



Quality through specialisation

# Q4 REPORT

February 22, 2017

Daniel Öhman, CEO

Philip Delborn, CFO



# Agenda



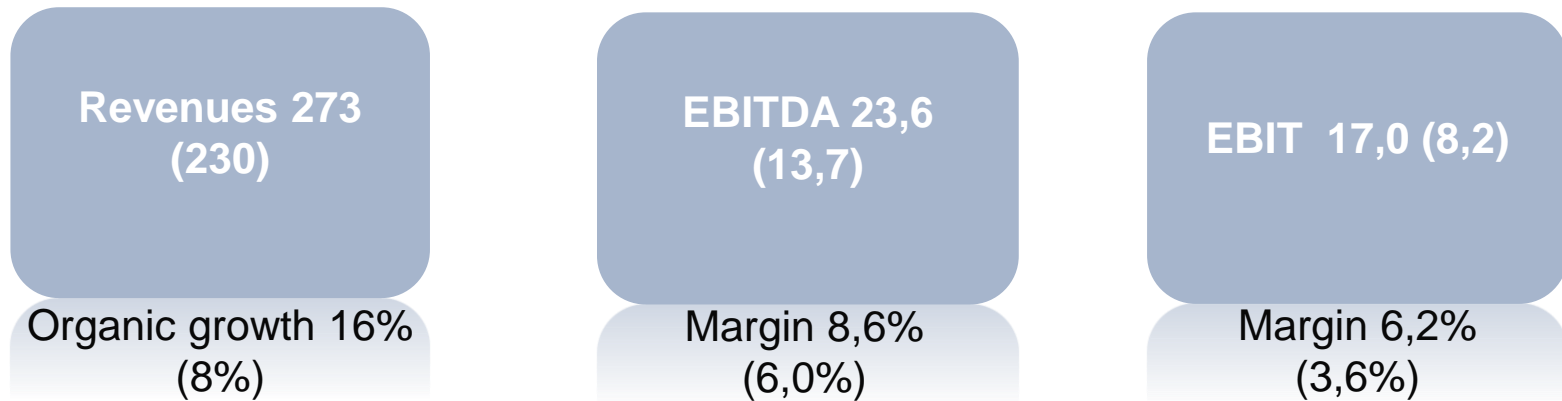
● **CEO reflections on Q4**

● **Financials – Q4**

● **General update**

# Strong Q4 growth

MSEK



- Both the Nordic Region and International show strong growth in revenues and EBITDA
- Successful take-over of the operational responsibility for the hospitals in UAE
- High activity and focus on efficiency contributes to the positive development of several of GHP's key clinics

# Other factors behind the Q4 performance

## General

- Growth in revenues in all sub-markets in the Nordic region
- Continued high salary pressure in Sweden

## Specific

- Our business in Ajman is now evaluated also on operational KPI's
- GHP Vårdsamverkan is getting positive results both in terms of patient satisfaction and quality ratings
- Efforts to reduce waiting times during the year result in positive Q4 activity levels
- Public volumes for bariatric surgery are still low but we are introducing new private options



# Agenda

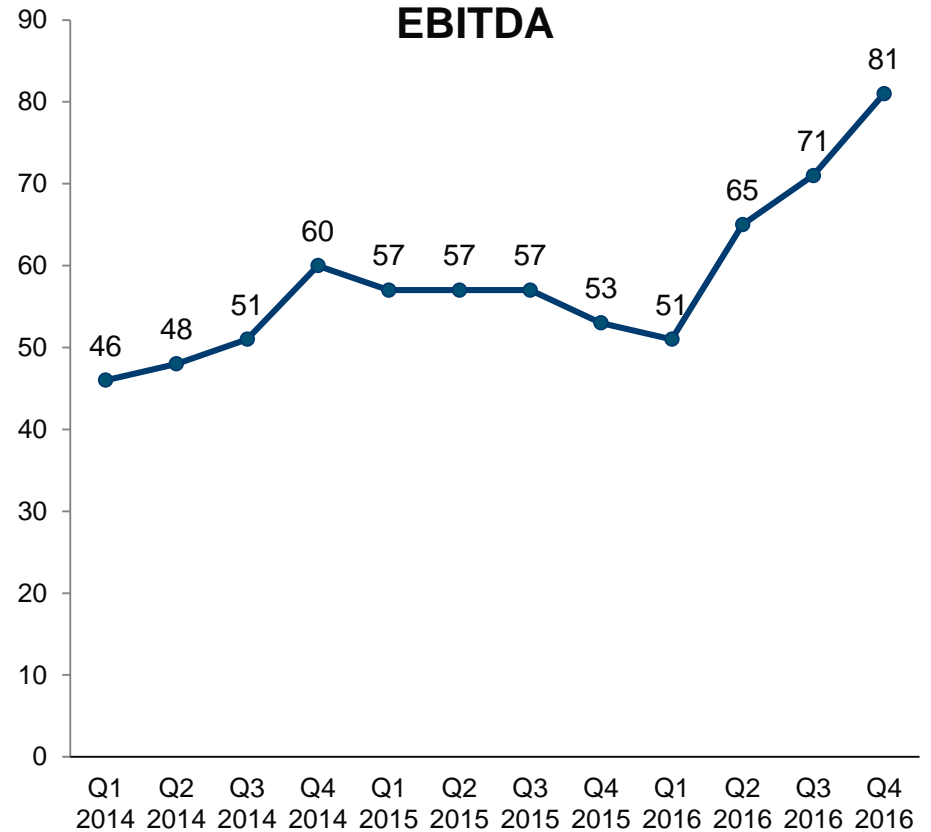
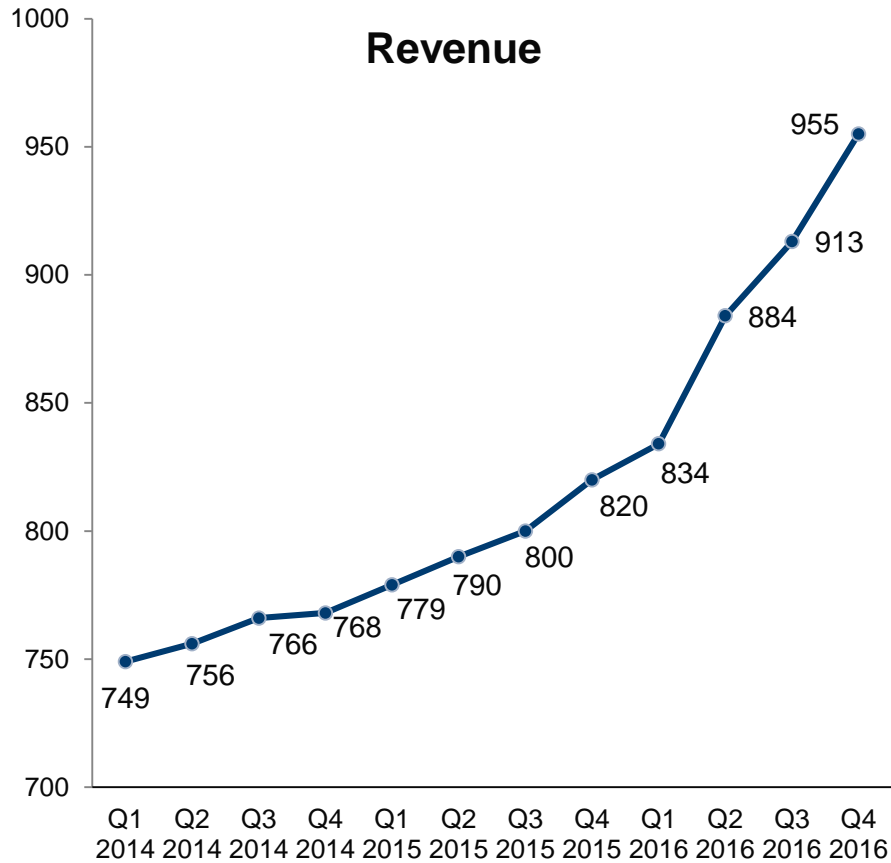


● CEO reflections on Q4

● **Financials – Q4**

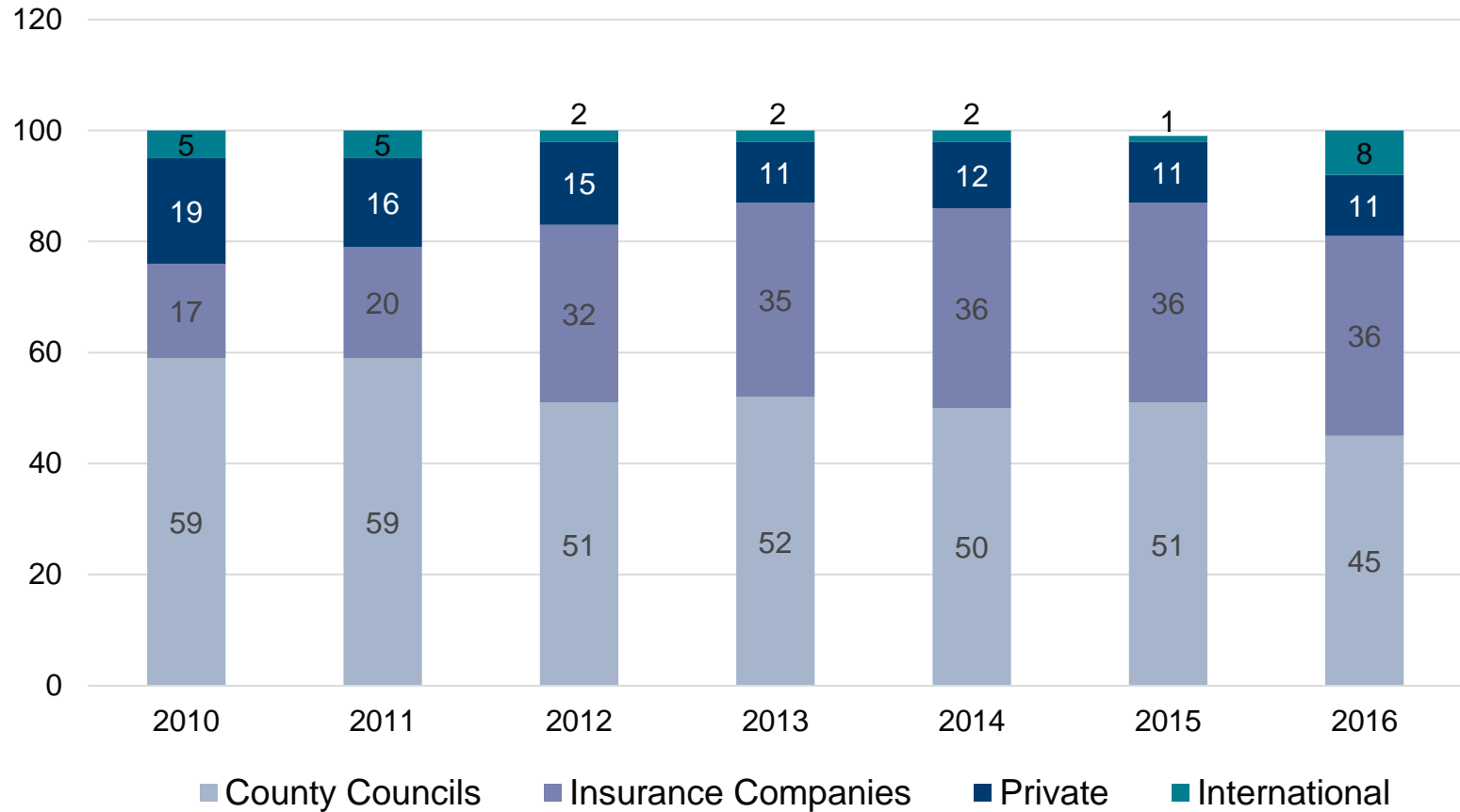
● General update

# Continued strong organic growth



# Strong split between revenue sources

Revenue Distribution





# Business Area Nordic

- Double-digit growth in the Nordic region in the fourth quarter
- Our clinics in Skåne have a very positive development in the quarter with a 37% organic growth
- GHP Stockholm Spine Center and our Dental business had a quarter with significant improvement in revenues and EBITA
- Our clinic OPA in Denmark is still not performing satisfying
- The concept Vårdsamverkan has developed well and is now a base for further expansion

<b>MSEK</b>	<b>Q4 2016</b>	<b>Q4 2015</b>	<b>Change %</b>	<b>12 m 2016</b>
Revenue	251,3	226,3	11	879,8
EBITA	12,6	9,6		33,7
EBITA margin, %	5,0	4,2		3,8



## Business Area International

- The management contract in UAE entered into the operational phase in the fourth quarter. The old agreement for the diabetes hospital is now part of the new contract and we can no longer benefit from two contracts in parallel
- We believe the first months of the operational phase has been successful. We have not yet received the final assessment of the KPI's which revenue is based on
- We are increasing our efforts in business development in the Middle East region

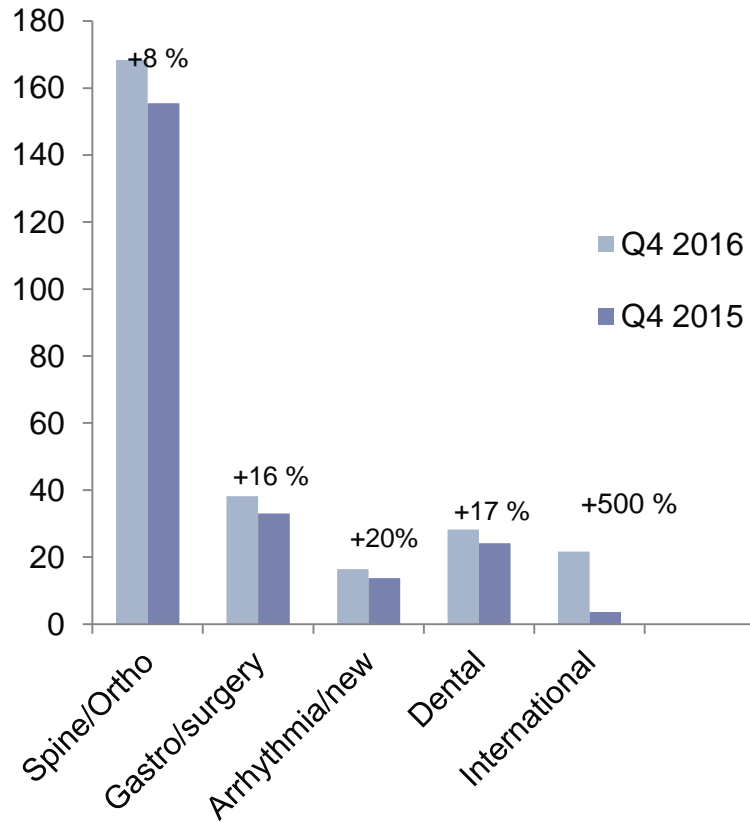
<b>MSEK</b>	<b>Q4 2016</b>	<b>Q4 2015</b>	<b>Change %</b>	<b>12 m 2016</b>
Revenue	21,5	3,6	497	75,6
EBITA	4,4	-1,4		22,7
EBITA margin, %	20,4	-38,9		29,9



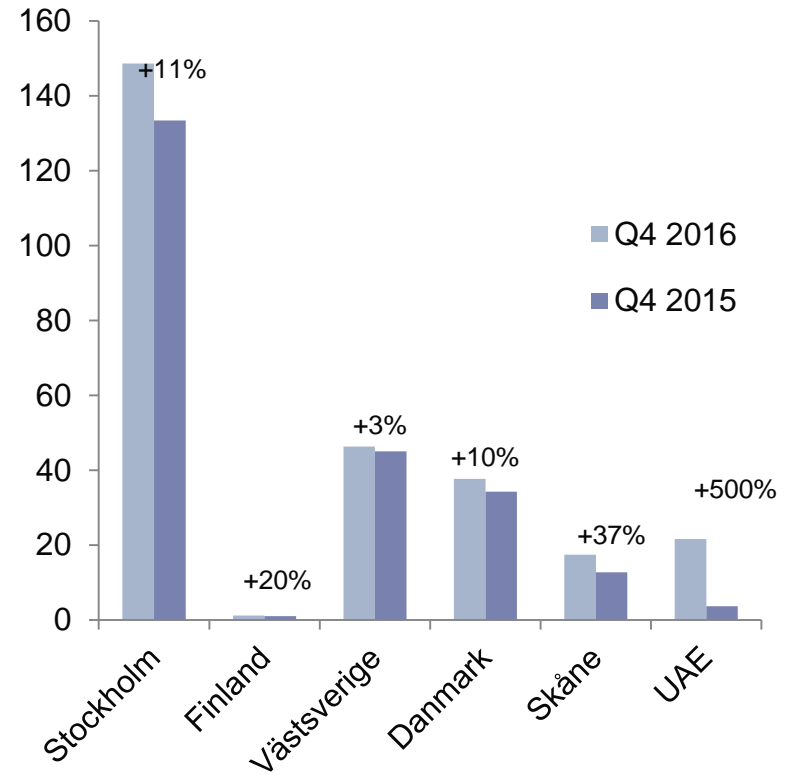
# Revenue development – secondary segments

## Q4

Diagnosis areas



Sub-markets



# Revenue development – secondary segments

## Diagnosis areas

MSEK	Q4 2016	Q4 2015	Change %
Spine/Ortho	168,4	155,5	8
Gastro/Surgery	38,2	33,0	16
Arrhythmia/ New Specialties	16,4	13,7	20
Dental	28,2	24,1	17
Int./management contract	21,6	3,6	500

## Sub-markets

MSEK	Q4 2016	Q4 2015	Change %
Stockholm	148,6	133,4	11
Finland	1,2	1,0	20
Västsverige	46,3	45,0	3
Denmark	37,7	34,2	10
Skåne	17,4	12,7	37
UAE	21,6	3,6	500



# Solid key figures

## Comments

- Still solid key figures
- We are in a good position to continue expansion

MSEK	Q4 2016	Q4 2015
EBITDA	23,6	13,7
EBT	16,5	7,2
EPS	21 öre	19 öre
Return on equity	12,8%	8,4%
Net Debt	82,4	44,7
Net Debt / EBITDA	1,02	0,85
Equity Ratio	51	52

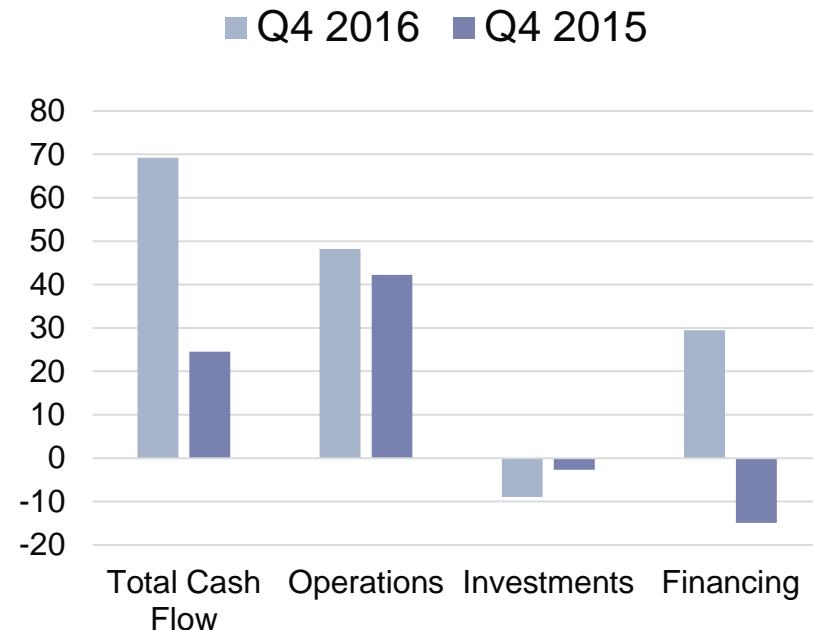


# Cash flow Q4 2016

## Comments

- Payment terms in UAE are generally longer compared to in the Nordics but we are getting paid regularly
- In the fourth quarter we have made operational investments in our clinics at Sophiahemmet and at Gildhøj

MSEK	Q4 2016	Q4 2015
Op cash flow before changes in w/c	24,4	18,2



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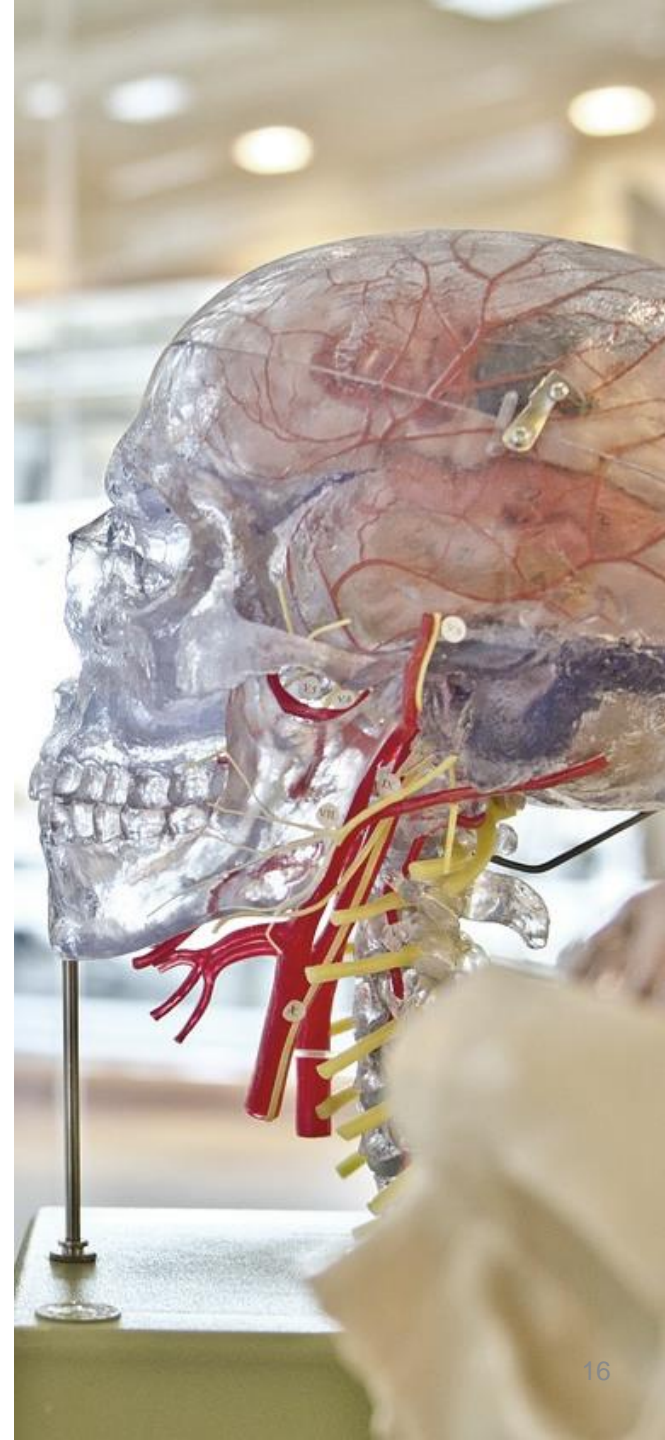
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# GHP Neuro Center

- March 1<sup>st</sup> 2017, GHP will open a new clinic in Gothenburg focused on neurological disorders
- We will from the start have a full range of specialists; neurologists, neuro surgeons, neurophysiologist, specialised physiotherapist and specialist nurse
- We will treat, among other things, Alzheimer, epilepsy, migraine and other headache disorders, multiple sclerosis and Parkinson's disease
- The clinic will share some resources with GHP Ortho Center Göteborg





# Profit cap

- GHP do not believe that the proposed profit cap will be introduced and, if it would, GHP would likely be able to find structures to keep the profitability
- The debate is, however, damaging to our possibilities to develop our relationship with the county councils
- We believe that we need to improve the public perception
  - Free choice needs to be complemented by quality and tax efficiency
  - Introduce quality regulation on private health care providers
- A clear majority approves of the county councils using private providers as long as the cost is lower than in the public system and the quality is at least as high!



[www.ghp.se](http://www.ghp.se)

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