



Investor presentation



16 September 2016

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Agenda

1. Group overview
2. Financial overview
3. Acquisition offer Générale Beaulieu
4. Key reasons to invest in AEVIS VICTORIA
5. Q&A

AEVIS VICTORIA – group structure

AEVIS VICTORIA SA

- AEVIS VICTORIA is an investment company investing in services to people, healthcare, hospitality, life sciences and lifestyle
- AEVIS VICTORIA is listed on SIX Swiss Exchange since 1999 and has a market capitalisation of CHF 856.0 million (as of 15.09.2016)

Hospital Segment

- Second largest group of private hospitals in Switzerland
- 15 private hospitals and one affiliated clinic
- Present in the three main linguistic regions

Hospitality Segment

- Four leading five-star hotels (3 consolidated, one managed) situated in the most sought-after locations in Switzerland
- Diversification strategy in the area of services to people

Telemedicine Segment

- AEVIS VICTORIA holds a 40% stake in Medgate group, the leading telemedical services provider in Switzerland
- AEVIS VICTORIA also holds a 10.6% stake in LifeWatch AG, a leading provider of Ambulatory Cardiac Telemetry (ACT) services

Real Estate Segment

- Composed of healthcare and hotel real estate and organized in two dedicated entities
- The portfolio comprises 40 properties on 17 sites

Incubator

- AEVIS VICTORIA invests in various other activities along the value chain of its main segments. Activities range from early-stage (such as AEVIS VICTORIA's participation in the field of stem cells) to companies under restructuring (such as AEVIS VICTORIA's ambulance services)

Experienced leadership team

AEVIS VICTORIA	<ul style="list-style-type: none"> • AEVIS VICTORIA Management: <ul style="list-style-type: none"> – Delegate: Antoine Hubert (years in industry) 20 – CFO: Gilles Frachon 40 • Board of Directors: <ul style="list-style-type: none"> – Christian Wenger (Chairman) – Raymond Loretan (Vice Chairman) – Antoine Hubert (Delegate) – Michel Reybier – Cédric A. George – Antoine Kohler 	Hospital Segment	<ul style="list-style-type: none"> • CEO: Beat Röthlisberger (years in industry) 15 • CFO: Daniel Jandric 2
		Hospitality Segment	<ul style="list-style-type: none"> • CEO: Beat Sigg 36 • CFO: Thomas Bachmann 13
		Telemedicine Segment	<ul style="list-style-type: none"> • CEO: Andy Fischer 20 • CFO: Lorenz Fitzi 18
		Real Estate Segment	<ul style="list-style-type: none"> • CEO: Christoph Syz 20 • PM: Vivian Moreau 6

- The Board of Directors of AEVIS VICTORIA combines financial, legal and political skills as well as in-depth knowledge of the Swiss healthcare sector
- The various subsidiaries of AEVIS VICTORIA are equipped with strong and independent management teams exhibiting long track records of experience in AEVIS VICTORIA
- Management members have on average 19 years of industry experience
- The Board of Directors and management of AEVIS VICTORIA cover the necessary skill set to address arising challenges

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AEVIS VICTORIA – key financial highlights

Key figures P&L AEVIS VICTORIA (CHF million)	HY 2015 Restated	HY 2015 Pro forma	HY 2016	HY 2016 Normalized
Gross revenue	289.9	283.4	293.5	297.3
Net revenue	254.9	248.4	256.1	259.9
<i>Net revenue growth</i>	<i>n.a.</i>	<i>n.a.</i>	3.1%	4.6%
EBITDAR	39.9	39.9	48.4	53.0
<i>EBITDAR margin</i>	15.7%	16.1%	18.9%	20.4%
EBITDA	33.0	33.9	42.2	46.9
<i>EBITDA margin</i>	12.9%	13.7%	16.5%	18.1%
EBIT	13.0	13.9	20.6	25.3
<i>EBIT margin</i>	5.1%	5.6%	8.0%	9.8%
Profit for the period	0.1	1.0	4.2	9.0
Price per share end of period in CHF	46.4		44.5	
Number of outstanding shares	15'029'954		14'951'369	
Market capitalisation	697.4		665.3	

- Progress in the successful repositioning of hospitals has strongly improved revenue, utilization of resources and profitability
- Portfolio optimizations in the hospitality segment have reduced revenue but increased profitability
- Adjusted for seasonality and other exceptional items AEVIS VICTORIA's half-year performance is in line with budget and shows a 33% increase in EBITDAR

HY 2015 Pro forma figures exclude Hotel Palace Luzern operations

Hospital segment – key financial highlights

P&L hospital segment (CHF million)	HY 2015 Restated	HY 2016	Change
Net revenue	213.7	222.2	8.5
<i>Net revenue growth</i>	<i>n.a.</i>	<i>4.0%</i>	
Production expense	(51.0)	(52.0)	(1.0)
Personnel expense	(93.4)	(92.7)	0.7
Other operating expense	(28.8)	(27.2)	1.6
EBITDAR	40.6	50.3	9.8
<i>EBITDAR margin</i>	<i>19.0%</i>	<i>22.6%</i>	
<u>Selected operational key figures</u>			
# of stationary admissions	16'074	16'146	0.4%
# of day clinic admissions	10'710	13'101	22.3%
Occupancy rate	55.7%	56.2%	0.9%
Hospitalisation days	89'297	88'504	-0.9%
ALOS	4.4	4.2	-4.5%
Revenue with medical tourists	12.3	13.6	10.9%

- Strong revenue increase which was mainly based on an overall increase of the number of patients treated in the network's hospitals while lower DRG and TARMED rates for the domestic activity remained a challenge
- Medical tourism recovered and partially offset last year's decline
- Due to the higher utilization of resources and the successful completion of restructuring of hospitals the segment's profitability has increased significantly

Hospitality segment – key financial highlights

P&L hospitality segment (CHF million)	HY 2015 Restated	HY 2016	Change
Net revenue	32.6	26.7	(5.9)
<i>Net revenue growth</i>	<i>n.a.</i>	<i>-18.2%</i>	
Production expense	(5.1)	(4.3)	0.9
Personnel expense	(18.5)	(14.9)	3.6
Other operating expense	(6.4)	(4.5)	1.9
EBITDAR	2.6	3.0	0.4
<i>EBITDAR margin</i>	<i>8.0%</i>	<i>11.2%</i>	
<u>Selected operational key figures</u>			
# of rooms	531	402	<i>n.a.</i>
# of overnight stays	45'265	34'145	<i>n.a.</i>
Occupancy rate	47.0%	46.6%	<i>n.a.</i>
Average room rate in CHF	344	340	<i>n.a.</i>

- Reduction in revenue due to the new management contract structure for the Hotel Palace Luzern which is no longer consolidated in VJC's accounts
- The hotel continues to be operated by VJC under the VJC brand paying an annual management fee
- In HY 2015, a revenue of CHF 6.5m was generated by the hotel explaining the year-on-year decrease in revenue
- Due to loss making character of Hotel Palace Luzern the segment's profitability has increased substantially with the deconsolidation
- The cooperation with Michel Reybier Hospitality is expected to lead to further efficiency gains in all of VJC's hotels

Real Estate segment – key financial highlights

P&L real estate segment (CHF million)	HY 2015 Restated	HY 2016	Change
Net revenue	18.6	25.6	7.0
<i>Net revenue growth</i>	<i>n.a.</i>	<i>37.4%</i>	
Production expense	(0.0)	0.0	0.0
Personnel expense	(0.1)	(0.2)	(0.0)
Other operating expense	(1.8)	(1.6)	0.1
EBITDAR	16.8	23.8	7.1
<i>EBITDAR margin</i>	<i>90.0%</i>	<i>93.1%</i>	
<u>Selected operational key figures</u>			
# of properties	29	41	41.4%
Market value of properties	740.7	939.8	26.9%
Rental surface in m2	126'195	174'890	38.6%
LTV	46.6%	35.4%	-24.0%
Gross yield	4.6%	5.4%	17.2%

- The substantial revenue increase in the real estate segment is due to various reasons:
 - The restructuring of VJC and subsequent inclusion of hotel properties in the real estate segment
 - In 2015, some rent reductions were granted to tenants due to construction work. This is not the case in HY 2016
 - Several acquisitions executed in the second half of 2015

AEVIS VICTORIA – consolidated balance sheet

Key figures BS AEVIS VICTORIA (CHF million)	FY 2015 Restated	HY 2016
Total current assets	216.9	208.6
Fixed assets	1'126.2	1'137.9
thereof real estate	932.1	941.9
Intangible assets	25.5	25.2
Financial assets	19.4	45.9
Total non-current assets	1'171.1	1'209.1
Total assets	1'388.0	1'417.7
Total current liabilities	257.9	248.2
thereof financial liabilities	101.0	95.9
Total non-current liabilities	827.6	864.6
thereof financial liabilities	720.4	749.1
Total liabilities	1'085.5	1'112.8
Thereof mortgage debt	400.2	333.8
Total equity	302.5	304.9
Total equity and liabilities	1'388.0	1'417.7

- No material change in AEVIS VICTORIA's balance sheet since year-end 2015
- Issuance of a 5-year 2.5% CHF 150m straight bond in May 2016 for the refinancing of the 4.25% CHF 80m bond maturing in August 2016 and further refinancing of bank debt
- No goodwill on balance sheet
- AEVIS VICTORIA's financial debt is composed
 - of straight bonds on top-holding level
 - of mortgages on the group's real estate (up to 50% LTV) and
 - of working capital credits (1.0x to 3.5x EBITDA) and leasing in the hospitals and hotels

Outlook – mid term financial guidance

AEVIS VICTORIA confirms its mid-term financial guidance

Financial guidance

Organic revenue growth	4% to 5% p.a.
Mid-term EBITDA margin target	>20%
Maintenance CAPEX	4% to 5% of net revenue
Mid-term leverage ratio	50% to 55%

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Targeted transaction with Clinique Générale Beaulieu

Background

- On 13 September 2016, Générale Beaulieu Holding SA ("GBH") and Swiss Medical Network have signed a transaction agreement regarding the takeover offer for 100% of the shares of GBH. Simultaneously, AEVIS VICTORIA acquired a 29% participation in GBH
- GBH operates Clinique Générale-Beaulieu, the number 3 private hospital in Geneva, and owns its real estate of more than 18'000m2 in a prime location

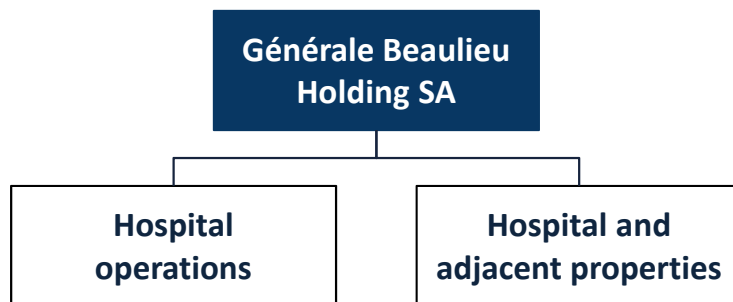
Offer

- A price of CHF 25'000 per share is offered to all shareholders valuing GBH at CHF 187.5 million
- The Board of Directors of GBH is recommending to its shareholders to accept the offer
- The offer period runs until 17 October 2016 for the remaining shares. For a cooperative of doctors working at Clinique Générale-Beaulieu and owning a 29% stake in GBH, the offer period runs until end of 2017

Process and next steps

- AEVIS expects that shareholders will make use of the opportunity to tender their shares at an attractive price and ultimately a large majority position should be achievable
- The main process milestones are:
 - 13 September 2016: Public announcement of the transaction agreement and the offer
 - 14 September 2016: Formal offer to all shareholders of GBH
 - Until 17 October 2016: Initial offer period for minority shareholders to tender their shares

Overview of Générale Beaulieu



- Générale Beaulieu, founded in 1899, is a multi-disciplinary leading private hospital in Geneva on the hospital list of the Canton of Geneva
- Générale Beaulieu would be one of the largest hospitals of AEVIS VICTORIA in terms of revenues and has a profitability above AEVIS VICTORIA's average
- Générale Beaulieu has a strong balance sheet in terms of equity ratio and has a net cash position
- Revenues are expected to remain rather constant in 2016 while profitability is projected to increase
- The hospital is specialized in orthopedics, general surgery, urology, gynecology and obstetrics and further comprises specialty centers for radiology, nuclear medicine, physiotherapy and rehabilitation
- Key figures:
 - Around 400 employees and 600 admitting physicians
 - Approximately 5'700 annual inpatient admissions
 - 8 operating theatres
 - Around 130 beds
- The company owns the hospital building as well as other properties in the immediate surroundings which are mostly rented out as medical practices

* Adjusted for exceptional items in 2015

Transaction rationale

Rationale for Swiss Medical Network

- Following the acquisition, Swiss Medical Network is present in almost all large cities in Switzerland, strengthens its position in the Geneva area and has its first listed hospital in Suisse Romandie
- Strategic cooperation and realization of synergies with the Centre Médical des Eaux Vives
- Acquisition of competence and experience in robotics (Da Vinci)
- Group effects and synergies for negotiation with stakeholders

Mutual benefits

- With Générale Beaulieu being part of Swiss Medical Network AEVIS VICTORIA will have a leading position in the French speaking part of Switzerland
- Pooling of complementary medical specialties such as urology, oncology and surgery
- Aligning the development of Générale Beaulieu and Clinique de Genolier (CdG) in the larger Nyon-Geneva area will have synergistic effects:
 - Better allocation of medical specialties and patient classes
 - Strengthening of position vis-à-vis the medical staff
 - Easier recruitment and management of doctors
 - Possibility for doctors to work / exchange between Geneva and Genolier

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Key reasons to invest in AEVIS VICTORIA

Attractive sector focus

- High attractiveness of the healthcare sector:
 - Demographic trends (aging population)
 - Increasing economic wealth (people have more money)
 - High willingness to pay for healthcare services (high out-of-pocket expenses)

Market positioning

- Second largest Swiss private clinics group with broad geographical presence:
 - Strong negotiation position vis-à-vis Swiss healthcare insurers and authorities
 - Ideally positioned to play active role in the future market consolidation
 - Cope with and influence the changing regulatory environment

Integrated business model

- Diversified business segments in healthcare, hospitality and real estate
- Strong and stable cash generation due to integrated operations and real estate in the hospital and hospitality segments
- High flexibility for joint development of operations and real estate

Long-term stability

- High visibility of cash flows due to regulated business environment
- Stability in cash flow planning thanks to low operating leverage
- High quality collateral with a total market value of the real estate portfolio of CHF 939.7 million
- Long-term commitment by the two major shareholders

Q&A

