



Annual Results 2016 Presentation



27 March 2017

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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 the Swiss stock exchange SIX (AEVS) and part of the SPI, SLIFE and SBIO indices

Hospital Segment

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

Hospitality Segment

- Five leading five-star hotels (4 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 holds a 11.9% stake in LifeWatch AG a leading provider of Ambulatory Cardiac Telemetry services

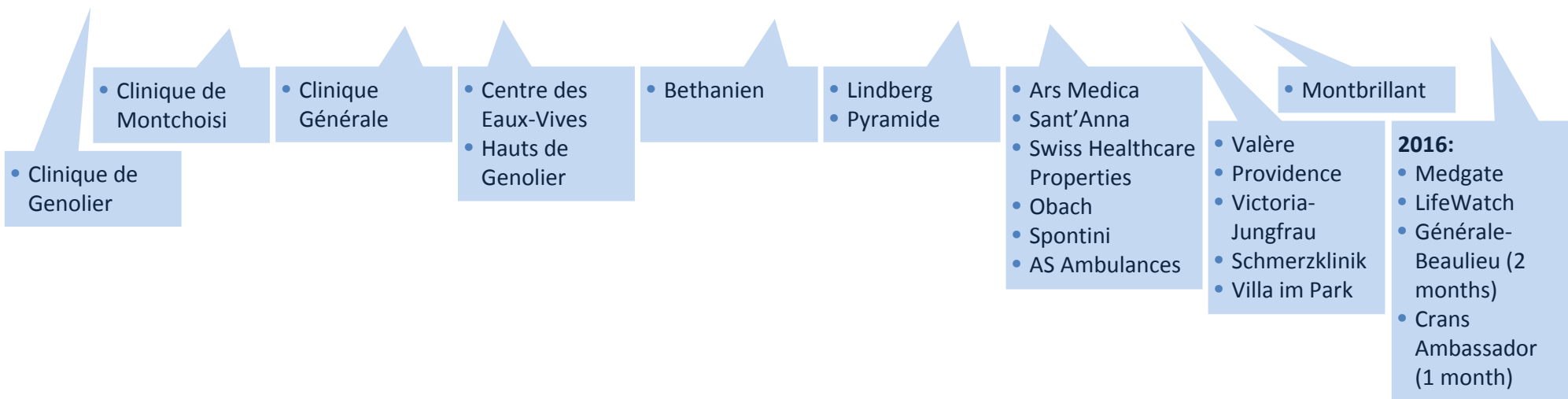
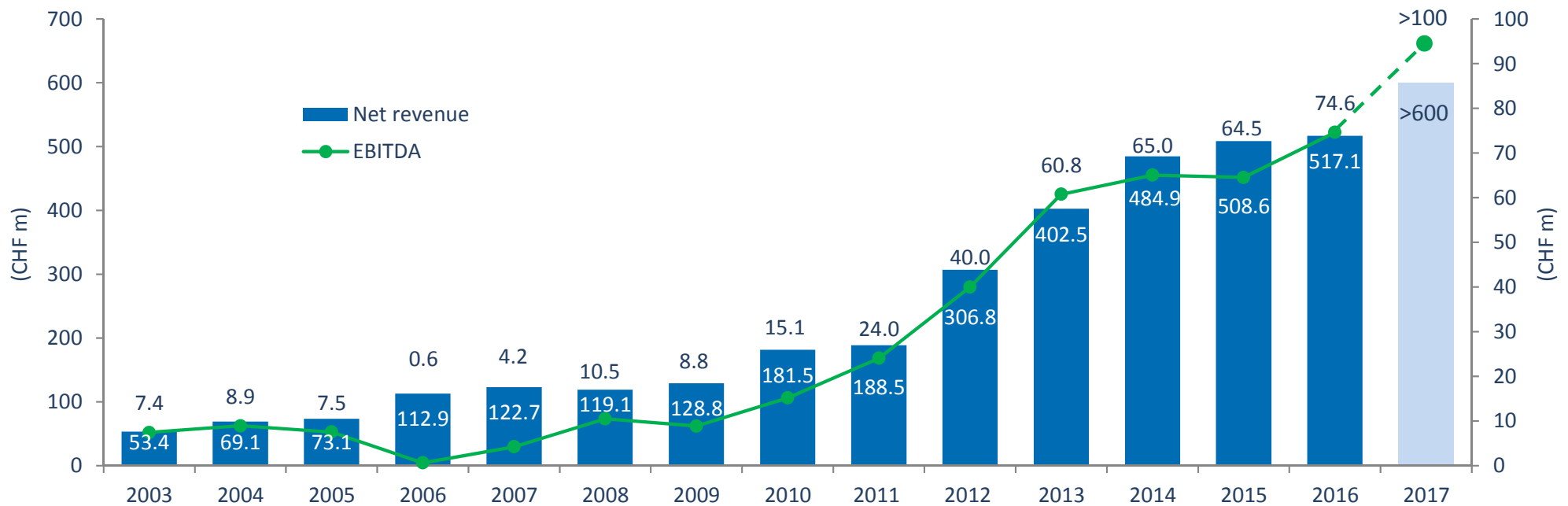
Real Estate Sub-Segment

- Composed of healthcare and hotel real estate and organised in two dedicated entities
- The portfolio comprises 44 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)

AEVIS VICTORIA – Value Creation through M&A



AEVIS VICTORIA – Highlights 2016

- ⌘ Continuation of AEVIS VICTORIA's growth strategy with three acquisitions:**
 - Clinique Générale-Beaulieu in Geneva integrated in Swiss Medical Network
 - Hotel Crans Ambassador in Crans-Montana integrated in Victoria-Jungfrau Collection
 - Diversification of investment portfolio through a minority participation of 40% in Medgate, the leading Swiss telemedicine provider
- ⌘ Strong improvement of profitability with improved EBITDA and EBIT margins of 14.4% and 6.1% respectively (2015: 12.7% and 4.7%)**
- ⌘ Substantial increase of operating cash flow from CHF 36.6m to CHF 55.6m**
- ⌘ EBITDAR margins of the hospital and hospitality main segments exceeded 20.0% for the first time**
- ⌘ Pro forma total revenues and EBITDA including 12 months of Générale-Beaulieu amounted to CHF 664.9m and CHF 86.7m**
- ⌘ 2017 guidance (based on unchanged perimeter):**
 - Total revenues of more than CHF 700m
 - Net revenues of more than CHF 600m
 - EBITDA of more than CHF 100m

AEVIS VICTORIA – Share Price Development

☞ The AEVIS VICTORIA share price looks attractive

- Current spot price (24.03.2017): CHF 58.50
- 60 days VWAP (24.03.2017): CHF 61.25
- 12-month price target by Kepler Cheuvreux: CHF 68.00
- Valuation by Ernst&Young (mid-point): CHF 71.40

☞ AEVIS VICTORIA shares are part of the Swiss Performance Index SPI, the SXI Life Sciences Index (SLIFE) and the SXI Bio+Medtech Index (SBIOM)



AEVIS VICTORIA – Key Financials

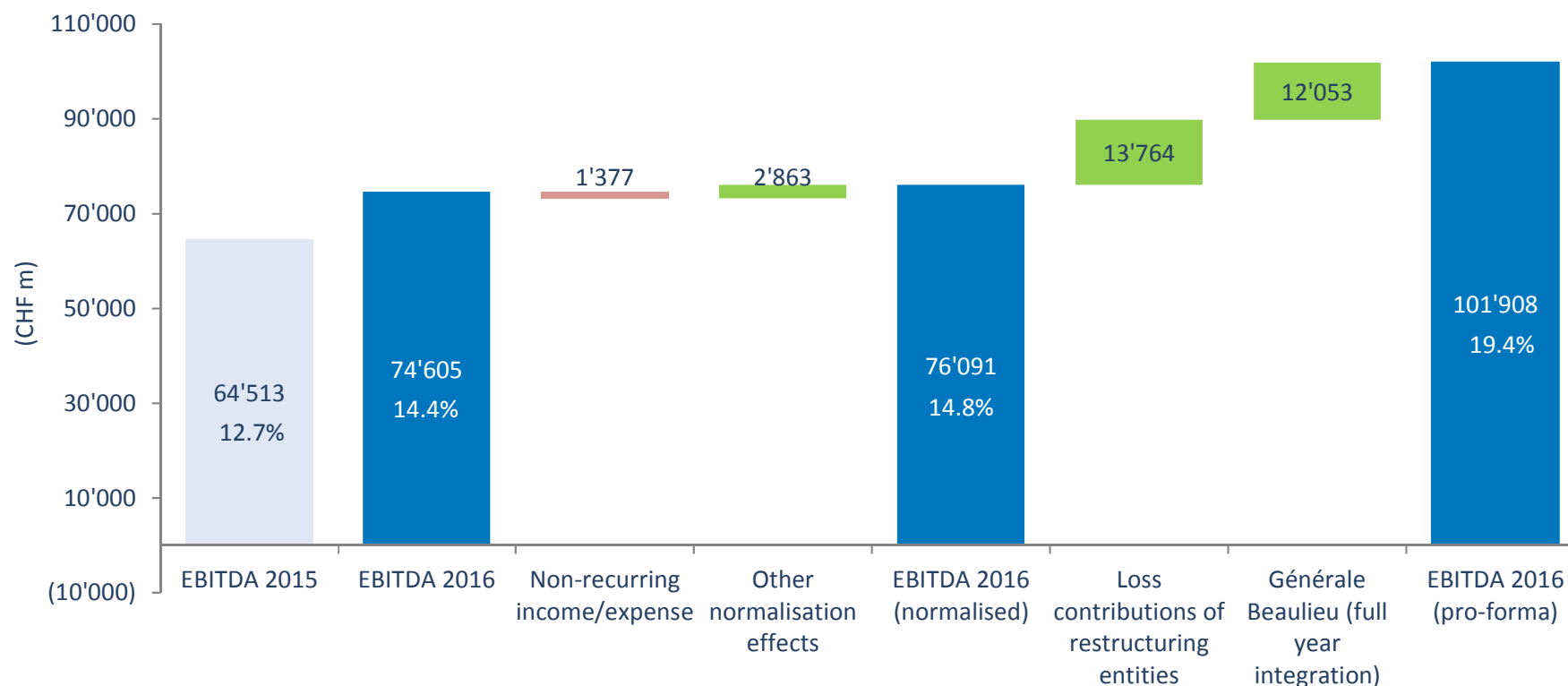
Key figures 2016 (In thousands of CHF)	FY2016 Pro Forma*	FY2016	FY2015 Restated
Total revenue	664'870	592'595	576'058
Net revenue	583'055	517'106	508'607
EBITDAR	101'432	87'141	78'452
<i>EBITDAR margin</i>	<i>17.4%</i>	<i>16.9%</i>	<i>15.4%</i>
EBITDA	86'658	74'605	64'513
<i>EBITDA margin</i>	<i>14.9%</i>	<i>14.4%</i>	<i>12.7%</i>
EBIT	37'928	31'448	23'862
<i>EBIT margin</i>	<i>6.5%</i>	<i>6.1%</i>	<i>4.7%</i>
EBT	8'755	4'599	480
<i>EBT margin</i>	<i>1.5%</i>	<i>0.9%</i>	<i>0.1%</i>
Profit for the period	5'791	2'692	3'747
Operating cash flow		55'600	36'575
Total assets		1'719'761	1'386'058
Thereof real estate		1'046'313	850'589
Total liabilities		1'338'261	1'085'507
Thereof mortgage debt		396'354	400'232
Total equity		381'500	300'551
Market price per share at 31.12. in CHF		64.00	40.95
Number of outstanding shares		15'016'768	15'010'091
Market capitalisation		961'073	614'663

Comments

- Total revenues reached CHF 592.6m for the first time and net revenues (medical fees excluded) amounted to CHF 517.1m
- Excluding the revenue of Palace Lucerne in 2015, net revenue growth amounted to 5.4%
- Substantial efficiency gains led to an 11.1% increase in EBITDAR to CHF 87.1m corresponding to a solid EBITDAR margin of 16.9%
- Pro forma consolidation of Générale-Beaulieu for 12 months brings total revenues to CHF 664.9m and EBITDAR to more than CHF 100m
- Real estate portfolio grew to over CHF 1 billion

* 12 months consolidation of Générale-Beaulieu

AEVIS VICTORIA – EBITDA Bridge Analysis



- The above bridge analysis shows the EBITDA 2016 normalised for one-time items in 2016
- Furthermore, a pro forma EBITDA was calculated :
 - The loss contributions of the entities still being restructured were excluded to provide a picture of the profitability of the Group’s mature activities*
 - Générale-Beaulieu was consolidated for 12 months (instead of 2) in order to illustrate the full impact of the integration of the hospital

* Includes Lindberg, Montbrillant, Schmerzlinik, Nescens Genolier and the companies of the incubator segment

AEVIS VICTORIA – Segment Reporting

Annual results 2016 (In thousands of CHF)	Hospitals	Hospitality	Real estate	Others	Corporate	Eliminations	Total 2016
Net revenue 3rd	443'187	59'888	3'525	10'483	23	-	517'106
Net revenue IC	3'046	782	47'705	285	1'093	(52'911)	-
Net revenue	446'233	60'670	51'230	10'768	1'116	(52'911)	517'106
EBITDAR	91'948	12'196	42'425	(4'093)	(7'629)	(47'706)	87'141
<i>EBITDAR margin</i>	<i>20.6%</i>	<i>20.1%</i>	<i>82.8%</i>	-	-	-	<i>16.9%</i>

Annual results 2015 (In thousands of CHF)	Hospitals	Hospitality	Real estate	Others	Corporate	Eliminations	Total 2015
Net revenue 3rd	416'116	76'686	2'933	12'872	-	-	508'607
Net revenue IC	-	342	33'477	237	157	(34'213)	-
Net revenue	416'116	77'028	36'410	13'109	157	(34'213)	508'607
EBITDAR	70'856	15'922	32'453	(3'315)	(3'987)	(33'477)	78'452
<i>EBITDAR margin</i>	<i>17.0%</i>	<i>20.7%</i>	<i>89.1%</i>	-	-	-	<i>15.4%</i>

Key Figures Hospital Segment

HOSPITALS */ CLINICS

15/1

*Plus one affiliated hospital

PHYSICIANS

1'782

BEDS

988

NET REVENUE (in CHF million)

446.2

INTERVENTIONS

52'785

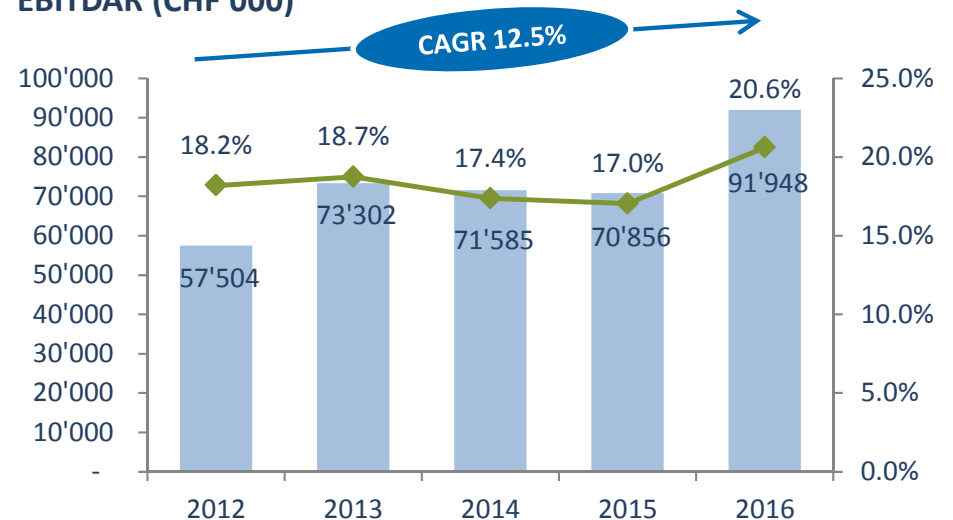
EBITDAR (in CHF million)*

91.9



- Revenue growth of 7.9% (with organic growth of 4.3% excluding acquisitions):
 - Higher number of patients
 - Increase in foreign patients of nearly 10%
 - Successful recruitment of 76 new physicians
 - Integration of Clinique Générale-Beaulieu (2 months)
- Synergies and efficiency gains led to an improved EBITDAR margin of 20.6%, bringing the group closer to its long-term targeted EBITDAR margin of 22%

EBITDAR (CHF'000)



Key Figures Hospitality Segment

OVERNIGHT STAYS

169'000

NET REVENUE (in CHF million)

60.7

ROOMS

587

EBITDAR (in CHF million)

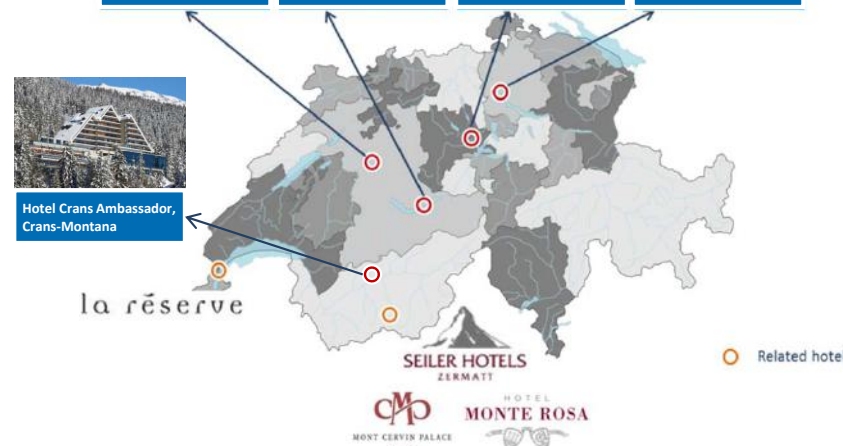
12.2

EMPLOYEES

575

AVERAGE ROOM RATE (in CHF)

372



- Despite the challenges to the Swiss tourism industry, VJC hotels performed well due to its well-diversified client base
- The number of overnight stays staid constant at 169'000 while the average room rate increased from 366 last year to 372 this year (for the three 12 month consolidated hotels)
- The management fee from the Palace in Lucerne and the exploitation of synergies within the group led to an EBITDAR margin of 20.1%
- In December 2016, VJC acquired the operations of the Hotel Crans Ambassador, a luxury sport resort in Crans-Montana

Hotels	Rooms	Total surface	Employees
Victoria-Jungfrau*	224	44'269	227
Eden au Lac*	50	1'419	54
Palace Luzern	129	3'337	106
Bellevue Palace	128	3'296	128
Crans Ambassador	56	10'898	60
Total	531	52'321	515

* Buildings fully owned by AEVIS VICTORIA

Key Figures Real Estate Segment

MARKET VALUE (in CHF million)

1'148.3

EBITDAR (in CHF million)

42.4

PROPERTIES

44

LOCATIONS

17

RENTAL SURFACE (m2)

193'880

RENTAL INCOME (in CHF million)

51.2



- Real estate in Switzerland remains resilient to market challenges and AEVIS VICTORIA's real estate portfolio was again fully let in 2016
- With a continuing expansion in 2016 the real estate portfolio crossed the CHF 1 billion threshold:
 - Acquisition of an office building in Echandens
 - Acquisition of the Générale-Beaulieu hospital building and three adjacent buildings in Geneva
- Wüest Partner market values of real estate imply hidden reserves of CHF 111.5m compared to activated book values
- The portfolio, furthermore, comprises additional development potential of around 40'000m2



AEVIS VICTORIA – Outlook 2017

- ✎ **AEVIS VICTORIA expects to realise a total of more than CHF 700m and net revenues of more than CHF 600m, based on an unchanged portfolio consolidated over a 12-month period**
- ✎ **EBITDA is expected to reach more than CHF 100m for the first time**
- ✎ **Continuation of the group's growth strategy with 1-2 targeted acquisitions in the current year**
- ✎ **Turnaround or exit of loss making participations of the group**
- ✎ **Objective to reach an EBITDA margin of 20% in 2018**

Q&A

