

Earnings Release

4Q18



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4Q18 Highlights



Number of **members** grew 10.8% and reaches 4,04 million
+5.9% in health and +18,6% in dental plans when compared to 4Q17



Net revenues totaled R\$ 1.211,3 million in 4Q18 and R\$ 4,575.9 million in 2018
+16.1% when compared to 4Q17 and +18.9% when compared to 2017



Adj. Medical loss ratio reaches 57.4% in 4Q18 and 57.5% in 2018
0p.p. when compared to 4Q17 and -0.3p.p. when compared to 2017



Medical loss ratio reaches 60.6% in 4Q18 and 59.7% in 2018
+2.7p.p. when compared to 4Q17 and +1.3p.p. when compared to 2017



Adj. EBITDA reaches R\$ 270,0 million (with a 22.3% margin) in 4Q18 and R\$ 990,2 million (with a 21.6% margin) in 2018
+2.9% and -2.8p.p. when compared to 4Q17 and +11.1% and -1.5p.p. when compared to 2017

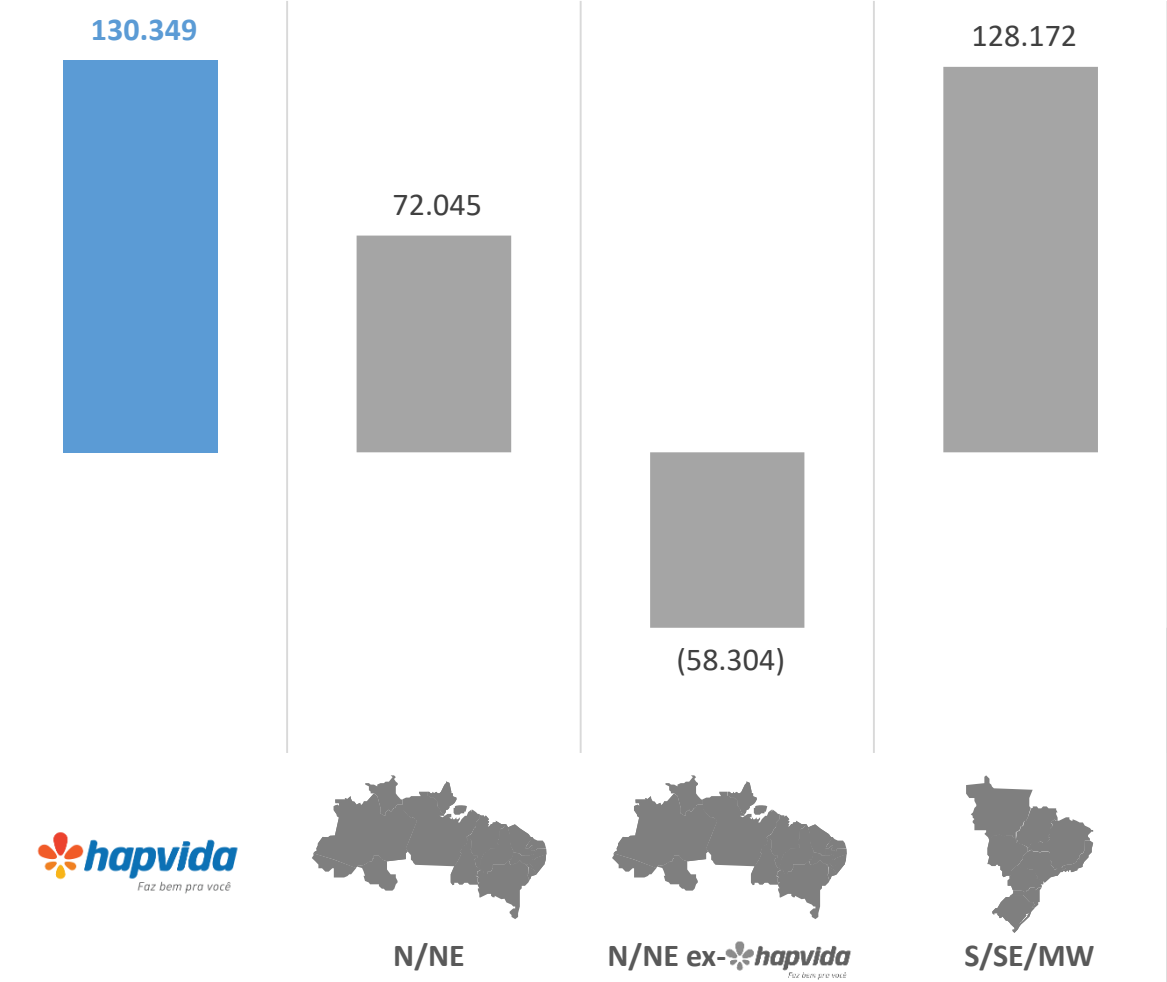


Net income totaled R\$ 234,1 million (with a 19.3% margin) in 4Q18 and R\$ 788,3 million (with a 17.2% margin) in 2018
35.1% e +3.6p.p. when compared to 4Q17 and +21.2% and +0.3p.p. when compared to 2017

Number of members

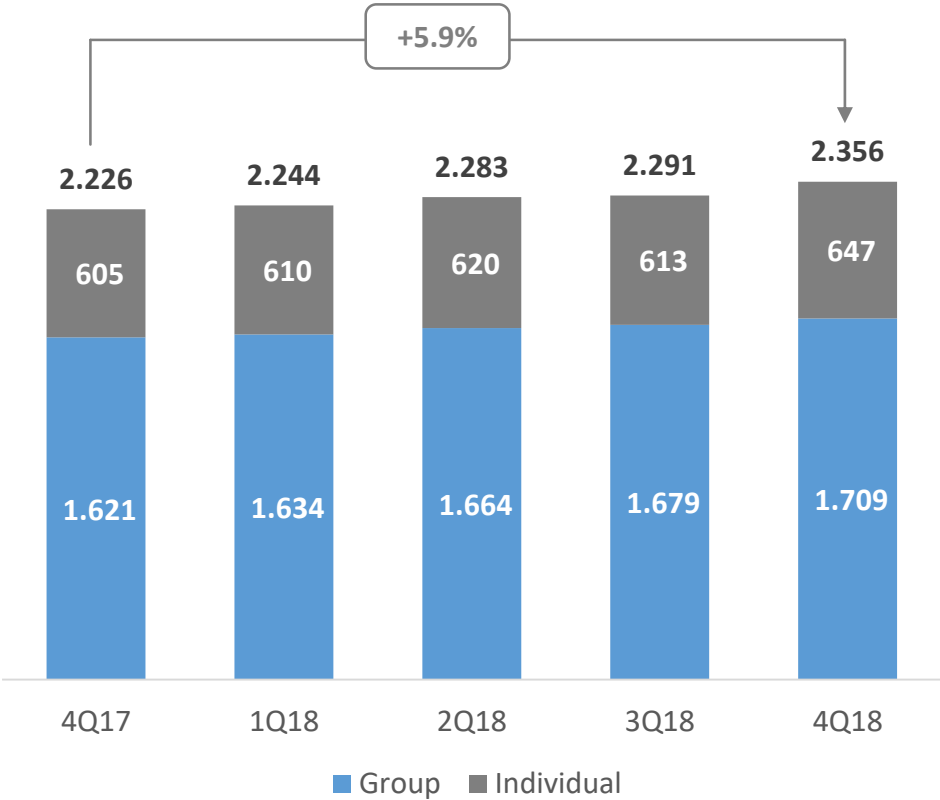
Members annual net addition (health)

In Members



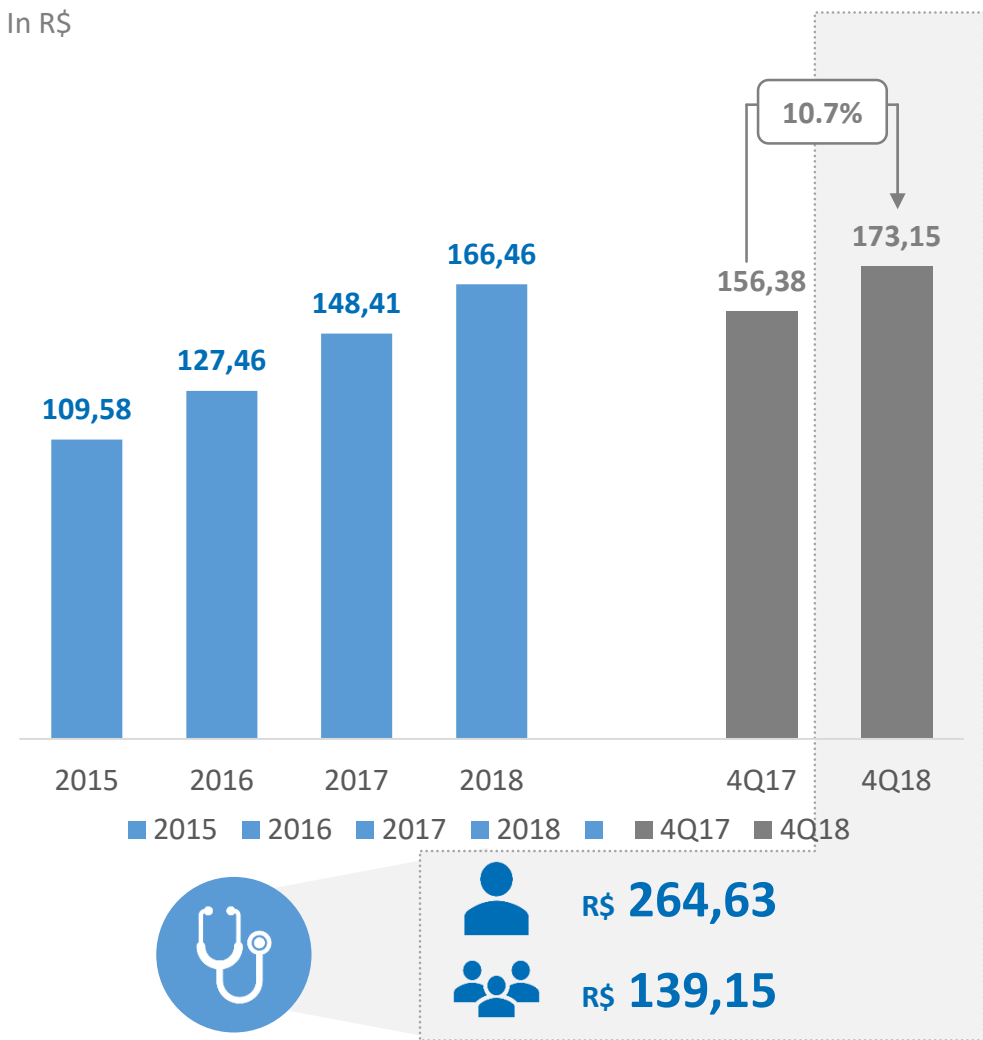
Evolution of the member base(health)

In million

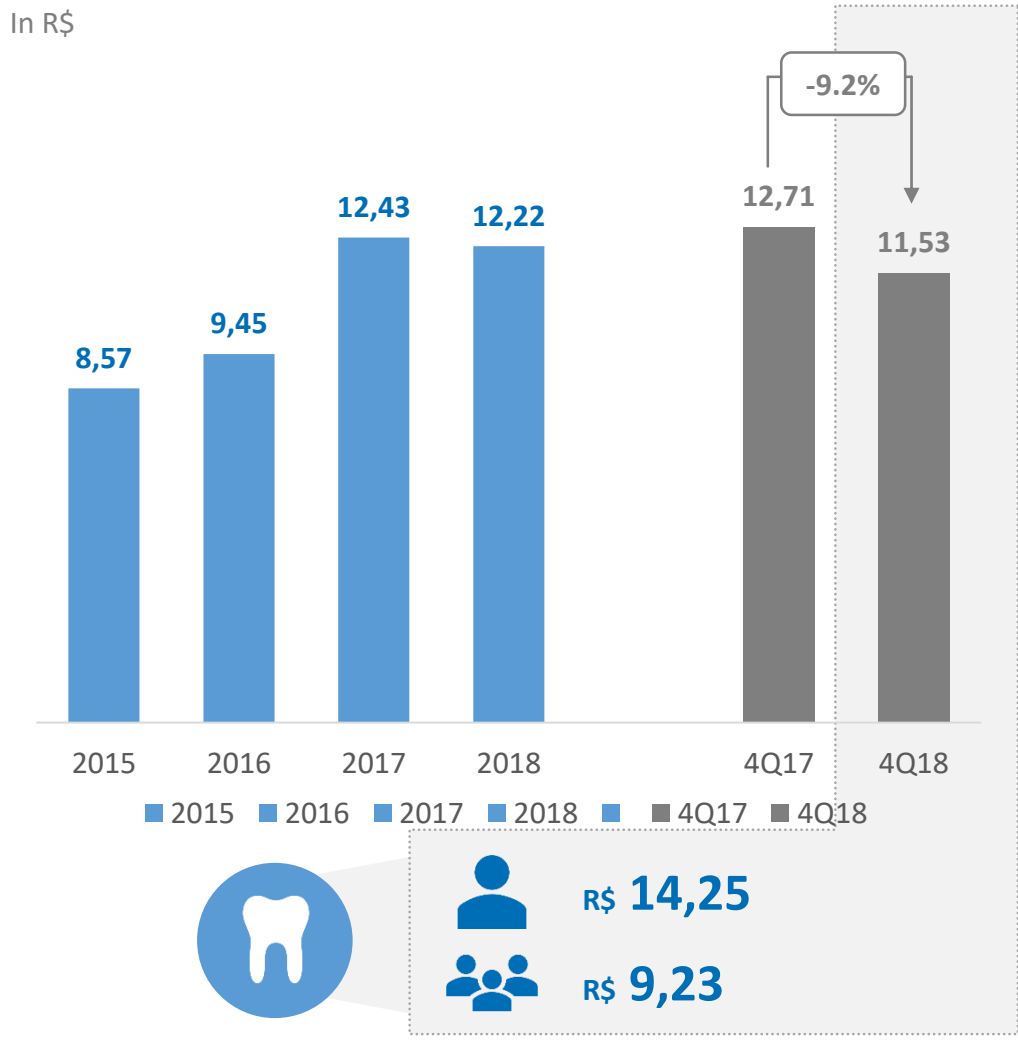


Average ticket

Average ticket (health)



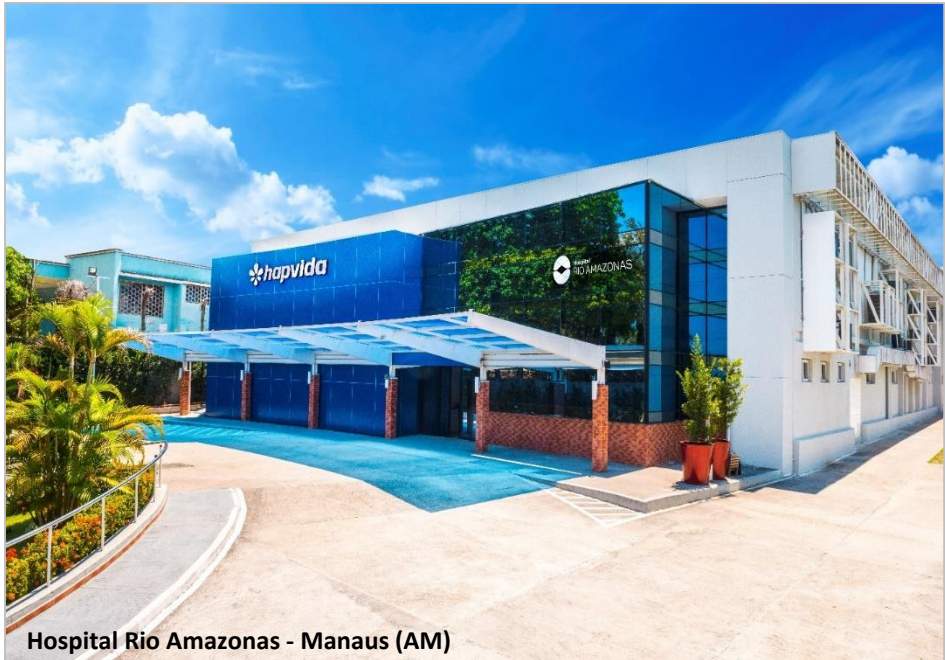
Average ticket (dental)



Own service network

At 4Q18

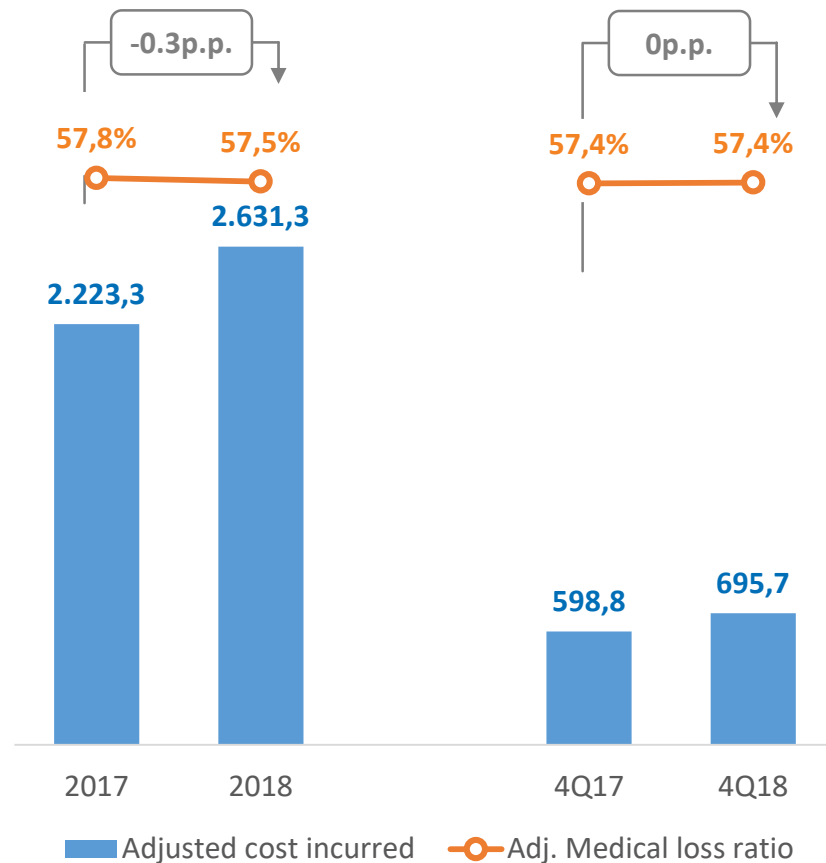
 Hospitals	26 1,836
 Emergency	19
 Clinics	75
 Image & Labs	84



Medical loss ratio

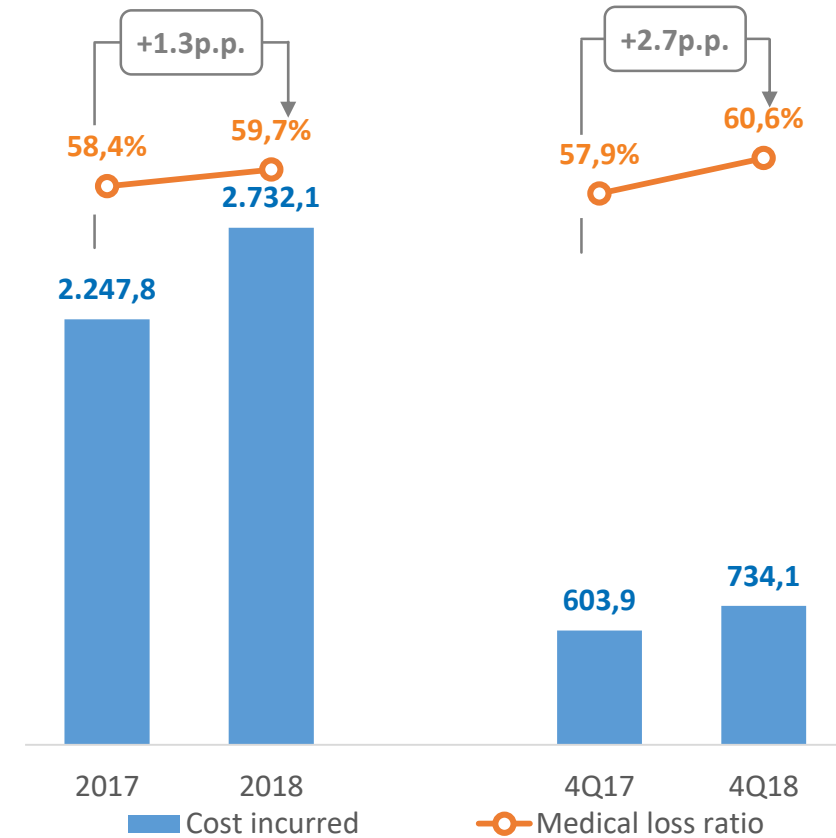
Adjusted medical loss ratio¹

In % and R\$ million



Medical loss ratio

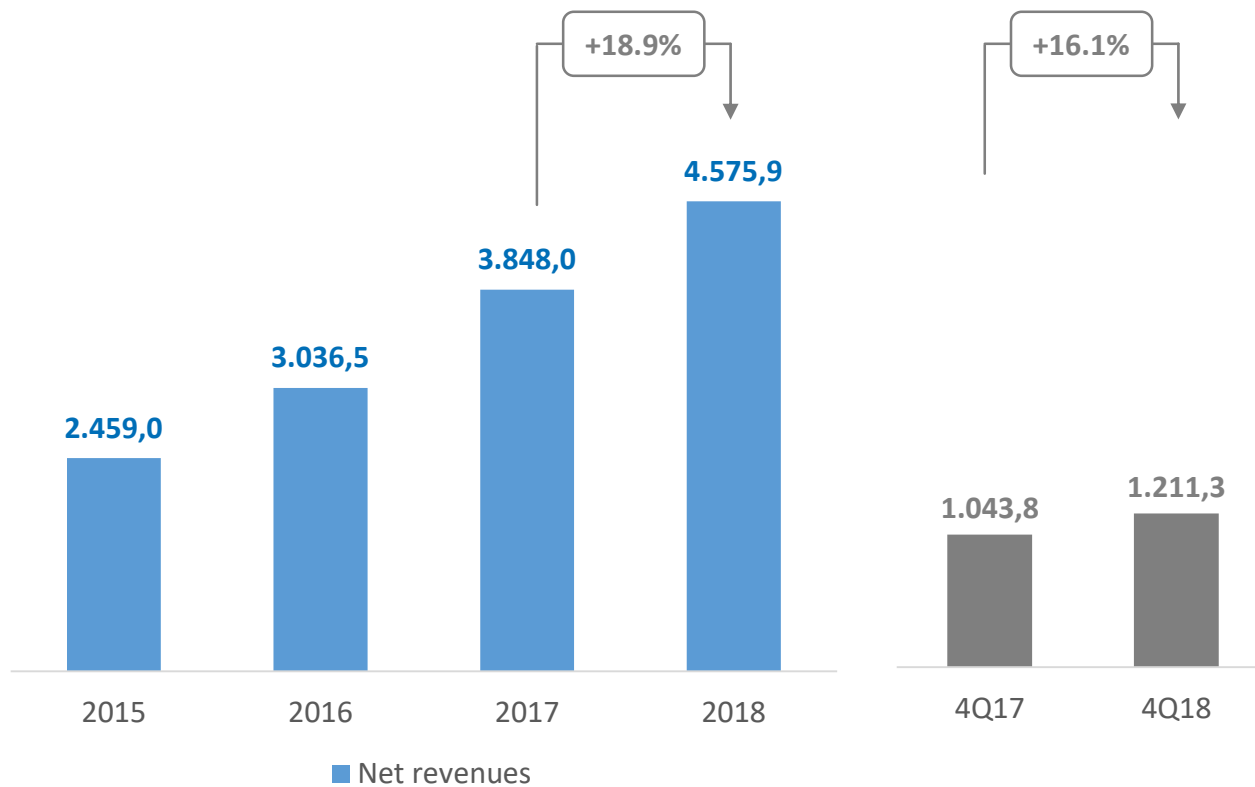
In % and R\$ million



Net revenues and gross profit

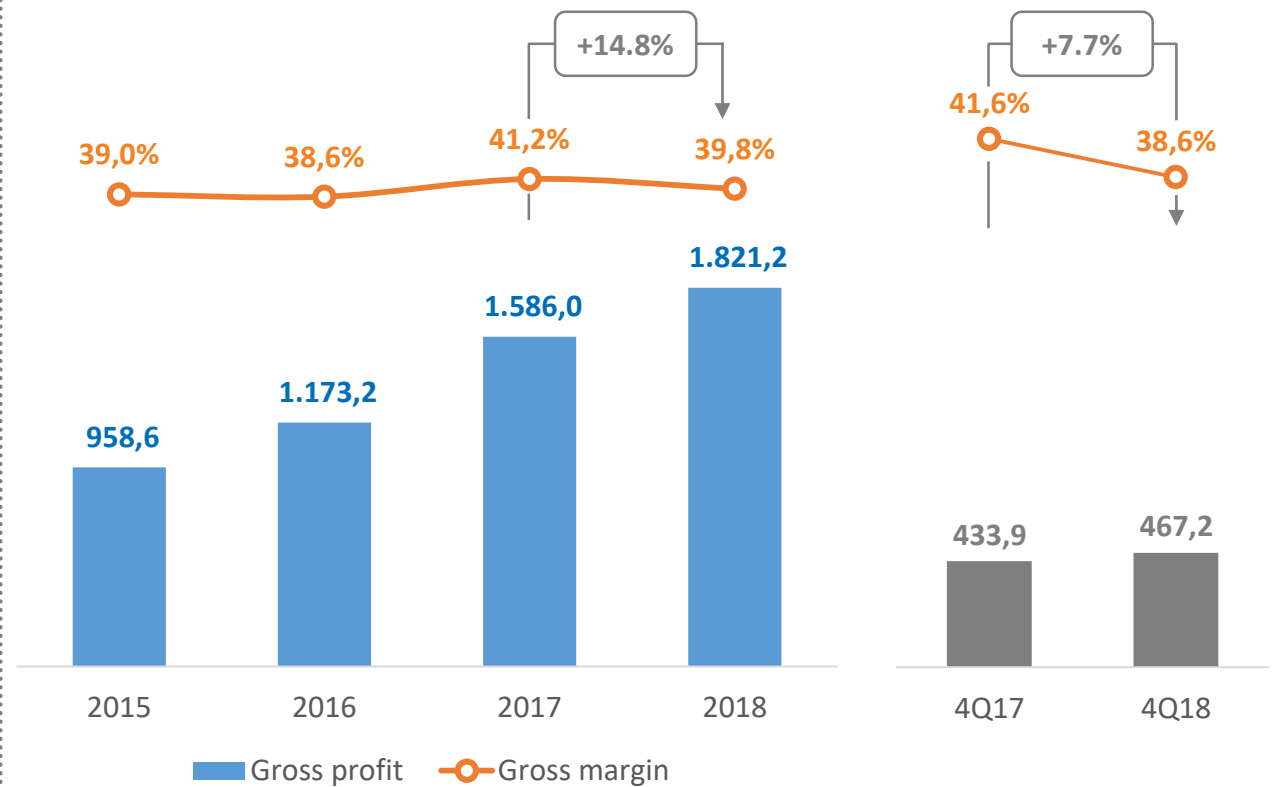
Net revenues

In R\$ million



Gross profit and gross margin

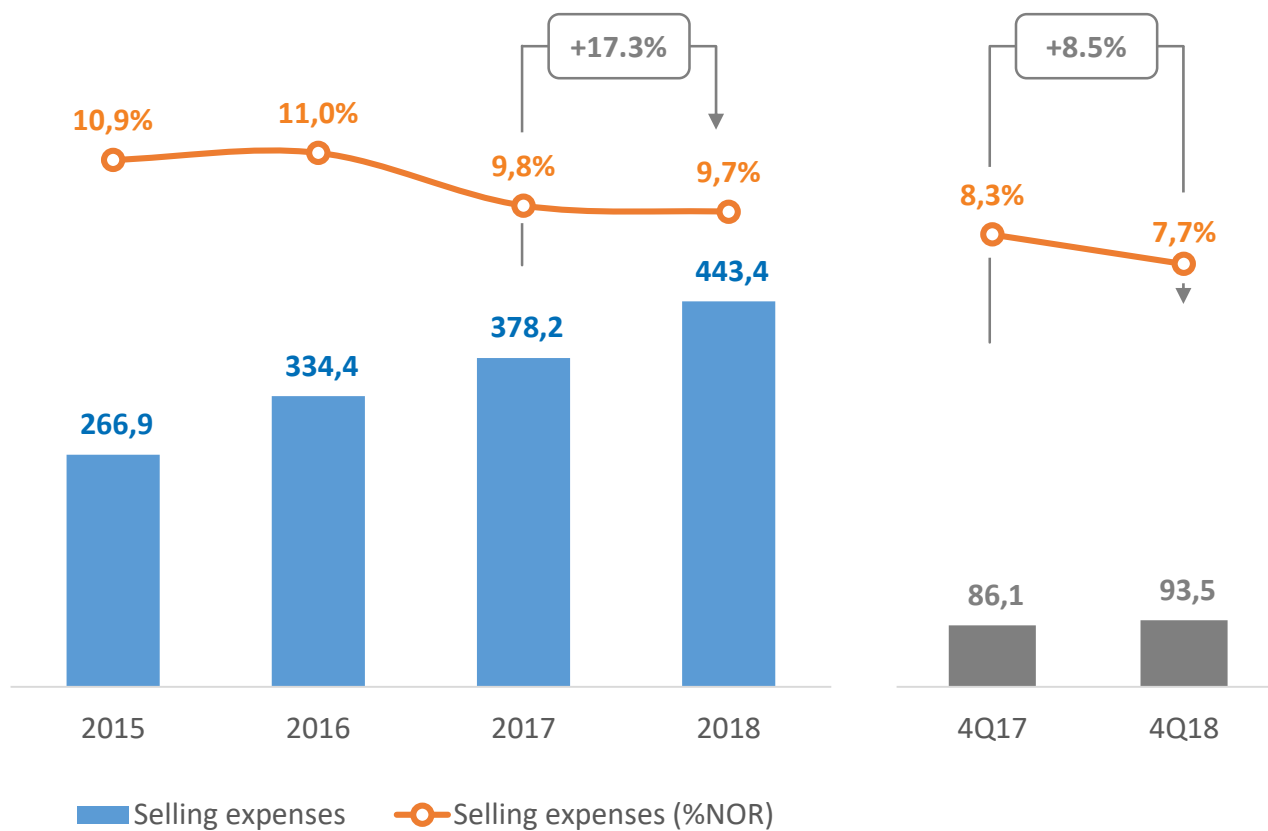
In R\$ million and %



Selling and administrative expenses

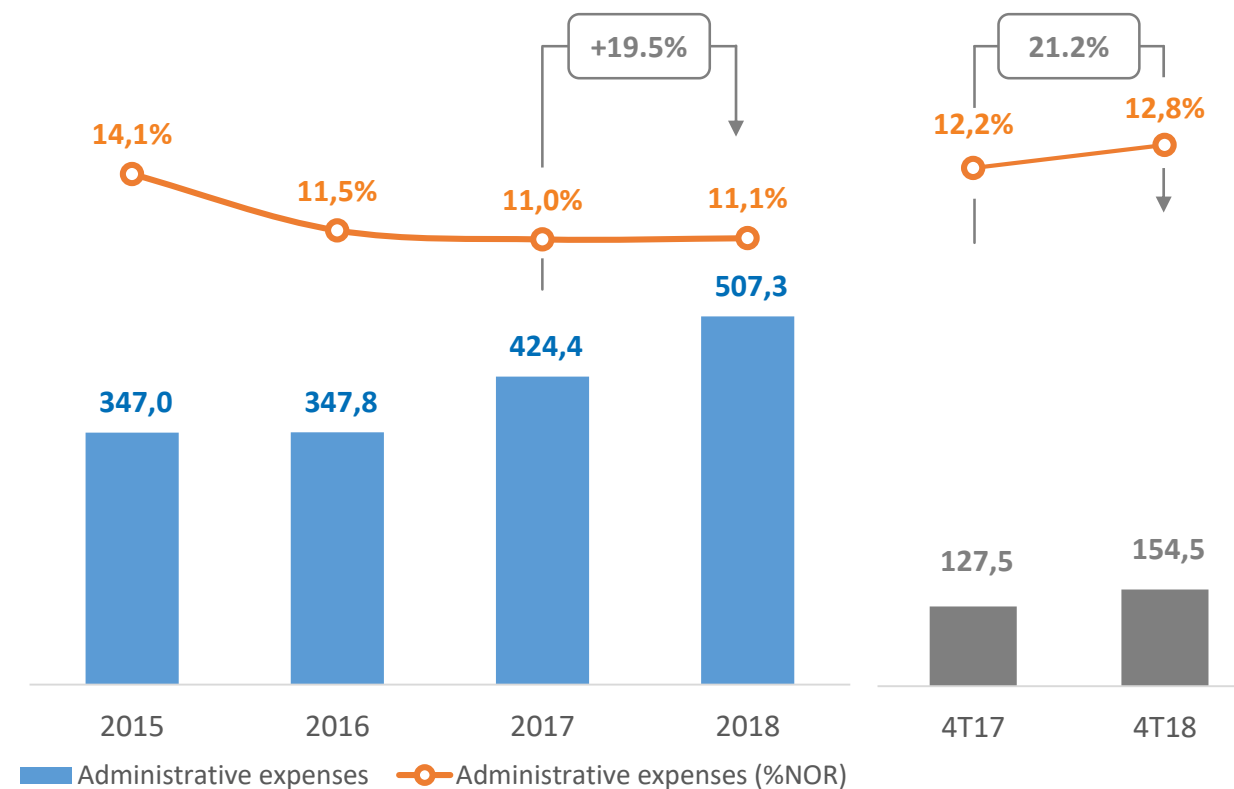
Selling expenses

In R\$ million



Administrative expenses

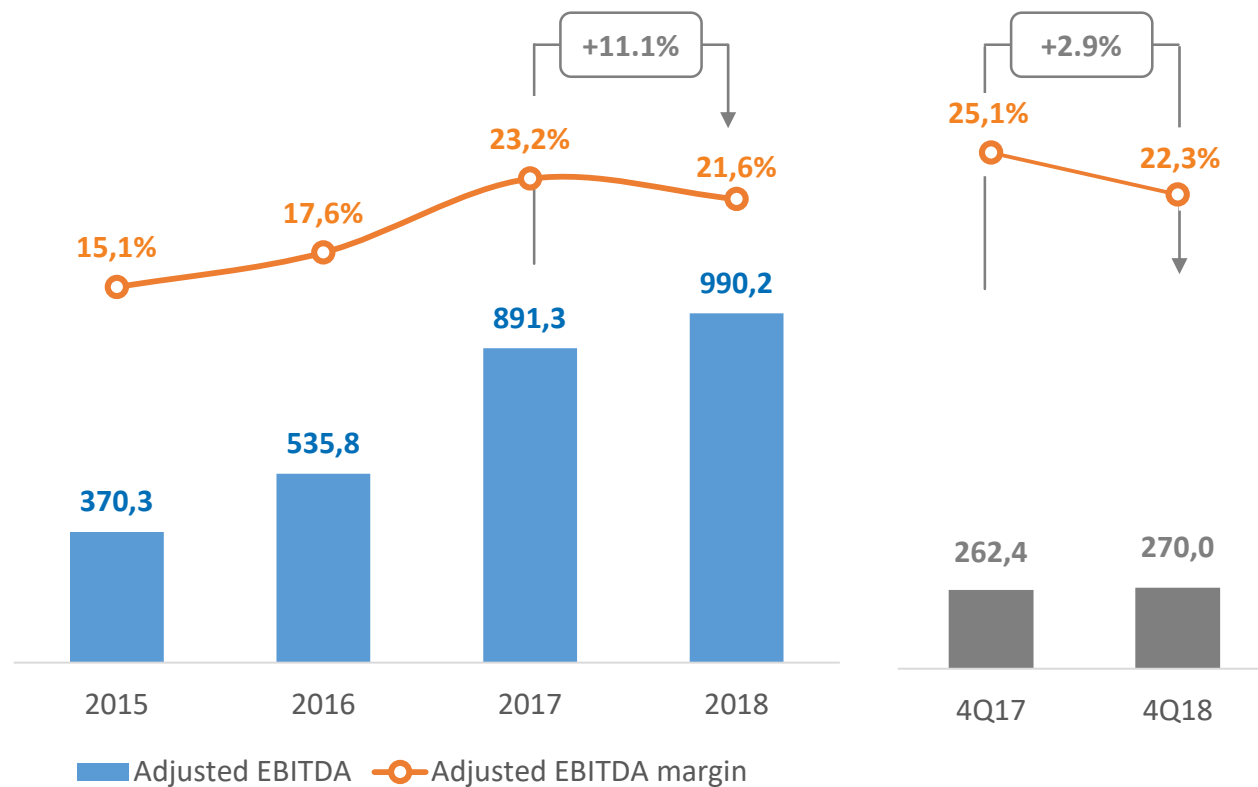
In R\$ million



Adjusted EBITDA and net income

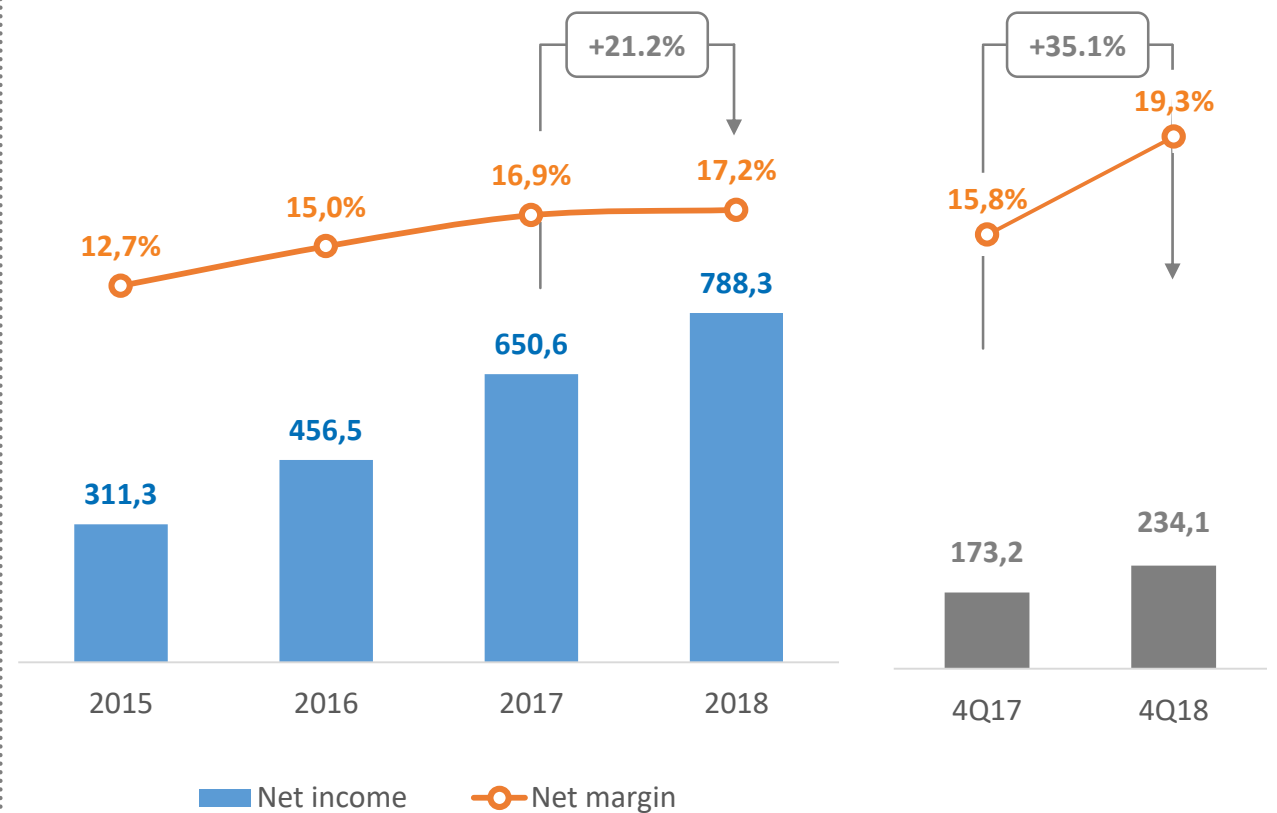
Adjusted EBITDA and Adj. EBITDA margin

In R\$ million and %



Net income and net margin

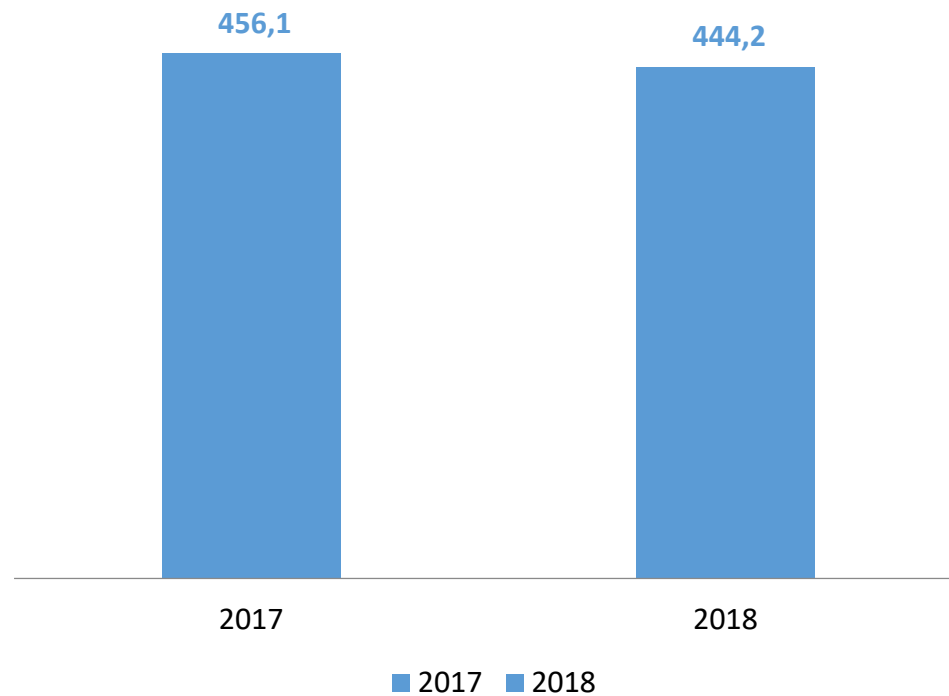
In R\$ million and %



Cash generation and capex

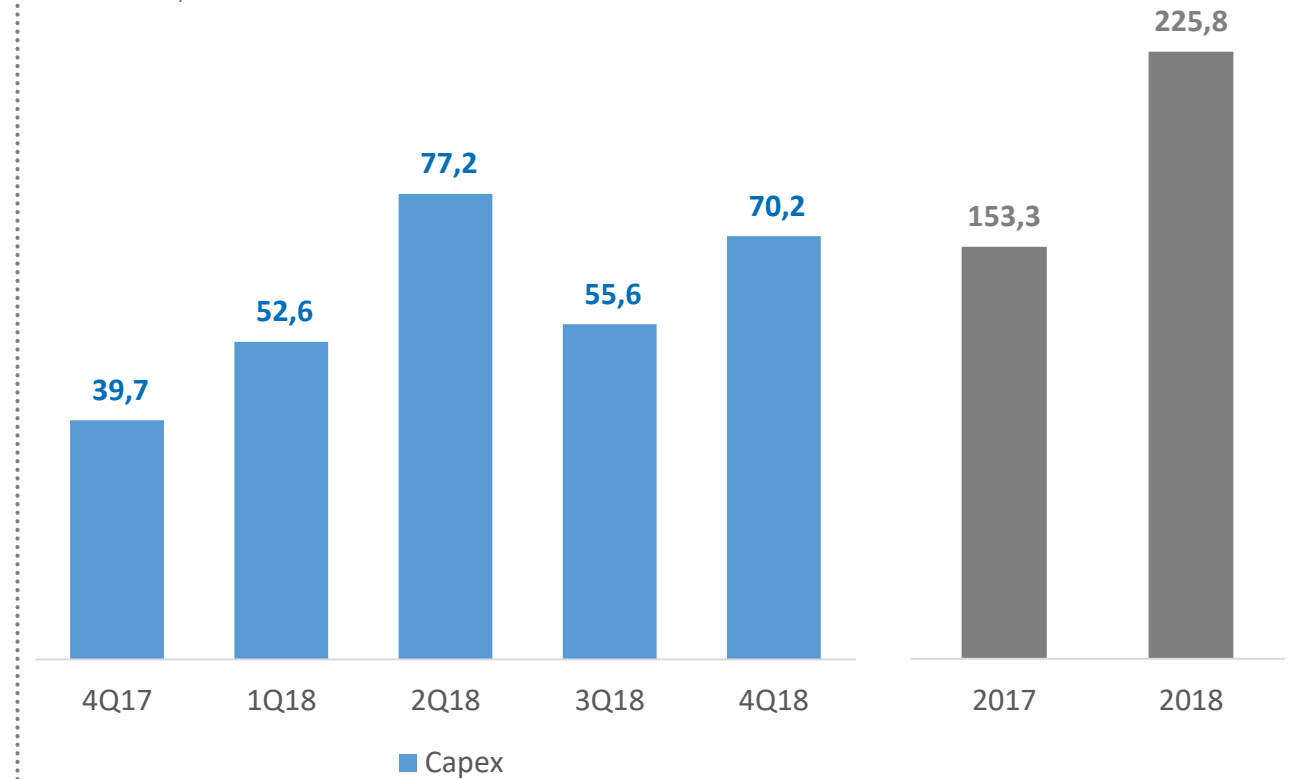
Free cash flow

In R\$ million



Capex

In R\$ million





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