



Quality through specialisation

Q2 REPORT

July 18, 2017

Daniel Öhman, CEO

Philip Delborn, CFO



Agenda



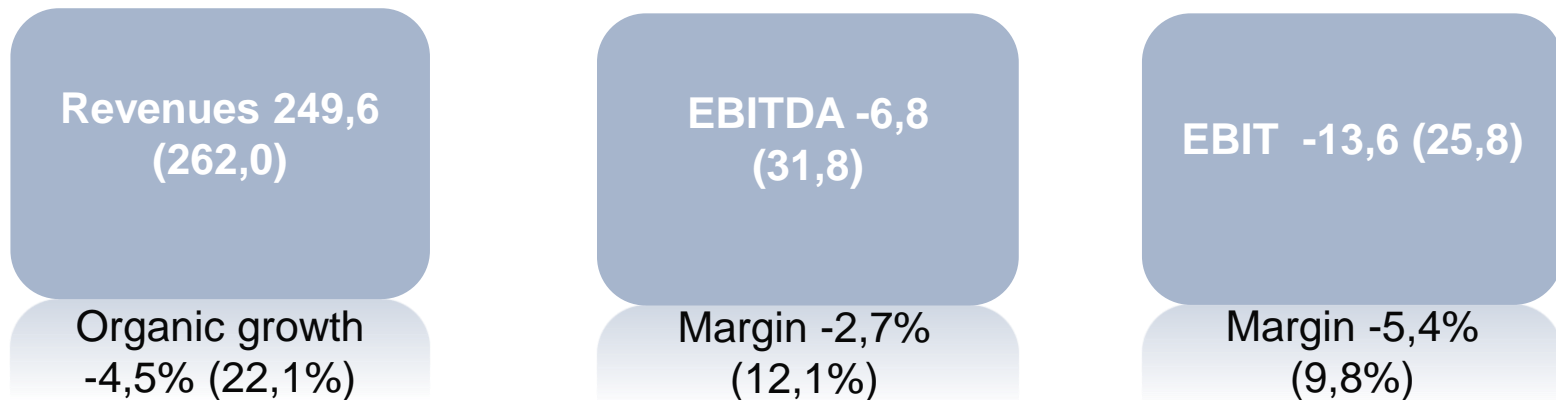
● **CEO reflections on Q2**

● **Financials – Q2**

● **General update**

Measures for the future and fewer working days put pressure on the period

MSEK



The operating result in the second quarter 2017 were impacted by a capital loss of SEK -16.3 million.

- Considerably fewer working days impacted the clinics
- Divestment of the businesses in Århus and Helsinki will have a positive impact in coming periods
- We are just 6 months into the operational phase in UAE
- High focus on business development



Main factors behind the Q2 performance

- 6 fewer working days have a negative effect of approximately 30 msek on turnover compared to 2016
- Divestment of OPA and Gastro Center Helsinki has a one time effect of -16,3 msek in addition to -3,5 msek of operating losses during H1
- SKMCA in UAE are on track to reach its potential by the end of the year. The start of the operational phase does however mean that the profit is, as expected, below last year.
- GHP Neuro Center, GHP Vård och Hälsa and GHP Idrottscentrum, impacted the results for the quarter negatively. These businesses are still in a start-up phase.
- New structures have taken time to implement which has impacted our delivery of planned efficiency gains

These factors are mainly one time effects and business development which will give positive effects going forward. But to ensure that we do not have any disappointments like this again we are implementing a new control systems and will realize a number of cost savings



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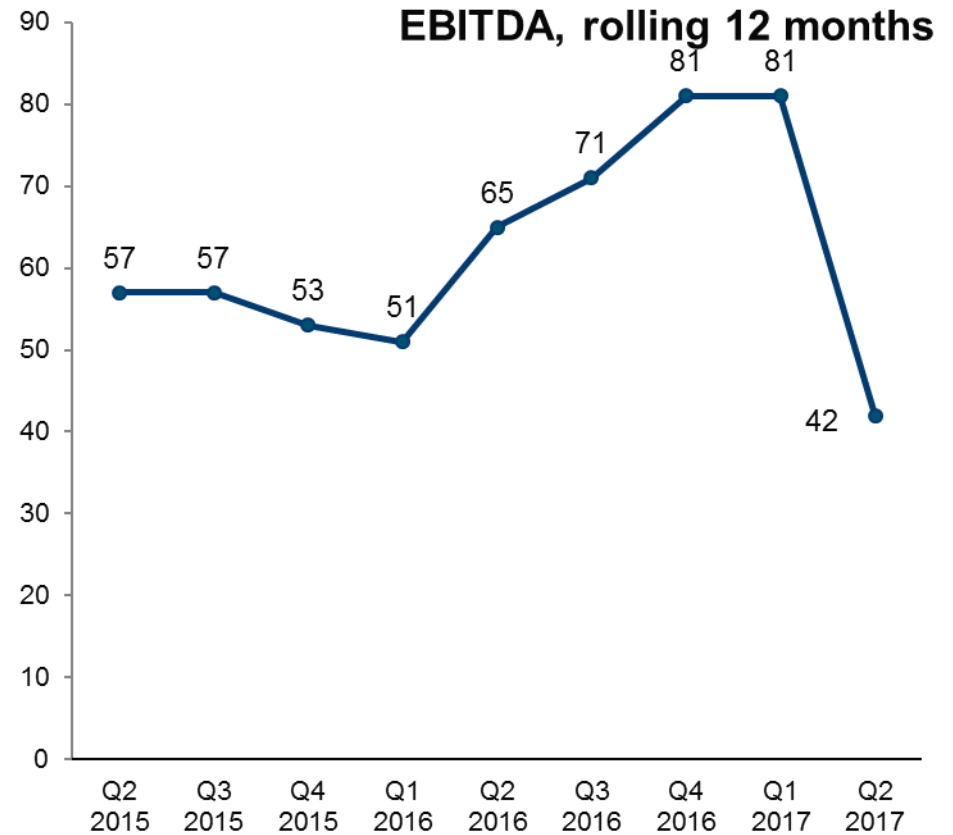
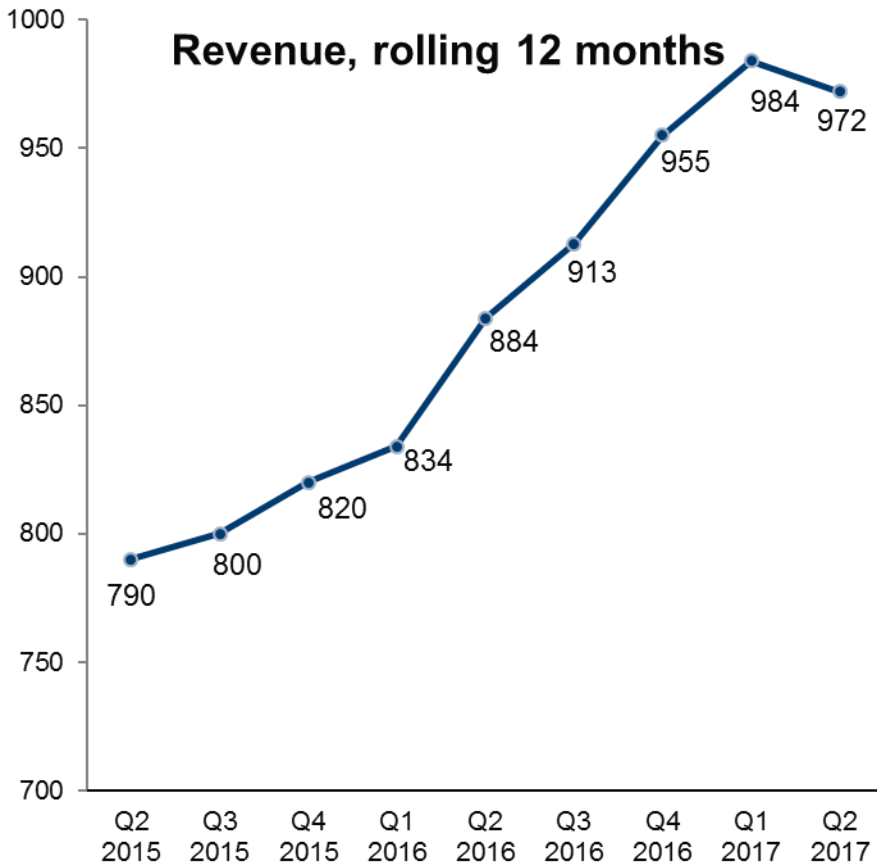


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Drop in Q2 linked to public holidays and divestments

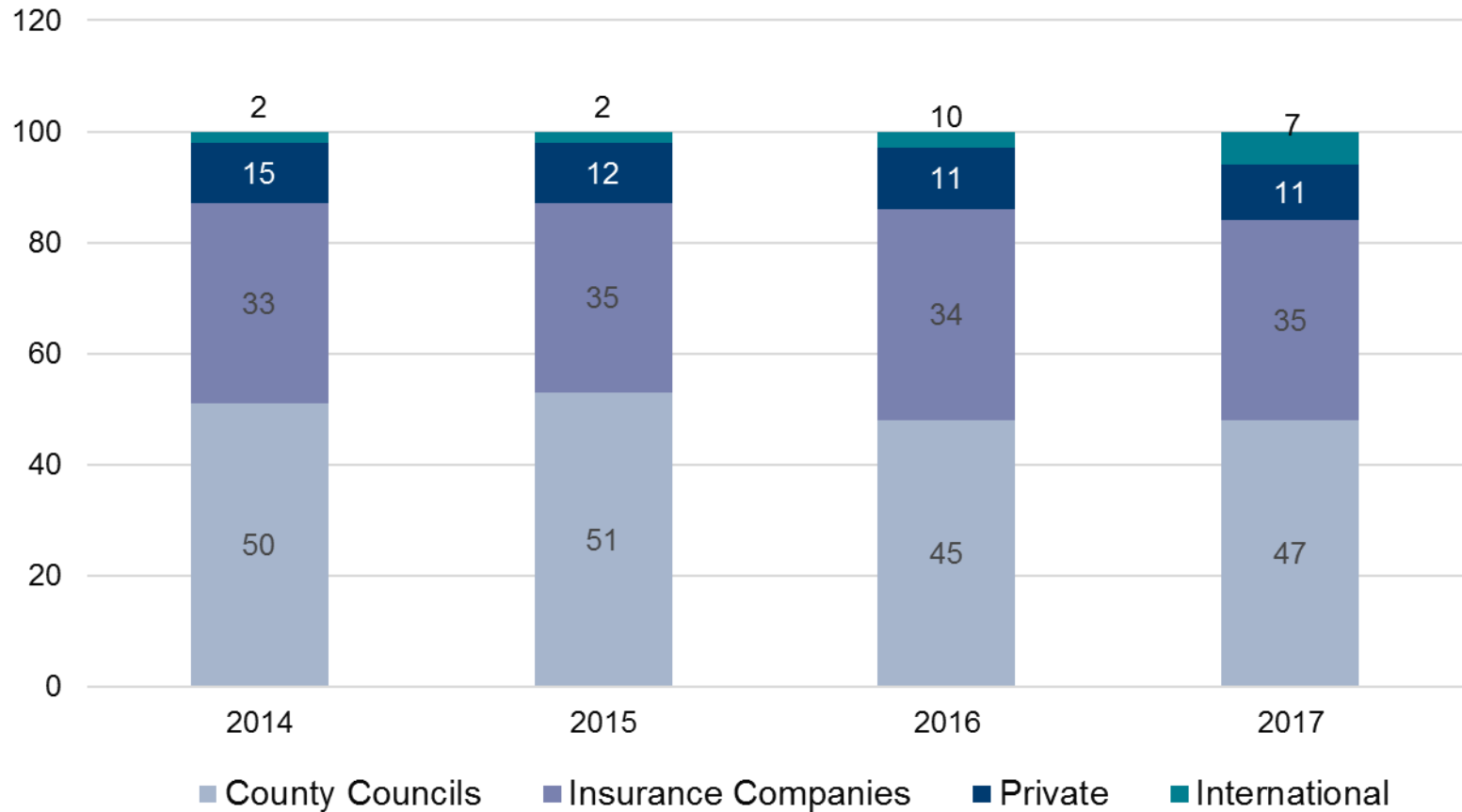


EBITDA in Q2 2017 includes capital loss from divestments of -16,3 MSEK



Strong split between revenue sources

Revenue Distribution, quarter



Business Area Nordic

- The clinics in Århus and Helsinki were divested in Q2, with a capital loss of 16,3 MSEK. These divestments will have a positive effect going forward
- The growth is negatively impacted by Easter and public holidays
- Our Gastro clinic in Skåne and the business in Copenhagen are developing very well
- We see potential to further improve volumes and productivity in especially Stockholm and Västra Götaland
- HQ competences have been strengthened and will support improvement initiatives

MSEK	Q2 2017	Q2 2016	Change %	Year 2016
Revenue	233,4	237,8	-1,8	879,8
EBIT	-16,9	19,9		33,7
EBIT margin, %	-7,2	8,4		3,8



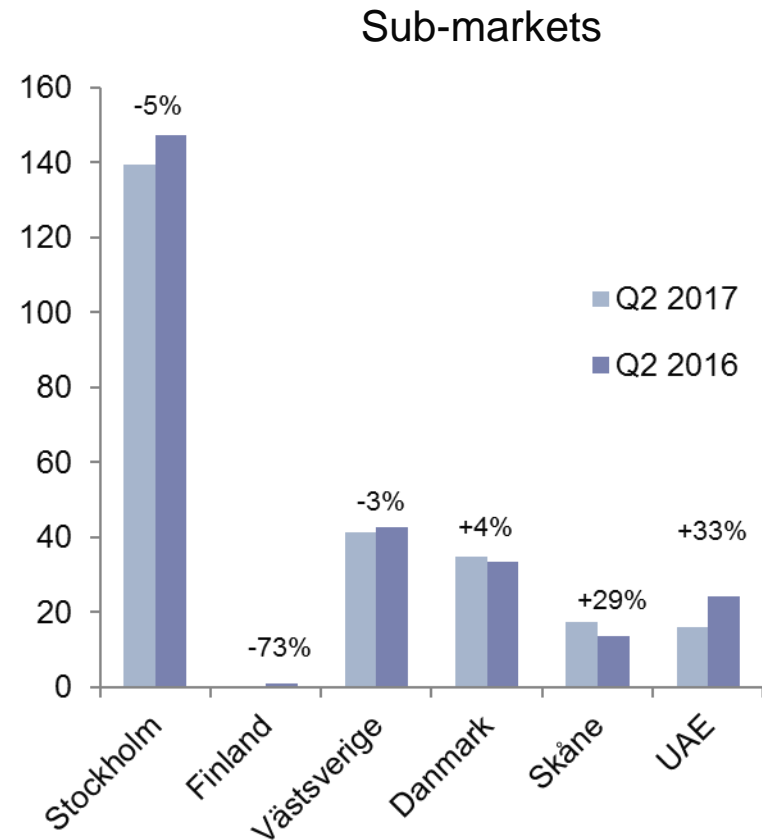
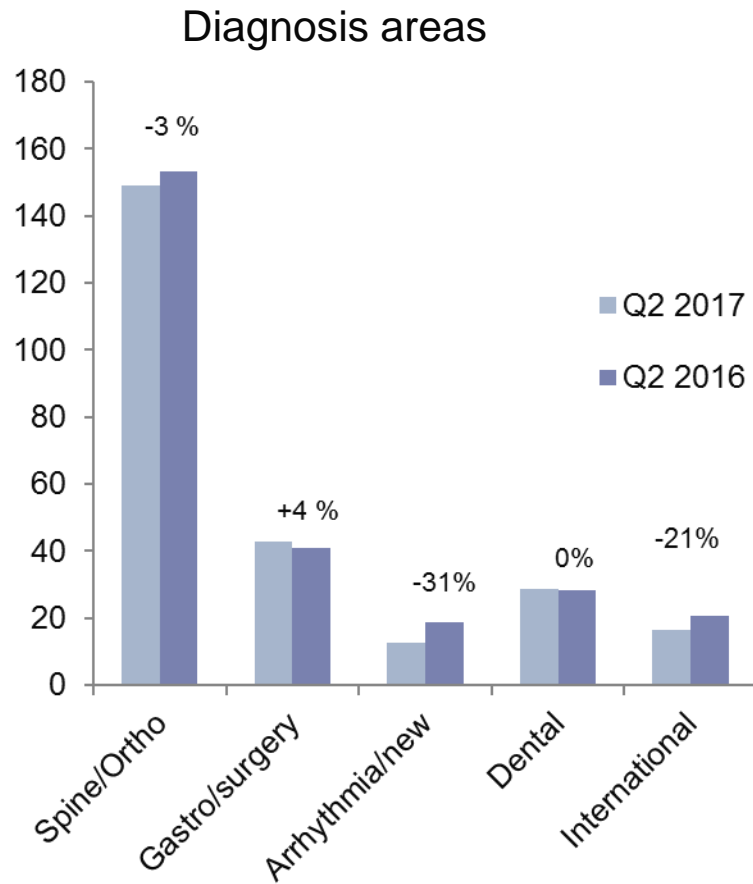
Business Area International

- The improvement of the hospitals is progressing and our simulations of the development of the KPI's show a positive development. We expect stronger outcome on the KPI's later this year
- GHP has signed a collaboration agreement with Integra Healthcare to establish a world leading Neurorehabilitation Hospital, where GHP has been chosen as Hospital Operator

MSEK	Q2 2017	Q2 2016	Change %	Year 2016
Revenue	16,2	24,2	-33,1	75,6
EBIT	3,3	5,9		22,7
EBIT margin, %	20,4	24,4		29,9



Revenue development – secondary segments Q2



Revenue development – secondary segments

Diagnosis areas

MSEK	Q2 2017	Q2 2016	Change %
Spine/Ortho	149,2	153,2	-3
Gastro/Surgery	42,7	41,1	4
Arrhythmia/ New Specialties	13,0	18,7	-31
Dental	28,6	28,5	0
Int./management contract	16,2	20,5	-21

Sub-markets

MSEK	Q2 2017	Q2 2016	Change %
Stockholm	139,5	147,2	-5
Finland	0,3	1,0	-73
Västsverige	41,4	42,6	-3
Denmark	34,8	33,5	4
Skåne	17,4	13,5	29
UAE	16,2	24,2	-33



One-time effect from capital loss effect the key figures

Comments

- The capital loss of -16,3 MSEK from the divestment of Århus and Helsinki has impacted the key figures
- Our improvement initiatives in the clinics are expected to strengthen our key figures later this year

MSEK	Q2 2017	Q2 2016
EBITDA	-6,8	31,8
EBT	-14,4	25,3
EPS	-21 öre	26 öre
Return on equity	2,7%	11,3%
Net Debt	114,2	64,6
Net Debt / EBITDA	1,95*	1,00
Equity Ratio	51	53

*Excluding capital loss

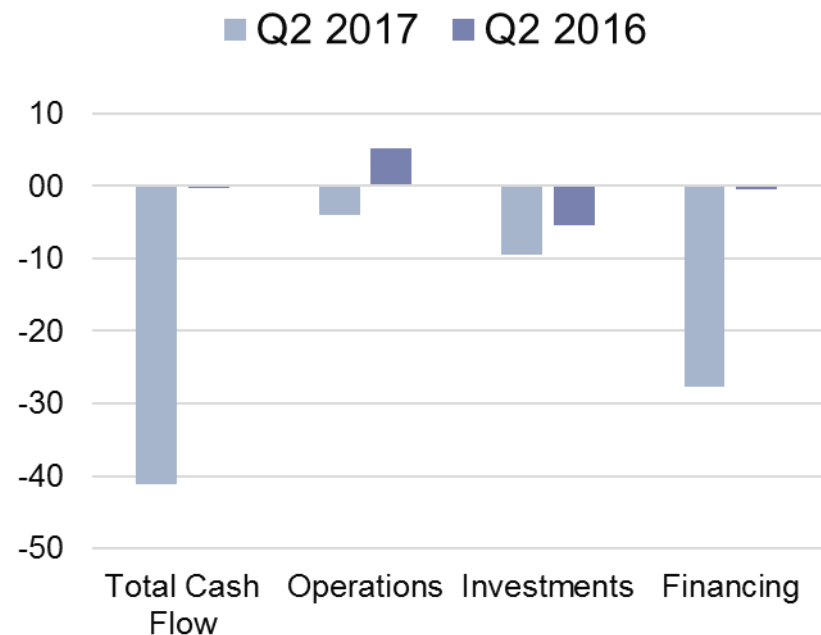


Cash flow Q2 2017

Comments

- The decline in the quarterly cash flow is impacted by the lower earnings in Q2
- Dividend of 20,5 MSEK was made in the quarter
- Payment terms in UAE are generally longer compared to in the Nordics but we are getting paid regularly

MSEK	Q2 2017	Q2 2016
Op cash flow before changes in w/c	3,6	27,5



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Vårdsamverkan

- On the 7th of July we successfully started our new health care planning unit for Trygg Hansa. This is an important step towards our goal with Vårdsamverkan.
- We will have both doctor and nurse visits online for insurance patients in the start of the autumn
- We have signed an agreement with Skandia for a new structured approach for IBS patients, a group which normally bounce around the system.
- We are in collaboration with Trygg Hansa developing an app for all of their customers. The app is focused on an evidence based structure for health improvements.
- We will, starting next quarter, report Vårdsamverkan as its own sub-segment



Other developments

- We have signed a collaboration agreement with Integra Healthcare (IHC). IHC leads an initiative to establish a world leading Neurorehabilitation Hospital in Dubai.
- Our new clinic, Neuro Center Göteborg, is ramping up very well
- In order to avoid future disappointments like this quarter we will put full focus on implementing a new control system and cost savings in the coming months



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