

INVESTOR DAY RAMSAY HEALTH CARE / GÉNÉRALE DE SANTÉ

MARCH 12th 2015

INTRODUCTION

- **PASCAL ROCHÉ**

- ' Chief Executive Officer



- **DENIS CHARLES**

- ' Group Head of Operations

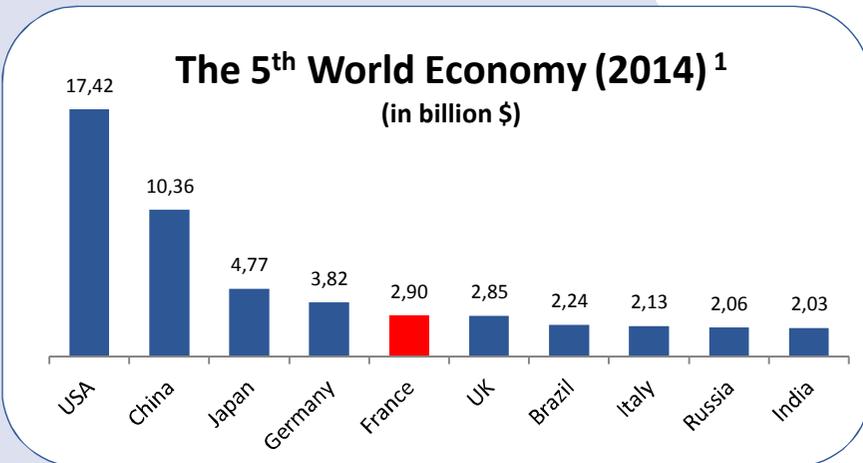


- **ARNAUD JEUDY**

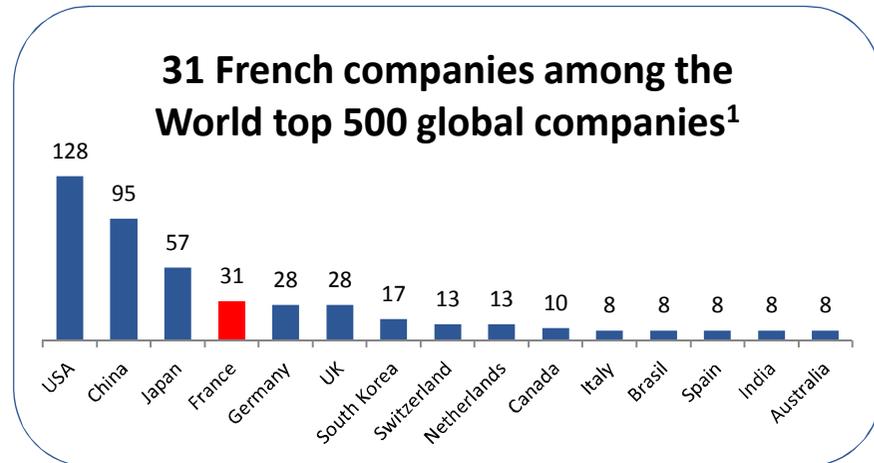
- ' Chief Financial Officer



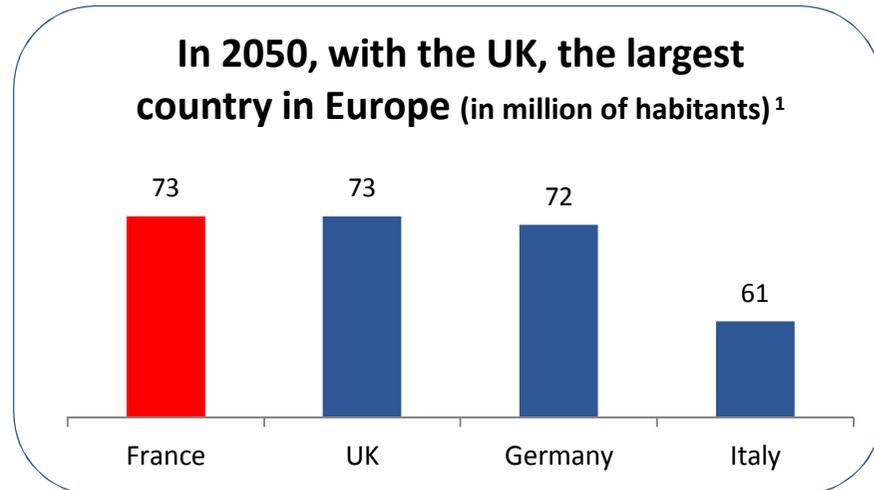
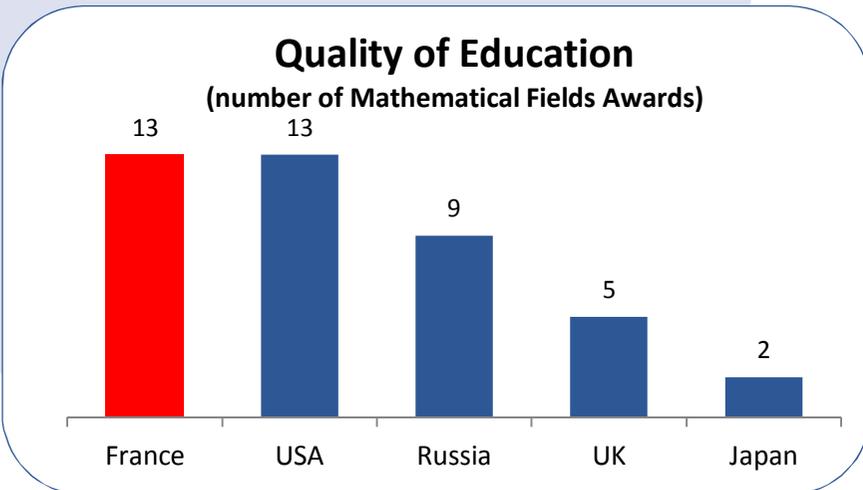
ON A FACT-BASED APPROACH, FRANCE NEEDS TO ADAPT BUT HAS A HUGE POTENTIAL



¹ Source IMF



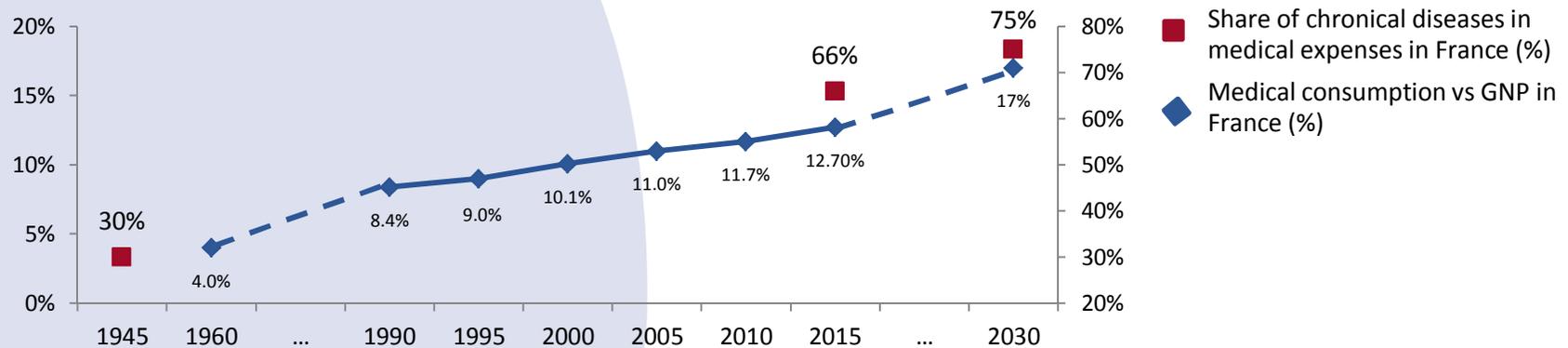
¹ Source Fortune 500



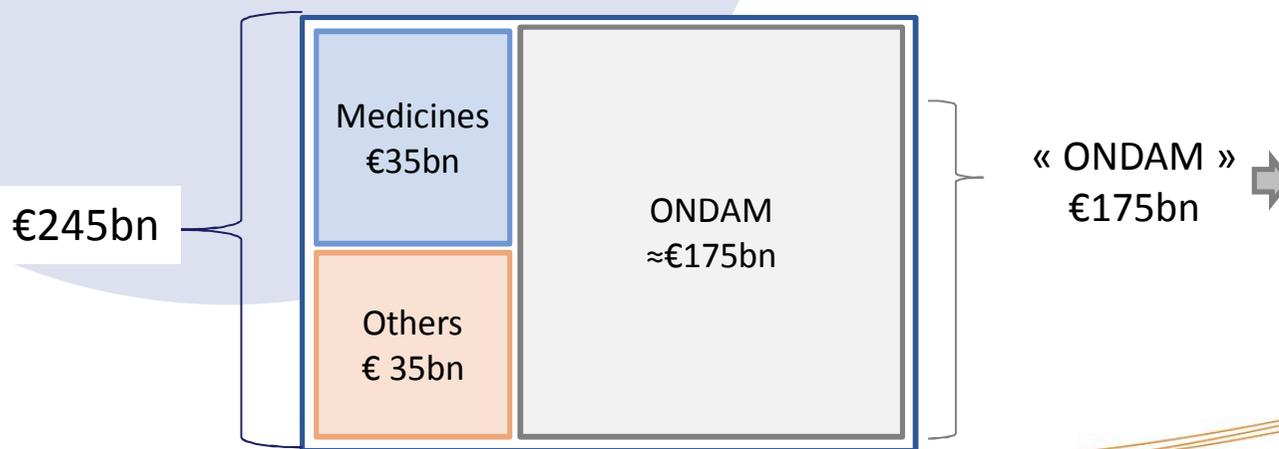
¹ Source INSEE

MEDICAL SERVICES OF PRIVATE CLINICS ARE FINANCED BY THE PUBLIC HEALTH SYSTEM WITHIN THE ONDAM BUDGET

MEDICAL CONSUMPTION HAS INCREASED FASTER THAN GNP ¹

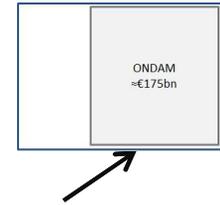


MEDICAL SERVICES OF PRIVATE CLINICS ARE FINANCED BY THE PUBLIC HEALTH SYSTEM WITHIN THE ONDAM BUDGET



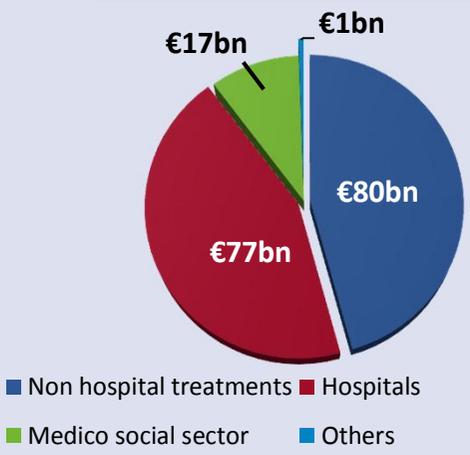
«Every year, the "Projet de loi de finances" (funding law project) voted by the Parliament sets a target for national funding dedicated to health expenses, expressed as a National Statutory Healthcare Spending Objective ("Objectifs National de Dépenses d'Assurance Maladie" ONDAM)

ONDAM BUDGET WILL KEEP ON INCREASING EVERY YEAR



ONDAM is characterized by an amount and its evolution, both voted and achieved. It is expressed in 6 chapters regrouped in 4 categories

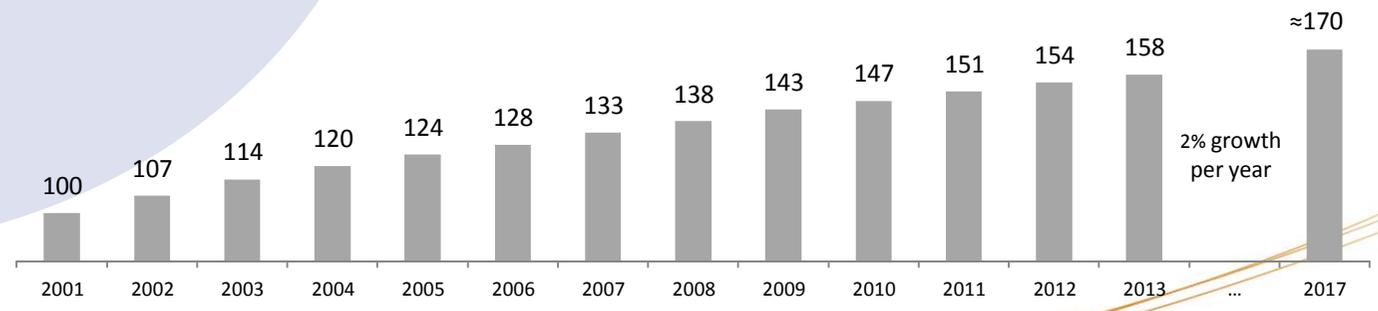
ONDAM in 2013



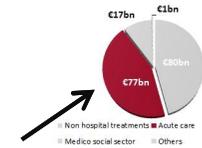
- 6 chapters in ONDAM
- Care for elderly people
 - Care for disabled people
 - Other care
 - Ambulatory care
 - Hospitals included in DRG
 - Hospitals not included in DRG

- Voted objective
- 1 objective in common
 - No objective
 - No objective
 - 2 objectives : ODMCO, MIGAC
 - 2 objectives : ODAM, OQN

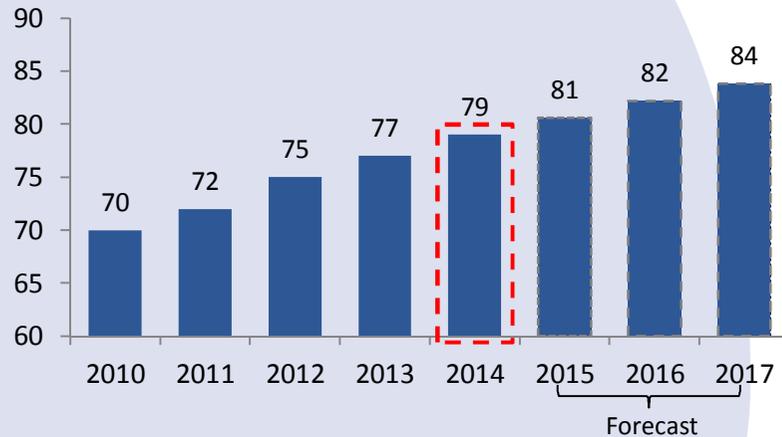
ONDAM BUDGET (INDEX 100 IN 2001)



AN INCREASING FRENCH HEALTHCARE MARKET...



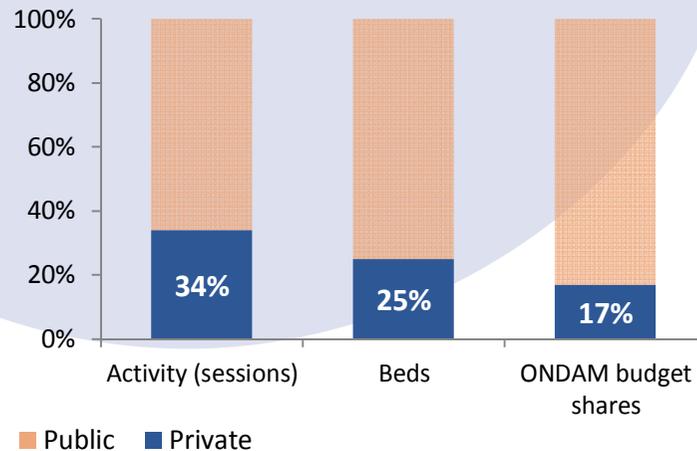
HOSPITAL MARKET (IN €BN)



A MASSIVE AND SECURE MARKET

- €79bn for healthcare facilities (MSO)
- A market split between 2 main categories :
 - Non profit actors ;
 - For profit actors. } $\Sigma = 2,000$ actors
- 2% annual growth expected up to 2017

PRIVATE ACTORS ARE MORE EFFICIENT

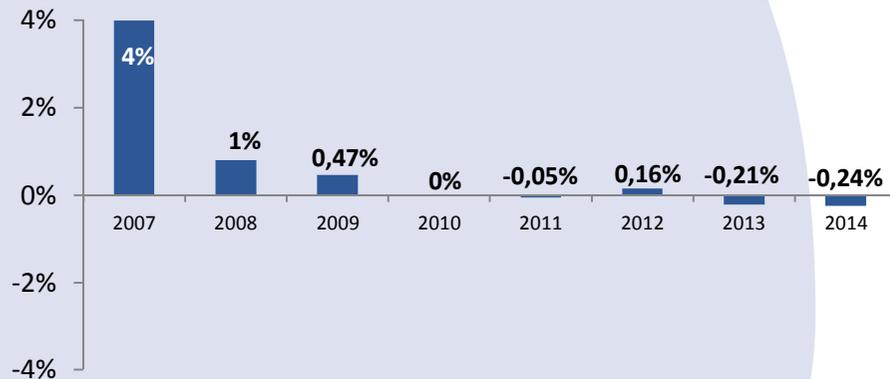


A MARKET WHICH IS CALLING FOR FURTHER CONSOLIDATIONS

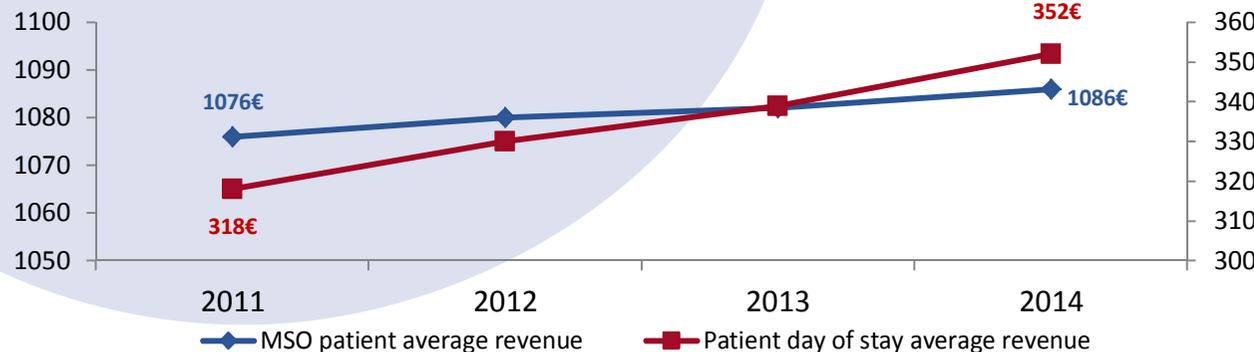
- 410,000 beds, 20% over capacity
- The number of MSO private clinics has decreased by 46% in the last 20 years¹
- A private sector key for the French health system, too big to fail
- Groups are increasing their market share within the private sector

WE ARE FACING FLAT TARIFFS BUT BY POSITIONING ON THE RIGHT ACTIVITIES WE ARE STILL ABLE TO EXTRACT VALUE

DRG EVOLUTION (PUT IN PLACE IN 2006)



OUR EFFORTS ON CASE MIX AND LENGTH OF STAY COUNTERACT FLAT TARIFFS (€)



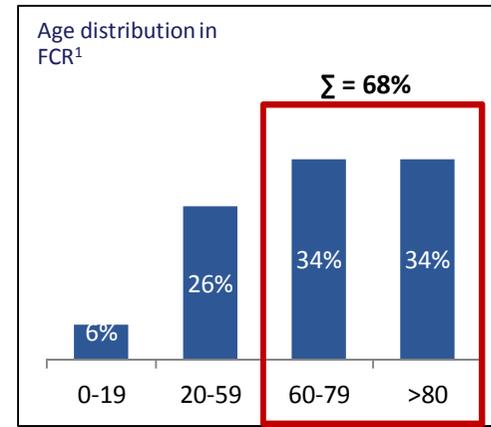
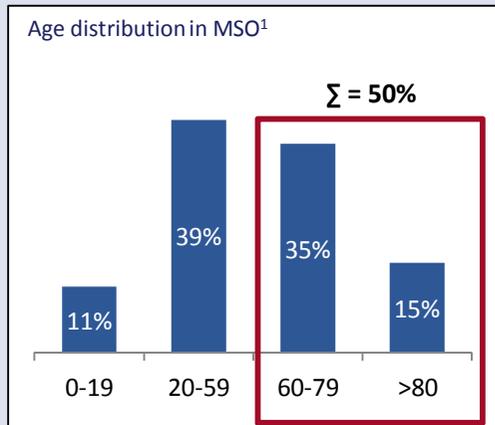
Besides, increasing subventions are currently put to place to favor :

- 1 Quality outcomes ;
- 1 Day surgery.

which are at the heart of our strategy.

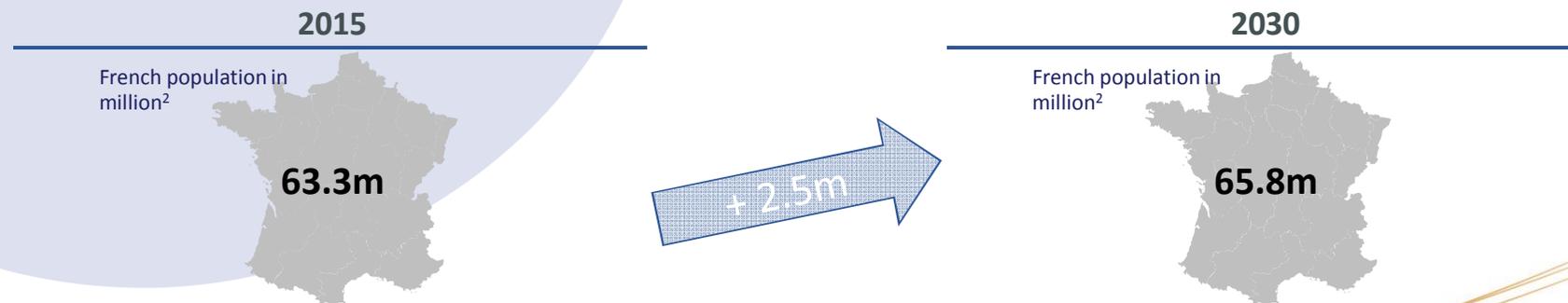
A GROWING ACTIVITY ON A MID TO LONG TERM PERSPECTIVE...

MORE THAN 50% OF OUR CORE MARKET IS ABOVE 60 YEARS OLD

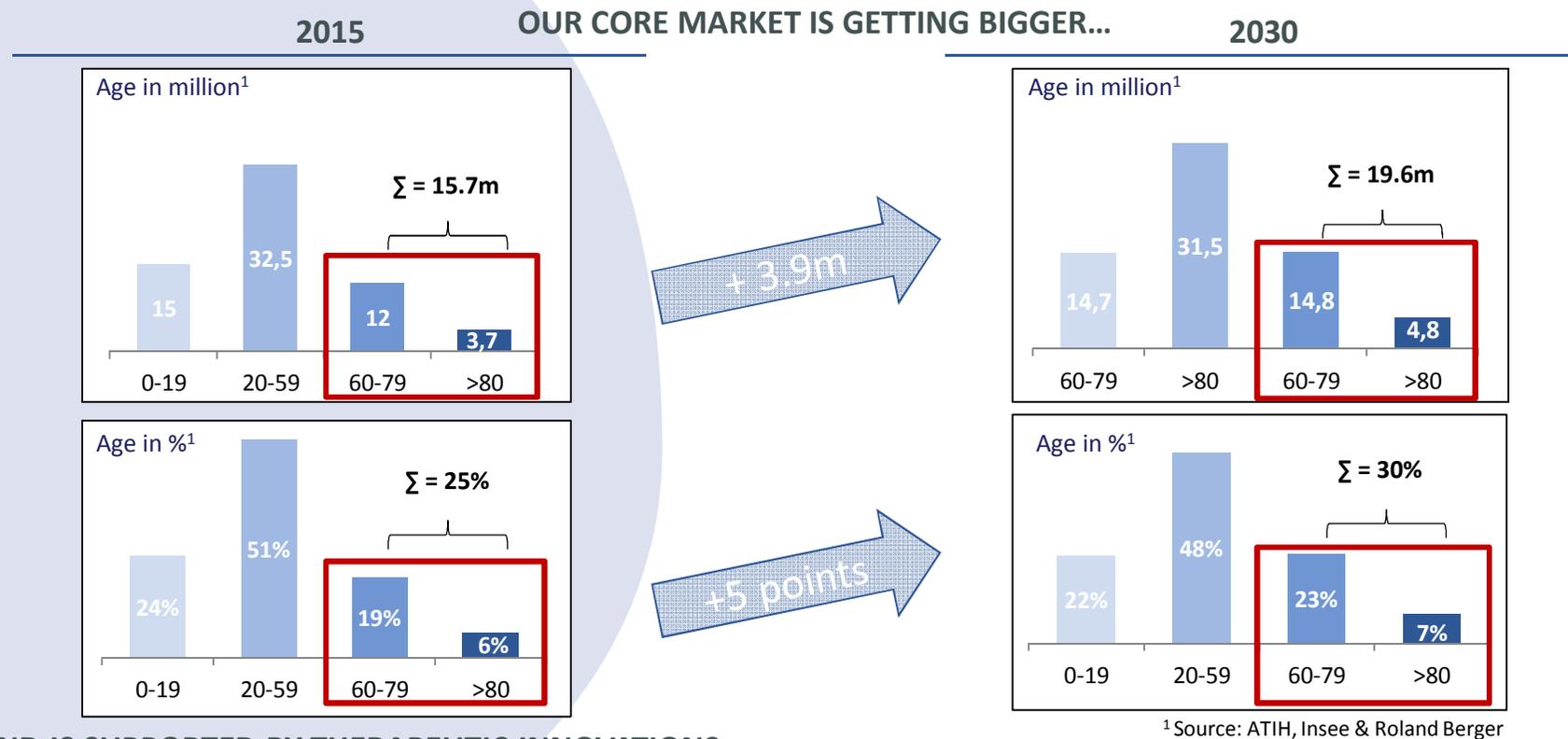


¹ Source: ATIH, Insee & Roland Berger

THE FRENCH POPULATION WILL INCREASE DURING THE 15 COMING YEARS



...ENJOYING STRONG AND SUSTAINABLE DRIVERS



...AND IS SUPPORTED BY THERAPEUTIC INNOVATIONS :

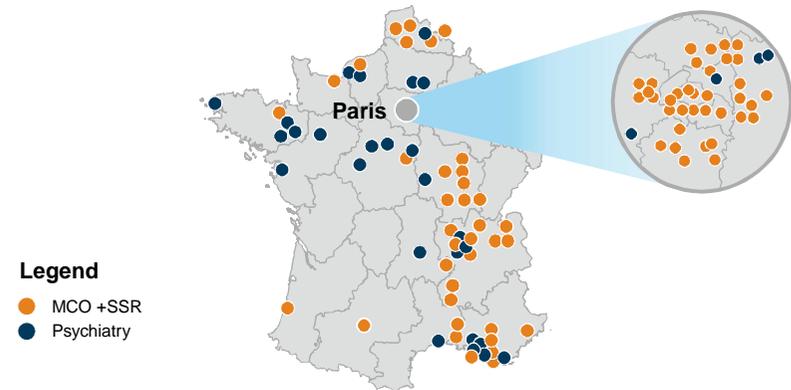
- 1 Improvement of diagnostic methods (endoscopy)
- 1 Improvement of treatments (ambulatory procedures, dosage form of drugs, local anesthesia)
- 1 Generalization of key procedures (carpal tunnel, cataract, orthopedic prosthesis)
- › New diagnostic methods: predictive tests
- › Development of new treatments (new monoclonal antibodies, personalized medicine) and medical procedures (radiotherapy, non invasive procedures)

GÉNÉRALE DE SANTÉ & RAMSAY SANTÉ COMBINED GROUP AT A GLANCE

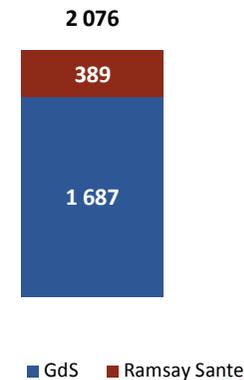
MAIN FIGURES



COMBINED GEOGRAPHICAL DIVERSITY

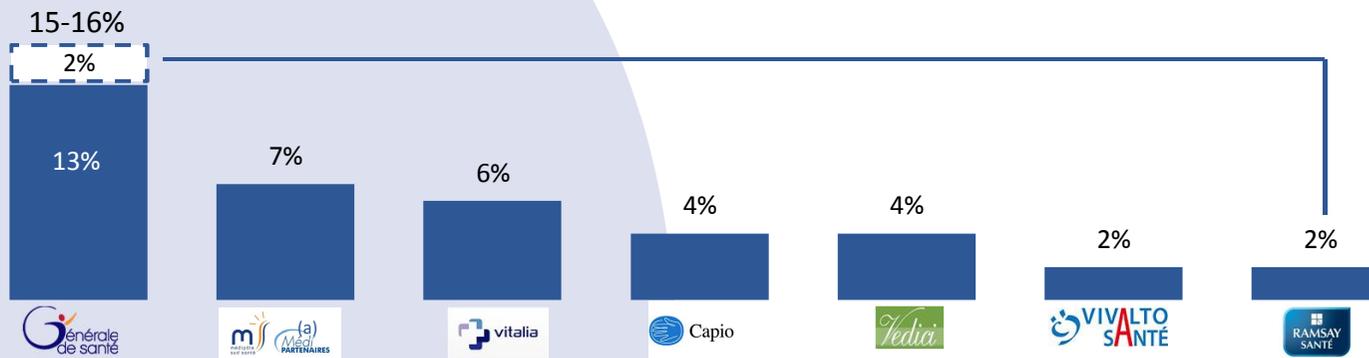


COMBINED REVENUES IN 2013



GENERALE DE SANTÉ : A LEADER OF A HIGHLY FRAGMENTED MARKET...

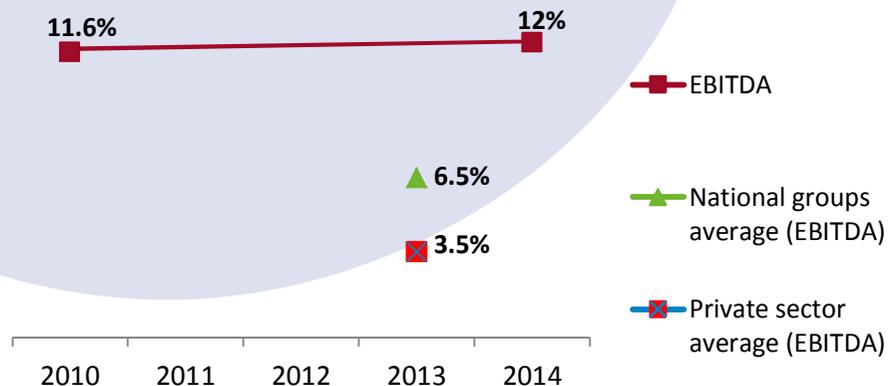
ESTIMATED MARKET SHARES (2013)



(a) Acquisition of Médi-Partenaires by Bridgepoint, current owner of Medipôle Sud Santé, announced in April 2014.

Source: Roland Berger, based on 2012 revenues.

GDS : EBITDA (% OF REVENUES) – CONSTANT PERIMETER



- › Consistent and stable profitability
- › Higher profitability than competitors

...FOLLOWING A CLEAR STRATEGY

In this market performance is driven by four Key Success factors

Générale de Santé

Going further :
"Become the healthcare preference", switching from a B2B to a B2C model

Footprint efficiency



" More than 95% of clinics in the most attractive quartiles Q1 and Q2

Focused case mix



" Specialist clinics: over the 61 clinics, only 7 with a mixed model
" A high specialization

Size : the 3 scale effects



" ~13% private market share
" 32% of market share on health territories covered
" 150 beds / clinic

Quality & brand equity



" 20 clinics in national ranking¹
" 34% of clinics in national ranking¹
" Some strong clinic brand equity. e.g. Antony emergencies leadtime performance (9 minutes)

4 pillars



¹Published by top general public magazines

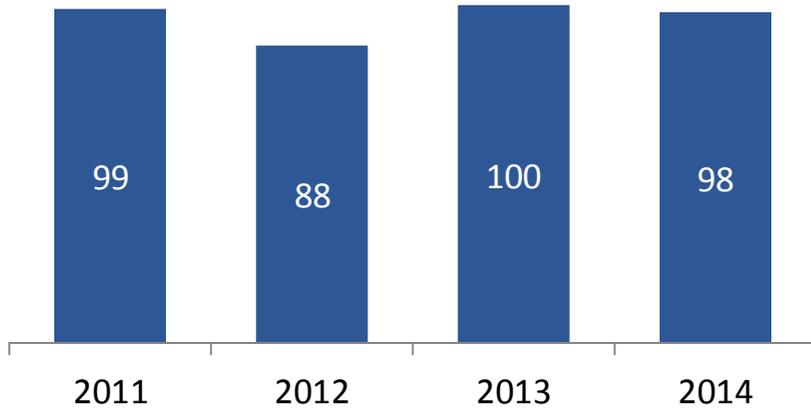
CARE EXCELLENCE¹ : SOME MEDALS OF HONOR



WE HAVE BEEN PREPARING THE FUTURE BY KEEPING A HIGH INVESTMENT LEVEL

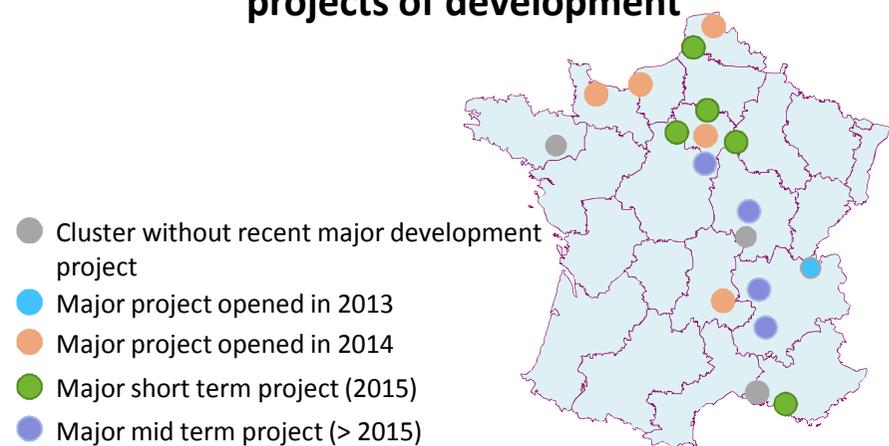


Self financed CAPEX (in €m)



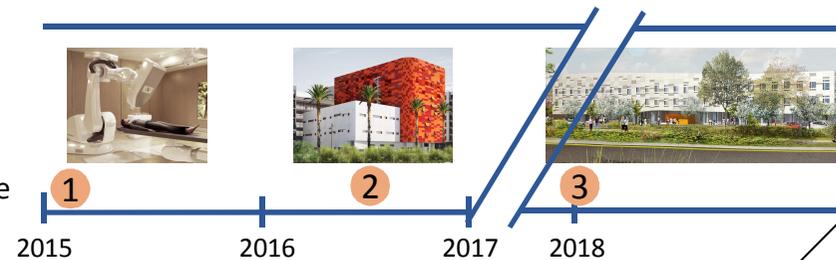
These figures exclude the externalized CAPEX

Most clusters are involved in brownfield projects of development



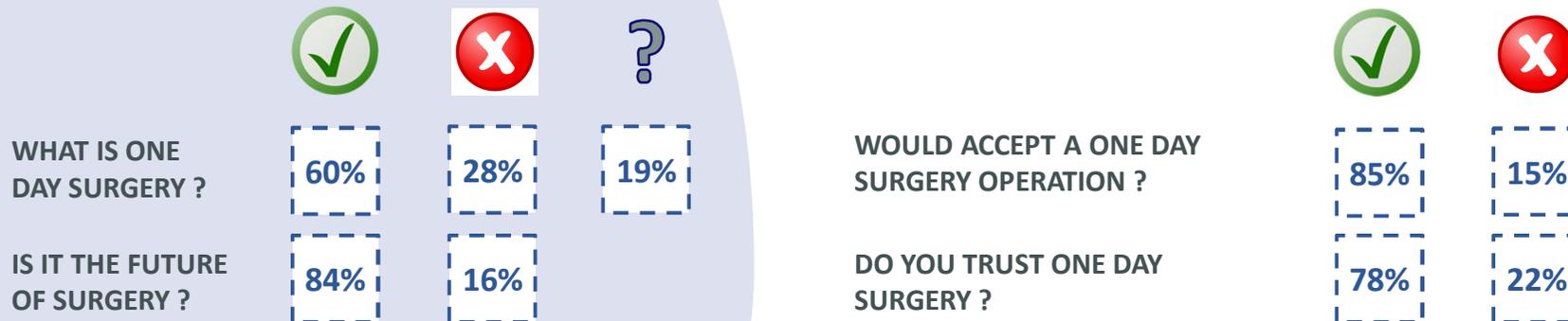
3 main innovative projects

- 1 Marseille: First French private operator to invest in a Cyberknife (radiotherapy)
- 2 Marseille: Innovative one day surgery facility (opening Sept. '16)
- 3 Dijon: regrouping 3 MSO in a clinic designed to simplify patient care processes (opening Jan. '18)

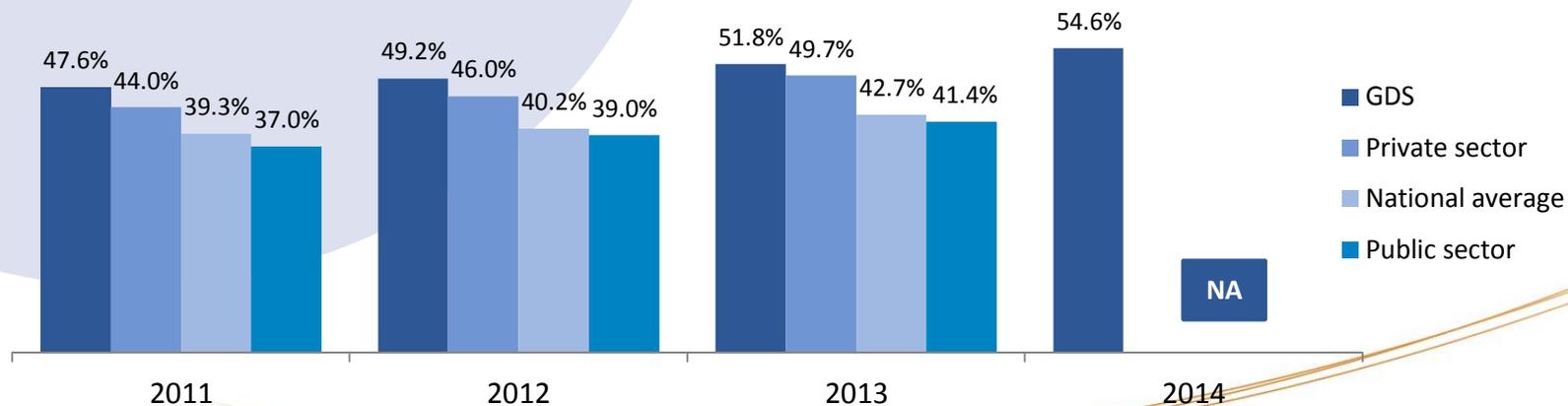


WE ARE THE CLEAR LEADER IN DAY SURGERY IN FRANCE, WHICH IS THE FUTURE OF HOSPITALISATION

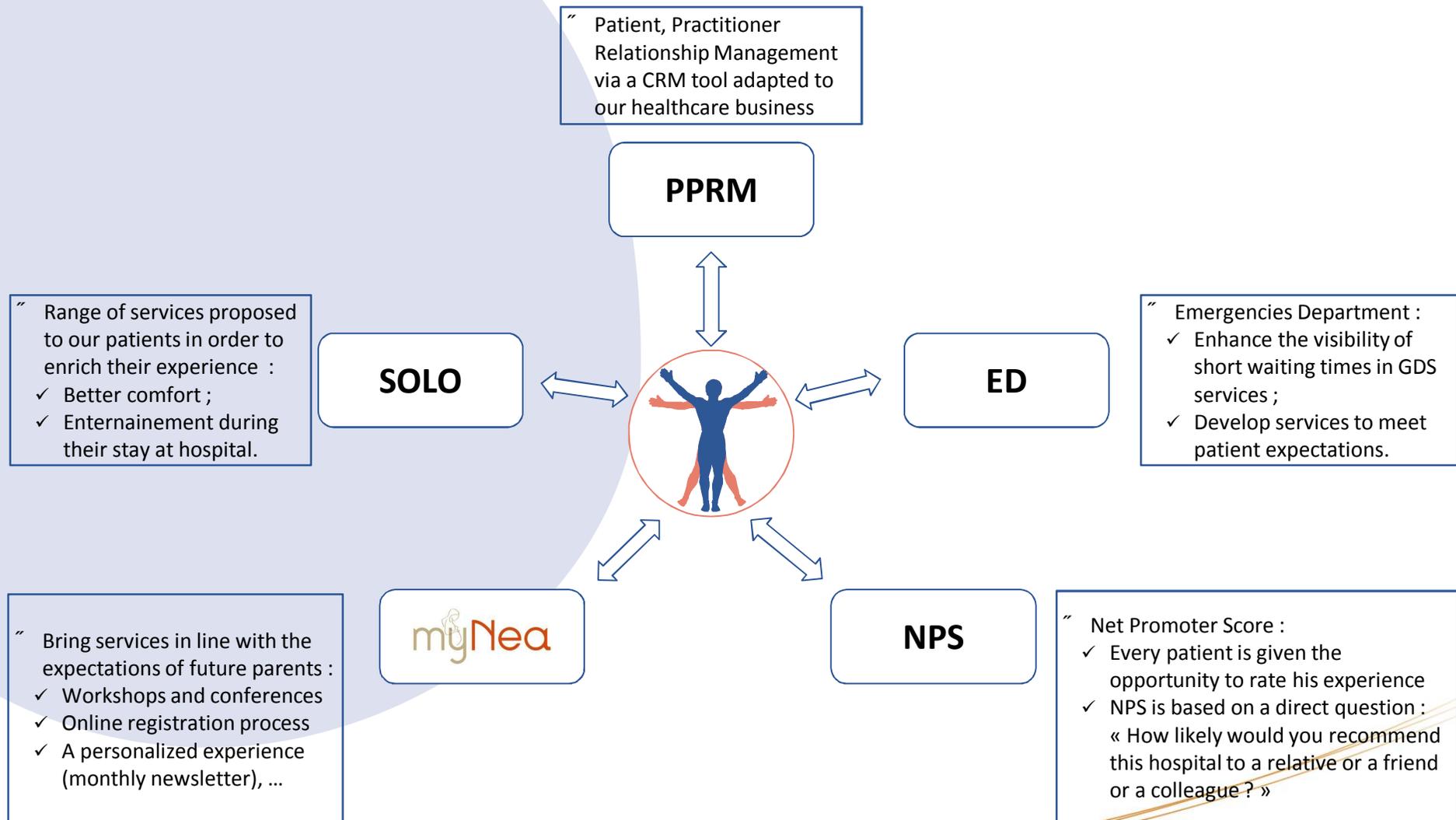
ANSWERS TO A NATIONAL SURVEY FOCUSED ON ONE DAY SURGERY ¹



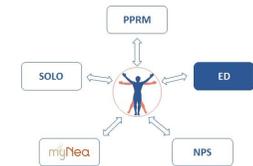
GÉNÉRALE DE SANTÉ IS AHEAD ITS COMPETITORS ²



SWITCHING FROM A B2B TO A B2C MODEL : OFFERING INNOVATIVE SERVICES TO OUR PATIENTS



AN EXAMPLE OF INNOVATIVE SERVICES: THE ED PROJECT



What : The ED project

- “ Enhance the visibility of short waiting times in GDS services
- “ Develop a guide of high-quality standards for ED organization
- “ Develop services to meet patient expectations (eg. comfort in waiting area)
- “ Develop a health economics model for ED analysis



How ?

- “ Show waiting times (real time info refreshed every 5 min) on the web and in all relevant areas – waiting rooms, hospital entrance and reception (first time in France)
- “ Workshops with professionals to evaluate and develop recommendations for organization standards
- “ Focus Groups with patients and definition of GDS promises regarding the service quality
- “ Data analysis based on activity and accountancy data

Results in our test ED

- “ Impact on Organization :
 - ✓ 42% decrease of the avg. waiting time
 - ✓ 25% decrease of the avg. length of stay
- “ Impact on Volumes
 - ✓ +10% visits
 - ✓ +140% traffic on the ED webpage

