

Financial Result (R\$ Million)	Accounting		
	1Q17	1Q16	YoY
Financial income	3.4	0.3	981%
Financial expenses	-15.3	-16.8	-9%
Foreign exchange effect on USD debt	2.2	9.5	-77%
Total Financial Result	-9.8	-6.9	41%

HIGHLIGHTS

- Adoption of **hedge accounting** (4131 debt no longer have FX exposure)
- **Financial income:** interest from IPO proceeds
- **Financial expenses:** lower risk-free rate and gross debt
- **Foreign exchange effect (USD debt):** lower USD depreciation on 1Q17 vs. 1Q16

INCOME TAX

Consolidated Income Tax (R\$ million)	Accounting		
	1Q17	1Q16	YoY
EBT	15.1	15.7	-4%
Income Tax Ans Social Contribution	-6.4	-6.0	6%
Effective Income Tax Rate	-42%	-38%	4%

Income Tax (R\$ million)	Accounting					
	1Q17			1Q16		
	Parent	Subsidiaries	Consolidated	Parent	Subsidiaries	Consolidated
EBT	-9.9	25.0	15.1	-14.1	29.8	15.7
Income Tax and Social Contribution	0.8	-7.2	-6.4	0.0	-6.0	-6.0
Income Tax Rate	n/a	-29%	-42%	0%	-20%	-38%

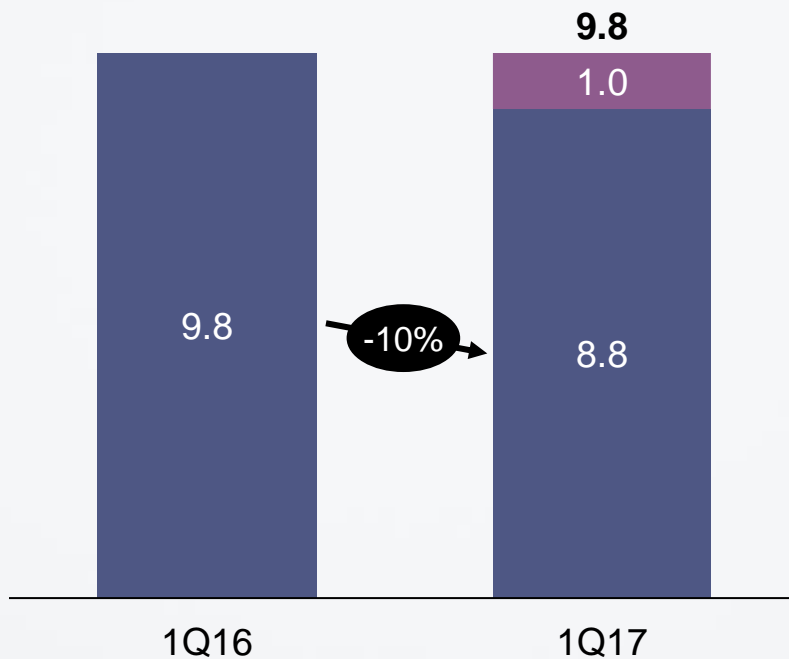
HIGHLIGHTS



- Parent: 30% EBT improvement
- Subsidiaries: lower EBT, larger portion of the results coming from companies under the real profit scheme (higher effective tax rate)

NET INCOME

NET INCOME

R\$ M



 Multiscan since January 1st
 Net income

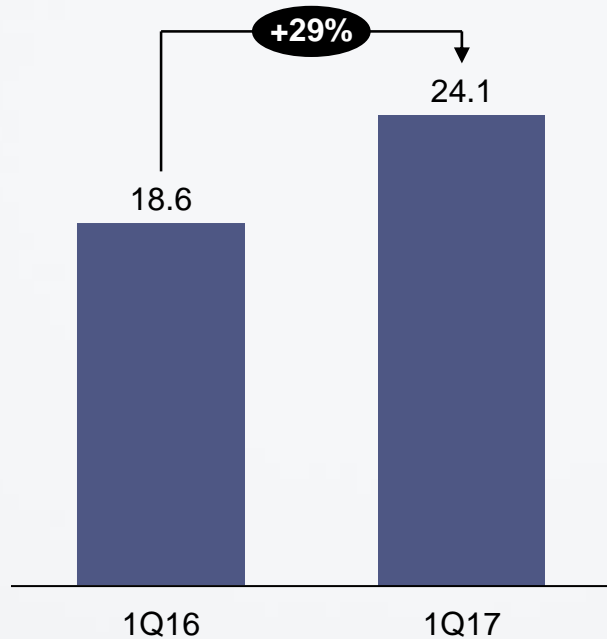
HIGHLIGHTS

- Lower **FX** contribution on 1Q17 (R\$ -7.3 million)
- Higher **depreciation**, reflecting +R\$ 132 million in fixed assets (capacity expansion)
- Higher **tax rate** (+399 bps)

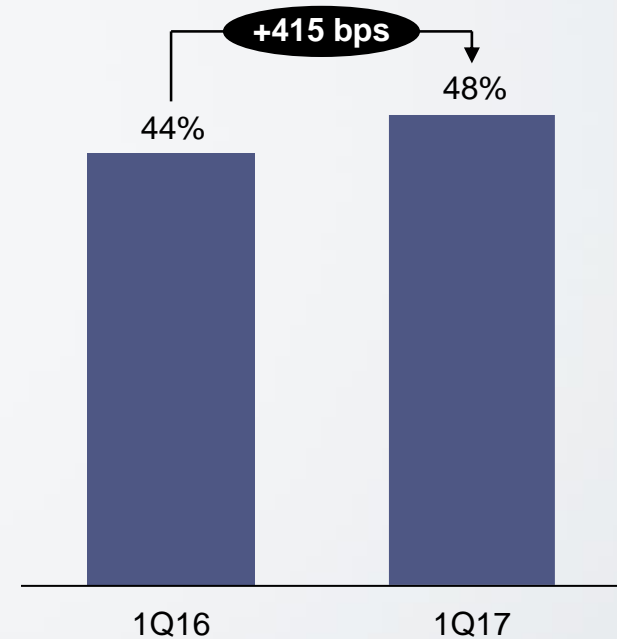
OPERATING CASH FLOW AND CASH CONVERSION

RECURRING OPERATING CASH FLOW

R\$ M



CASH CONVERSION



HIGHLIGHTS

- **Cancellations and PDA** representing only **1.5%** of revenue
- **Cash conversion** improvement (weakest quarter of the year)

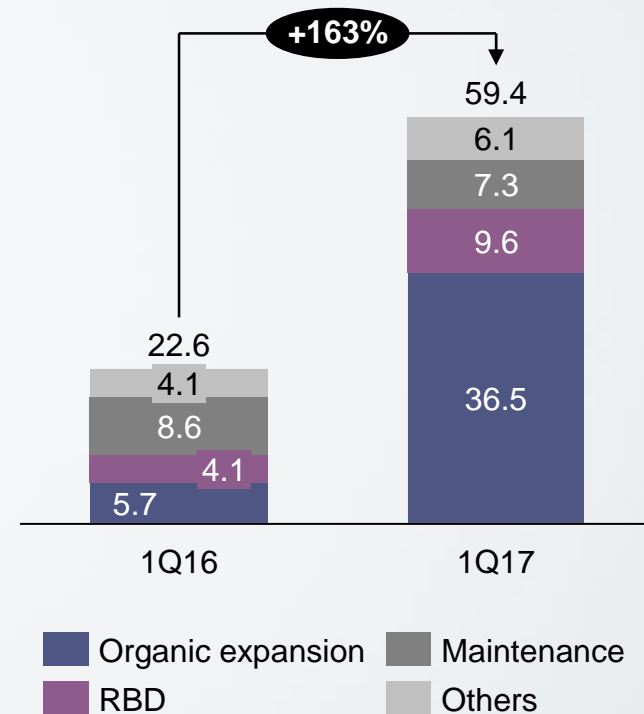
INVESTMENTS



Mega Store CDB Morumbi

CAPEX

R\$ M

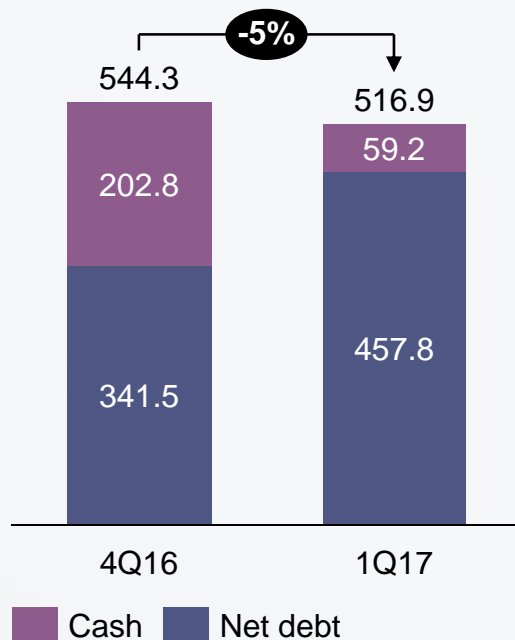


HIGHLIGHTS

- Strong investment in **organic expansion**
- Quarter concentrated most of 2017's **Capex**
- R\$ **45.0** million investment in **M&A**, with the **Multiscan** acquisition

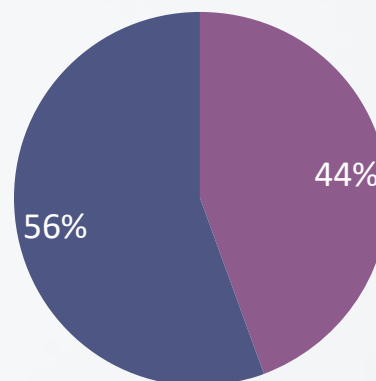
DEBT

EVOLUTION

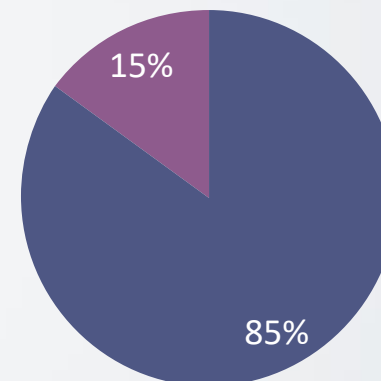


COMPOSITION

MATURITY



CURRENCY



HIGHLIGHTS

- **2.0x** net debt / EBITDA (vs. 1.6x in 2016)
- Year's weakest quarter, expansion **investments** and future **BNDES** reimbursement
- Initiatives to **lengthen** debt maturity

CLOSING REMARKS



**Strong
growth**



**Additional
installed
capacity**



**Continuous
improvement**



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