Fresenius Helios Business Overview

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Key Take-Aways

- Successful across different health care markets
- Learn from each other, learn from the best
- Best practice transfers drive international transformation
- Prepared for further regional expansion
Overview Helios
Privatization of individual hospitals

Sales in € billions

1995 1.2
2005 ~5.6
2014 ~8.9
2017

Further internationalization
Fresenius Platform
Cluster and Service
International Growth

Acquired number of hospitals
Any Single Day at Helios in Europe

... we treat 64,351 patients, of whom:
- 29,714 inpatients
- 34,637 outpatients

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

... we invest 1,254,795 €

... we take up 8,756 emergency cases

... we use 3,242 care takers take care of our patients

students are learning their future job during a practical year

... there are 202 births

... 3.93 million m² of floor is cleaned by our cleaning teams, equal to the surface of 550 soccer fields
Helios KPIs

Hospitals: 155
Beds: 42,000
Employees: 109,000
Inpatients: 1.65m
Outpatients: 13.4 m
Medical centers: ~389
Revenue (€): 8,896m

Helios Spain business model allows for significantly higher ratio of outpatients

Spain
Germany

1 Includes doctors under mercantile relationship
2 Includes 2.2 million Emergency Room cases
3 Includes 89 outpatient clinics (Germany) and ~300 ORPs (Spain)
The Helios Value Approach
Prerequisites to Provide High-Quality and Cost-Efficient Health Care

1. Good market access
2. Efficient processes
3. Infrastructure and financing
4. Controlling and readjustment
5. Qualified and specialized doctors and care takers
What Makes the Difference
Business Comparison

Regulation Density
- Medium with local variations
  - Depending on state-by-state regulations
  - Variable health care models (PPP)
  - No sector boundaries
- High and nationwide
  - Low flexibility for state-specific regulations
  - Uniform health care models
  - Strict sector boundaries

Insurance System
- In a dynamic market
  - Private full-coverage insurance additional to public insurance
  - ~20% of population with private coverage
- In a largely saturated market
  - Private full-coverage insurance instead of public insurance
  - Complementary private insurance
  - ~11% of population with private coverage

Financing
- Multiple financing models
  - Consolidation opportunities
  - Greenfield and ORP
  - Digitalization for services and growth
- Separate financing models
  - Rare privatization or consolidation
  - Outpatient growth against boundaries
  - Process digitalization

Growth Opportunities
- Spain
- Germany
Strategy by Country

**Spain**
- Continued focus on growth areas
- Continue ORP and outpatient activities
- Technical and digital solutions: high-quality and marketing-centered applications
- Increasing cost efficiency while maintaining service leadership

**Germany**
- Growth perspective by portfolio sharpening: clusters, centers, minimum quantities, integrated outpatient care
- Develop outpatient activities
- Medical and structural solutions: high-quality and process-centered applications
- Developing cost leadership nearer to an “industrial” level while increasing the service level

Helios to benefit from experiences of offering its business model in different markets with different conditions, challenges and opportunities
Best Practice Transfer

Market conditions in Germany
Strict sector boundaries and trend toward outpatient care, future minimum staffing requirements and minimum quantities

Market conditions in Spain
Focus on quality leadership, efficient and effective processes, future changes in reimbursement scheme

- Clustering, set-up centers
- Length of stay (LOS)
- Advanced reimbursement
- Synergy projects, digital projects
- Patient experience
- SOPs and peer reviews
- DRG reimbursement
- Medical innovation
- Local approach
- Examples for best practice sharing
- Helios.health as platform

Helios.health
Helios Spain
Helios Germany
Best in Class: Adopting to Market Specifics and Fostering Know-How Transfer

1. Different strategies to address different health care markets

2. Different growth strategies to best explore opportunities and manage challenges

3. Focus on synergy potential

4. Mutual best practice exchange instead of “one size fits all” approach

5. Benefit from global health care trends while adopting to local needs

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From Best Practice Transfer to an International Transformation
Portfolio Sharpening - New Growth Prospects

Outpatient care

Acute care

Rehabilitation

Post-acute outpatient care

Nursing care

Tourism

Post-acute care portfolio
Learning by Integration

Constant interaction to develop best practice and achieve synergies across the group
The Best of Both Worlds

- Outpatient services
- Short waiting times
- LOS
- Procurement
- Outsourcing & Cooperations
- Service-App
- Laboratory
- Standard-ization
- Quality
- Peer- & Management-Reviews
- Clustering
- IQM
- Integration through Interaction
- Service
- Process
- Outcomes
Thank you