



Quality through specialisation

Q3 REPORT

2014

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Agenda



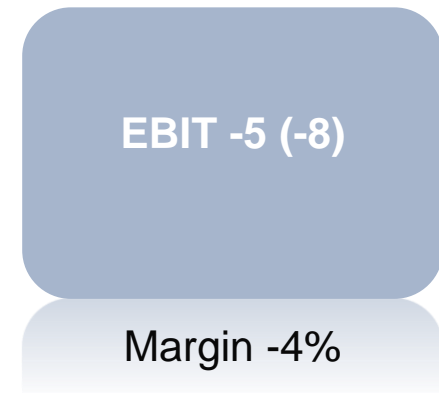
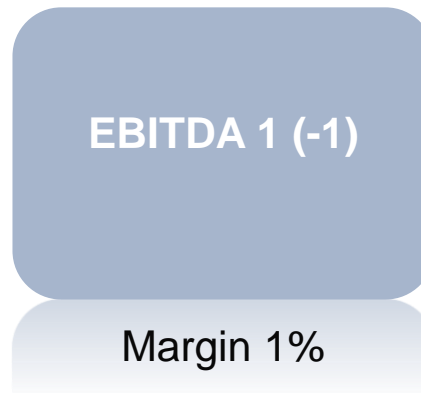
● **CEO reflections on Q3**

● **Financials - Q3 and 9 months**

● **Market and going forward**

Positive EBITDA in Q3, despite vacation period

SEK millions



- Strong organic growth of 8 percent.
- First positive EBITDA in a Q3 for several years.



Factors behind the Q3 performance

General

- High demand for our Stockholm and VGR clinics
- Small improvements in many clinics
- Lower central costs

Specific

- Start-up costs from “Vårdval Ryggkirurgi” and opening of new out-patient unit
- Considerable improvements at Ortho Center IFK-Kliniken
- Continued difficulties in Skåne
- Dental in Stockholm has had a difficult period
- High demand for Arrhythmia Center Stockholm



Agenda



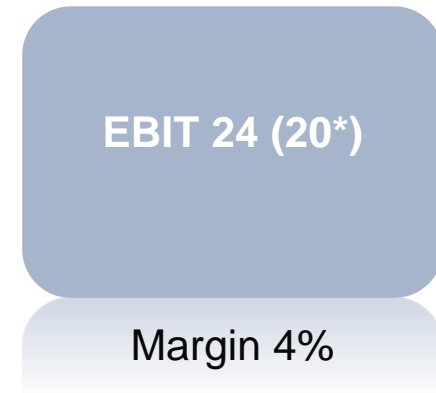
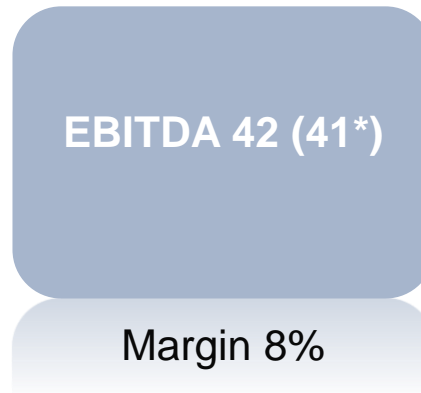
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Strong 9 months performance

SEK millions

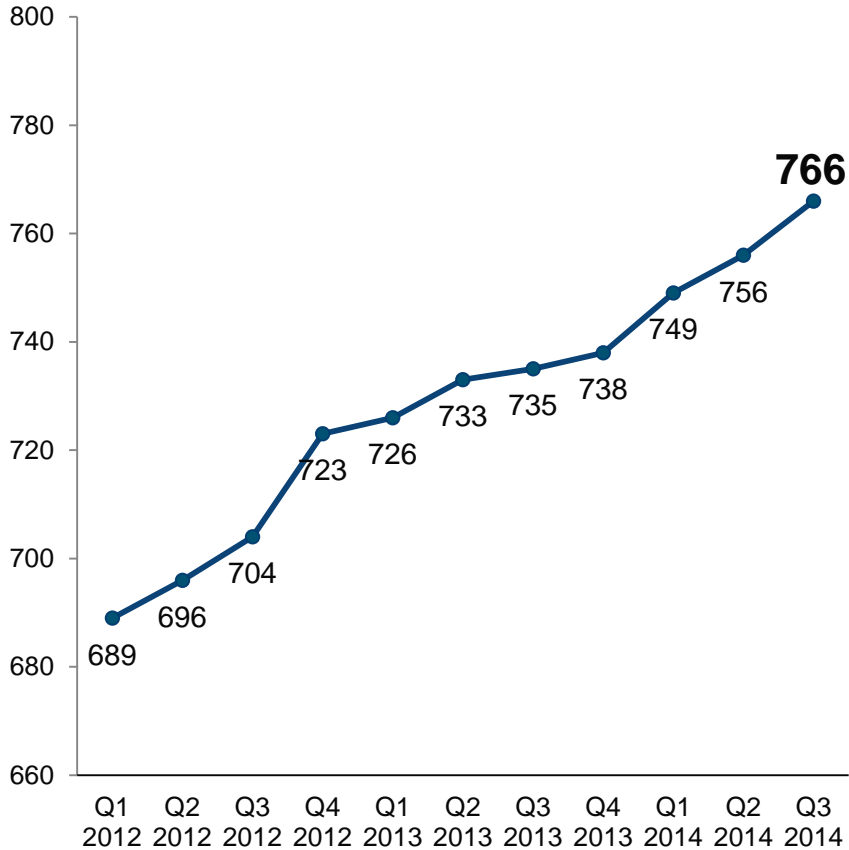


- EBITA has improved considerably compared to last year (excluding one-off income in 2013).
- Comparable numbers are effected positively by capital gain and reversed additional consideration. For illustrative purposes, EBIT of 24 could be compared with 7.

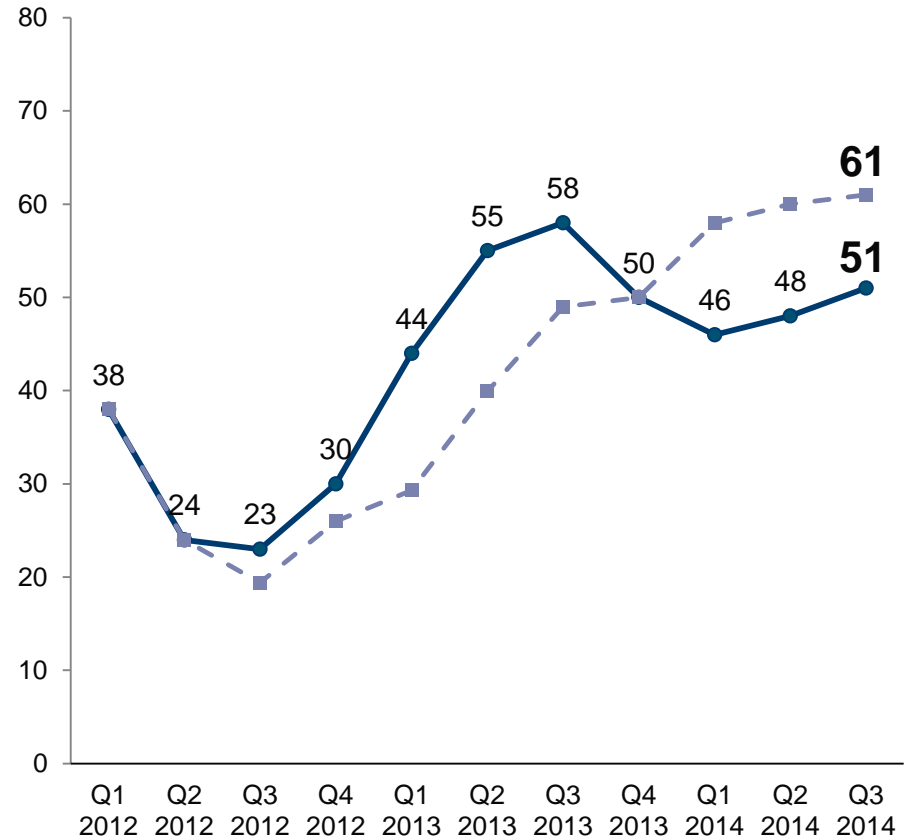


Rolling 12 months development

Revenue

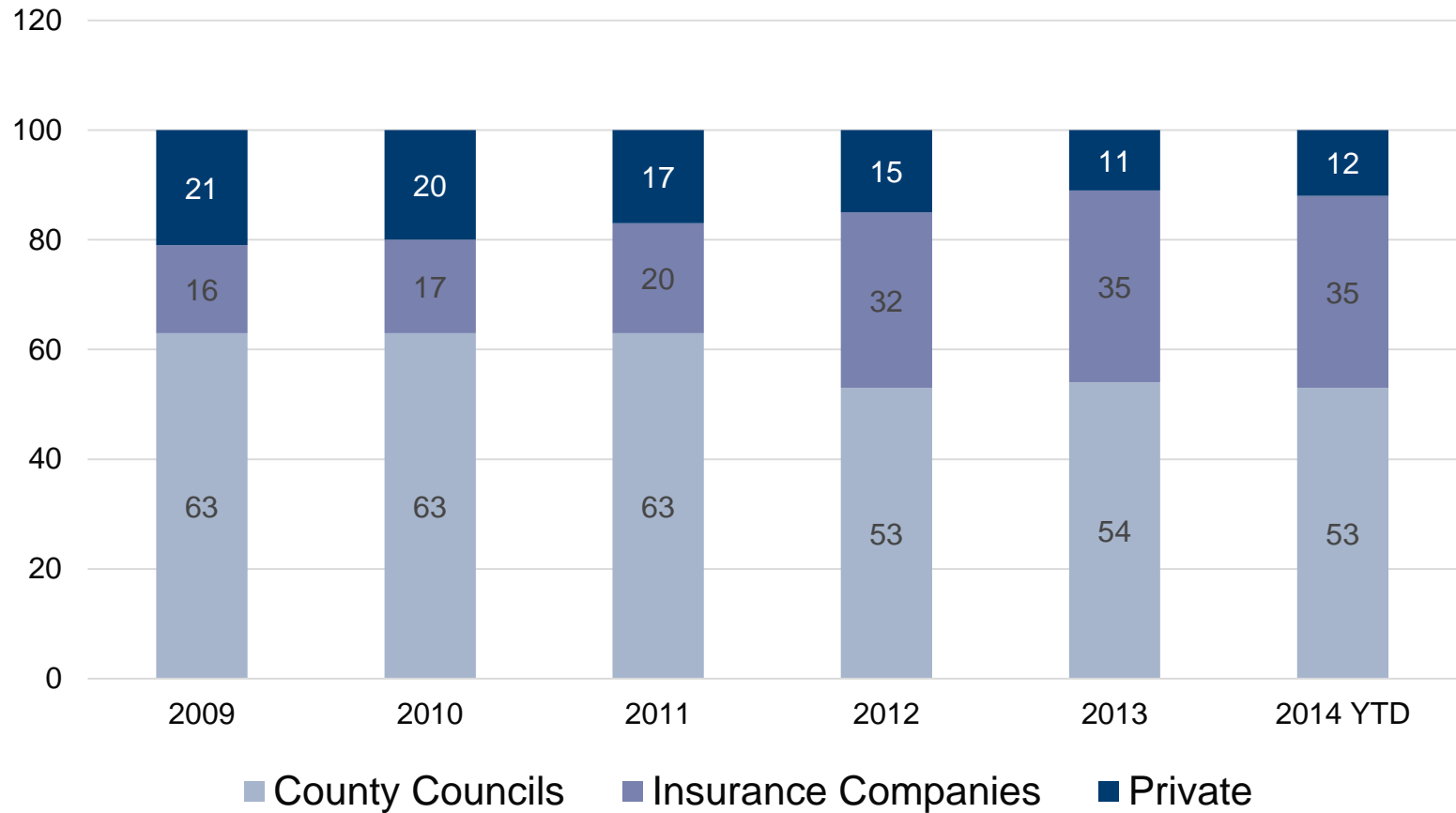


EBITDA



Strong split between revenue sources

Revenue Distribution



Changes in segment accounting

- GHP has reorganised to better utilise geographic synergies.
- To reflect the reorganisation, the reported segments has changed.
- The two segments are the Nordic market and the Rest of the World.
- To maintain a good understanding of the development of the business, GHP also display revenues split between different diagnosis areas and different sub-markets.



Business Area Nordic

- Improvements for both periods.
- Strong patient pressure in Stockholm. Projects ongoing to increase capacity
- Room for profitability enhancement in Västra Götaland, Skåne and Denmark

MSEK	Q3 2014	Q3 2013	Change %	9M 2014	9M 2013	Change %
Revenue	146	136	7	546	518	5
EBITA*	-6	-10		21	16	
EBITA margin, %*	-4	-7		4	3	



Business Area Rest of the World

- Management contract for diabetes clinic and business development for more activities
- World class high volume diabetes center
- Decreased profitability from fewer bariatric surgeries

MSEK	Q3 2014	Q3 2013	Change %	9M 2014	9M 2013	Change %
Revenue	4	4	11	12	11	4
EBITA	1	2		3	4	
EBITA margin, %	22	40		24	33	



Revenue development – secondary segments

Diagnosis areas

MSEK	9M 2014	9M 2013	Change %
Spine/Ortho	355	333	7
Gastro/Surgery	104	107	-3
Arrhythmia/ new specialties	34	28	21
Dental	65	62	5

Sub-markets

MSEK	9M 2014	9M 2013	Change %
Stockholm	328	300	9
Finland	2	2	0
Västsverige	107	106	1
Danmark	85	76	12
Skåne	24	34	-29
UAE	12	11	9



Solid key figures

Comments

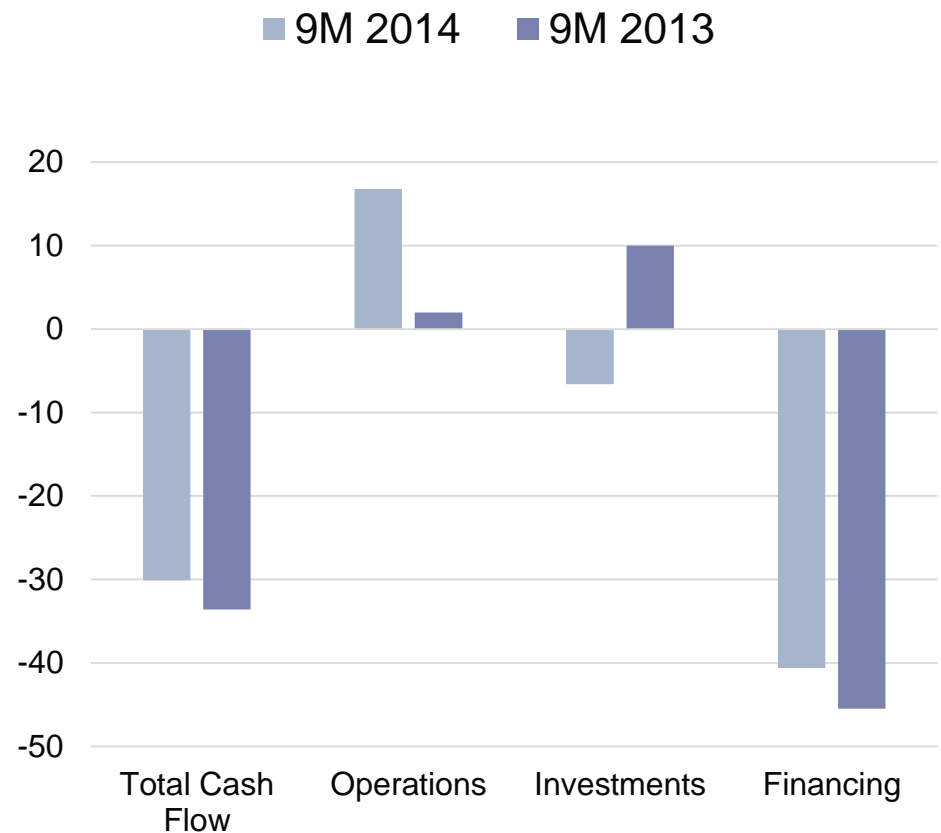
- Q3 always increases net debt.
- Solid key ratios.
- 2013 figures enhanced by one-off income.

SEK millions	YTD 2014	YTD 2013
EBITDA	42	41
EBT	20	12
EBT ex one-offs	20	5
Cash	62	64
Net Debt	70	82
Net Debt / EBITDA	1,38	1,41
Equity Ratio	50	52

Cash flow 2014 YTD

Comments

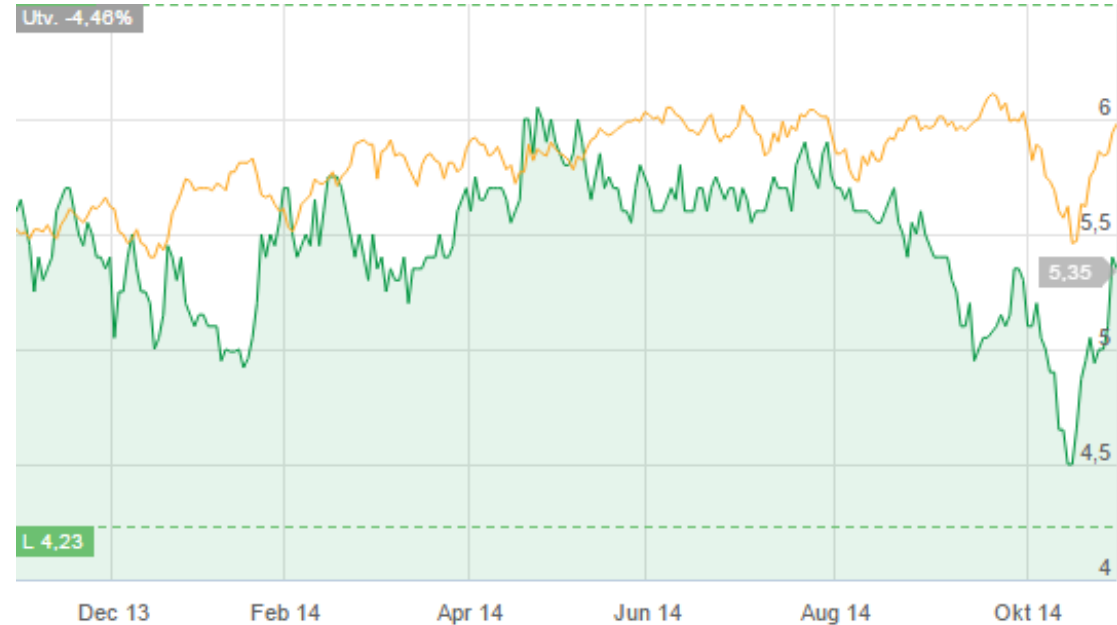
- Increased cash flow from operations due to increased performance.
- Negative change in working capital due to vacation period included in cash flow from operations
- Included in Financing is e.g. purchase of minority shares and decrease of utilisation of credit facilities



Shared price development YTD

Comments

- Performance below index YTD
- The weeks before and after the election had a negative impact on the share price
- Target price by e.g. Carnegie is significantly above the current share price



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Agreement on welfare profits

Major points to be investigated

- Staffing requirements
- Limited dividends
- Insurance patients should not be prioritized
- Accounting on unit level

Opportunities

- We are not necessarily the target and the increased worry might lead to less competition
- Increased quality demands

Risks

- Worries our collaboration partners
- Possibly limited dividend possibilities, however 57% of our revenue from other sources



Focus areas (1/2)

Clinics with large potential to improve

- Skåne clinics
- Ortho Center IFK-Kliniken (Göteborg)
- Denmark
- Dental

Display the strengths of GHP

- Name and logo
- Show quality and customer satisfaction
- Descriptive material



Focus areas (2/2)

Growth

- Organic growth
- Acquisitions
 - Reasonable pace – good deals
- Expansion through start-ups in Stockholm and UAE



