Helios Health

Helios Milestones

Privatization of individual hospitals

FRESENIUS

Wittgensteiner Kliniken

DAMP HOLDING

HUMAINE Kliniken

quirónsalud

RHÖN-KLINIKUM AG

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4 | +12 | +2 | +5 | +24 | +6 | +11 | +41 | +44

**Further internationalization
Fresenius Platform
Cluster and Service
International Growth**

Consolidation

Privatization

| 1995 | 2005 | 2014 | 2017 |

Sales in € billions   1.2   ~5.6   ~8.9
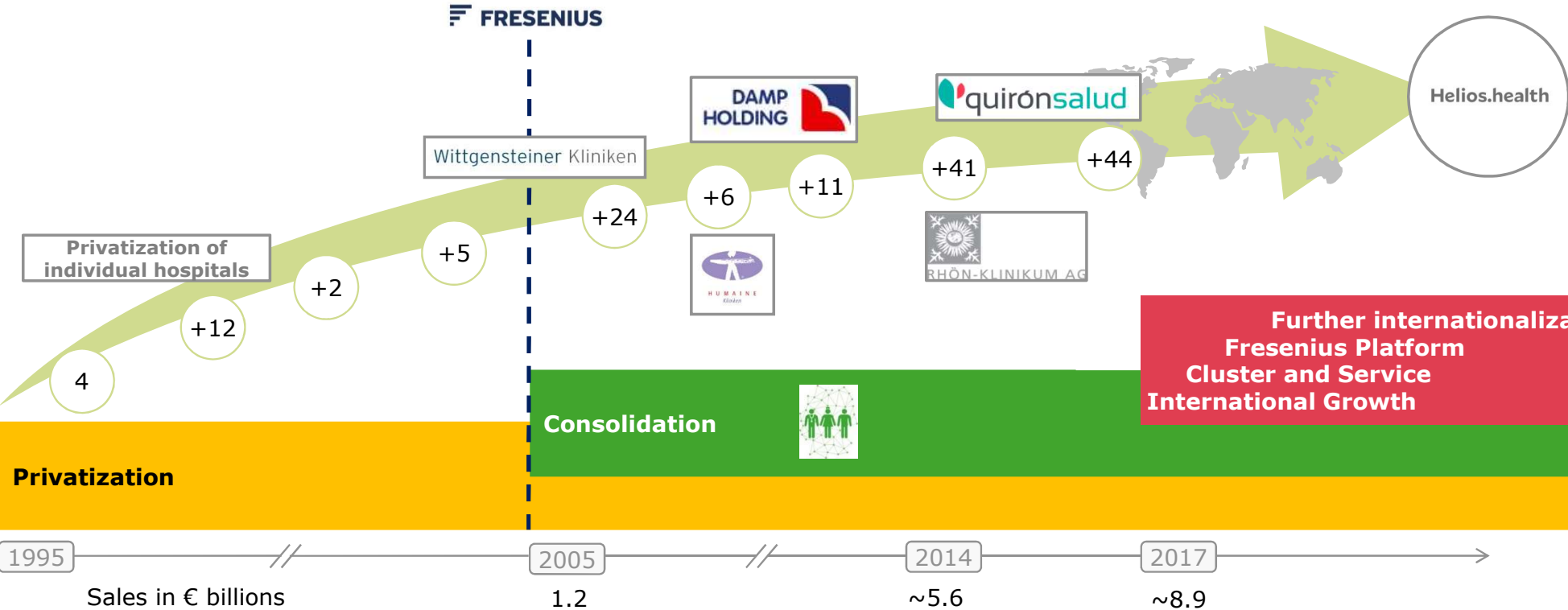
◯ Acquired number of hospitals

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Helios Health

Helios sets course for further growth

– With the international holding company "Helios Health", Europe's largest hospital operator realigns its corporate structure for further growth since March 2018.

– Helios Health unites Helios Germany and Helios Spain (the Spanish hospital group Quirónsalud, which was acquired in 2016), under one roof, and drives the international expansion of the hospital group.

– Helios Health emerged from the former Helios International Holding, which accompanied the acquisition and integration of Quirónsalud into the Fresenius Helios Group.

Francesco De Meo
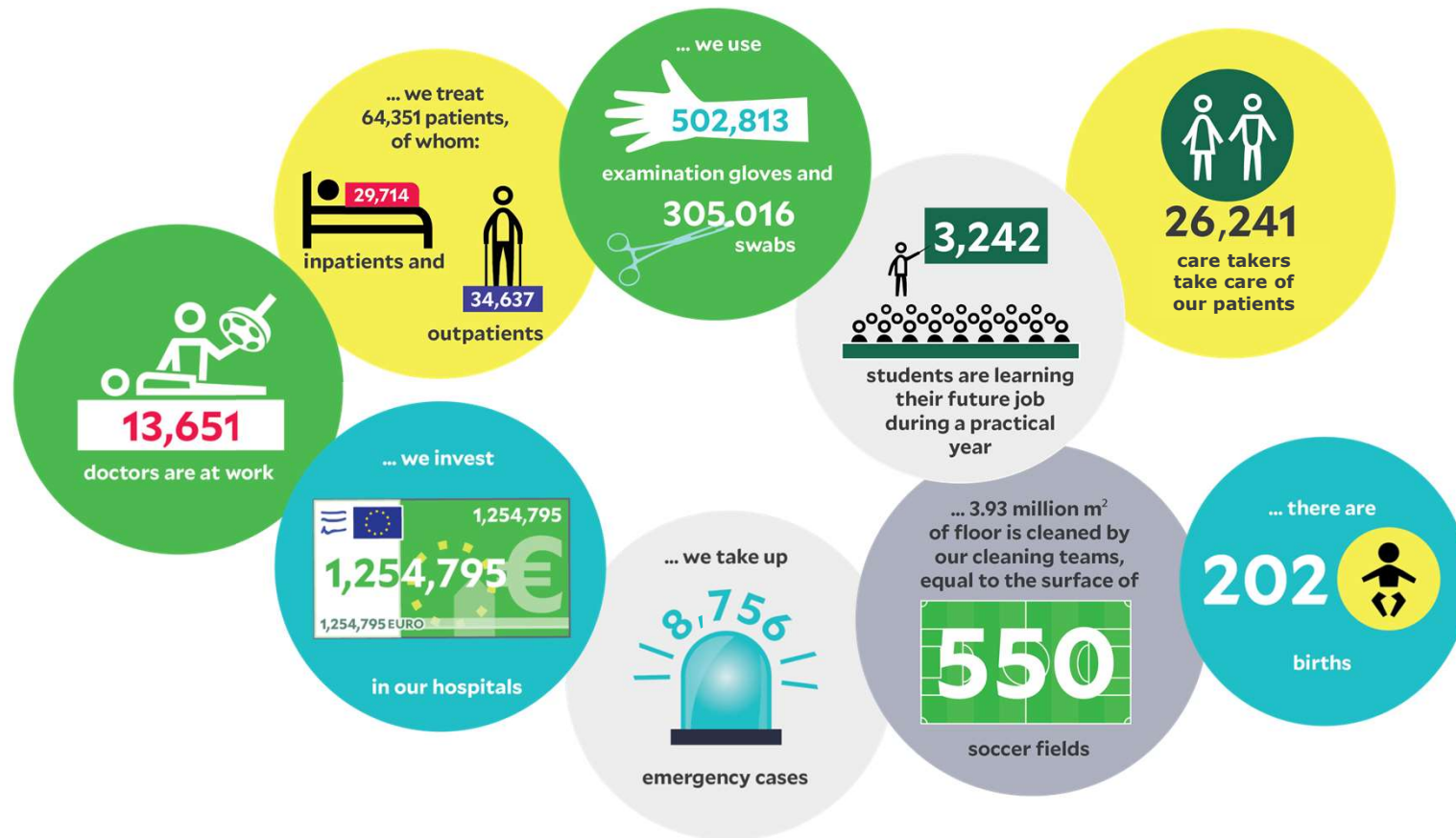Chief Executive Officer

Daniela Hommel
Chief Financial Officer

Enrico Jensch
Chief International
Operating Officer &
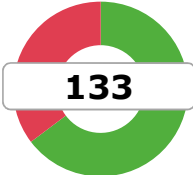Chief Service Officer
Helios Germany

Ralf Kuhlen
Chief Medical Officer

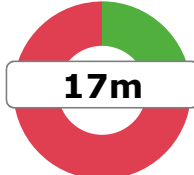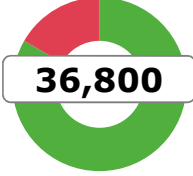Helios.health

Any Single Day at Helios in Europe

... we treat 64,351 patients, of whom:

29,714 inpatients and 34,637 outpatients

... we use 502,813 examination gloves and 305.016 swabs

3,242 students are learning their future job during a practical year

26,241 care takers take care of our patients

13,651 doctors are at work

... we invest 1,254,795 / 1,254,795 / 1,254,795 EURO in our hospitals

... we take up 8,756 emergency cases

... 3.93 million m^2 of floor is cleaned by our cleaning teams, equal to the surface of 550 soccer fields

... there are 202 births

Helios KPIs

Hospitals		**133**
Beds		**36,800**
Employees[1]		**100,000**
Inpatients		**1.6m**

Outpatients[2]		**17m**
Medical centers[3]		**~493**
Revenue (€)		**8,893m**

Helios Spain business model allows for significantly higher ratio of outpatients

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**Backed by a strong parent:
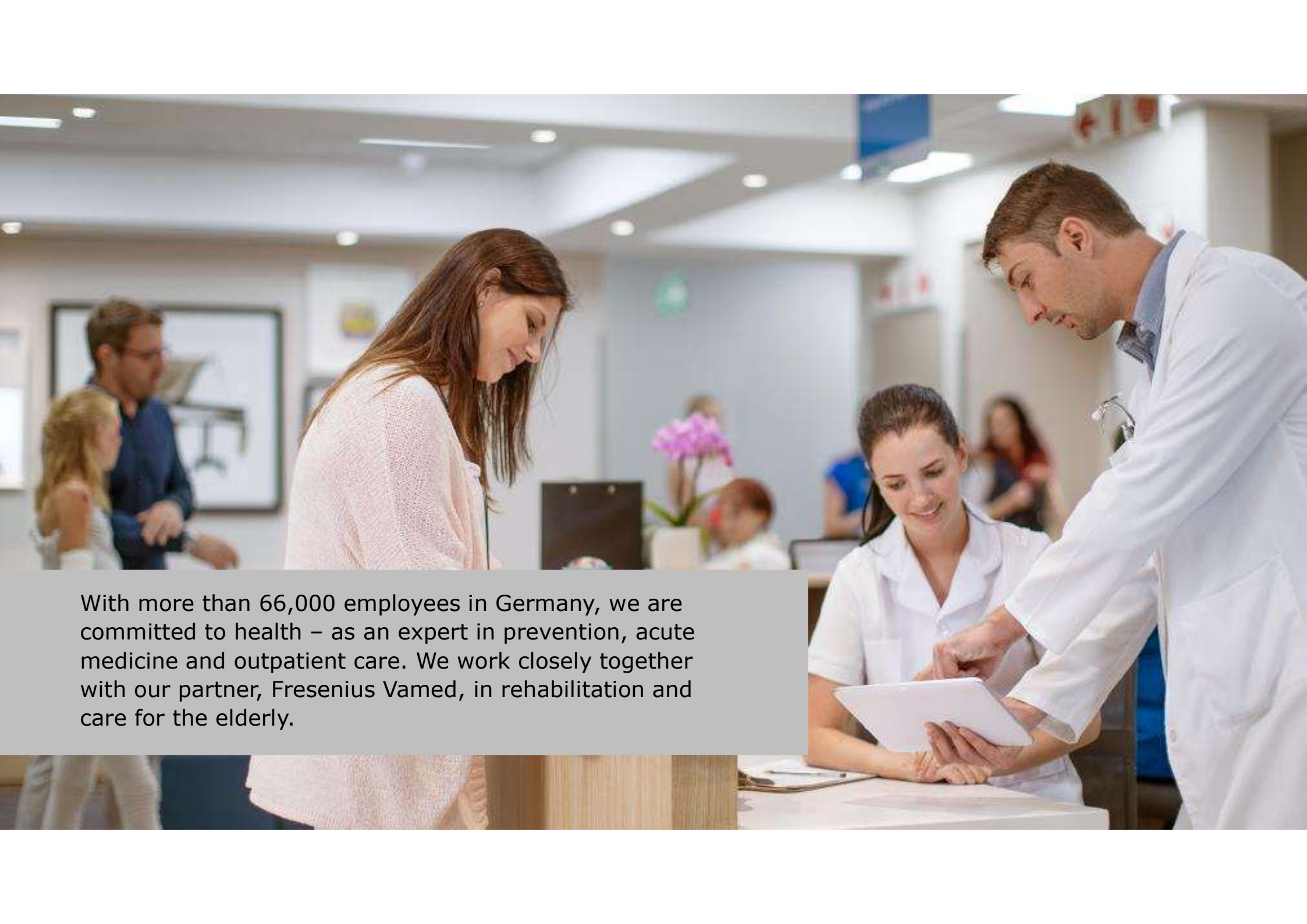the Fresenius healthcare group**

Helios has been part of this global healthcare company since 2006. Fresenius employs more than 270,000 people, who are working for the well-being of patients in over 100 countries.

– As a listed company, Fresenius has excellent access to the capital market, which enables us to invest in better medicine.

– The non-profit Else Kröner-Fresenius Foundation is Fresenius' largest shareholder. It promotes humanitarian projects and medical research worldwide.

Helios Germany

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With more than 66,000 employees in Germany, we are committed to health – as an expert in prevention, acute medicine and outpatient care. We work closely together with our partner, Fresenius Vamed, in rehabilitation and care for the elderly.

Helios – Facts and figures

- 86 hospitals
- 126 medical care centers
- 10 prevention centers
- 5.3 million patients (4.1 million outpatients)

- more than 66,000 employees
- €6.1 billion in sales (Financial year 2018)

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1994 to 2005

—

Foundation, hospital privatizations
and the early days of quality management

In 1994, the vascular surgeon Dr. Lutz Helmig, MD, founded
Helios with four hospitals in Bad Schwartau, Bochum, Volkach
and Bleicherode, Germany.

– For doctors, the good treatment and satisfaction of patients
  are prerequisites for success.

– Dr. Helmig constantly strived to access and improve
  processes and procedures.

– He established a Medical Advisory Board of chief physicians,
  which took charge of the hospitals' continuing medical
  development.

The four original hospitals

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1994 to 2005

—

Foundation, hospital privatizations
and the beginnings of quality management

Improved medicine will become the rehabilitation concept
for new hospitals.

- In 1998, Helios begins measuring, publishing,
  comparing and improving its medical quality.

- In 2001 Dr. Helmig withdraws from management. In
  2006 he sells Helios, now with 24 hospitals, to the
  healthcare group Fresenius, one of the leading
  companies in the health sector worldwide.

New building for Berlin-Buch

In 2001, Helios acquires the Berlin-Buch hospital from the city-
state of Berlin. Work on the new building starts in 2004. A total
investment of €200 million makes it possible to merge maximum
care providers, which had previously been spread over 130
buildings, into a modern clinical complex with more than 1,000
beds. It opens in July 2007.

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2006 to 2014

Company takeovers and further development
of quality management

Helios has grown through acquisitions – especially the acquisition of entire
hospital chains.

- Fresenius incorporated the Wittgensteiner Kliniken Gruppe, followed in
  2006 by the Klinikgruppe Humaine and in 2012 by Damp Kliniken.

- With the acquisition of 41 Rhön-Klinikum AG hospitals in 2014, a hospital
  operator with a total of 110 hospitals is created.

- Transparency is established as the guiding principle, and in 2008 Helios
  becomes a corporate member of Transparency International.

2012: Damp hospitals acquisition

In 2011 Helios acquires the private
Damp Gruppe with seven acute
and four rehabilitation hospitals,
eight medical care centers, two
nursing homes and the Ostsee
Resort Damp on the Baltic Sea.

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IQM

In 2008, Helios and other clinics established the international Quality Medicine Initiative (Initiative Qualitätsmedizin – IQM), which is based on our quality management.

– Today, more than 410 hospitals in Germany and Switzerland use this method.

– In 2008, Helios introduces surgical checklists in order to increase patient safety – eight years earlier than required by the Federal Joint Committee of German public health agencies (G-BA).

– Starting in 2012, Helios is the first – and the only – hospital operator in Germany to disclose, in its own hygiene portal, biannual data on bacterial exposure in its hospitals.

Surgical checklists

Helios uses checklists before and after surgery to increase patient safety and reduce risks. The surgeon and the anesthetist assess the risks together. Another checklist inquires about more specific issues, in order to prevent any misunderstandings or complications.

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Since 2015

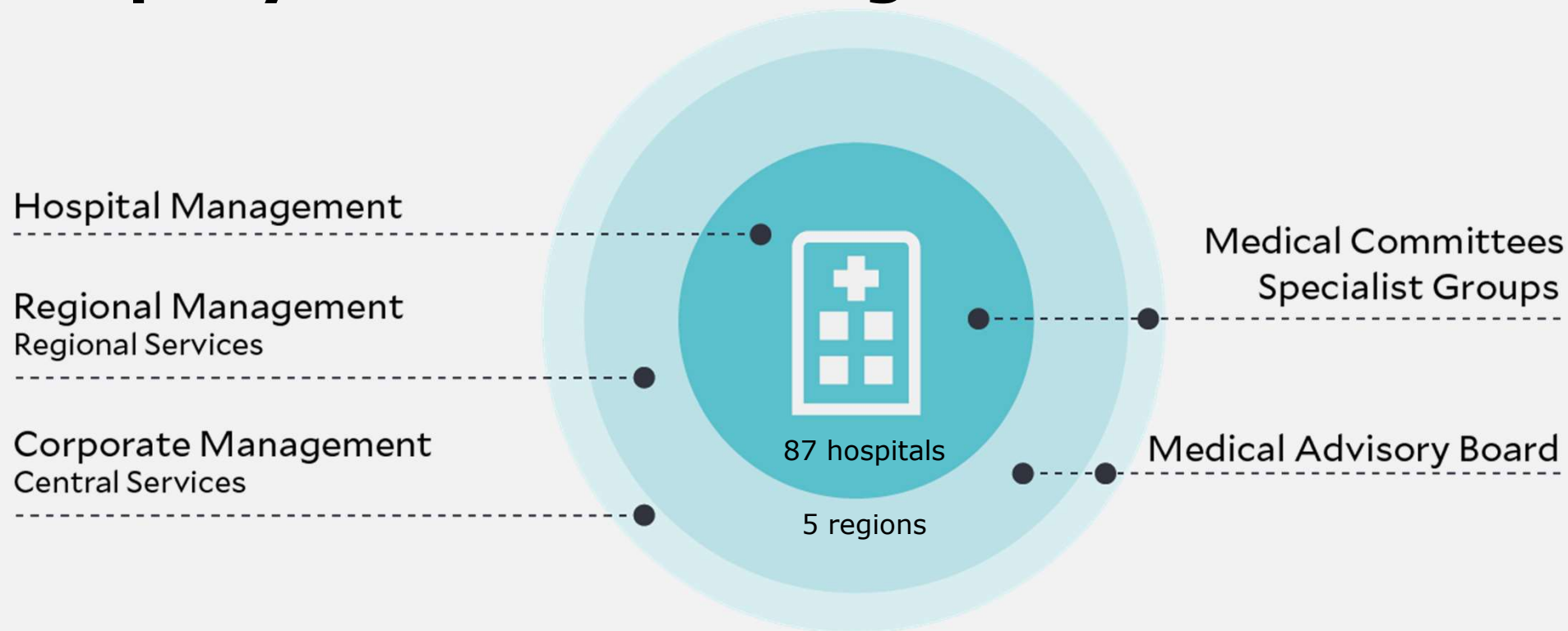Focusing on the future – Helios enters new growth areas

Helios opens up new growth opportunities:

- With our "smartHelios" digital strategy we are driving forward digitalization in healthcare. In 2015, helios.hub becomes the first German accelerator for entrepreneurs and start-ups developing digital solutions for hospitals.

- Moving abroad: Acquisition of the Spanish hospital group Quirónsalud, with its 45 hospitals, makes Helios the largest private hospital operator in Europe.

helios.hub offers start-ups the opportunity to develop and test innovative ideas, newly developed apps or other applications for doctors or patients in the real-world environment of its hospitals.

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Local responsibility – company-wide networking

Hospital Management

Regional Management
Regional Services

Corporate Management
Central Services

87 hospitals

5 regions

Medical Committees
Specialist Groups

Medical Advisory Board

Central services: Service for every location.

We have our own specialists who support our management and facilities with their expertise.

– Experts from many different fields including IT, medical technology, cleaning, pharmacy and human resources provide the necessary input to management.

– We develop and pass on strategic knowledge through close networking, so that we can dispense with external consulting services to the greatest possible extent.
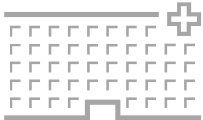
Quirónsalud

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Facts and Figures

- #1 hospital group in Spain
- 13.3 million patients (12.9 million outpatients)
- 47 hospitals
- 57 outpatient centers
- Around 300 prevention centers

- more than 34,000 employees
- €3 billion in sales (Financial year 2018)

- The group includes the top hospitals in Spain.
- Quirónsalud hospitals hold first place in patient satisfaction rankings.

Fundación Jiménez Díaz

Ruber Internacional

CM Teknon

Hosp. Rey Juan Carlos

Sagrado Corazón

Barcelona

Madrid

Mallorca

Clinica Rotger

Seville

Palma Planas

Group KPIs

		2017	Total Growth YoY*
Outpatient consultancies		8.6 million	+12%
Emergencies		2.6 million	+8%
Inpatient			
Patient Days		1.5 million	+5%
Discharges		350 thousand	+5%
Avg. Length of Stay		4.3 days	–
Occupation rate		62%	+ 1 p.p.
Surgeries		400 thousand	+8%

* Includes organic and inorganic growth

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History of Growth

Sales evolution
(€ million)

- Sustained **organic growth**, above market
- **10 greenfield** projects
- More than **25 acquisitions** including 5 turnarounds, 6 ORP companies and 1 hospital in Peru

+30%

~**€2,800m**

€2,185m

€817m

€559m

€313m

€32m

2013–2017 significant growth. Intense M&A activity, mainly focused on private segment

	2000	2005	2010	2013	2015	2017
# Hospitals	4	8	10	19	42	45

idcsalud ----→ + QUIRÓN GRUPO HOSPITALARIO = quirónsalud

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Over the Last 4 Years, M&A Has Played a Transformational Role

20 acquisitions between 2014–2017...

1 **Creation of Spanish market leader (#1 Group acquired #2)**

idcsalud **+** QUIRÓN GRUPO HOSPITALARIO **=** quironsalud

2 **Acquisition of prestigious hospitals in local markets**

Illustrative

POLICLINICA GIPUZKOA

CP/j

Ruber clínica LALUZ

Clínica Rotger

INFANTA LUISA hospital

Clínica Ricardo Palma
Lima (Perú)

3 **Creation of market leader in ORP sector**

Fraternidad Muprespa PREVENCIÓN | Sociedad de Prevención de FREMAP | unipresalud | MC PREVENCIÓN | Medycsa | Servicio Balear de Prevención

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... with significant value creation

About **€100m** of annual synergies, most of them already realized and in a steady state

Mainly coming from...
- Procurement
- Internalization of services (laboratory, cleaning, catering, etc)
- ORP network rationalization
- Headquarters

Development of Permanent Improvement Program

Prestigious Hospitals in Every Large Spanish City

Top 10 Spanish provinces

Province	Population (million)		Quirónsalud # hospitals
Madrid	6.5		11
Barcelona	5.6		7
Valencia	2.5		1
Sevilla	1.9		2
Alicante	1.8		1
Málaga	1.6		2
Murcia	1.5		1
Vizcaya	1.1		1
La Coruña	1.1		1
I. Baleares	1.1		3

Celebrities at Quirónsalud

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smart.helios

Digital Based Medicine Will Drive the Shift from Volume to Value Based Healthcare

Focus of Healthcare today		**Future Focus of Healthcare**	
Flow of work and information based on pen and paper	Analog	Digital	Any decision and intervention will rely on shared data
Diagnosis to understand and eliminate causes of symptoms	Illness	Health	Behavior focused intervention before predictable change of health status
Patients come to medical facilities	Professional-centered	Patient-centered	Intervention will be provided where patients need it
Fragmented responsibility	Sectoral	Integrated	Holistic view on patients
Chain of episodic treatment phases	Sequential	Continuous	Seamless Care continuum
Outcome relies on intuition and skills	Expert-driven	AI-driven	Outcome relies on real-world-data expert systems
Diagnosis relies on High-Tec and skilled experts	High-Tech	Commodity	Smartphone add-ons provide data-based diagnosis

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Future Healthcare Delivery Must Go Beyond Traditional Settings

More often than not, <u>only</u> the patient serves as the "container" for (all?) the relevant, health related data.

Especially for chronically ill patients, all this results in a lot of use- and needless healthcare interventions.

A lot of the time, GPs and other physicians have with the patient, is lost for collecting and updating data.

Patients are neither engaged nor empowered at home, where 90% of the patient journey occur.

Our Vision for the Smart Healthcare of Tomorrow

Build
and deploy
an intuitive, user-friendly
platform based on curated health
data that transforms how patient care
is delivered beyond traditional care settings,
resulting in a simple and transparent
one-stop-shopping experience
for all the user's
health needs.

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Healthcare is the Only Data Driven Business that is Not Aware of It

To reduce frictions within the existing healthcare system and allow patient-centered solutions, a healthcare platform (**multisided network enabler**) based on four pillars is needed
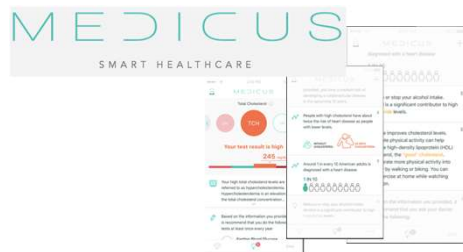
Technical interventions	Education	Behaviour Change	Data integration
The platform brokers and connects the local care network to enable focused one-stop-shoping-solutions.	The platform acts as the "trader of information" and guides the patient toward more personal responsibility.	The platform's "social system" (family & peers) together with AI delivers continuous motivation.	The platform deploys AI to aggregate data from various sources and curates it to enable reliable guidance.

Local Care Provider Network

MEDICUS
SMART HEALTHCARE

nature COMMUNICATIONS

Exercise contagion in a global social network

Sinan Aral & Christos Nicolaides

IBM Watson Analytics

Google DeepMind

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Our Core Capabilities Are Focused on Success in the Digital Competition

Culture

Attract digital talents
Create „fail-forward spirit"
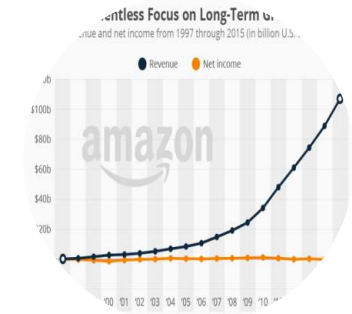Agile development/Speed

Skills

- Design thinking
- Usability Design
- Data Analysts

Focus

- Co Working in Solution Teams
- User-centered products
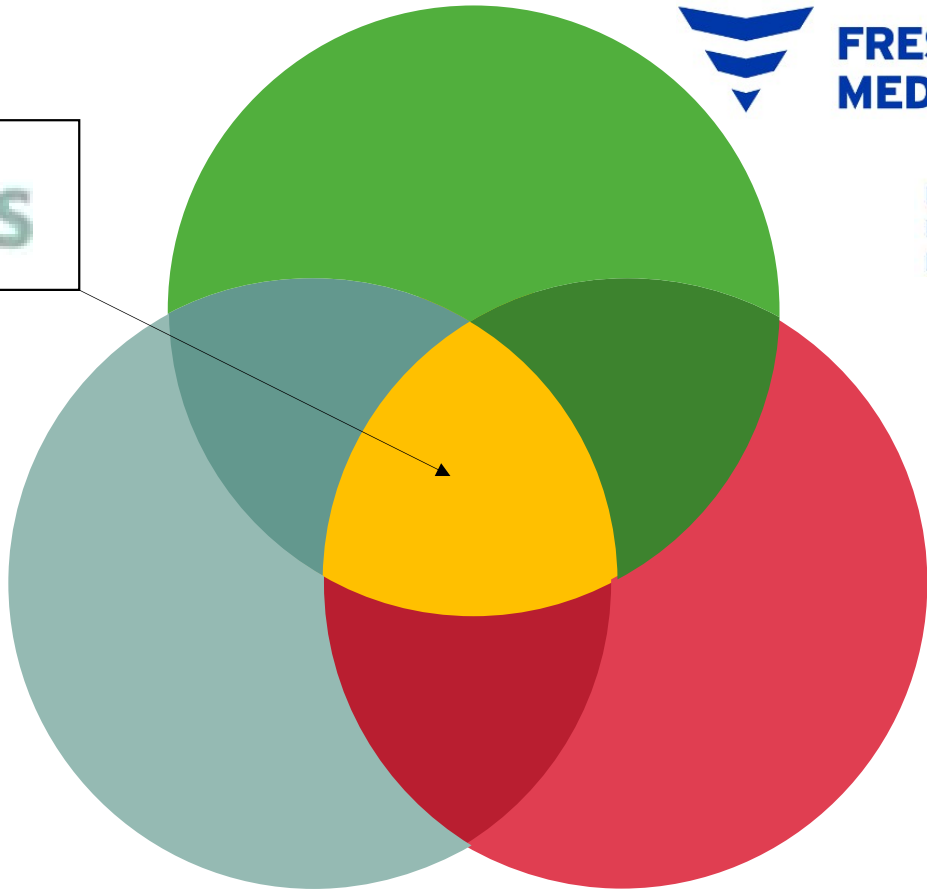- It is not project business, it is product business!

KPI

- Growth and Retention (not EBIT / EBITDA)
- „Don't scale it, before you nail it"

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smart.helios Connects the Dots within the Fresenius Health Care Group

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FRESENIUS MEDICAL CARE

FRESENIUS HELIOS
add their broad knowledge about healthcare delivery and contracts

FRESENIUS KABI
capitalizes on their large product portfolio and their healthcare supply chain expertise

FRESENIUS VAMED
delivers specialized services

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Thank you for your attention

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