

Results 2017 and 4Q17 – FLRY3

March 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 4Q16 and 2016 except when stated otherwise.

Financial highlights in 4Q17 and 2017

Net Revenue of R\$ 582.0 million (+11.2%). In 2017, R\$ 2.4 billion (+13.7%)

Cancellations represented 1.5% (90 bps improvement). In 2017, 1.7% (98 bps improvement)

EBITDA of R\$ 130.7 million (+29.7%). In 2017, R\$ 618.7 million (+28.1%).

EBITDA Margin reached 22.4% (+320 bps); margin impacted by 79 bps due to the Expansion Plan. In 2017, EBITDA margin reached 26.0% (+292 bps).

Net Income of R\$ 64.6 million. In 2017, R\$ 320.6 million (+40.2%)

Return on Invested Capital (ROIC) excluding goodwill, reached 44.5%

Opening of new PSCs¹

Expansion Plan: **12 new PSCs (October/2017 – February/2018)**

- Rio de Janeiro - 6 fast sites: 5 Labs a+ and 1 Felipe Mattoso
- São Paulo - 5 medium: 2 Fleury and 3 a+SP
- Curitiba - 1 fast site a+Paraná

Felipe Mattoso Ipanema



Labs a+ Catete



Labs a+ Shop. Santa Cruz



Labs a+ Uruguai



Labs a+ Santa Rosa



Labs a+ Mariz e Barros



¹ PSCs: Patient Service Centers

Opening of new PSCs¹

**São Paulo
Fleury Santo André**



**São Paulo
Fleury Carlos Weber**



**Paraná
A+ João Bettega**



**São Paulo
A+ Pedroso de Moraes**



**São Paulo
a+ Leônício Magalhães**



**São Paulo
A+ Queiroz Filho**



¹ PSCs: Patient Service Centers

Operating highlights in 4Q17



NPS reached 76.8%, an improvement of 455 bps



3rd issuance of debentures in the total amount of R\$ 300 million



In Jan/18 Fleury shares became a constituent in the Ibovespa Index and the Sustainability Index of B3



New contract in B2B: in Feb/2018 beginning of operations in AC Camargo Hospital, one of the largest Cancer Centers in Latin America



In Mar/2018 announcement of the third earnings distribution referring to 2017 results, in the amount of R\$ 204.2 million. Total distributions reached: R\$ 304.6 million | Payout of 95% | Dividend Yield of 3.1%



In Mar/2018 we acquired 100% of IRN, a traditional diagnostic company specialized in imaging services in the city of Natal, in the state of Rio Grande do Norte

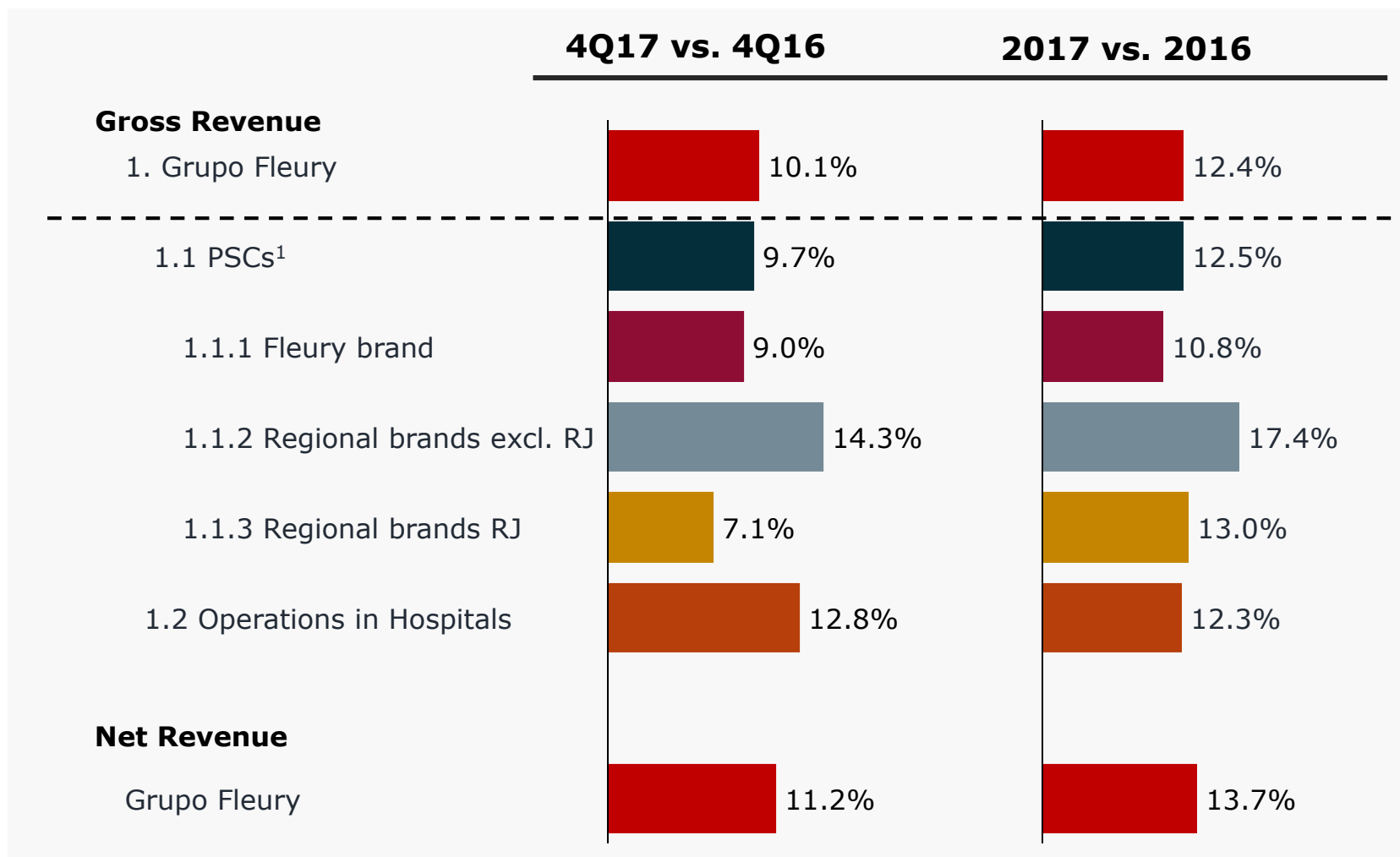


Grupo Fleury Awards:

- Pro-Ethics 2017 seal linked to the Federal Controller's Office
- O Estado de S. Paulo news publication: Fleury Brand awarded the Best Service in the Diagnostic Medicine category
- Exame Magazine: featured for the 7th consecutive year in the Sustainability Guide
- A.T. Kearney: featured in the ranking of Most Innovative companies in Brazil

Gross Revenue

Business lines performance

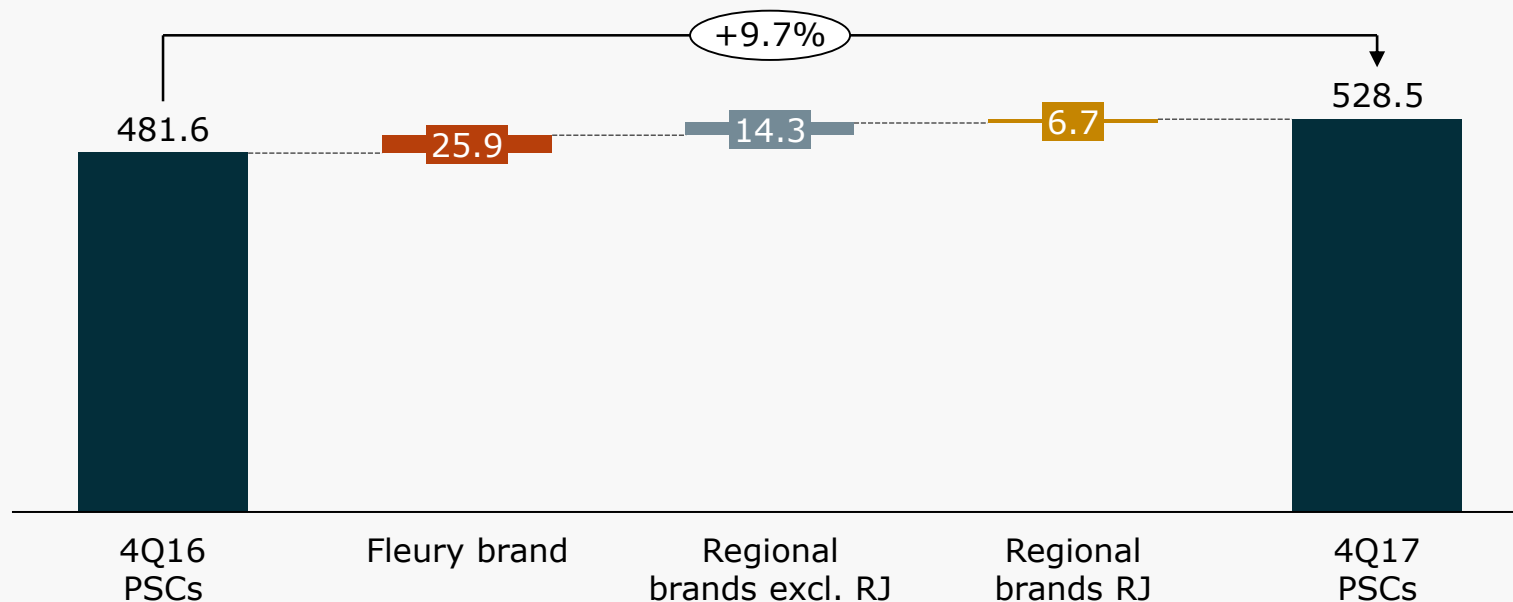


¹ PSCs: Patient Service Centers

Gross Revenue

PSCs¹ indicators

PSCs Gross Revenue (R\$ MM) per brand; Gross Revenue and SSS³ variation



GR² 4Q17 vs. 4Q16

+9.0%

+14.3%

+7.1%

+9.7%

SSS³ 4Q17 vs. 4Q16

+2.1%

+9.7%

+7.4%

+4.7%

¹ PSCs: Patient Service Centers

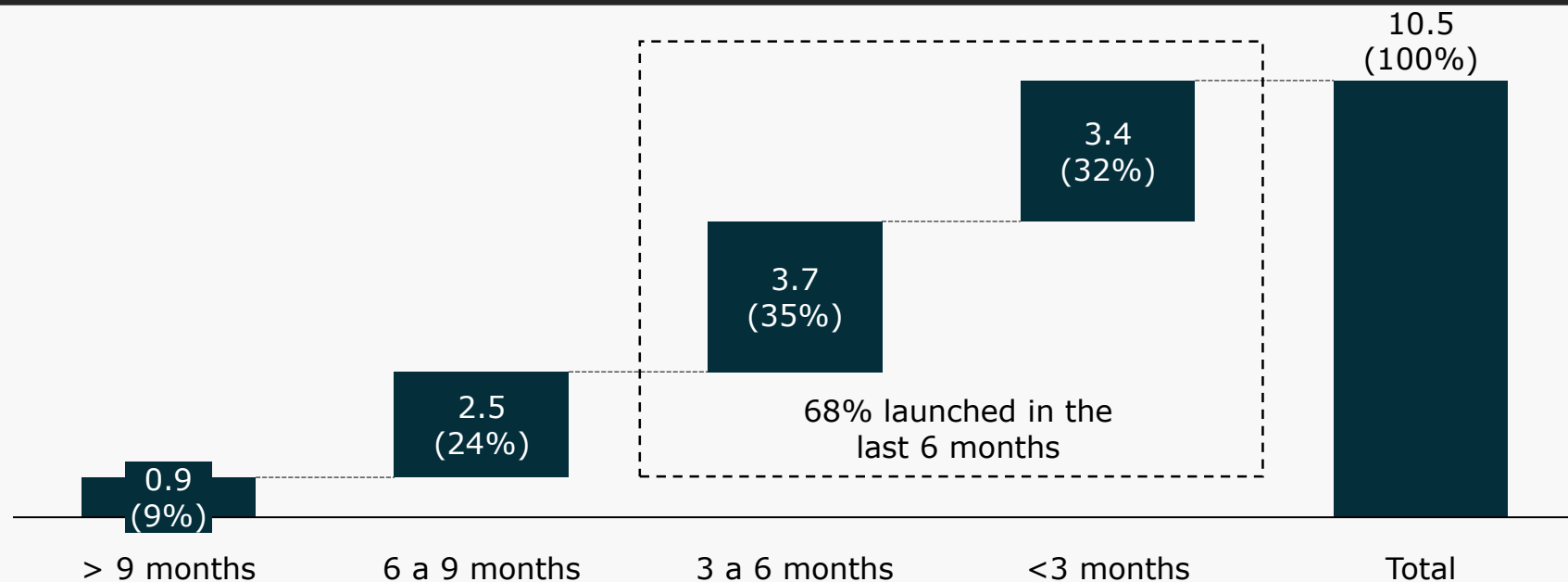
² GR: Gross Revenue

³ SSS: Same Store Sales

Expansion Plan

Patient Service Area

Patient Service Area – Expansion Plan (thousand sqm)



Fleury brand (5.7 thousand sqm): 54% launched in the last 6 months



Regional brands excl. RJ (3.6 thousand sqm): 58% launched in the last 6 months

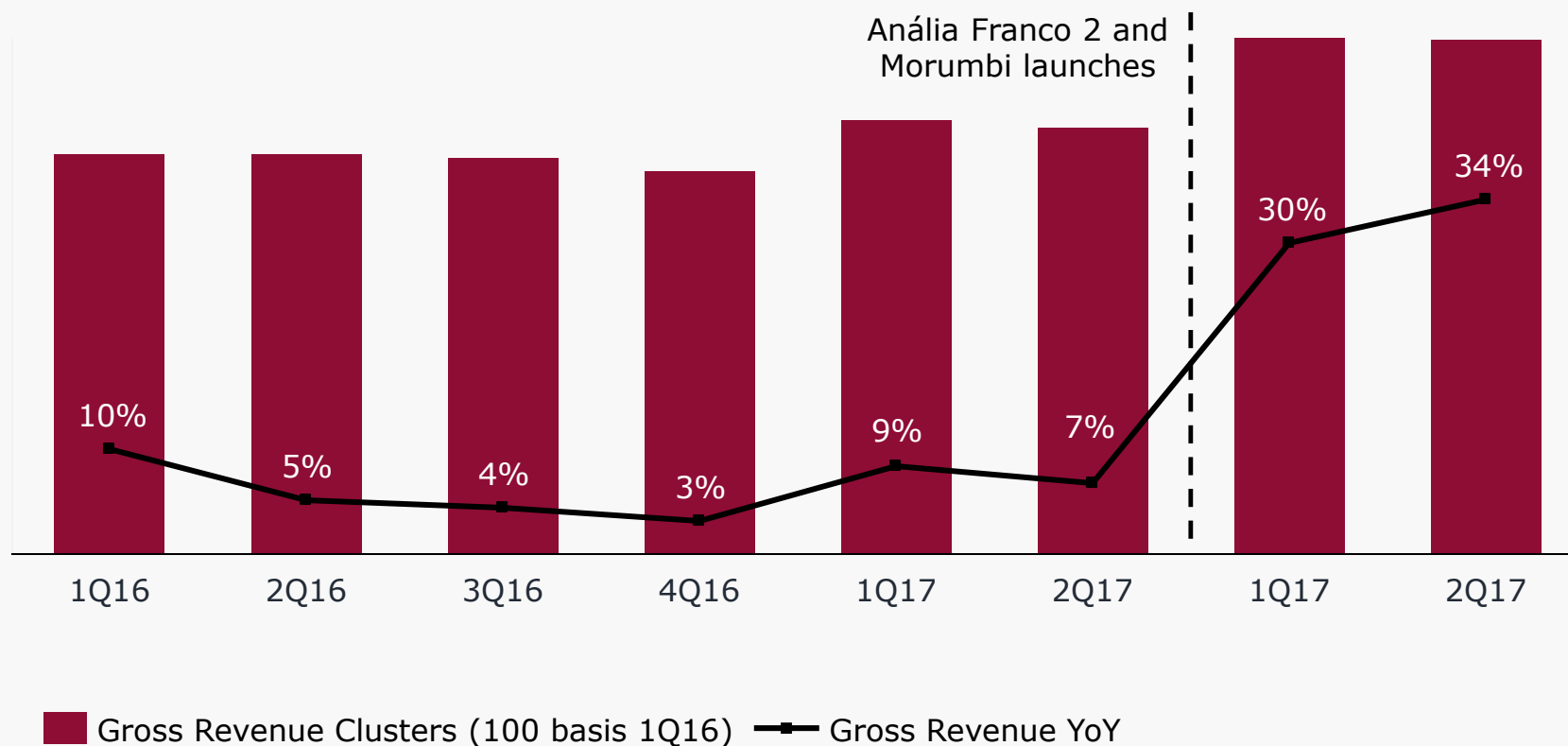


RJ brands (1.2 thousand sqm): 100% launched in the last 6 months

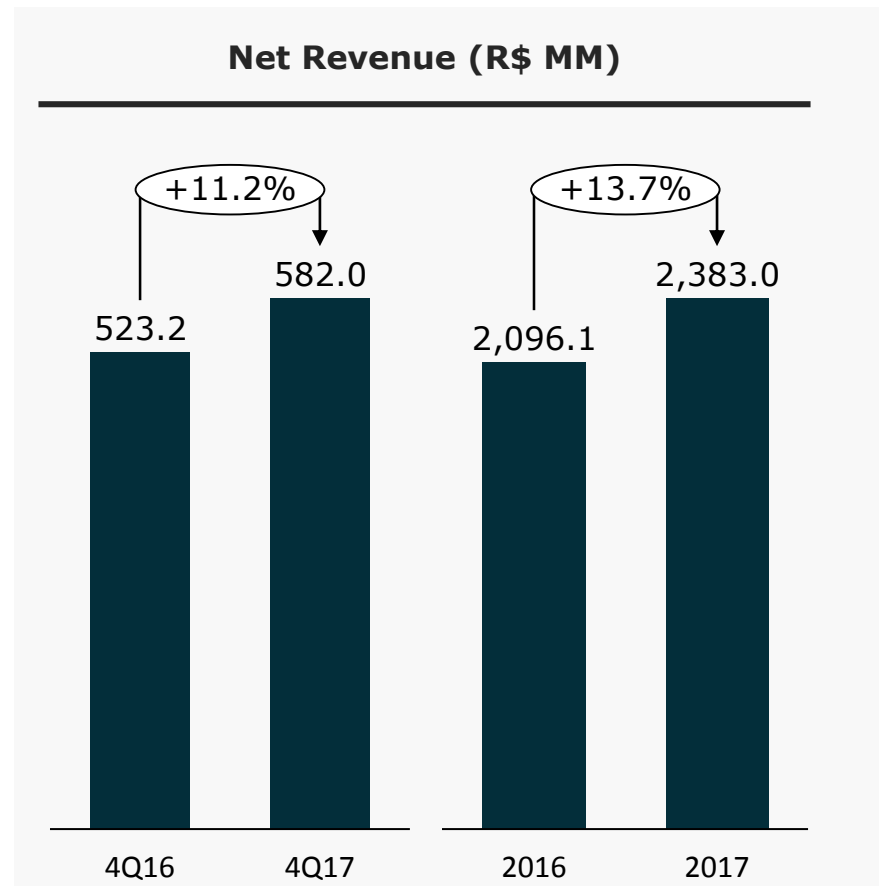
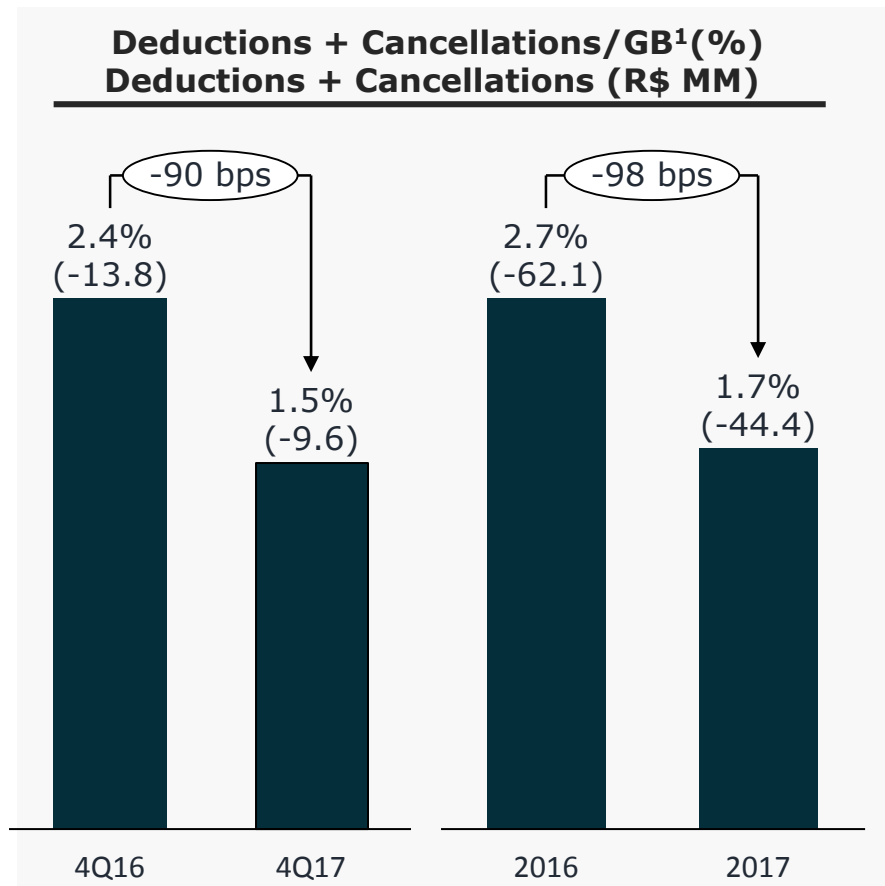
Fleury Brand


Clusters of Large PSCs

Large PSCs Clusters (Anália Franco + Morumbi) – Gross Revenue (100 basis) and YoY var. (%)



Cancellations and Net Revenue

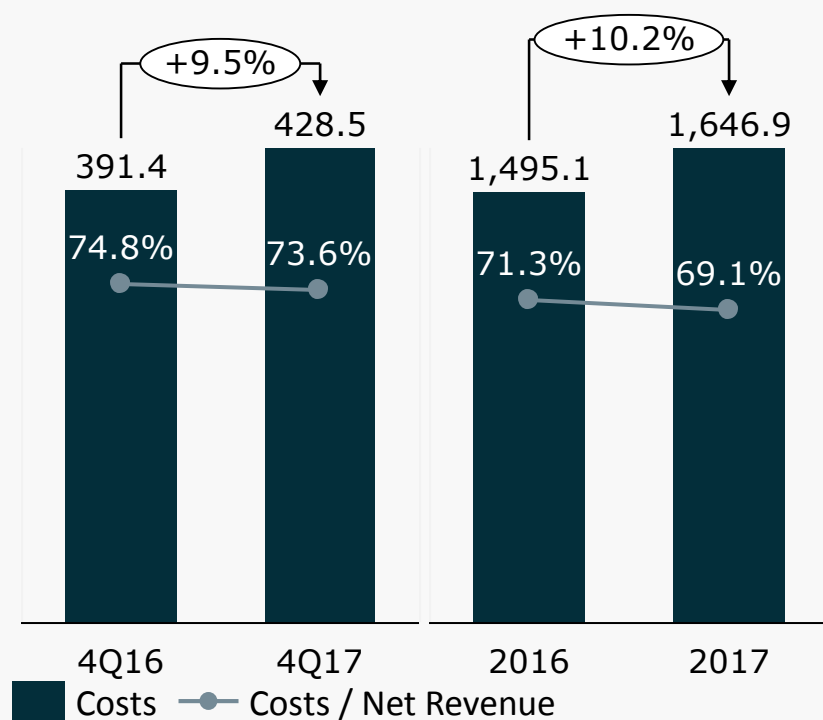



 Cancellations reached 1.5% 4Q17 and 1.7% in 2017

¹ GB: Gross Revenue

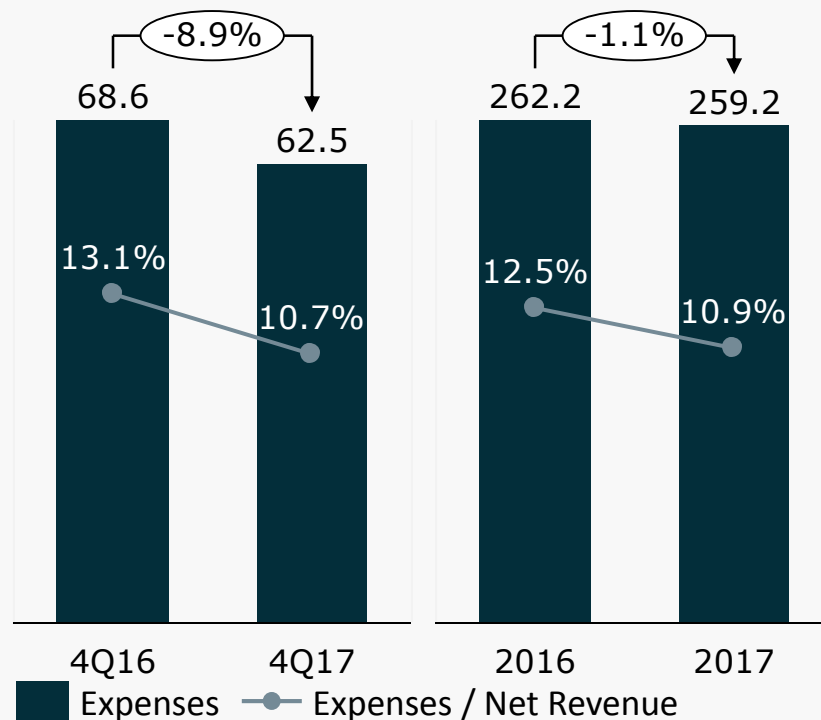
Cost of Services and Operating Expenses


Costs (R\$ MM) and Costs / Net Revenue (%)



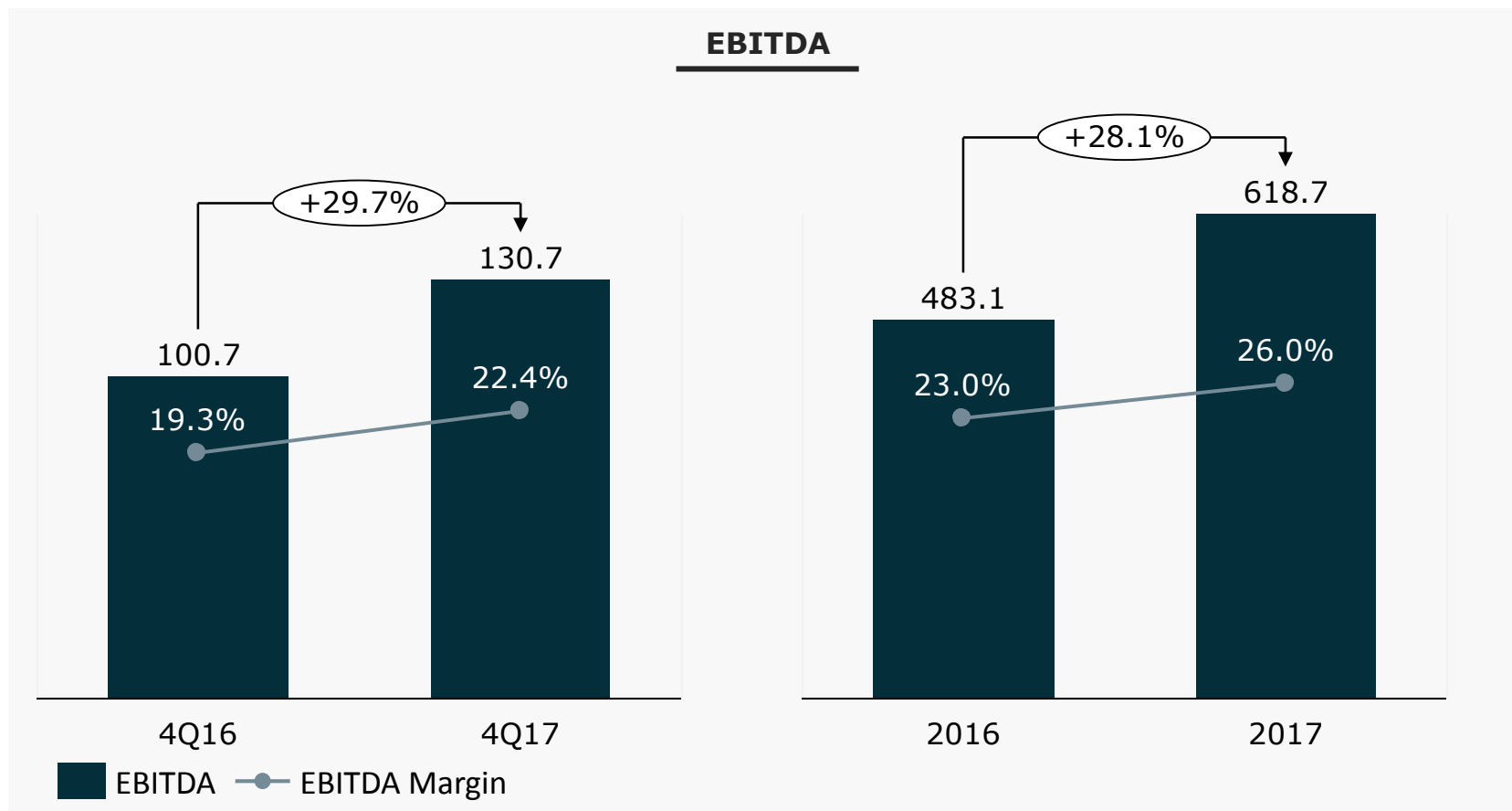
 119 bps dilution in 4Q17 and 221 bps in 2017

Operating Expenses (R\$ MM) and Oper. Expenses / Net Revenue (%)



 236 bps dilution in 4Q17 and 163 bps in 2017

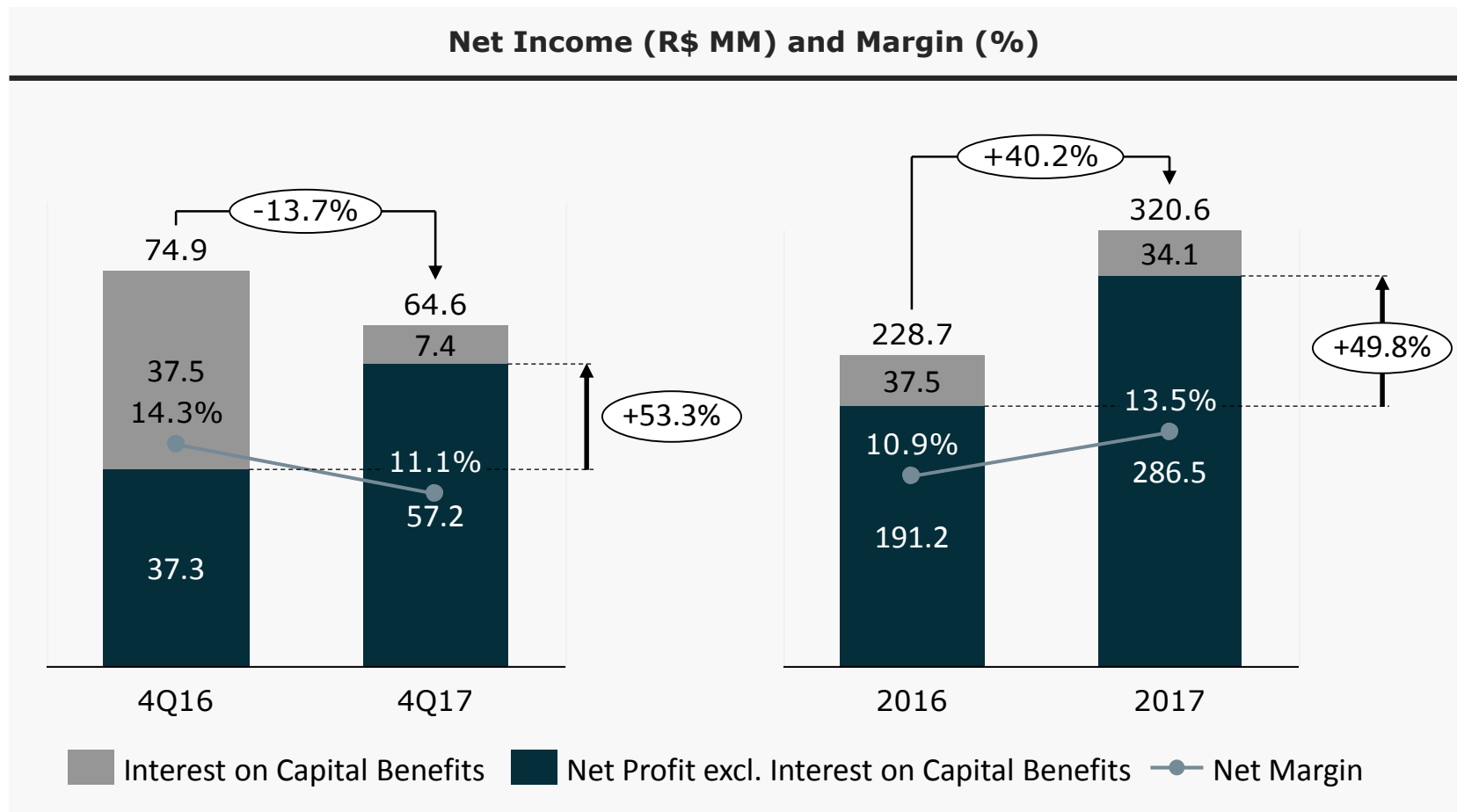
EBITDA (R\$ MM) and Margin (%)



Continuous effort to gain operational efficiency; 4Q17 margin impacted by 79 bps due to the Expansion Plan

26.0% Ebitda Margin in 2017 is the highest since the IPO

Net Income

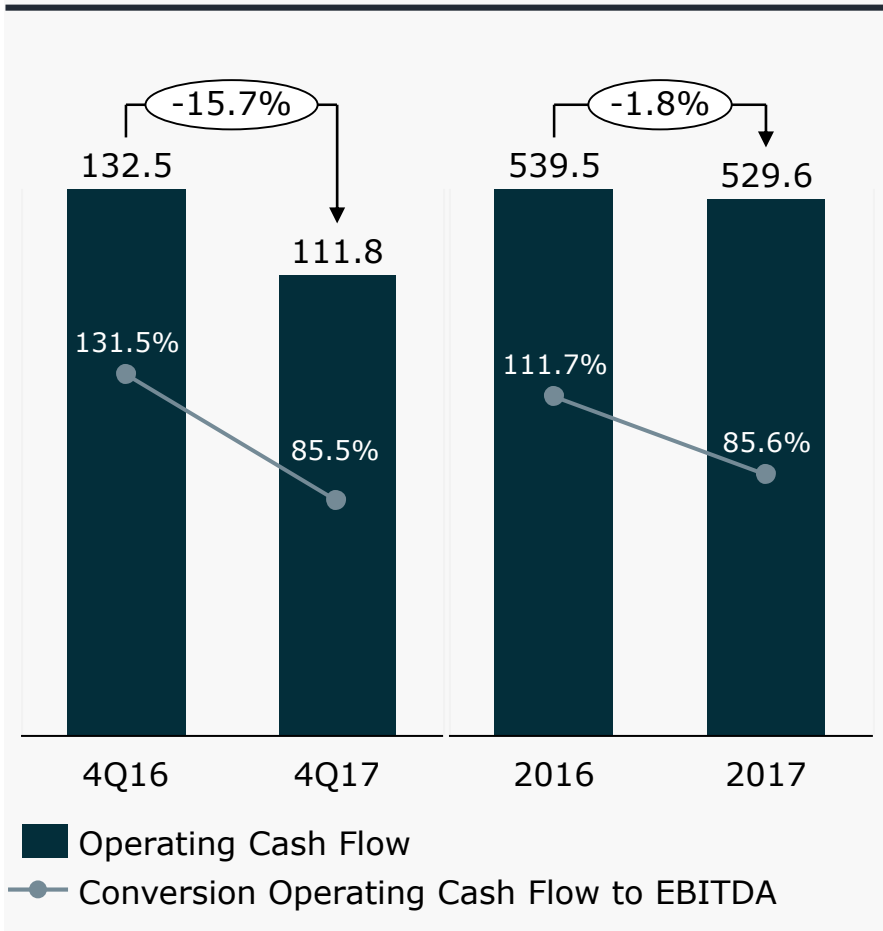


In 2016, Interest on Capital Benefits (IoC) was concentrated in a single quarter (4Q16), whilst in 2017 IoC was diluted throughout the year as of 2Q17

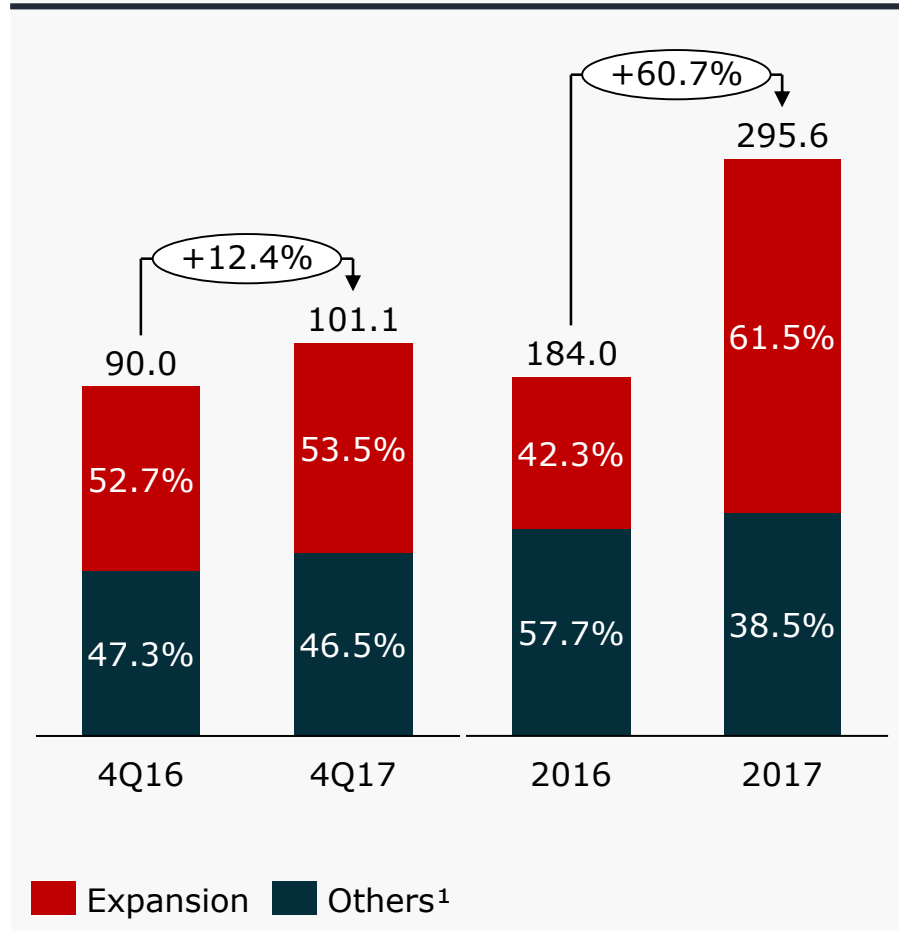
Cash Flow

Operating Cash Flow and CAPEX

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



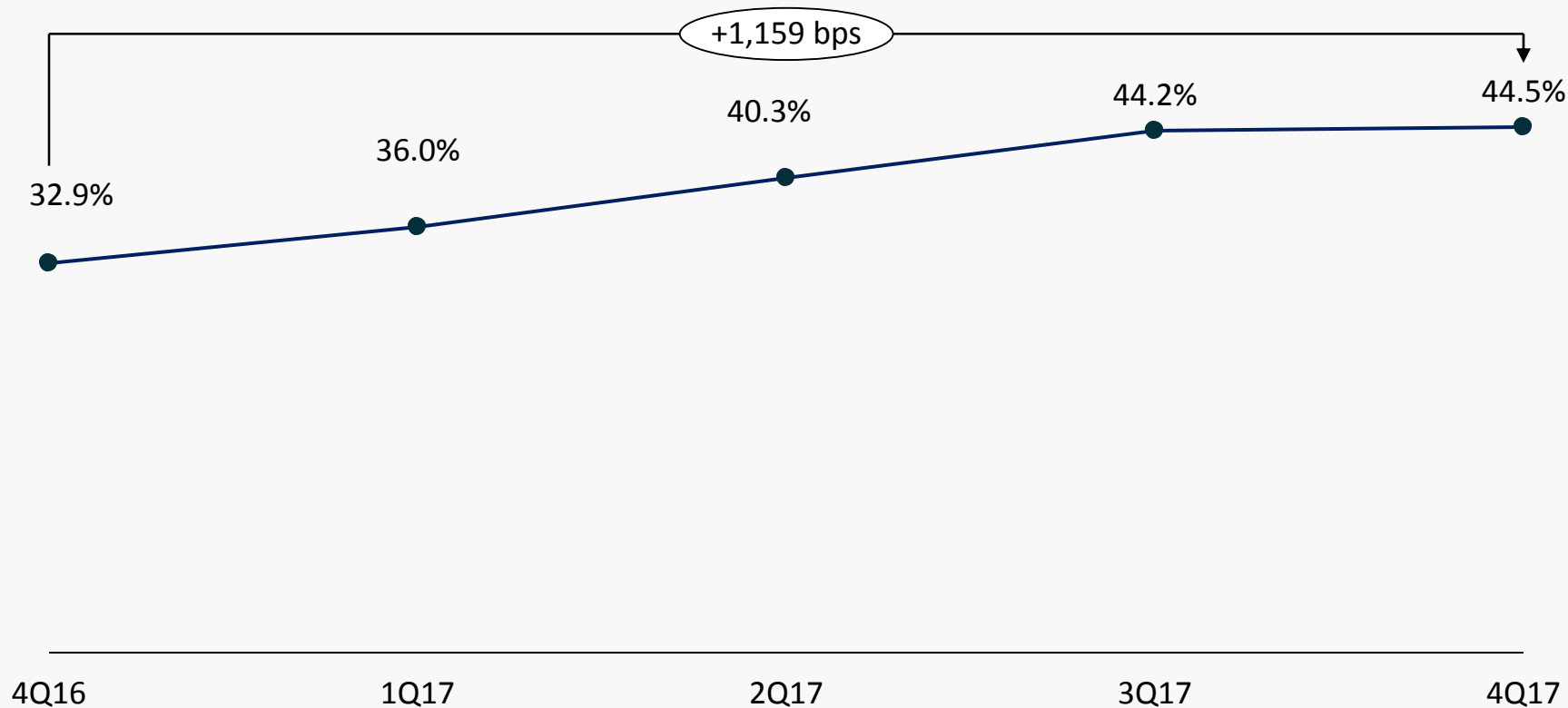
CAPEX (R\$ MM)



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

ROIC

ROIC excluding goodwill LTM (%)

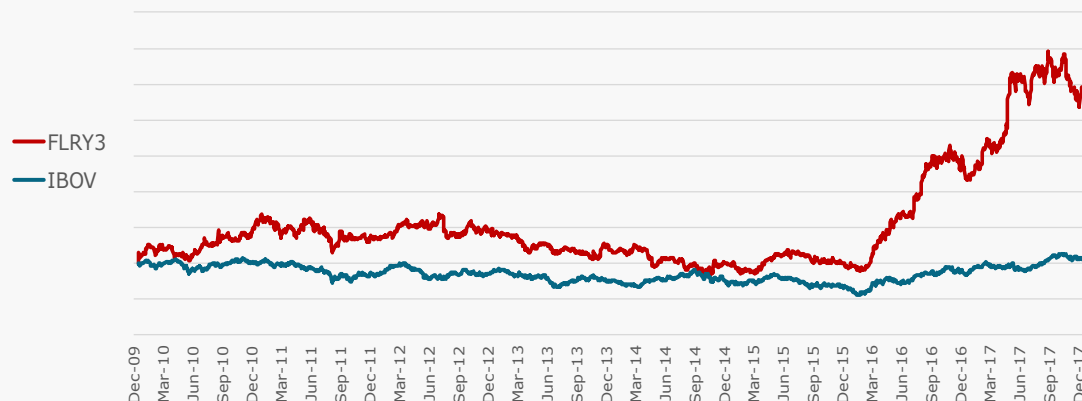


ROIC improvements in all brands and segments (Fleury brand, Regional brands, RJ brands and Hospitals)

Performance in Capital Markets

12.28.2017

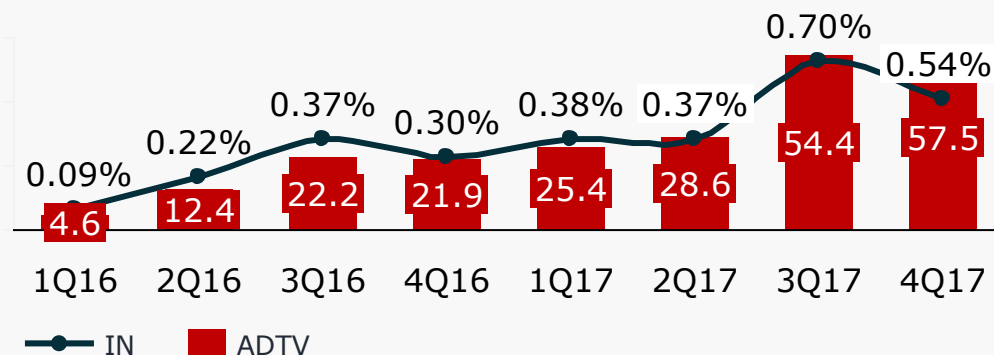
Stock Performance x Ibovespa (IPO = 100 basis)



▲ 0.5% in 4Q17

▲ 70.7% in 2017

Average Daily Trading Volume (ADTV) | in R\$ MM and NI¹ in %



Shares and Market Cap

Total Shares	315,312,192
Market Cap	R\$ 9.3 billion
Price	R\$ 29.61

¹ Negotiability Index

Subsequent Event

Earnings Distribution

On March 1st , the Board of Directors approved a dividend payment of R\$ 204.2 million referring to 2017 results

R\$ 0.6477 per share

Shareholder position date : March, 6th, 2018

Ex date: March, 7th, 2018

Payment date: April, 2nd, 2018

Total distribution based on 2017 earnings amounted to R\$ 304.6 million

R\$ 0.9659 per share

95% of Payout

3.1% of Dividend Yield¹

¹ Considers FLRY share price on 12/28/2017 and total distributions in the form of IoC and dividends

IR Events Calendar

Date	Event	Location
March, 5 th	4Q17 Results Meeting – Credit Suisse	São Paulo Brazil
March, 8 th	11º Healthcare Santander Conference	São Paulo Brazil
April, 3 rd and 4 th	Bradesco - 5º Brazil Investment Forum	São Paulo Brazil
April, 12 th	UBS Healthcare Day	São Paulo Brazil
April, 9 th , 10 th and 11 th	Bradesco - 5th Latam Investor Forum in Asia	Abu Dhabi, Hong Kong e Singapore
April, 16 th and 17 th	BTG Pactual Latin Opportunities	London England
May, 16 th and 17 th	12th Annual Itaú BBA LatAm CEO Conference	New York USA

[Click here](#) to access the complete calendar.

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