

OdontoPrev

Your mouth speaks for you.

Corporate Presentation 2Q18

New growth cycle and value innovation

MSCI

UN WOMEN

Planet 50-50 by 2030
Step It Up for Gender Equality

empowerwomen

FTSE4Good

ODPV3
NOVO
MERCADO
BM&FBOVESPA

Index

1 Dental benefits: an incipient sector in Brazil

2 Inside OdontoPrev: strategic competitive advantages

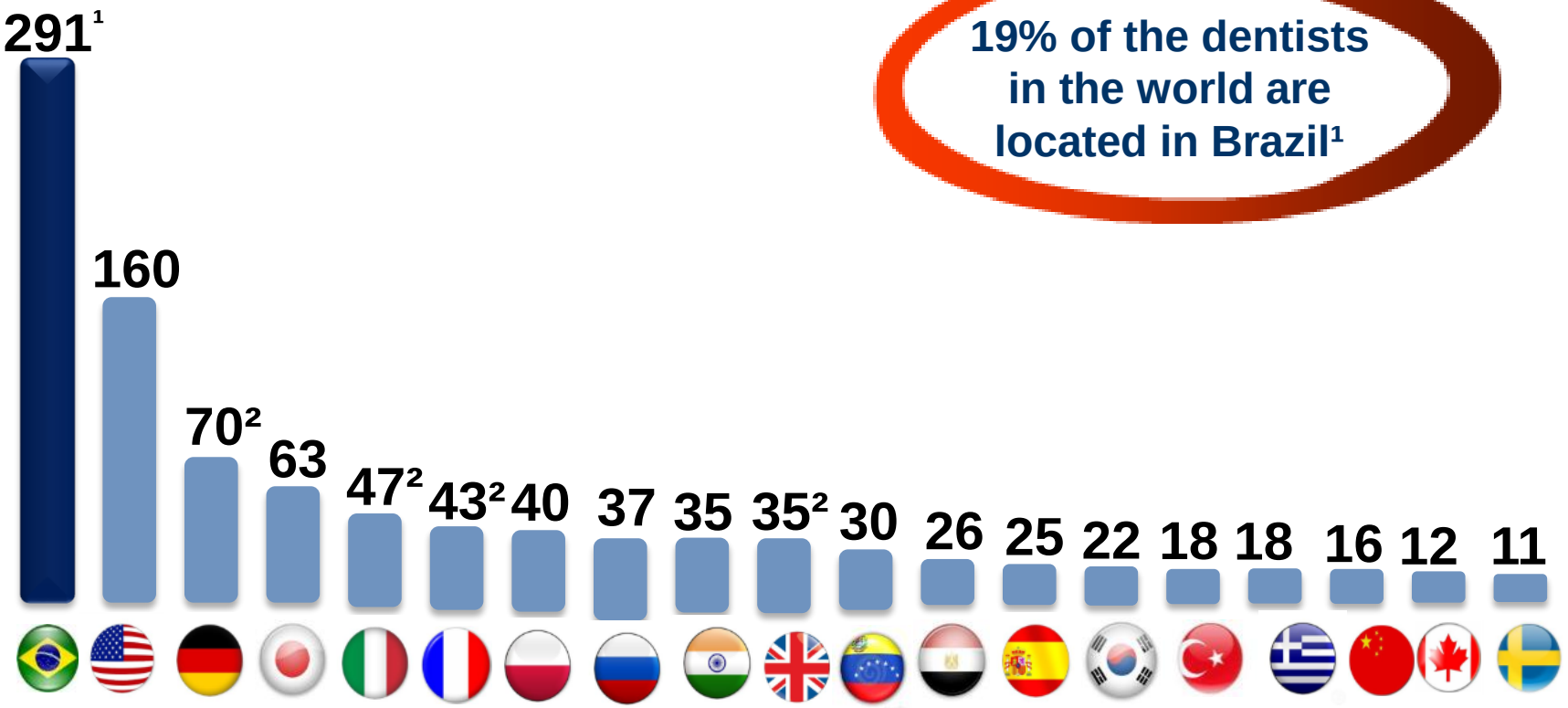
3 Financial and Operational Performance

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1 Dental benefits: an incipient sector in Brazil

Brazil leads the global ranking of dentists

Number of dentists per country (thousand)



19% of the dentists in the world are located in Brazil[1]

Source: FDI World Dental Federation – The Oral Health Atlas 2009

[1] Federal Council of Dentistry – Brazil (October 2017)

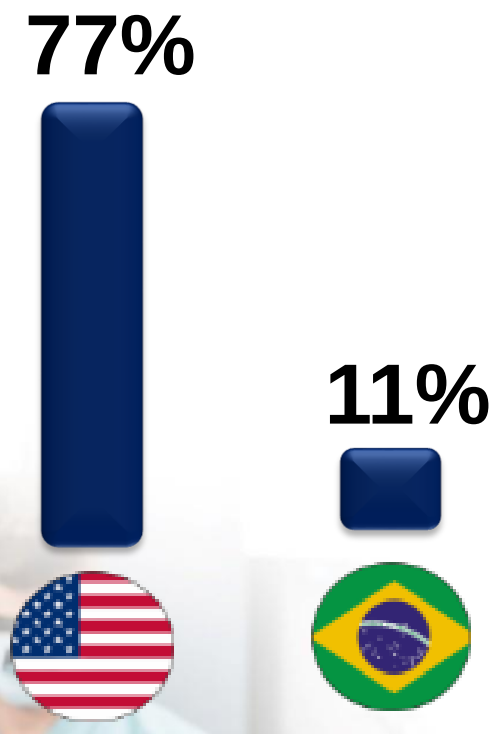
[2] Eurostat 2015-2016

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Brazilian dental opportunity

Although 19% of world's dentists are located in the country, only 11% of brazilians covered by a dental plan

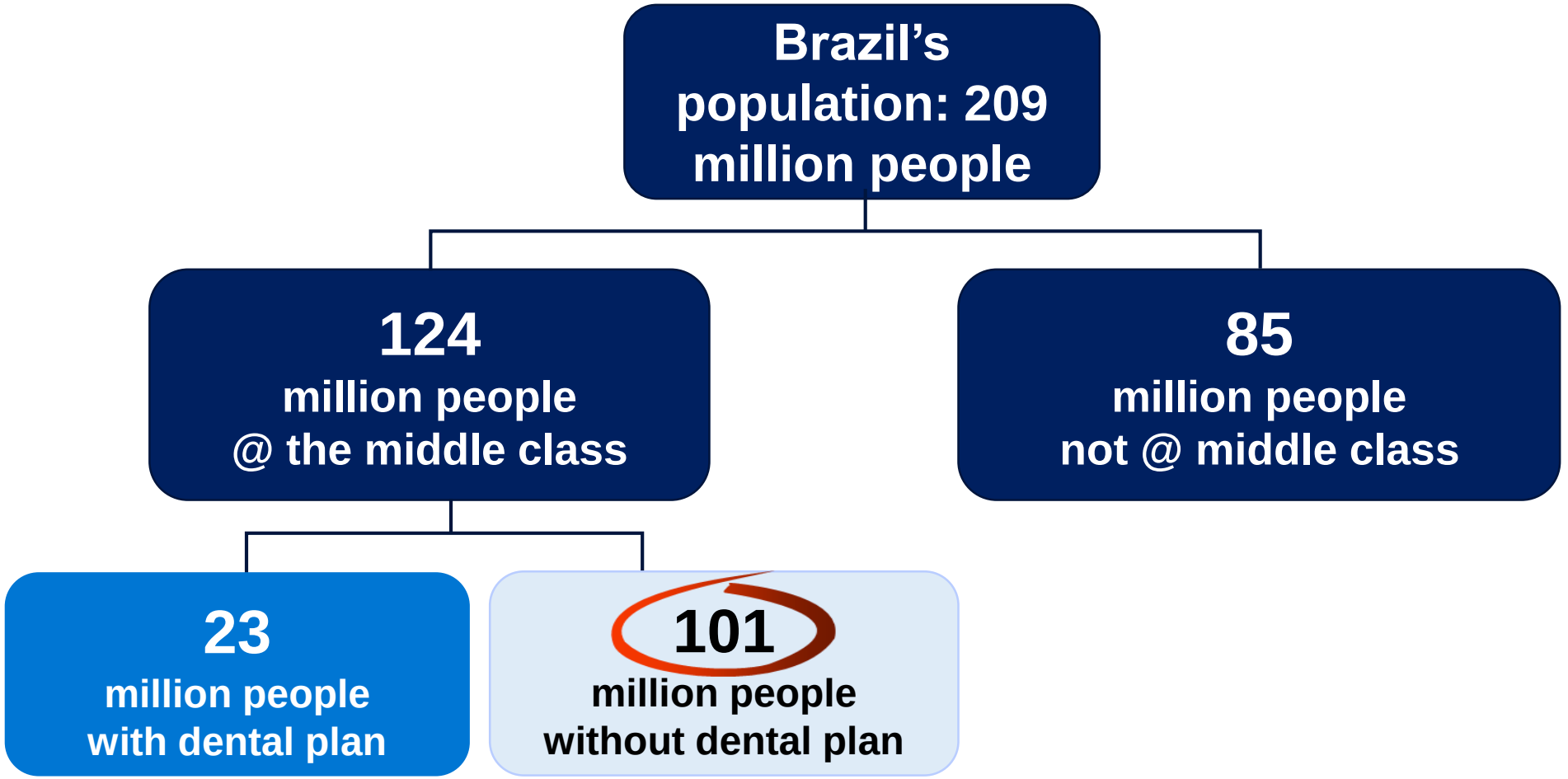




% of the population covered by a private dental plan

Source: OdontoPrev

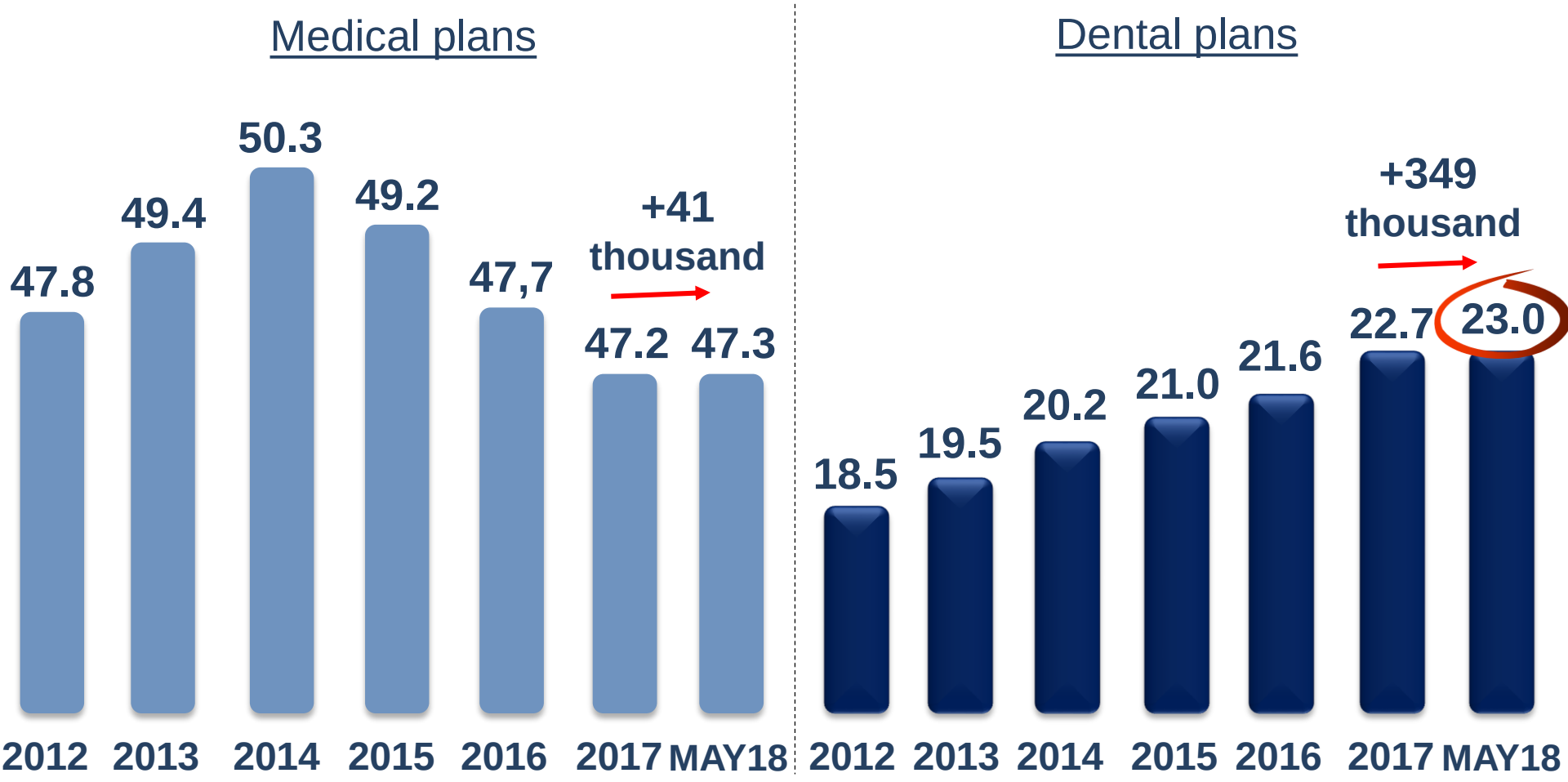
Great portion of the middle class without dental plan



Source: Bradesco, considers families within the "B" and "C" classes

Dental and medical plans membership evolution

Million members

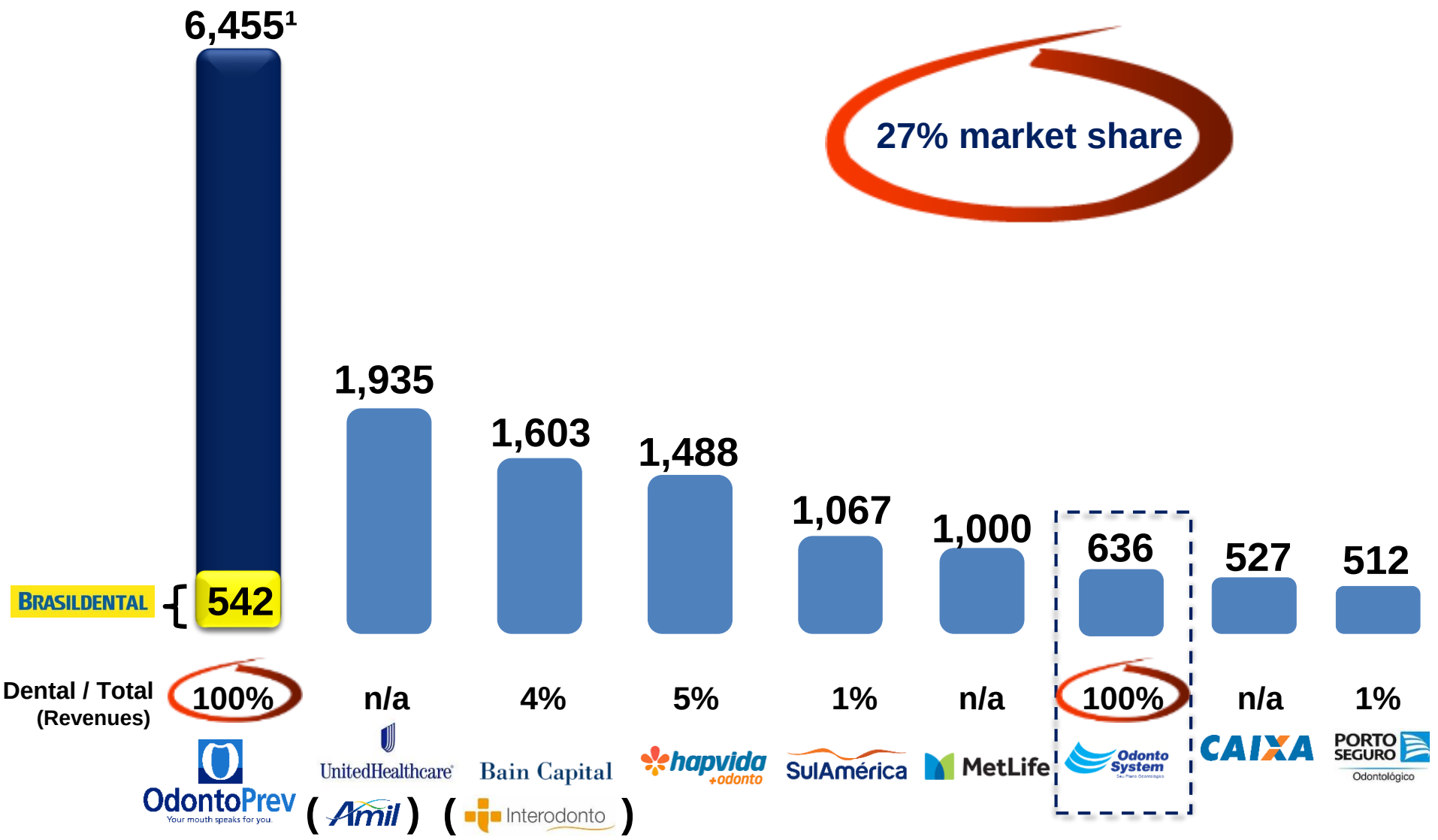


Source: ANS

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Focused & dental only leadership since 1998

Key players, brazilian dental benefits 2018 (thousand members)

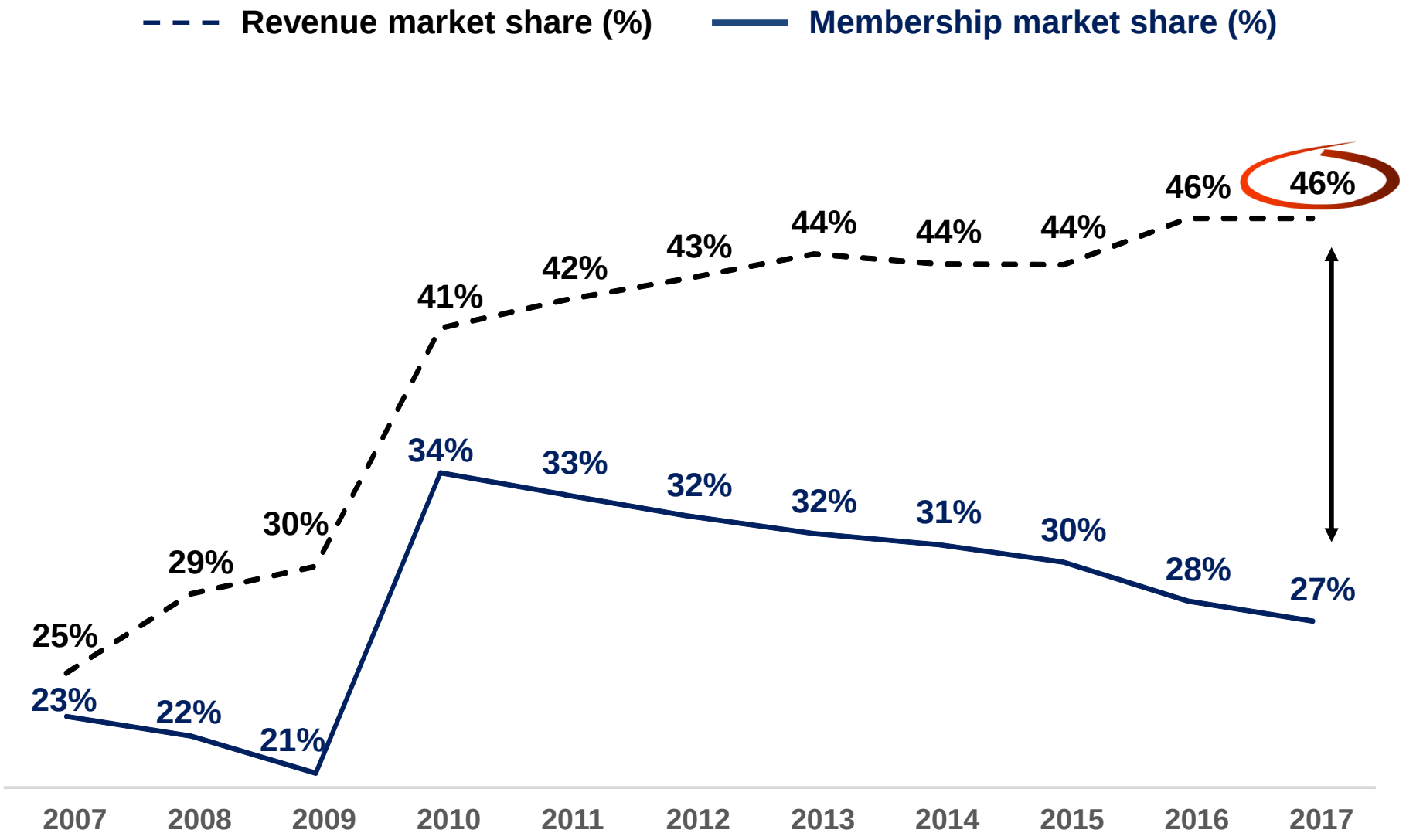


Source: ANS MAI/18

¹Companies' Earnings Release (Jun/18)

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Revenue & membership market share: 2007 - 2017



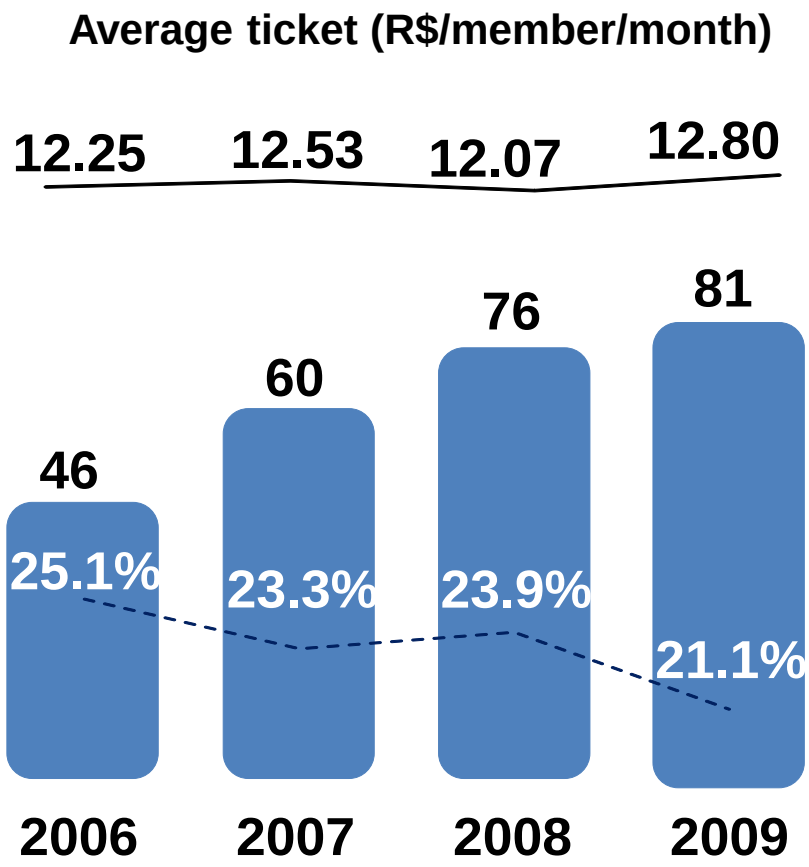
Source: ANS and OdontoPrev

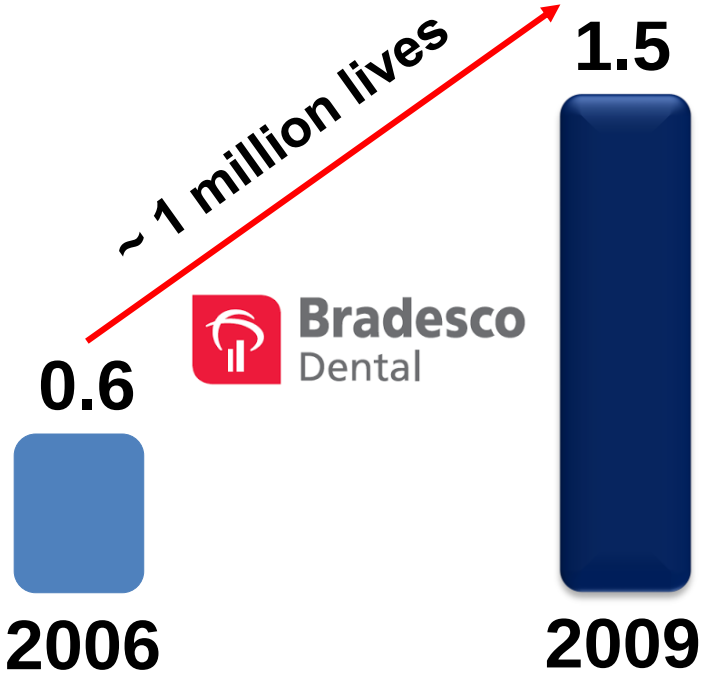
[1] OdontoPrev membership portfolio ex-Bradesco

3 accelerated growth cycles, over the last decade, brings new investors to the sector

Cycle 01: Bradesco Dental 2006 - 2009 (million members)

OdontoPrev EBITDA (R$ million and % Sales)





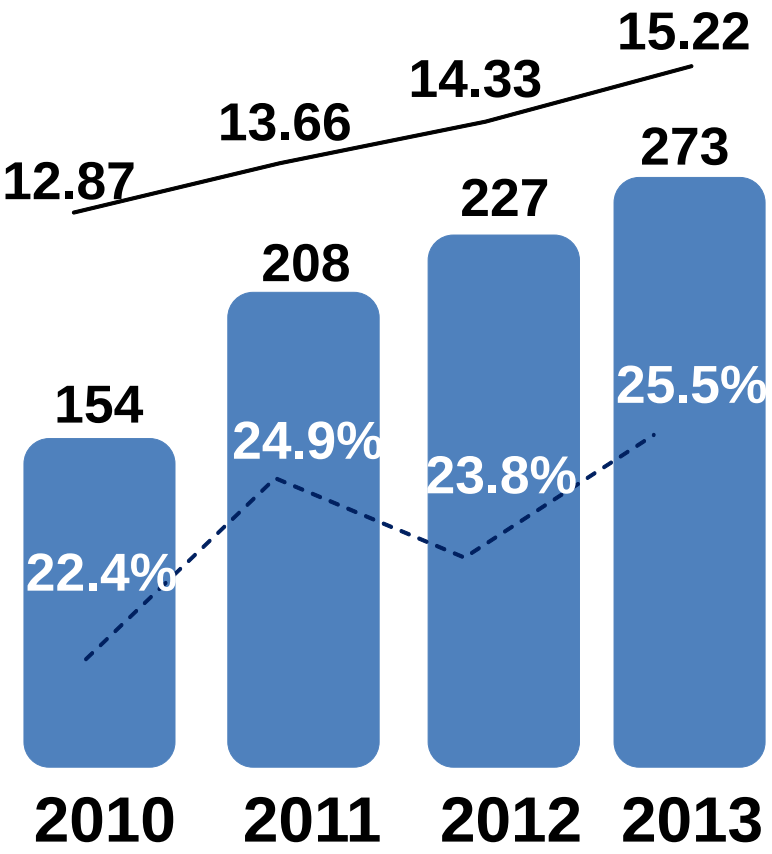
Source: ANS

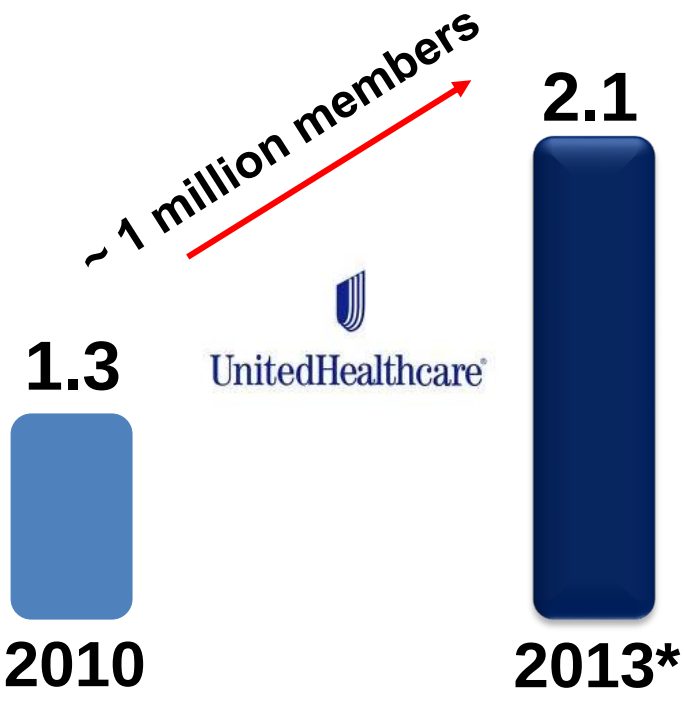
OdontoPrev

Cycle 02: Amil from 2010 to 2013 (million members)

OdontoPrev EBITDA (R$ million and % Sales)

Average ticket (R$/member/month)





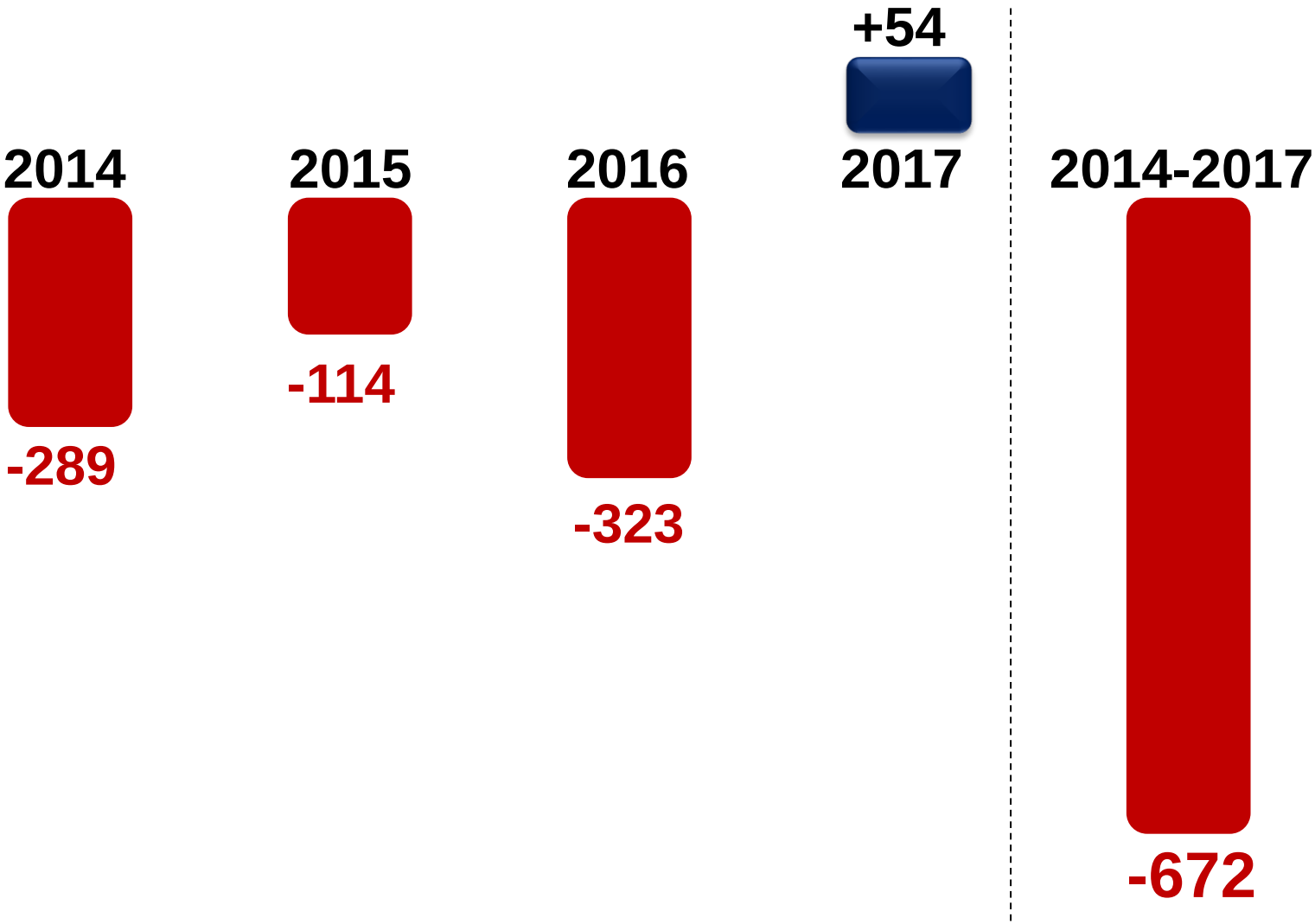
Source: ANS

*Sold to UnitedHealthcare

OdontoPrev

Negative result in Brazil since the acquisition in 2013

Net income/loss (R$ million)

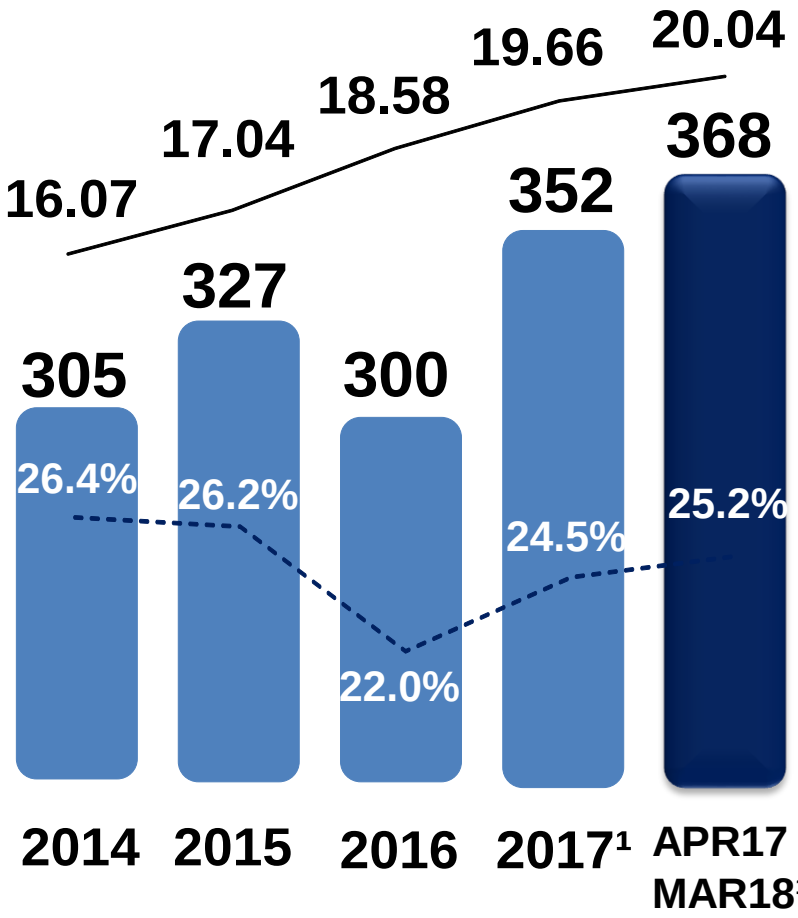


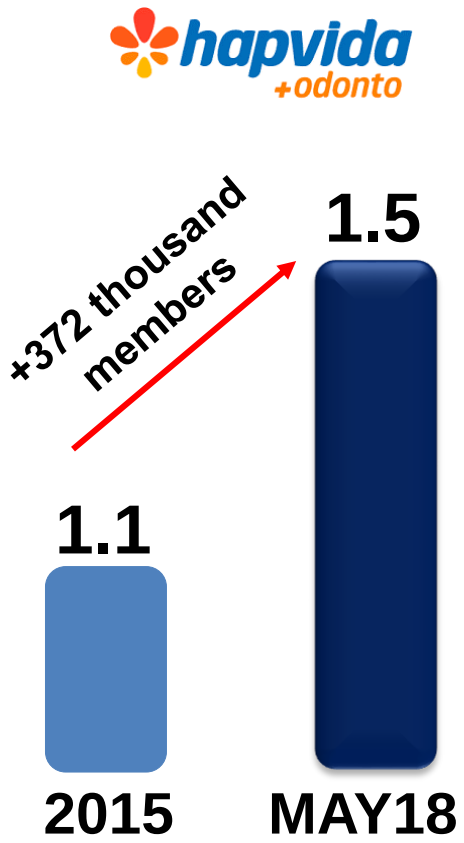
Source: Amil (Valor Econômico)

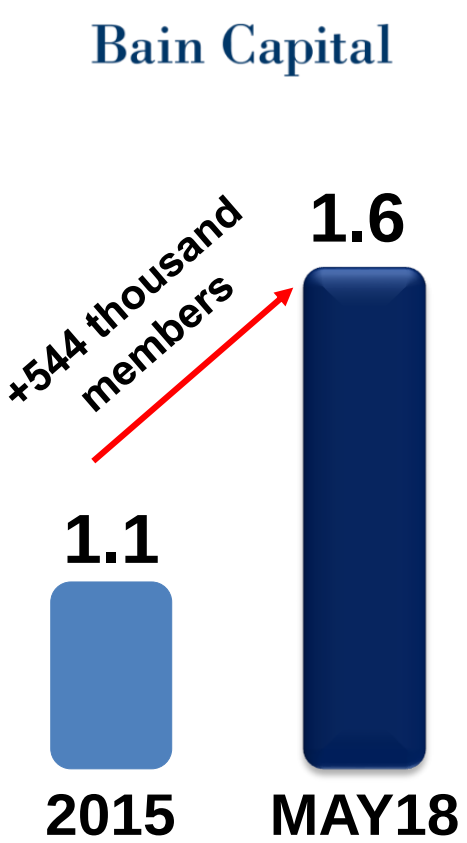
Cycle 03: Hapvida & Bain Capital since 2015 (million members)

OdontoPrev EBITDA (R$ million and % Sales)

Average ticket (R$/member/month)







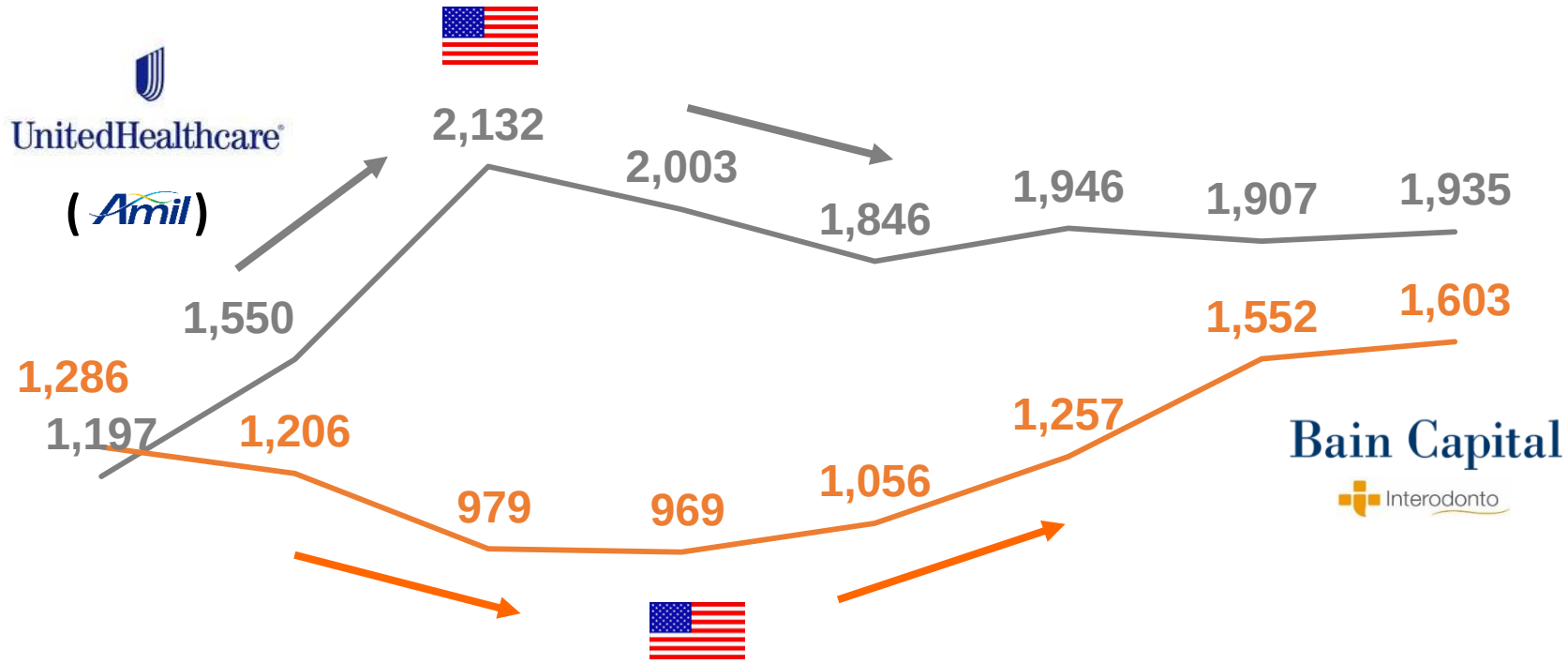
Source: ANS

¹Excludes Bradesco Dental and OdontoPrev INSS reversals

OdontoPrev

Change in control brings a new strategy of peers

Thousand lives

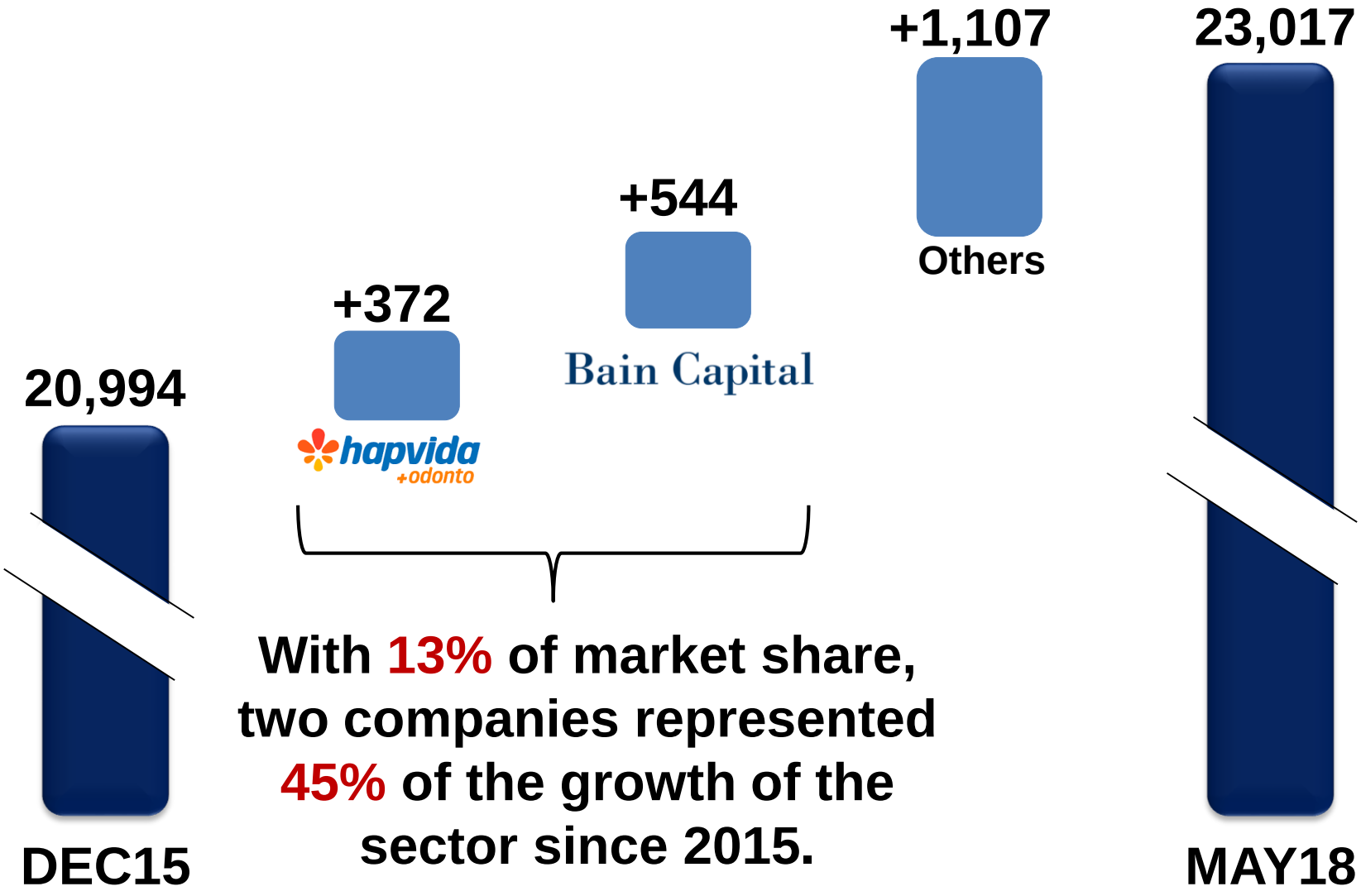


Source: ANS

OdontoPrev

Dental plans sector evolution DEC15 – MAY18

Thousand members



With 13% of market share, two companies represented 45% of the growth of the sector since 2015.

Source: ANS

OdontoPrev

Cross-selling dental/medical has limited upside

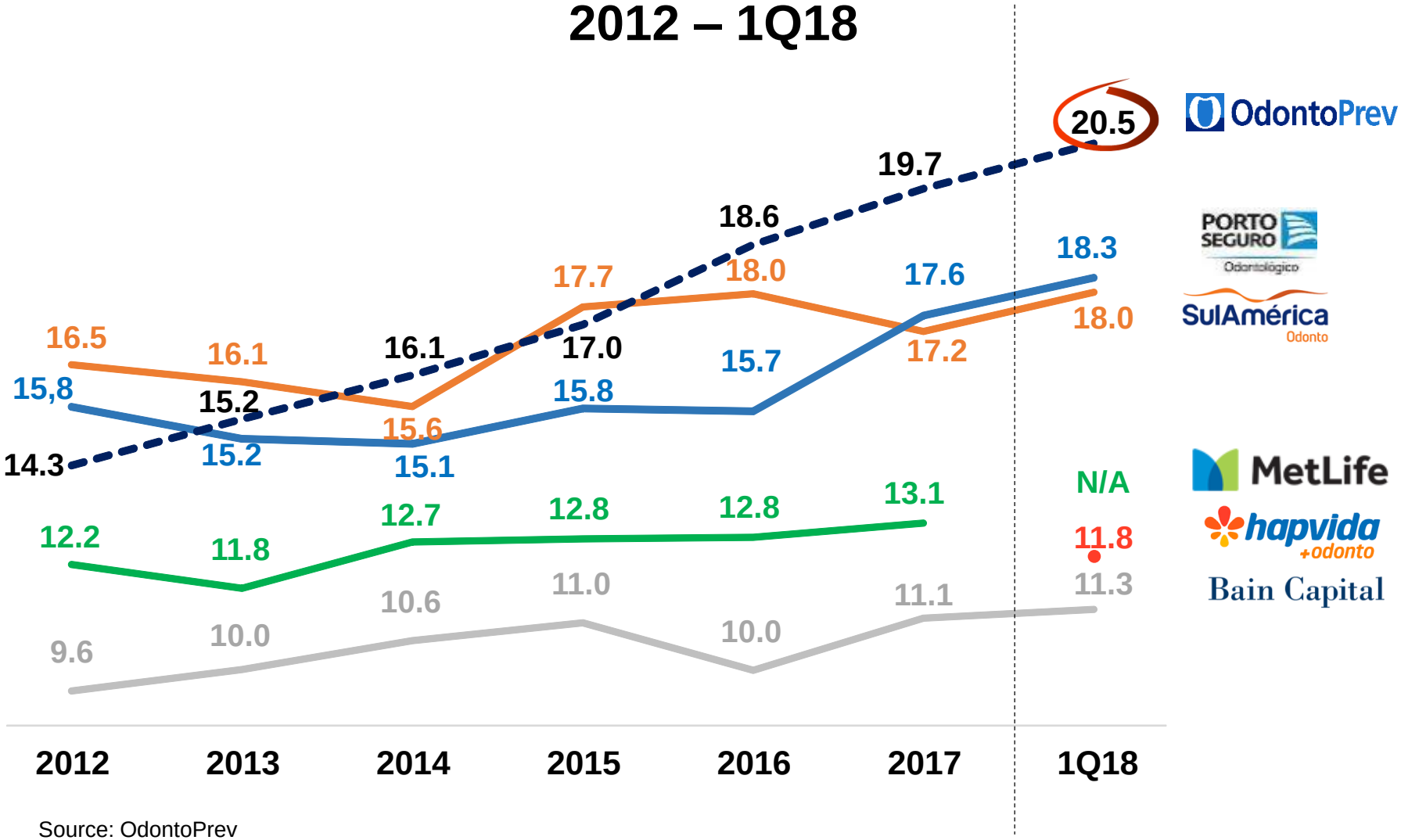
May 2018

Players	Dental (A)	Medical (B)	A / B
Bain Capital	1,603	2,011	80%
hapvida	1,488	2,318	64%

Source: ANS

Average ticket evolution

(R$/member/month)



Source: OdontoPrev

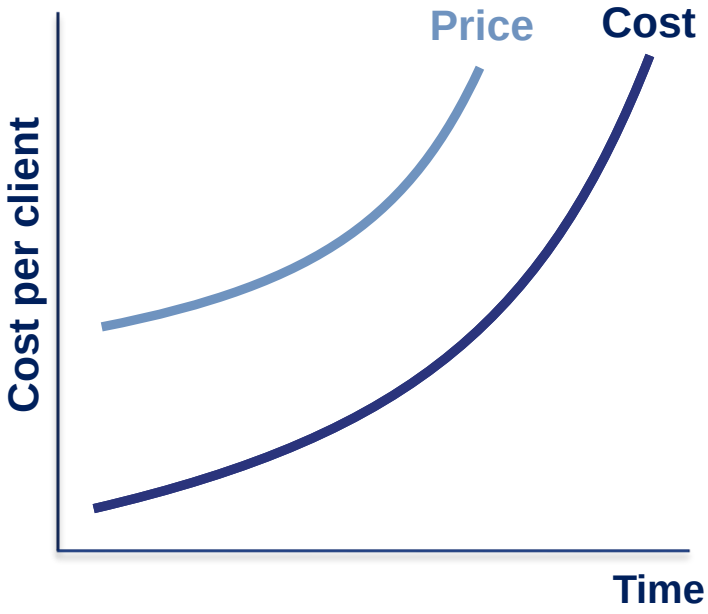
2

Strategic competitive advantages

Attractive cost dynamics

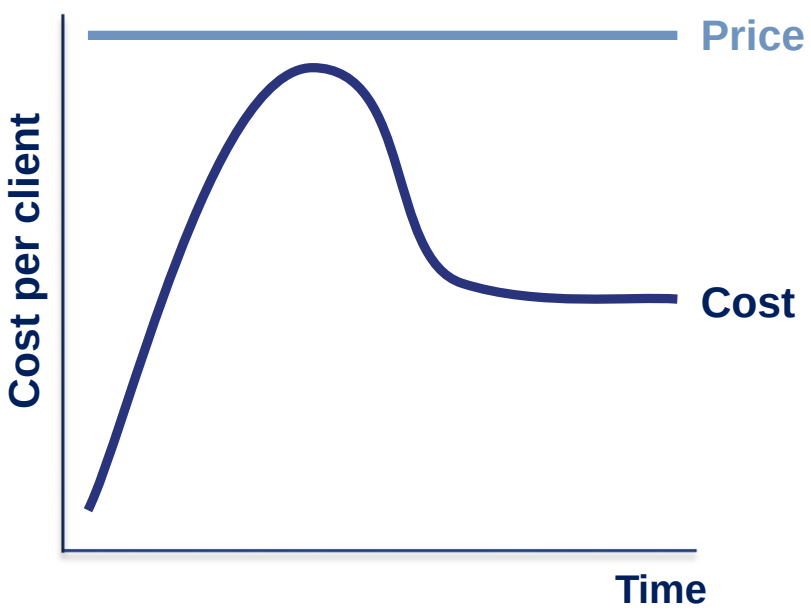
Over time, OdontoPrev Dental Plans present a predictable …

Medical Plans



- Cost increases by medical inflation and better technology
- Short-term contract: 1 year tenor

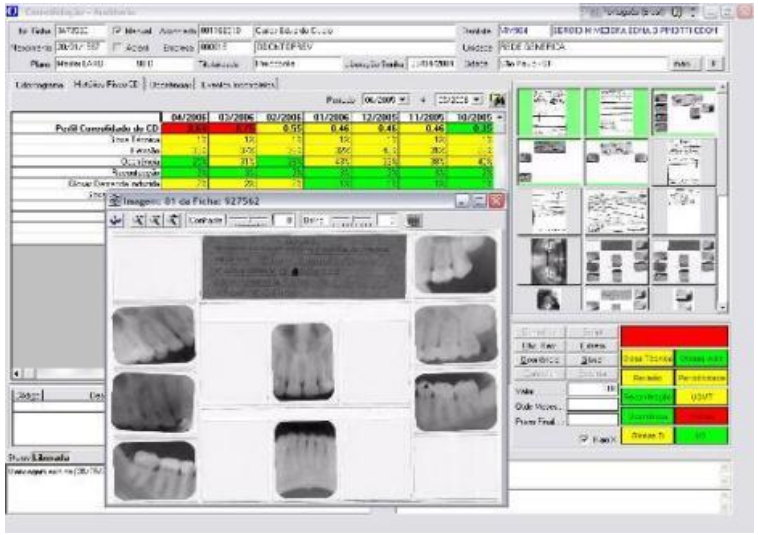
OdontoPrev
Your mouth speaks for you.



- Predictable cost evolution due to prevention
- Long-term contract: 2 year + duration

… and more attractive cost profile than Medical Plans.

Proprietary IT Platform: information-driven decisions





- ✓ **Complete dental record of all beneficiaries**
- ✓ **3 decades of actuarial data**
- ✓ **Risk management and fraud prevention**

Innovation driven Company

Dental Partner

Top quality dental materials delivered door to door to the dentist free of charge



www.odontoprevonline.com.br

individual plans sold at the web

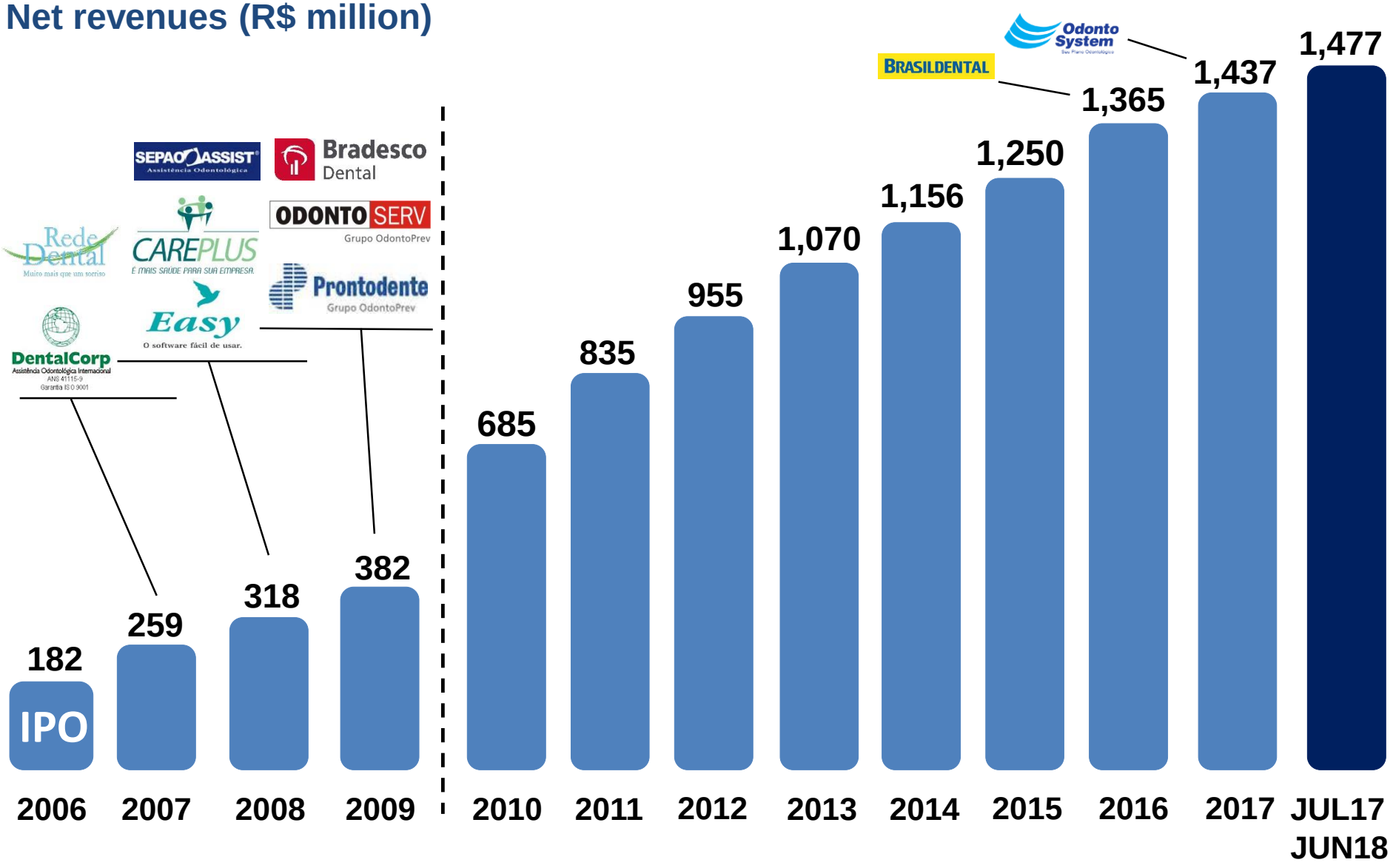
OdontoPrev

2Q18 Results



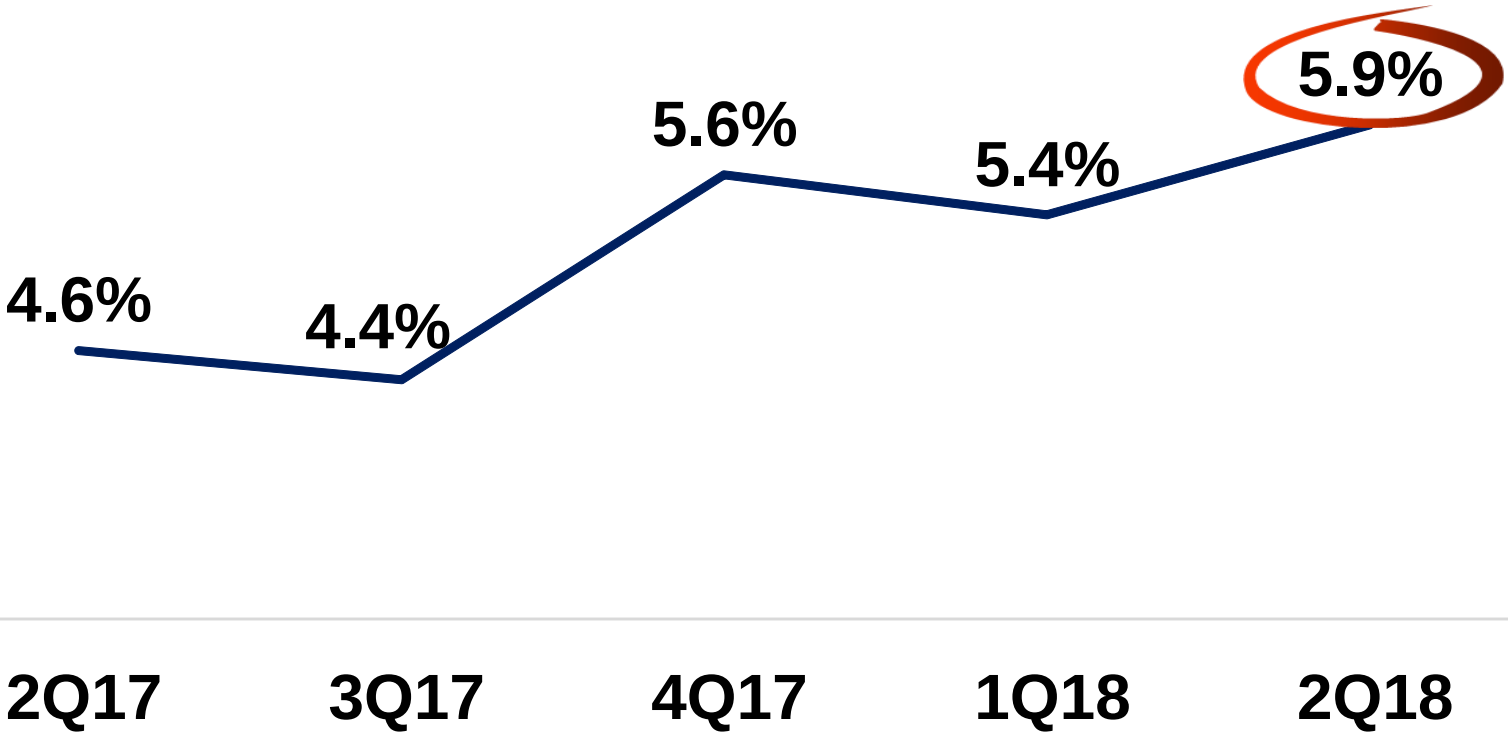
OdontoPrev: 12 years of sustainable value creation since IPO

Net revenues (R$ million)



OdontoPrev

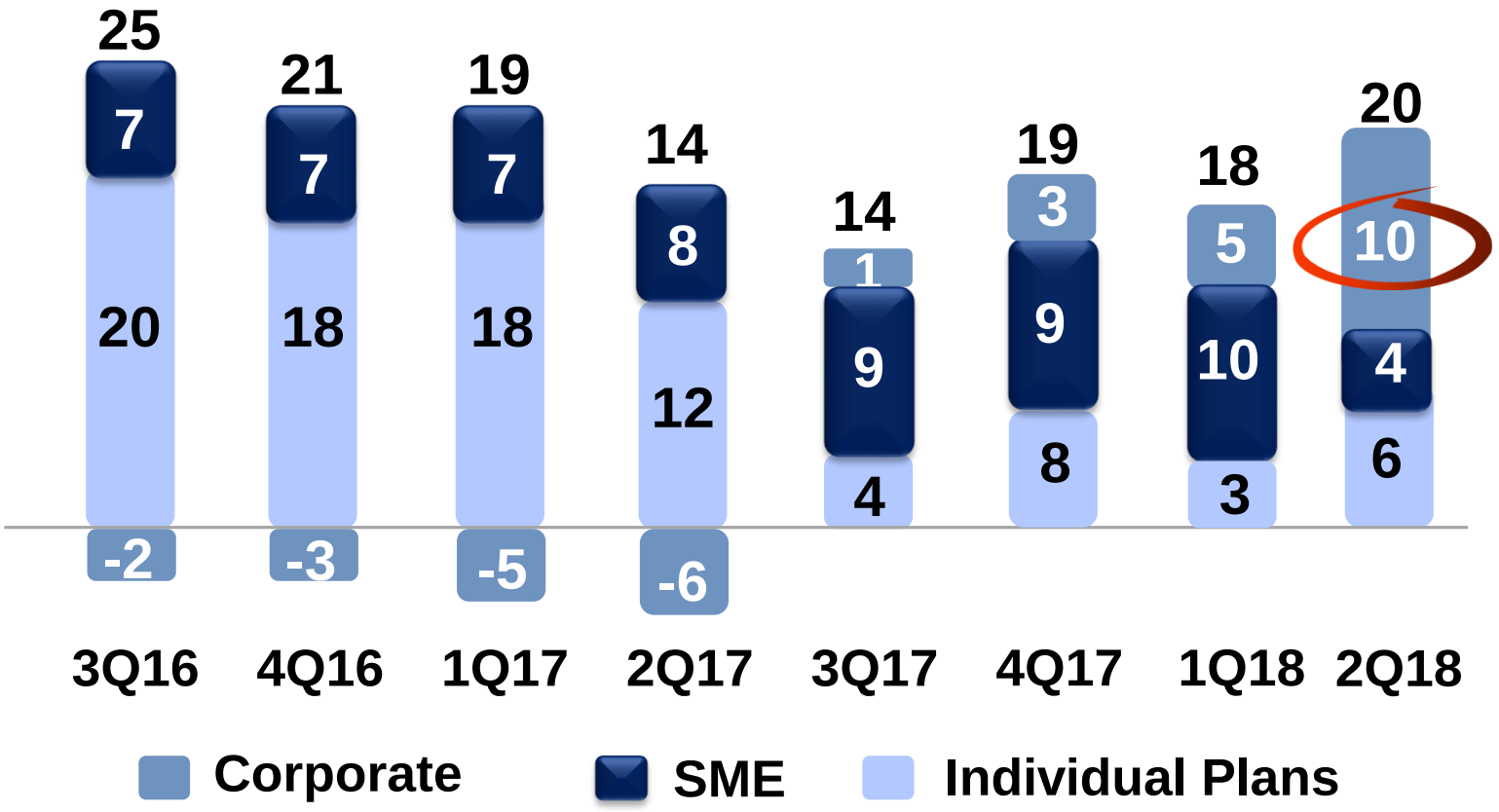
Net revenues annual growth (%)



OdontoPrev

Incremental revenue per segment (YoY)

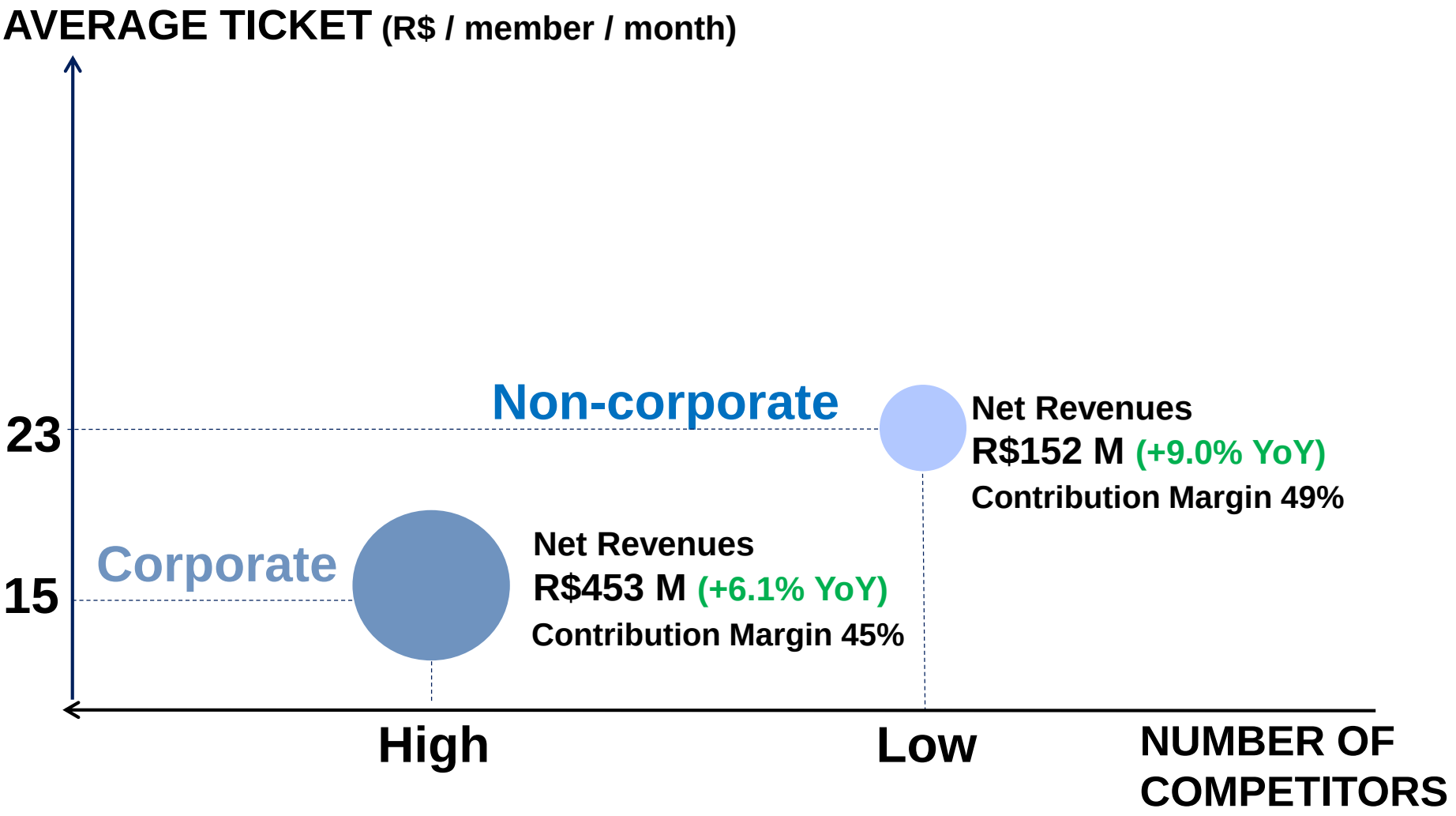
R$ million



OdontoPrev

Individual plans & SME: higher growth and better returns

6M15

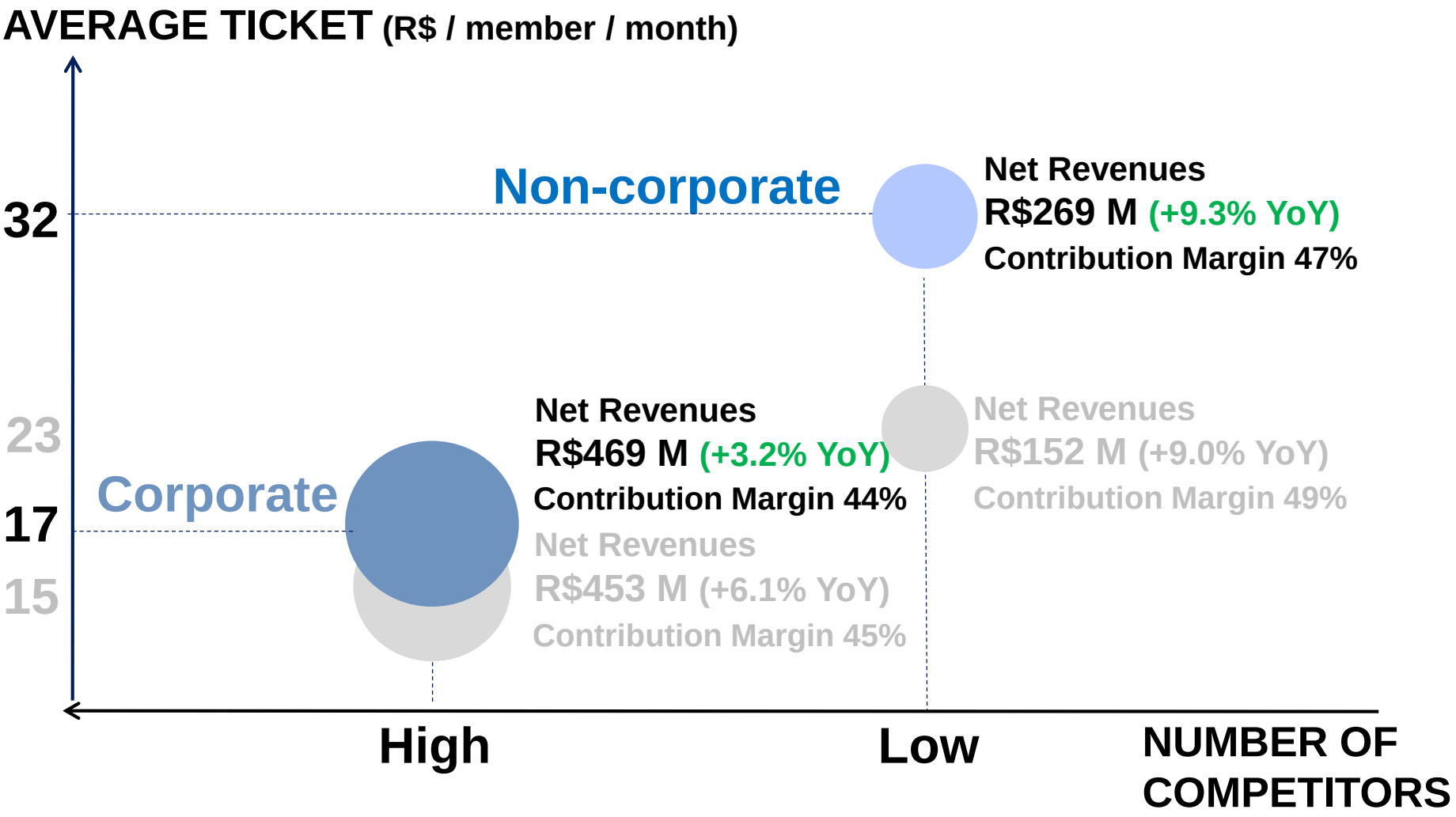


[1] M: million
Contribution Margin: Net Revenue (-) Cost of Services (-) Selling Expenses

OdontoPrev

Individual plans & SME: higher growth and better returns

6M18

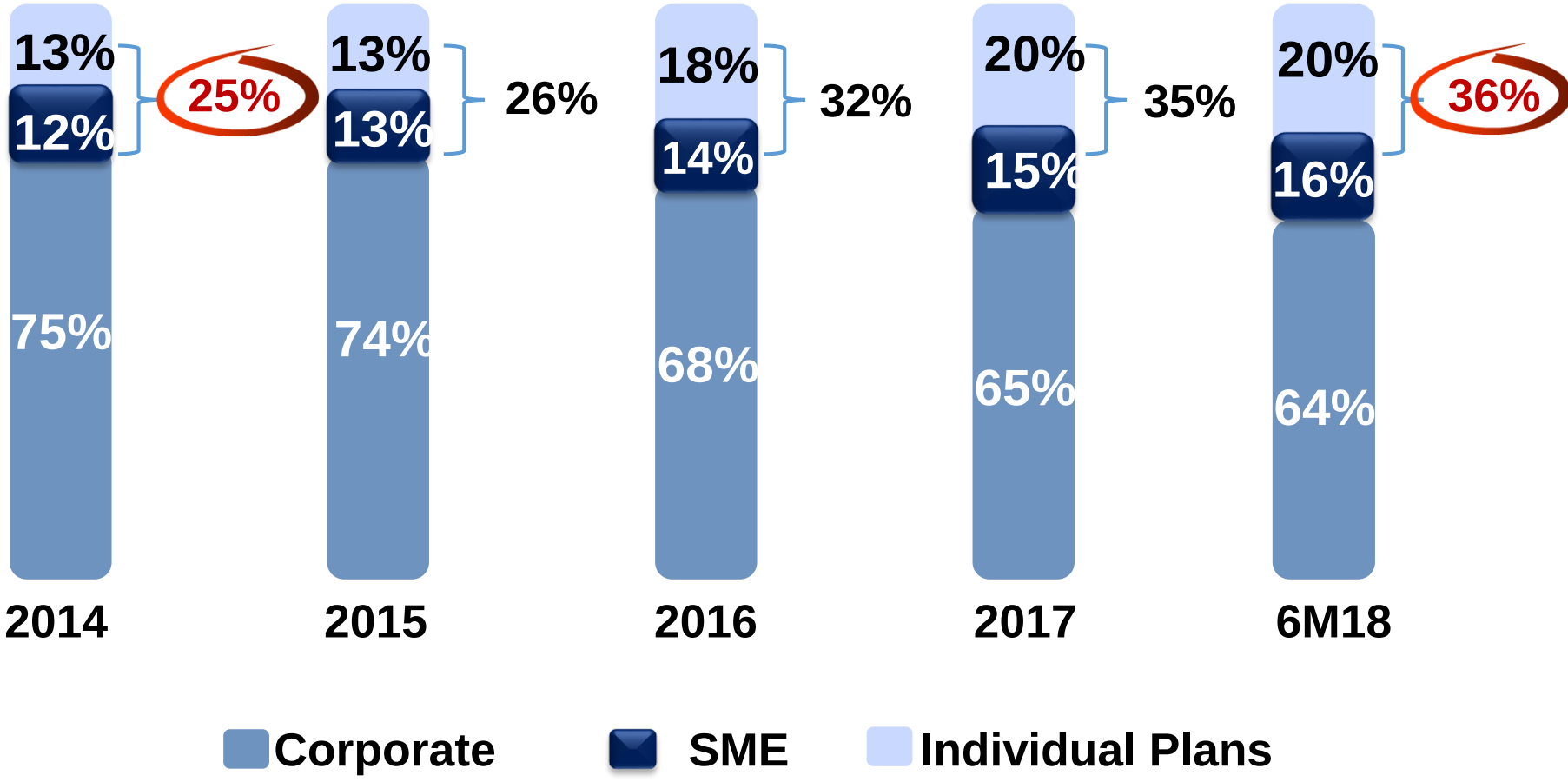


[1] M: million
Contribution Margin: Net Revenue (-) Cost of Services (-) Selling Expenses

OdontoPrev

Non-corporate: from 25% in 2014 to 36% of Revenues in 6M18

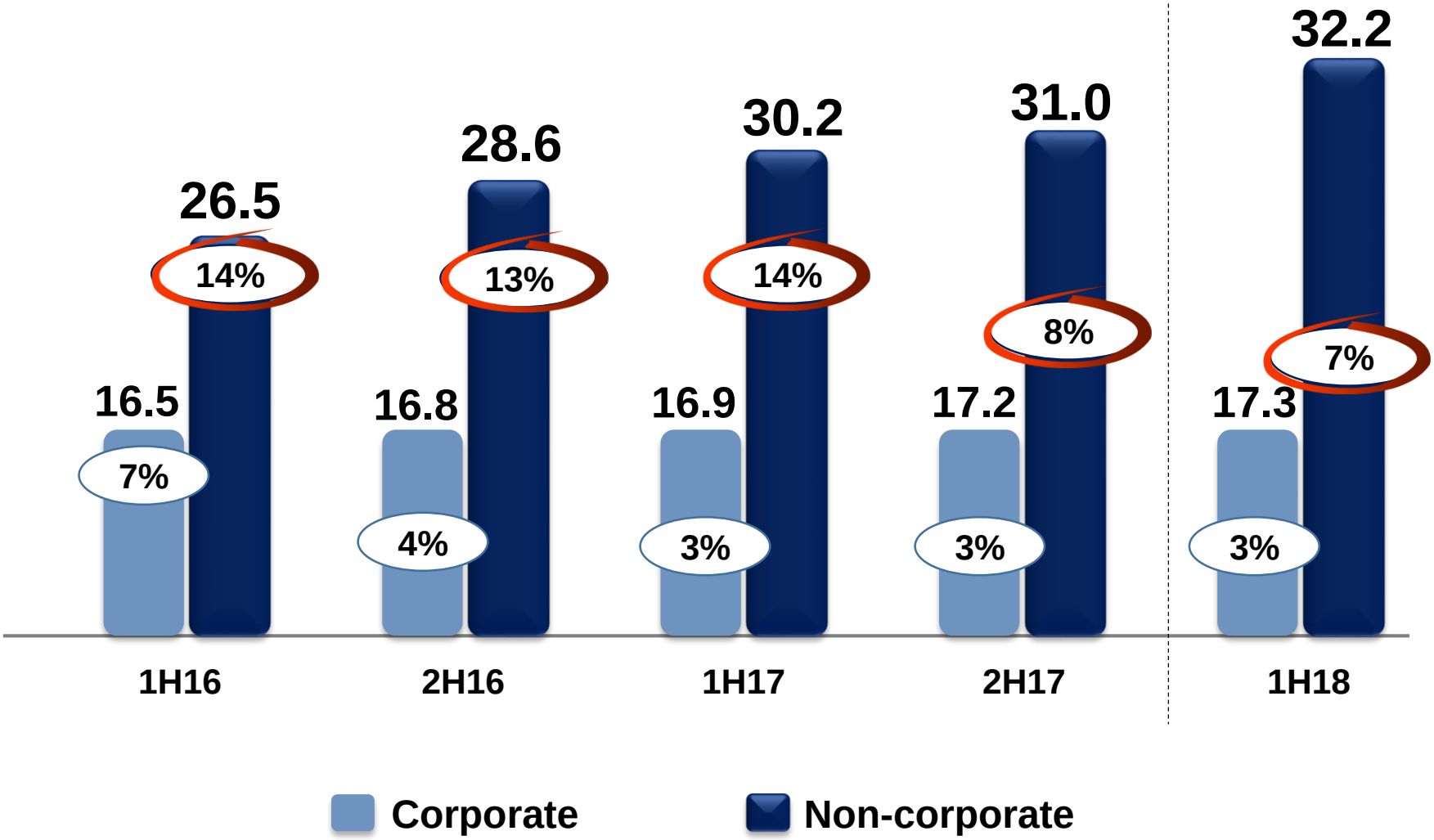
Segment % of Revenues



OdontoPrev

Average Ticket per Segment

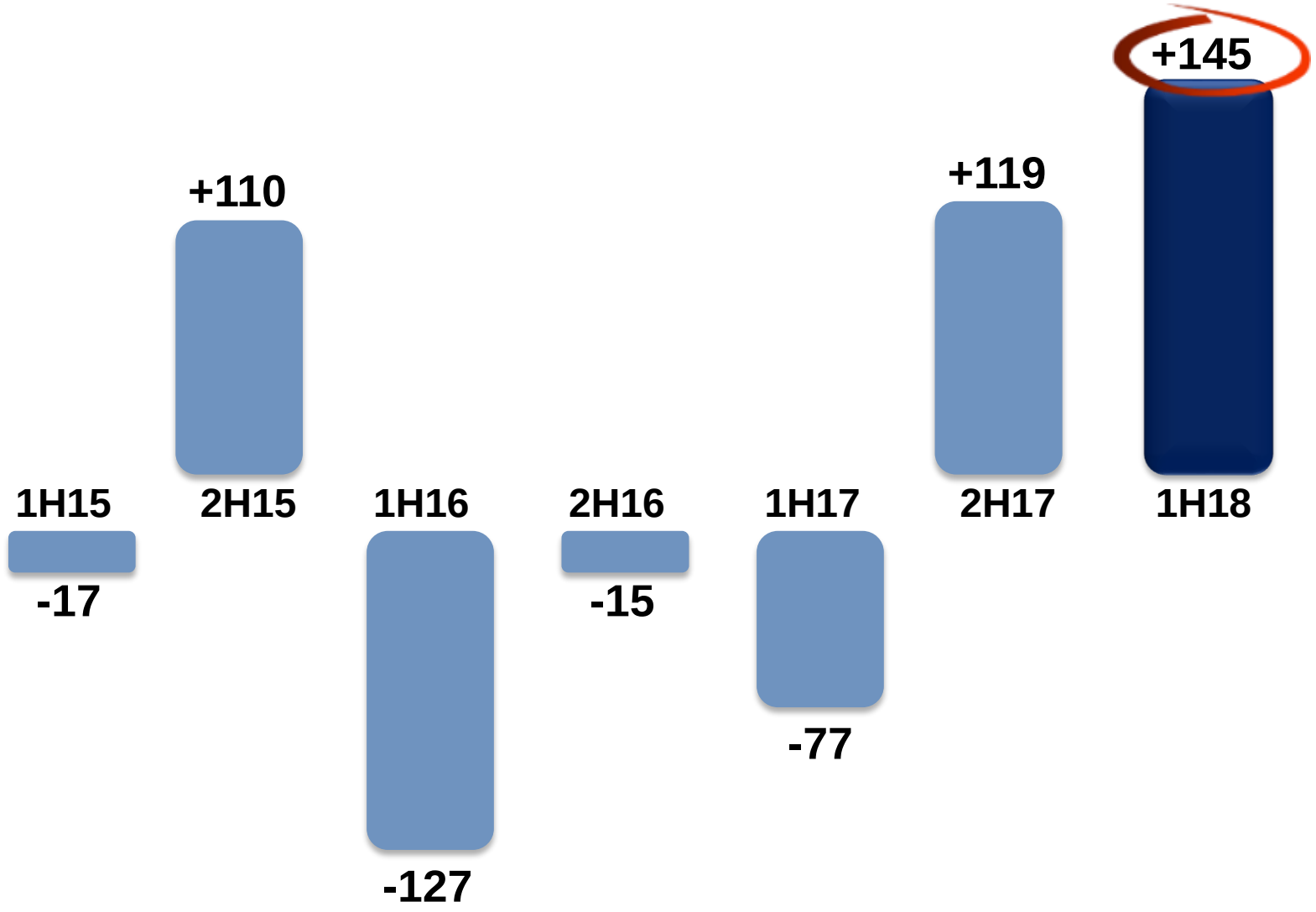
R$ / member / month and YoY %



OdontoPrev

6M Net additions

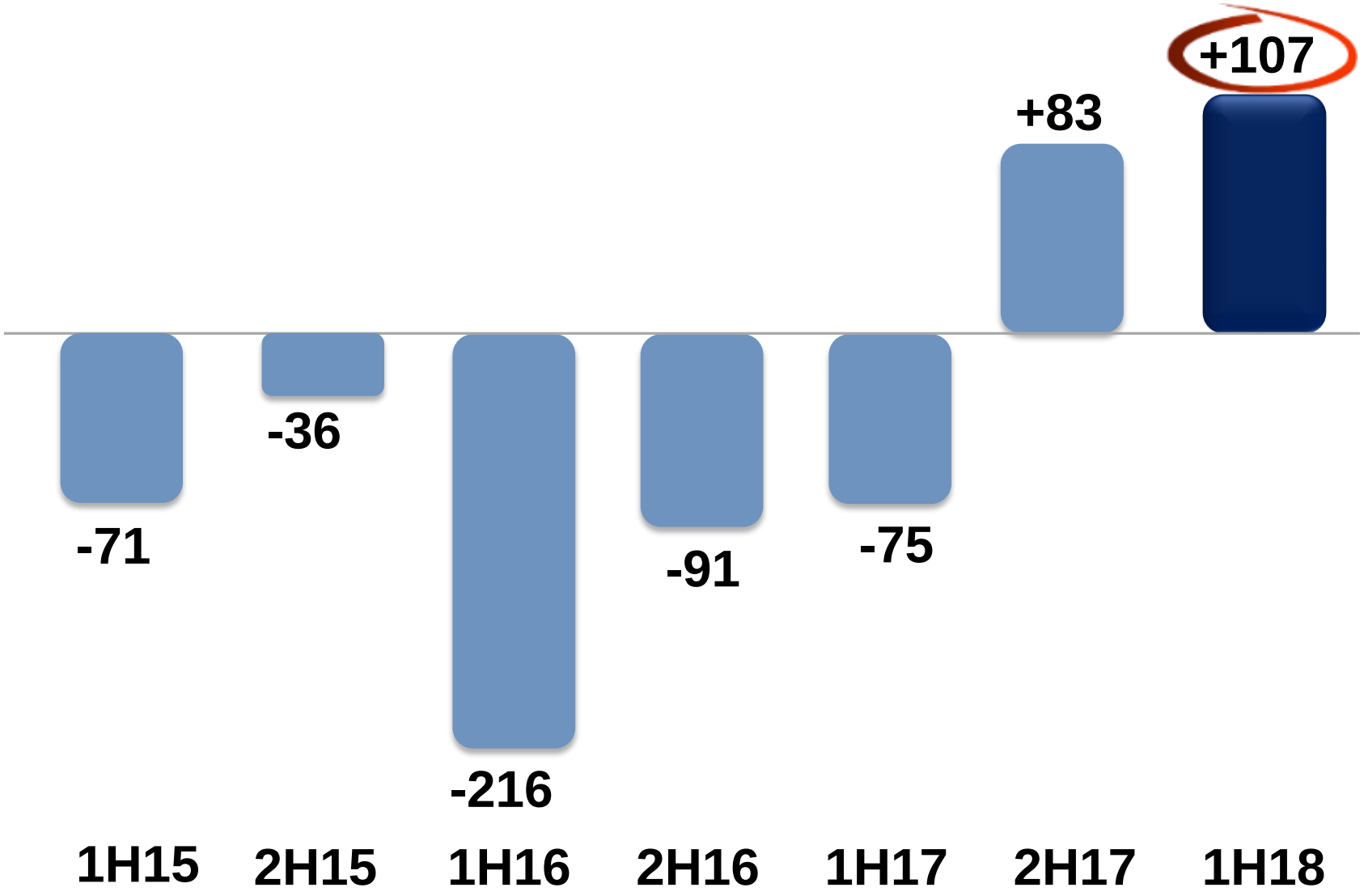
Thousand lives



OdontoPrev

6M net additions - Corporate

Thousand lives



OdontoPrev

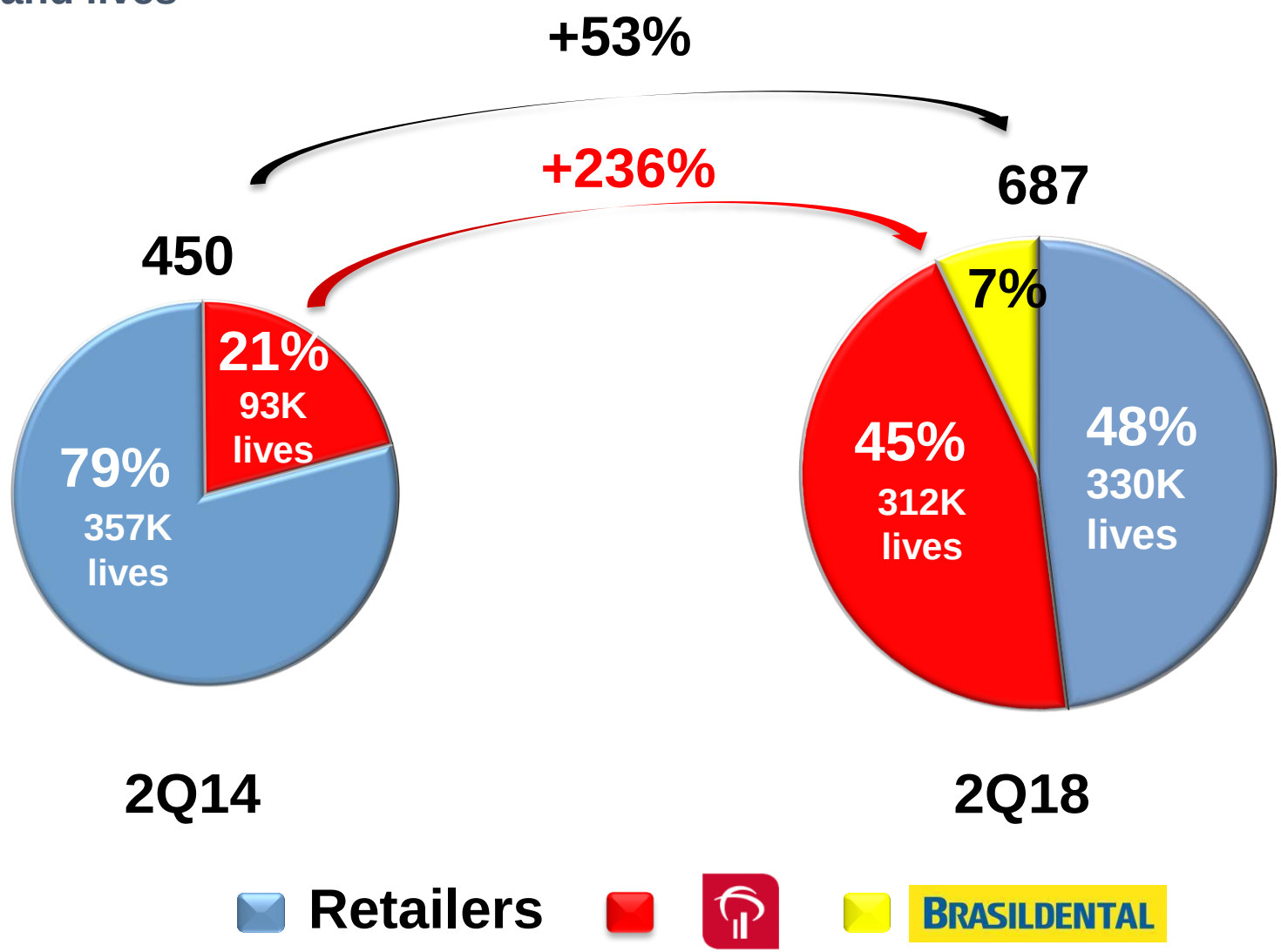
The largest bancassurance platforms in Brazil

	Bradesco	Banco do Brasil
Clients	+ 50 million	+ 40 million
National footprint		
Exclusivity		20 years

44% of branches & 54% of brazilian bank clients

Breakdown of individual plans

Thousand lives



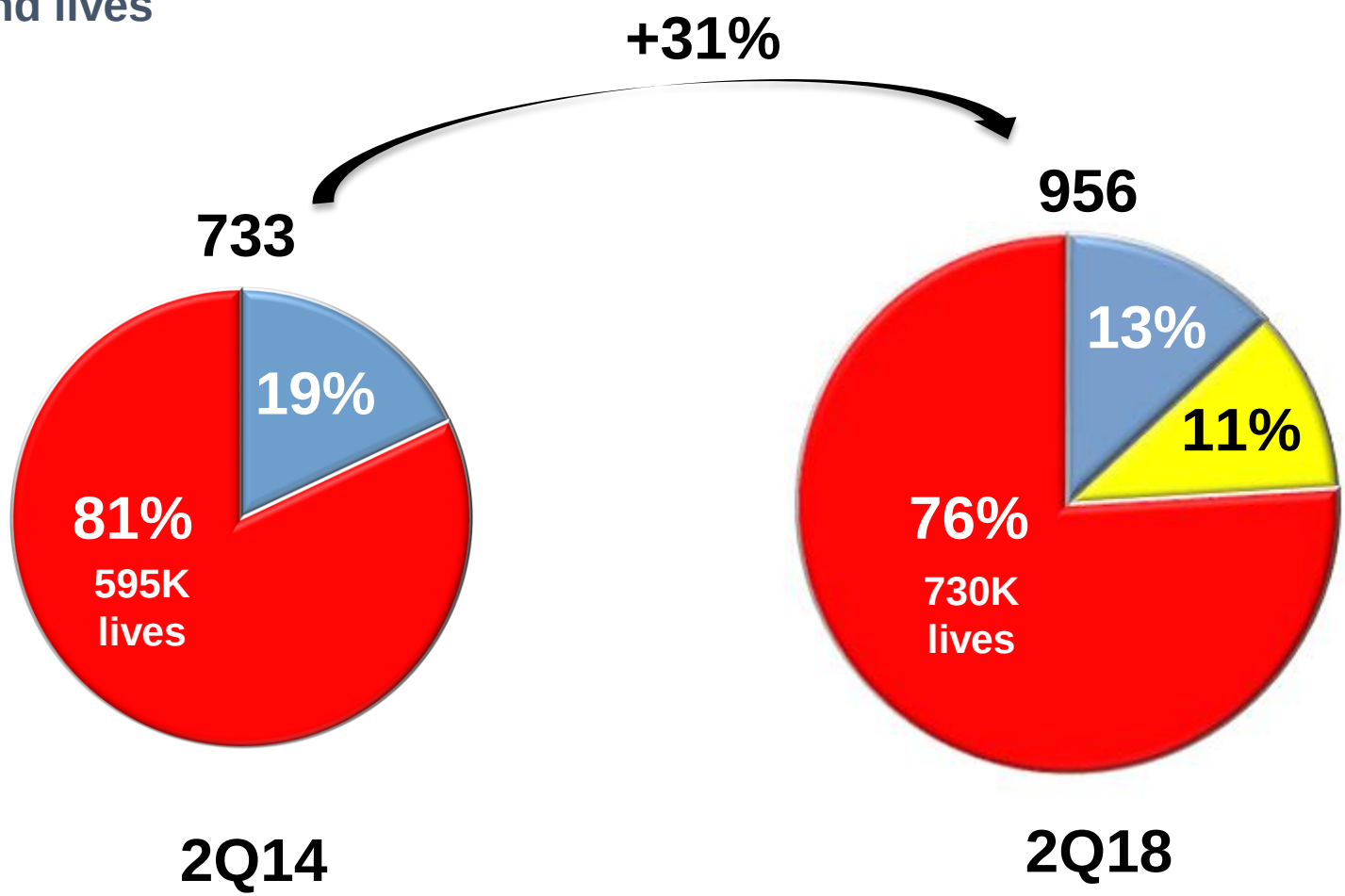
OdontoPrev

Positive effects of bank channels

	& BRASILDENTAL	Retailers
2Q18 List prices	R$45.60	R$37.50
Selling expenses	10% - 15%	25% - 45%
Profitability	Higher	Lower

Breakdown of SME lives

Thousand lives



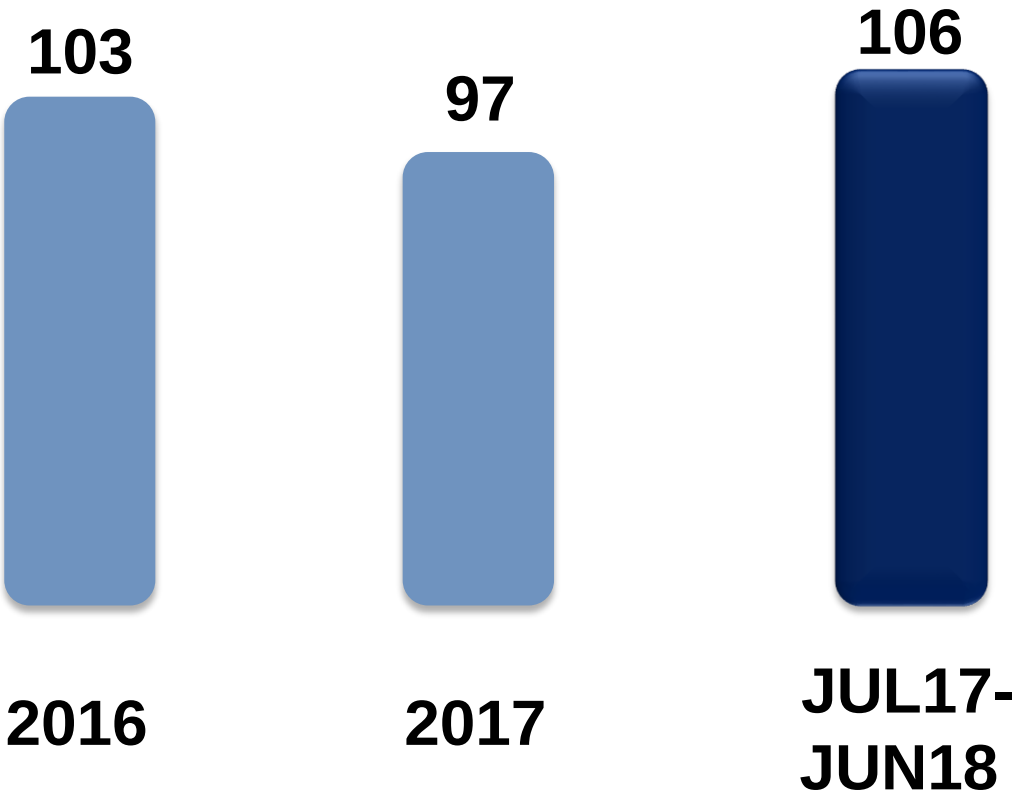
OdontoPrev

BRASILDENTAL

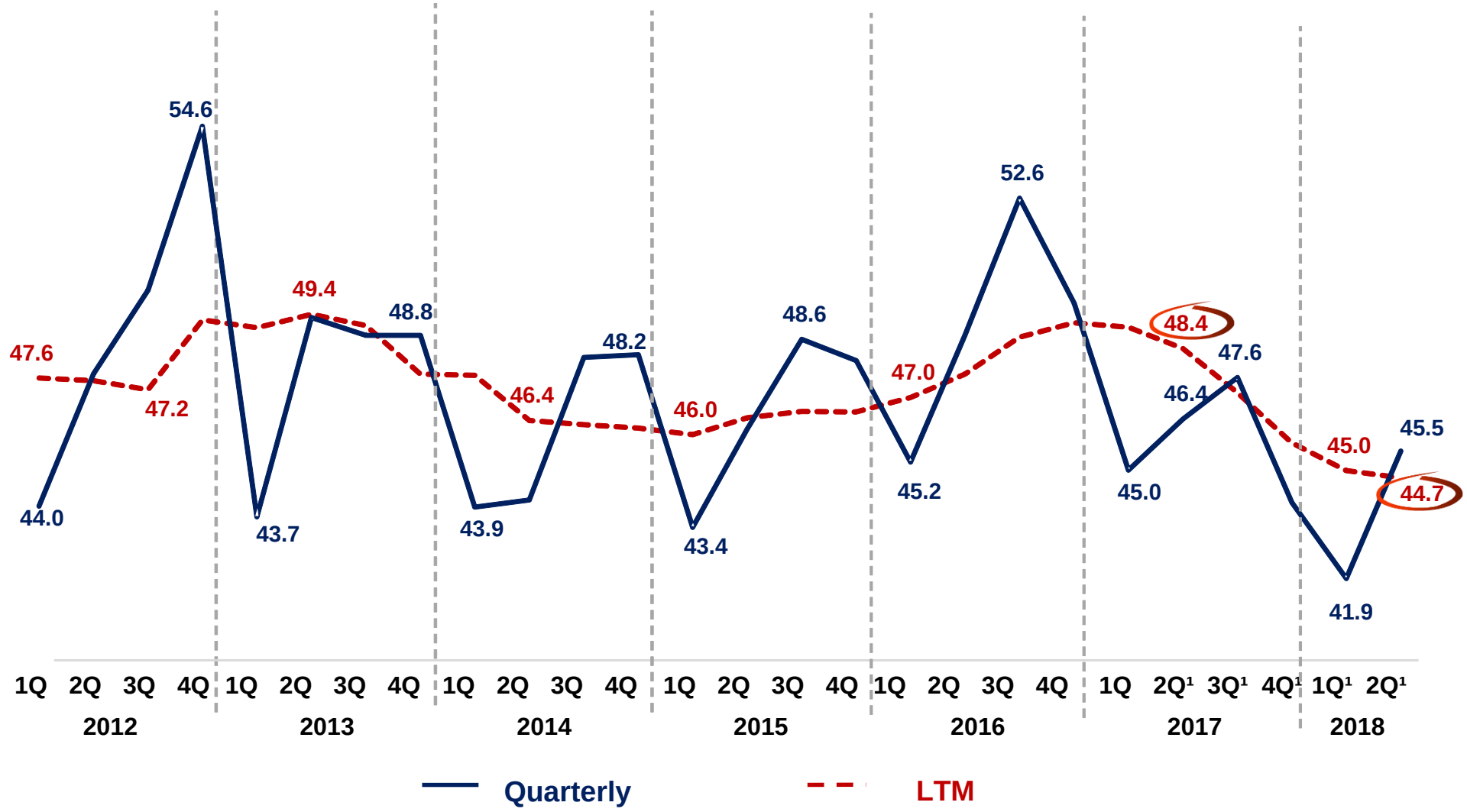
OdontoPrev

Net additions

Thousand lives



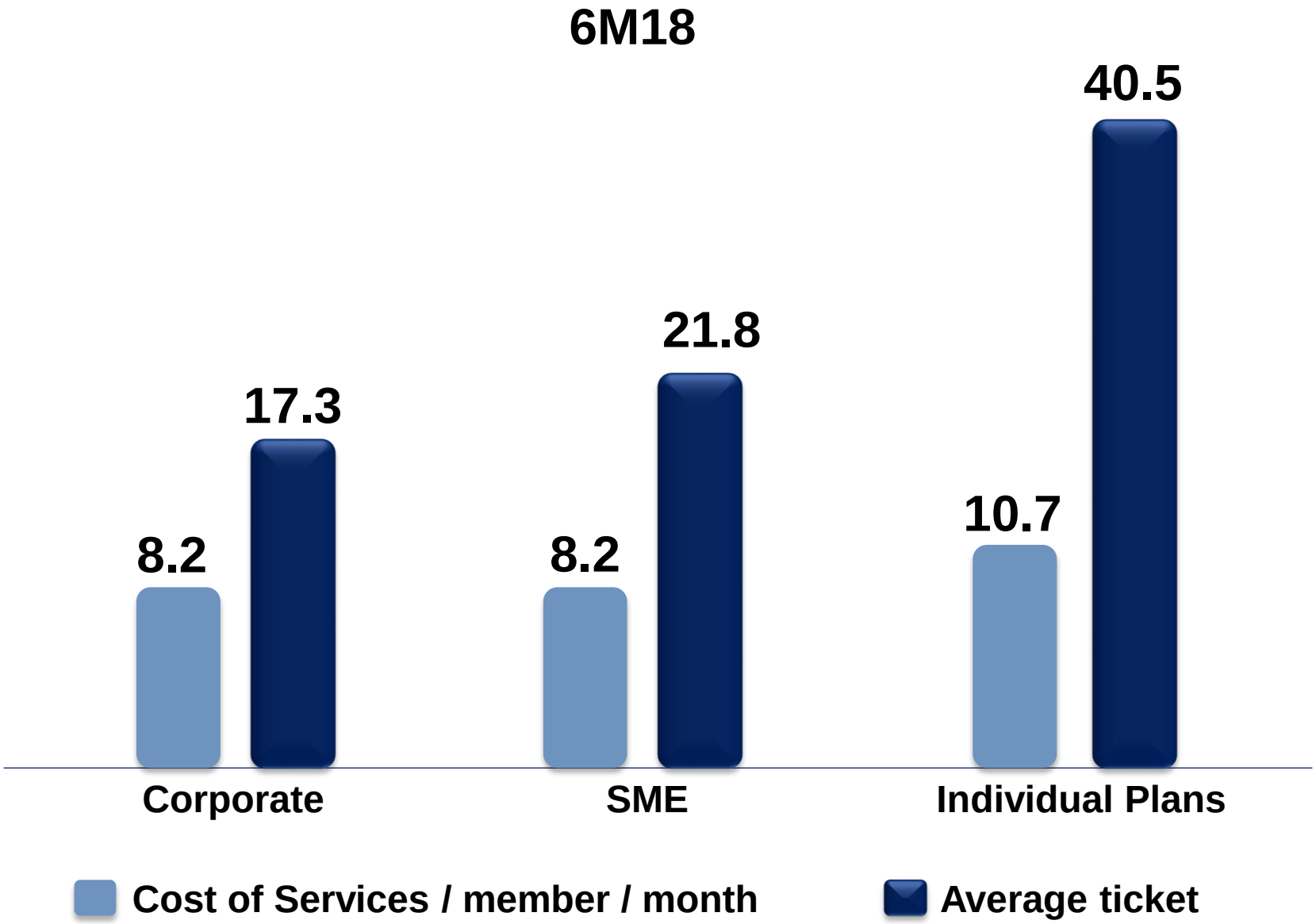
Quarterly and LTM Cost of Services (% Sales)



¹ Excludes Bradesco Dental and OdontoPrev INSS effects

OdontoPrev

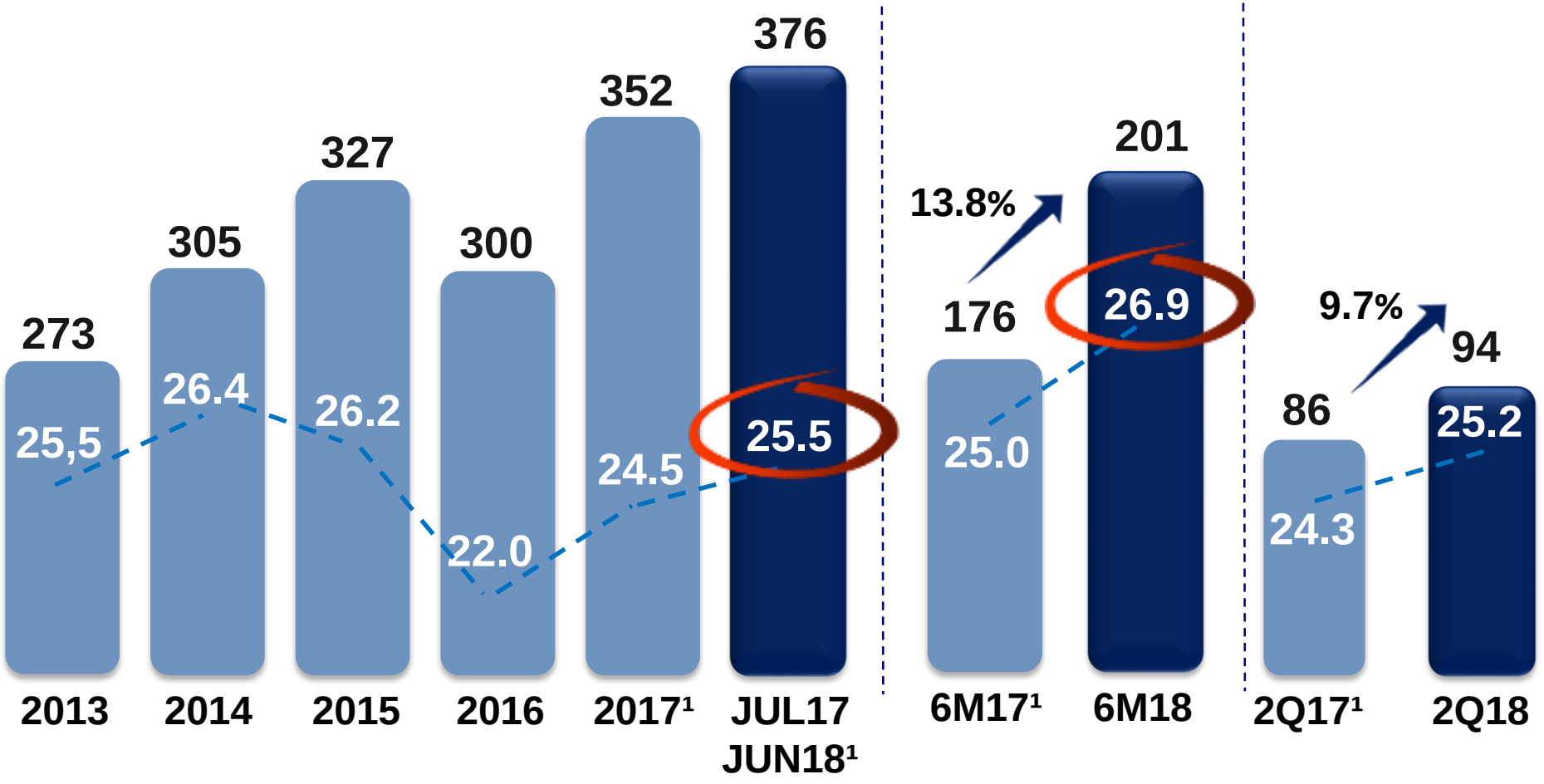
Pricing power offsets higher cost of services



OdontoPrev

Adjusted EBITDA

R$ million and % Sales

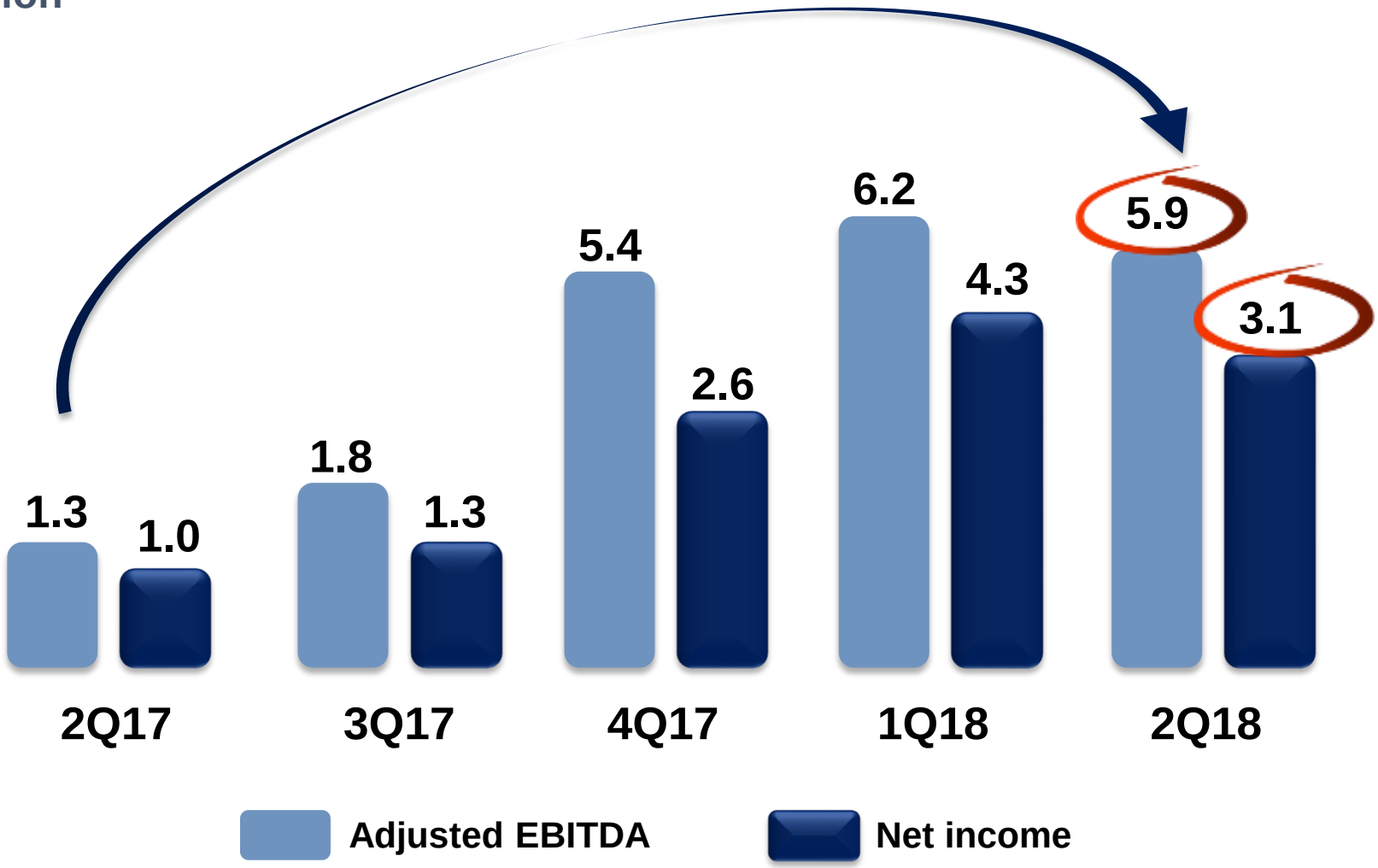


¹ Excludes Bradesco Dental and OdontoPrev INSS

OdontoPrev

BRASILDENTAL 2Q18: +339% of Adjusted EBITDA and +216% of Net Income

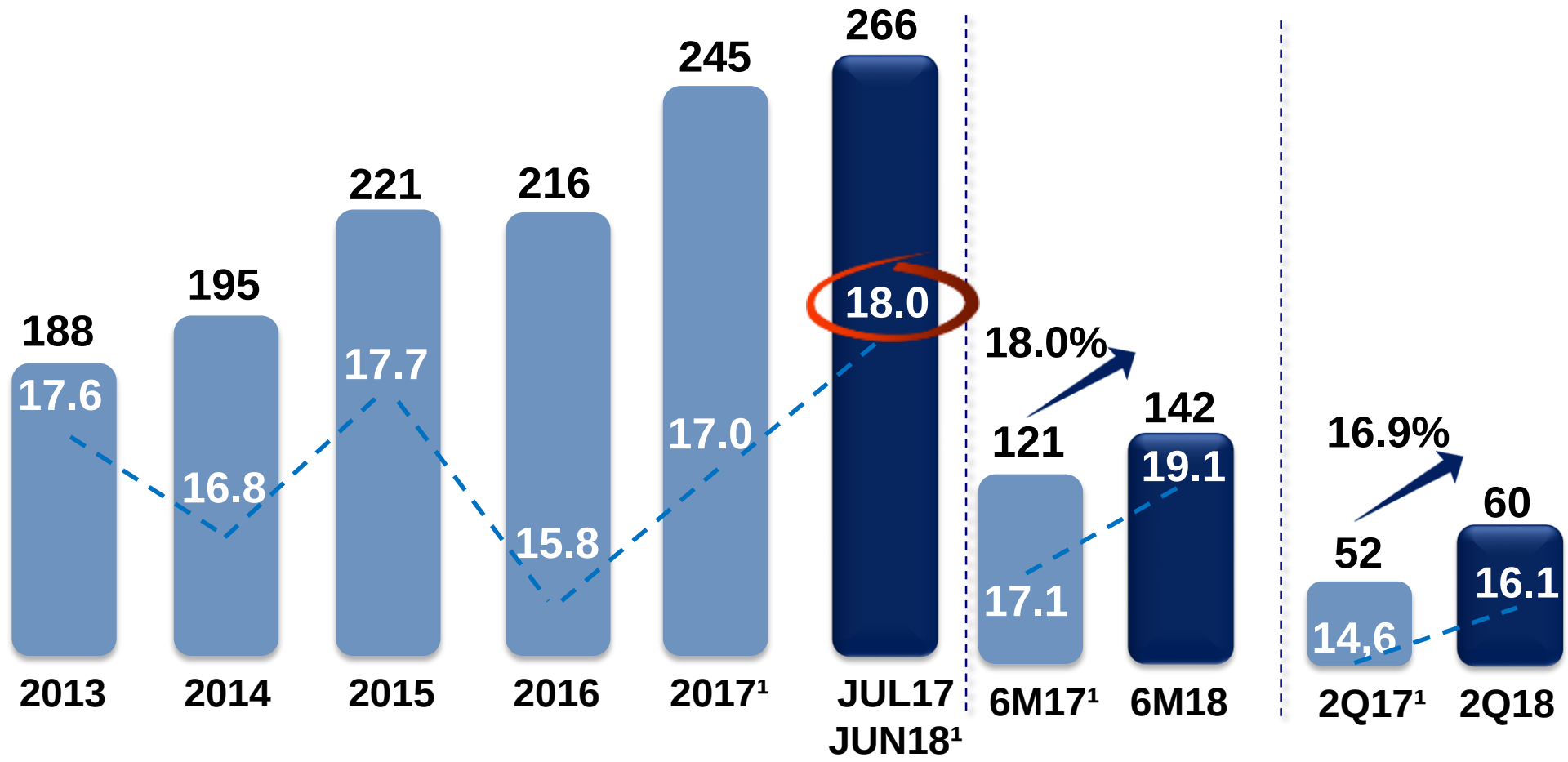
R$ million



OdontoPrev

Net Income and net margin

R$ million and % Sales

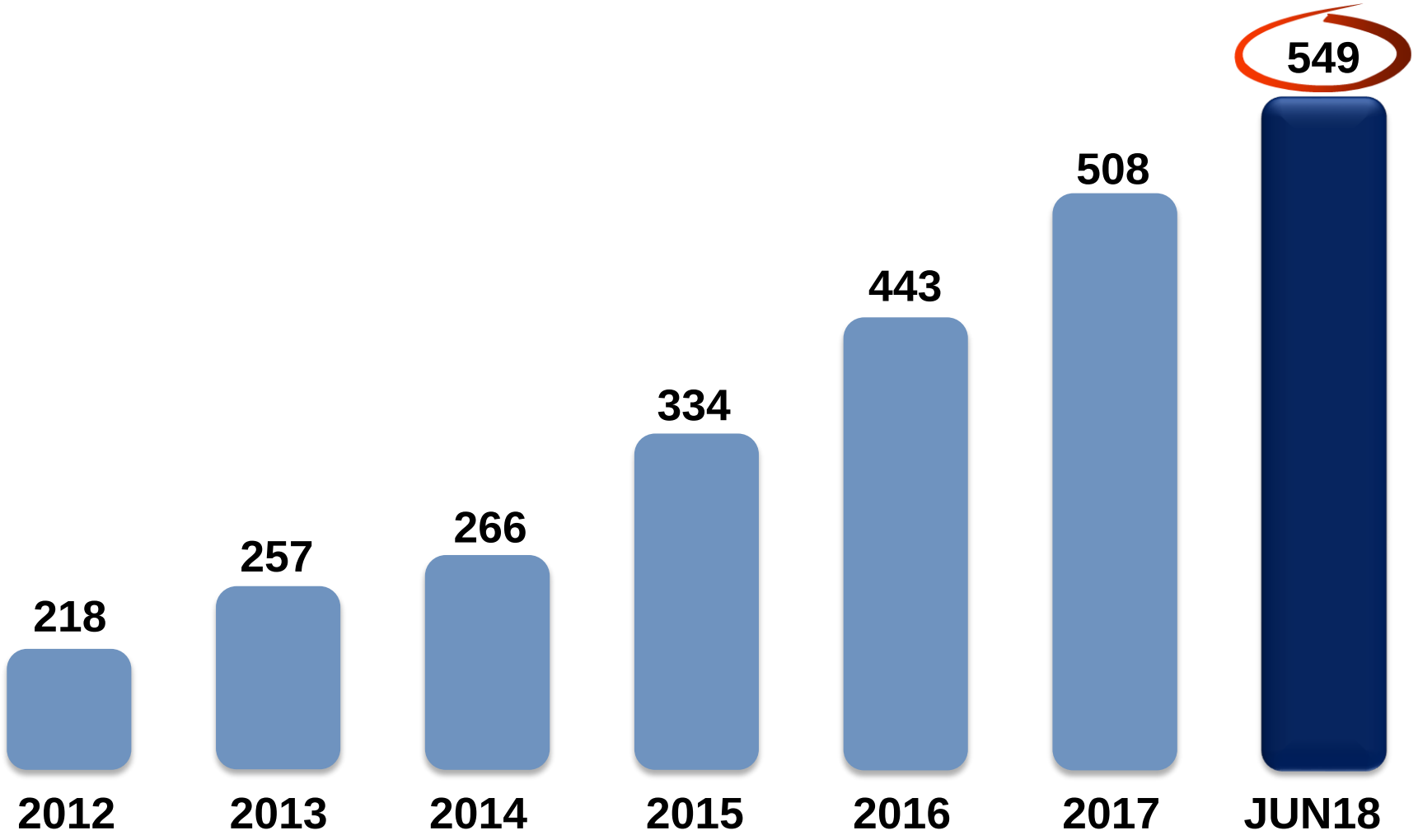


¹ Excludes Bradesco Dental and OdontoPrev INSS

OdontoPrev

Net cash

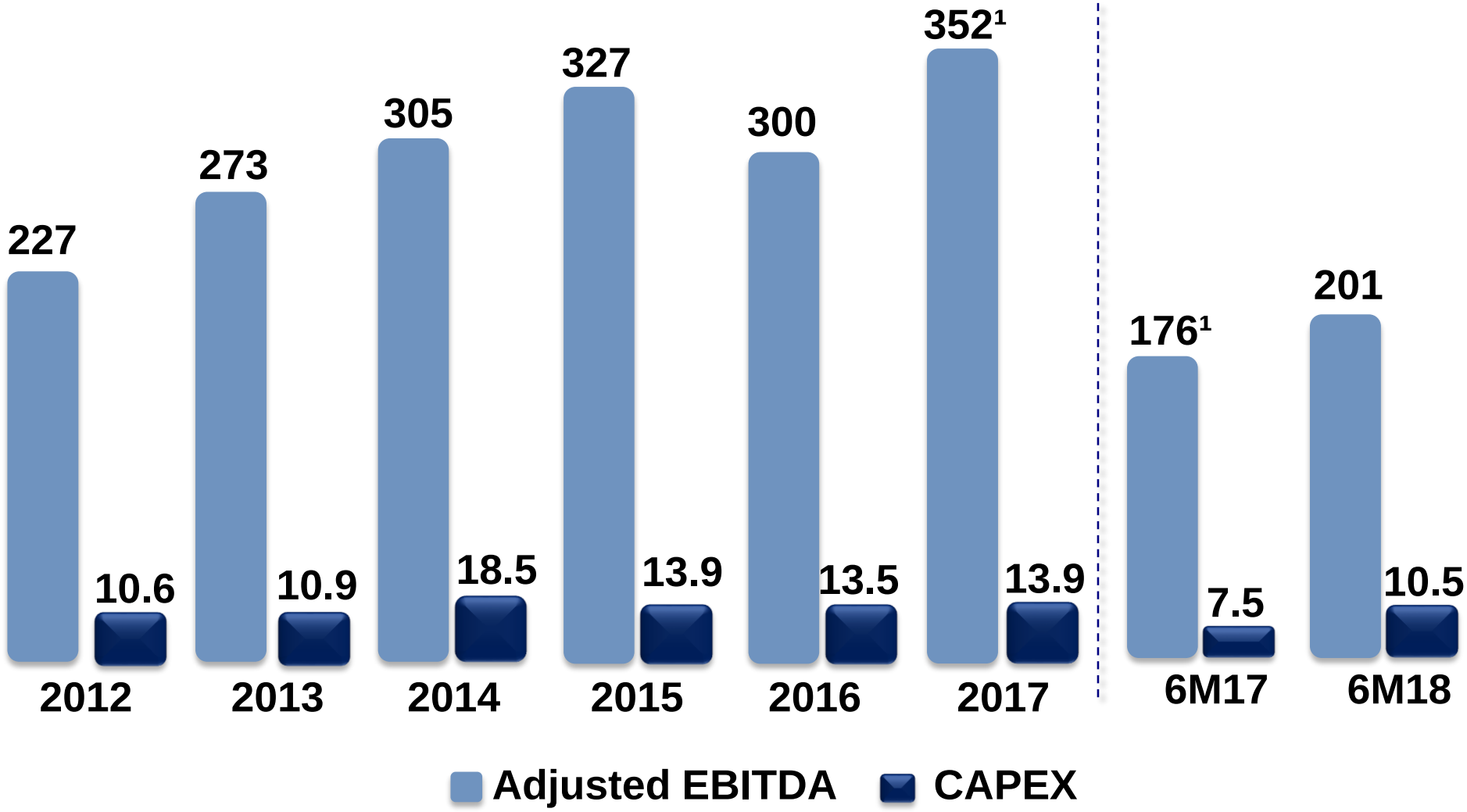
R$ million



OdontoPrev

Capex: low portion of adjusted EBITDA

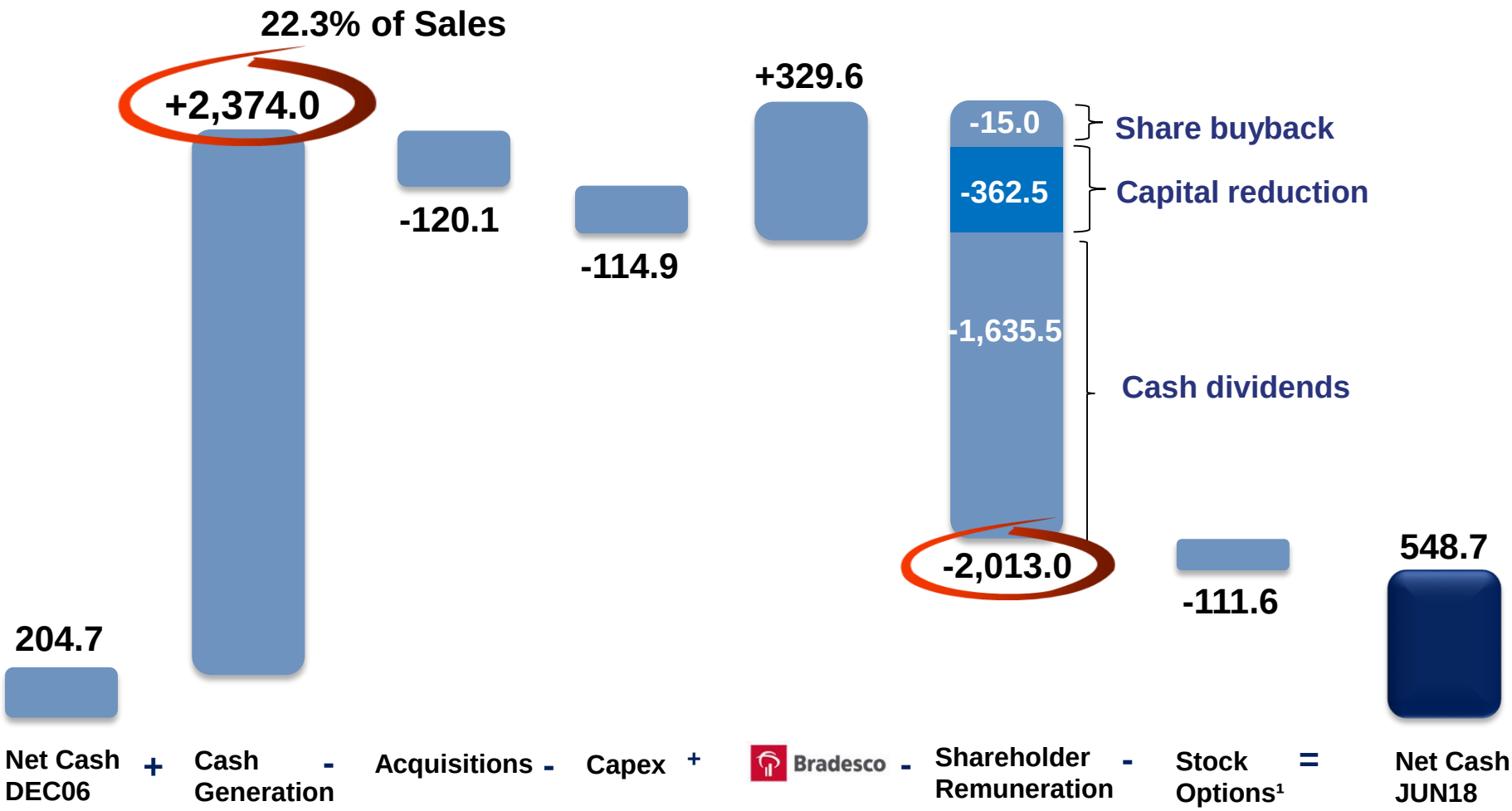
R$ million



[1] Excludes Bradesco Dental and OdontoPrev INSS

Cash flow since the 2006 IPO

R$ million



¹ Share repurchase related to Stock Options Plan

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Acquisition of Odonto System : EGM on 08/06/18

- Dental-only player, #3 player in the Northeast region
- 622K beneficiaries: 65% corporate / 35% non-corporate.
- 9x 2017 adjusted EBITDA (R$199 million) + 2018 and 2019 earn-out;
- Central Bank, ANS and Anti-trust approvals, with no restrictions.
- EGM on 08/06/18.

Feedback from the Street

Morgan Stanley

“One of the world’s best emerging markets business models”

Santander

“We continue to view OdontoPrev as the best business model in the healthcare segment, combining a high return and cash-flow-generation profile.”

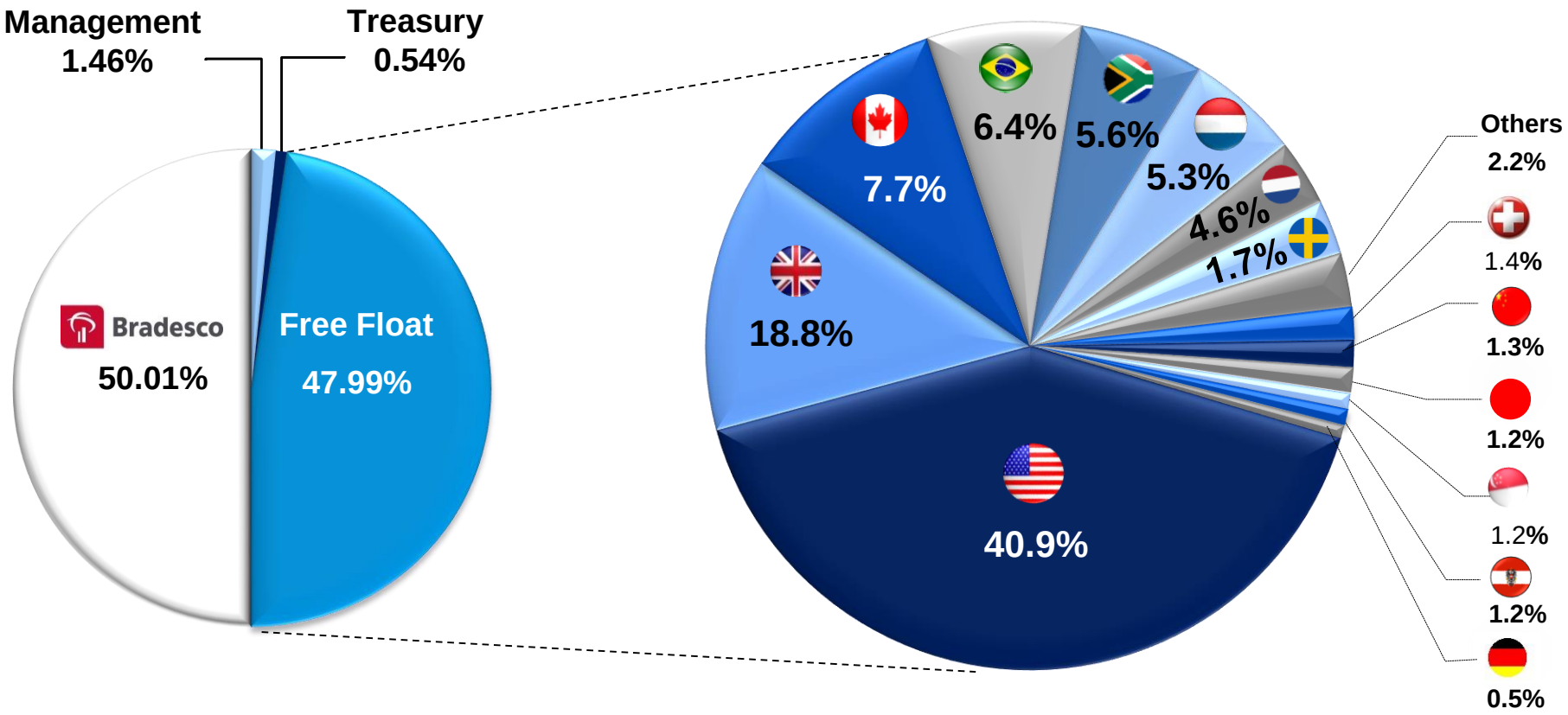
The only Company in LatAm with an IT competitive advantage

UBS

“Strong fundamentals stand out on current environment. We believe that high multiples are supported by: 1) strong FCF generation; 2) balance sheet with no debt; 3) dividend yield and 4) high earnings visibility.”

Global shareholder structure: investors from 33 countries

JUNE18



Total Capital

531,294,792 Shares

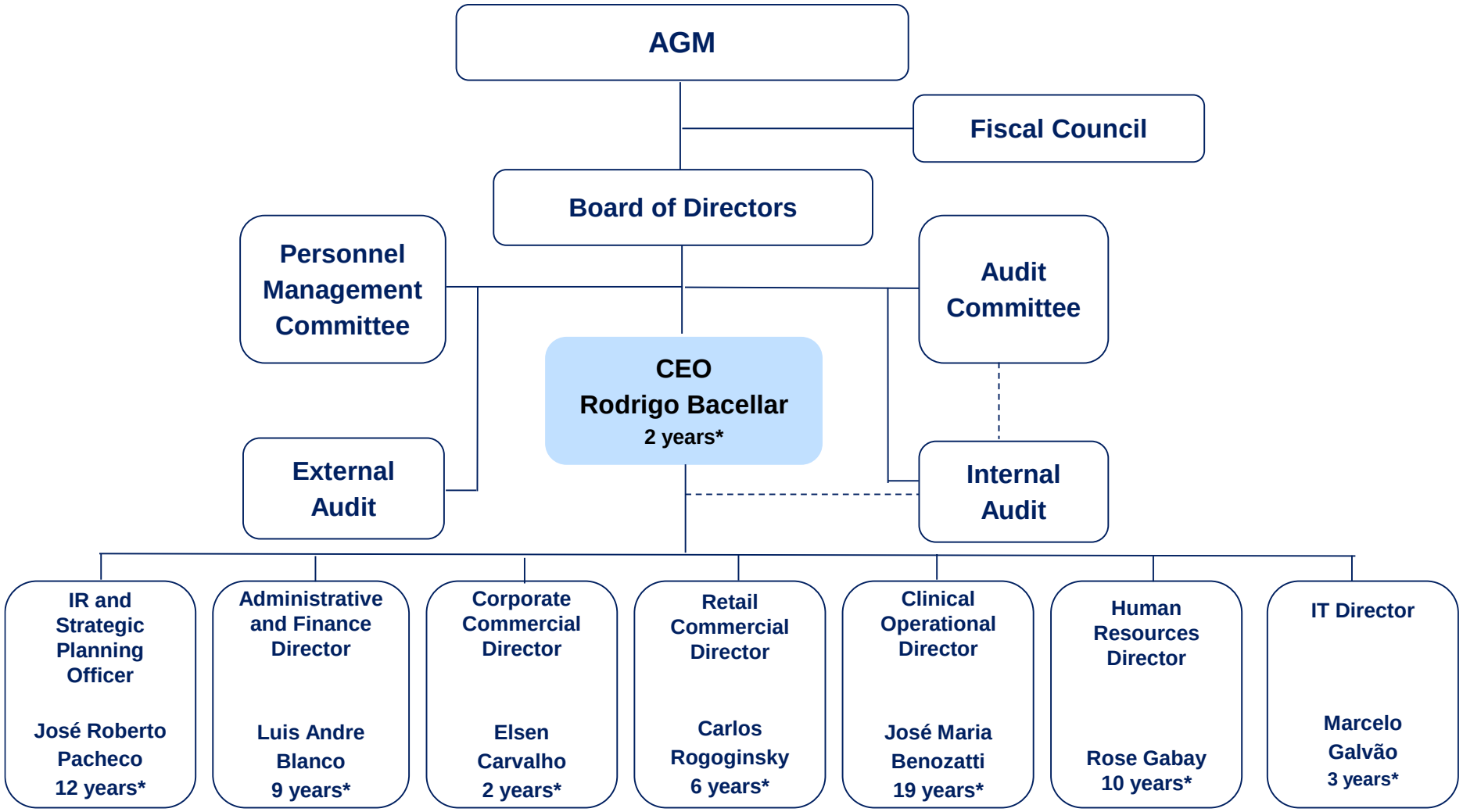
48% *Free float*

254,999,114 Shares

Source: OdontoPrev

OdontoPrev

Corporate Governance and professional management team



* Number of years at OdontoPrev

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Key metrics for management's compensation

Quantitative goals

- Revenue
- EBITDA (R$)
- Number of members

Perception Studies

- Beneficiaries
- Dentists
- HR managers
- Quality of services

Upcoming IR events

Date	Country	Broker	Event
Aug 7, 2018		Santander	Santander Brazil Trip - São Paulo
Aug 22, 2018		J.P.Morgan	JP Morgan 12th Healthcare Check-Up - São Paulo
Sep 10-12, 2018		Morgan Stanley	Morgan Stanley LatAm Conference - London
Sep 13, 2018		HSBC	NDR HSBC - London
Sep 18, 2018		UBS	UBS VII Healthcare Day - São Paulo
Oct 24, 2018			3Q18 Earnings Release
Oct 25, 2018			3Q18 Webcast
Oct 26, 2018		Credit Suisse	Investor Presentation - São Paulo
Nov 13-14, 2018		Bradesco	Bradesco 8th Annual CEO Forum - New York
Nov 19-20, 2018		Itaú BBA	Itaú BBA's 11th LatAm Conference - London
Nov 21, 2018		Itaú BBA	NDR - Itaú BBA
Nov 28-30, 2018		J.P.Morgan	JP Morgan Brazil Opportunities Conference - São Paulo
Jan 07-08, 2019		J.P.Morgan	JP Morgan Global Healthcare Conference - San Francisco

Why OdontoPrev?



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Available on the App Store : OdontoPrevIR

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Torre II / Edifício Jatobá / 14th floor
Barueri, São Paulo, Brazil
06460-040

Custodian & Market Maker	Independent Auditors	B3 Ticker
Bradesco	pwc	ODPV3 NOVO MERCADO BM&FBOVESPA

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