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The healthcare of your smile

Corporate Presentation 2Q16 & 1H16

New growth cycle and value innovation

ODPVY
OTCMarkets
ADR - Level I

MSCI

UN Global Compact
Rede Brasil

PNUD
Empoderando vidas.
Fortalecendo nações.

10 YEARS
IPO
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MSCI
2015 Constituent
MSCI Global
Sustainability Indexes

IR magazine
Award winner
Brazil 2015

ODPV3
NOVO
MERCADO
BM&FBOVESPA

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The information contained in this presentation concerning market estimates. The Brazilian dental and healthcare industry and our participation in it as well as our position in relation to our competitors was obtaine from established public sources including the ANS, the Ministry of Health (Ministério da Saúde) and other market sources. We consider these sources to be reliable but we have not independently verified the competitive position market share production and market size market growth data and other market estimates and therefore cannot provide any assurances regarding the accuracy and completeness of the information contained therein.

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2 Inside OdontoPrev: competitive advantages

3 Financial and Operational Performance

4 Working for the future

5 Capital Markets

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Dental benefits:

an incipient sector in Brazil

1

Brazilian dental care: national figures

74%

of the dental treatments occur at private clinics

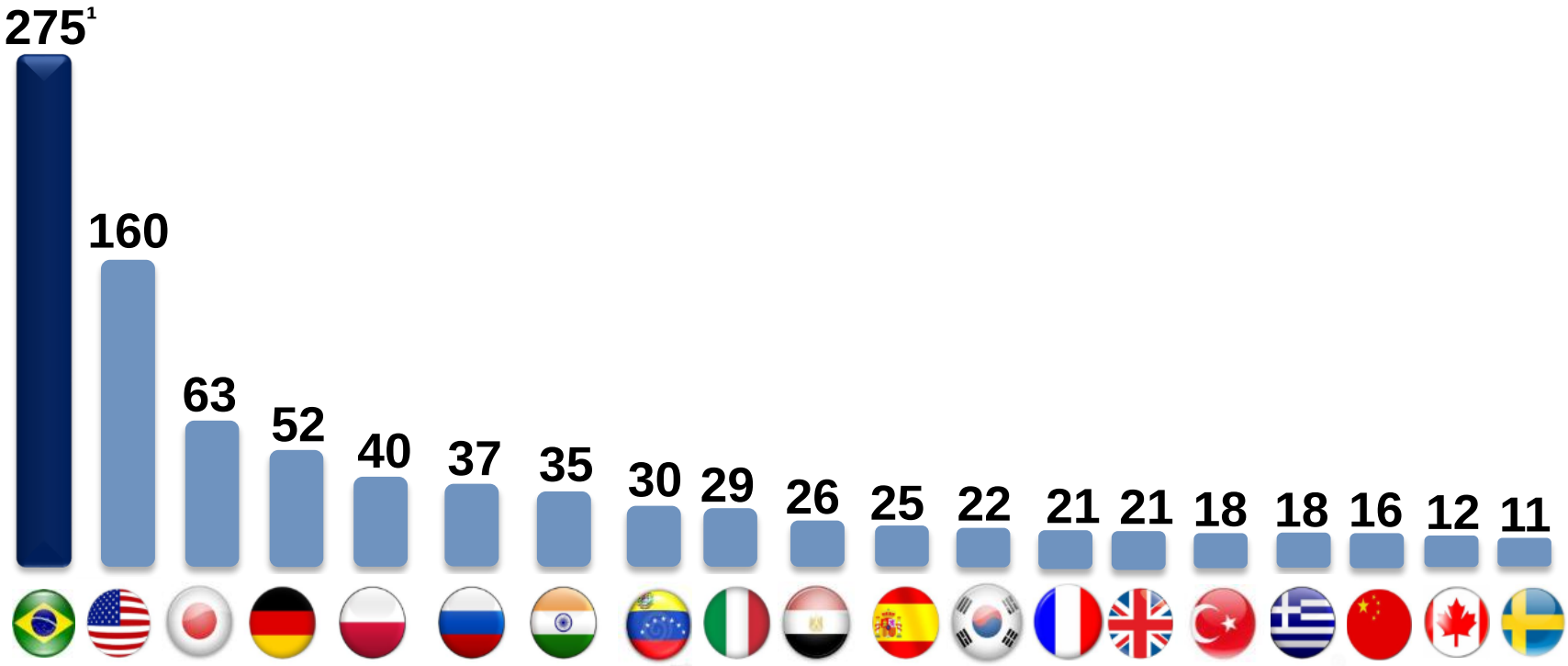


Source: IBGE (National Bureau of Statistits) – 2013 National Health Care Survey

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Brazil leads the global ranking of dentists

Number of dentists per country (thousand)



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

[1] Federal Council of Dentistry – Brazil (June 2016)

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Dental plans in Brazil

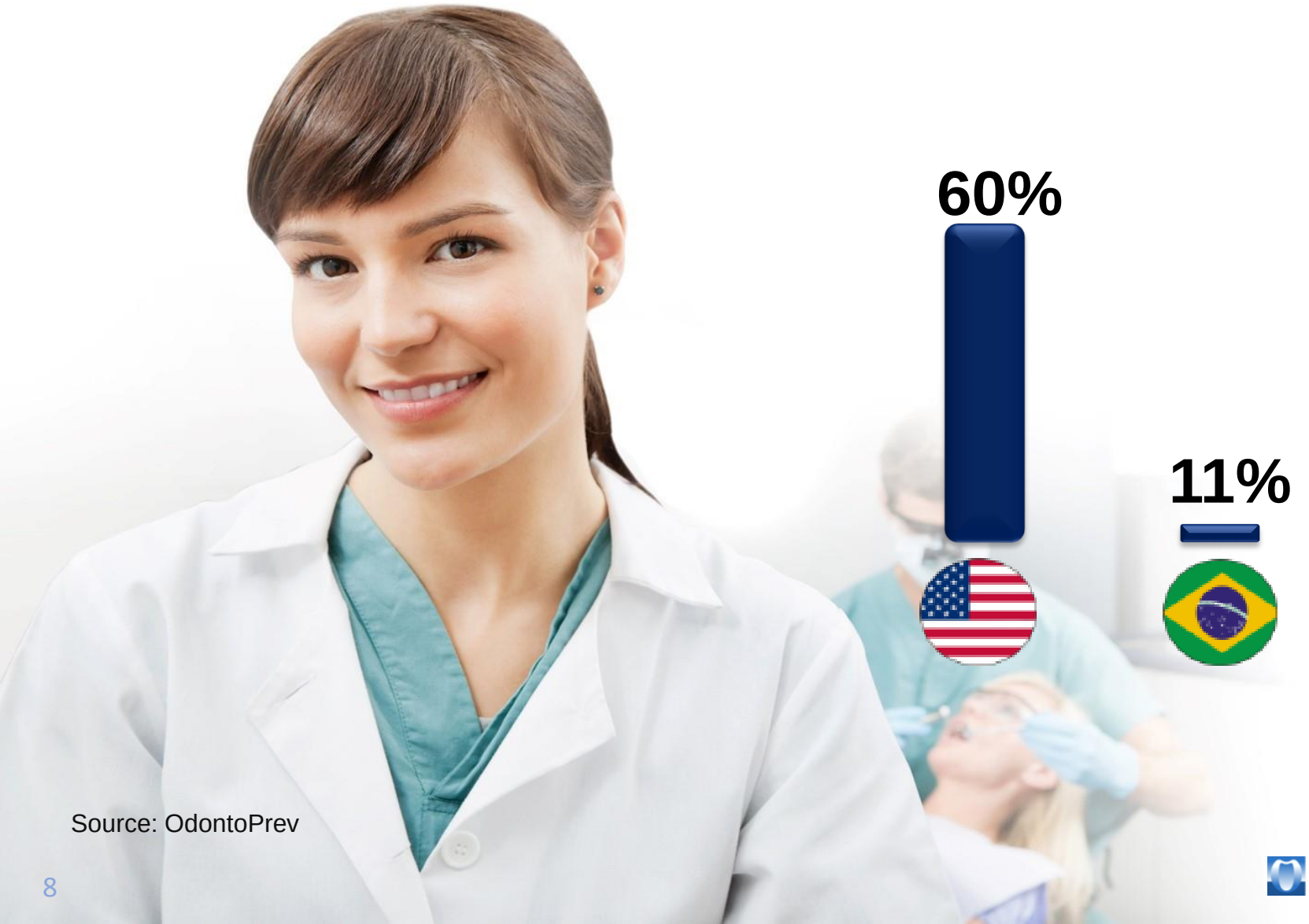
19 Million people became dental plan members in the last **15** years

22 Totaling today million beneficiaries

Source: ANS

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Dental plans penetration in relation to population



Source: OdontoPrev

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Formal jobs in Brazil

21 **Million people work for large corporations**



Dental plan penetration

+50%

Source: Annual List of Social Information - Ministry of Labour

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SME´s and Individual Plans: a blue ocean

28

Million people work for

Small and Medium Enterprises

Dental plan penetration

<5%



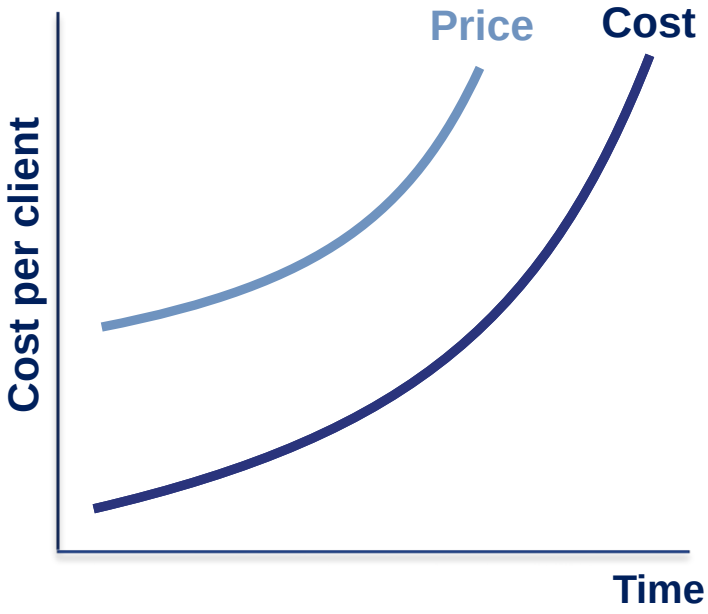
Source: Annual List of Social Information - Ministry of Labour

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Attractive cost dynamics

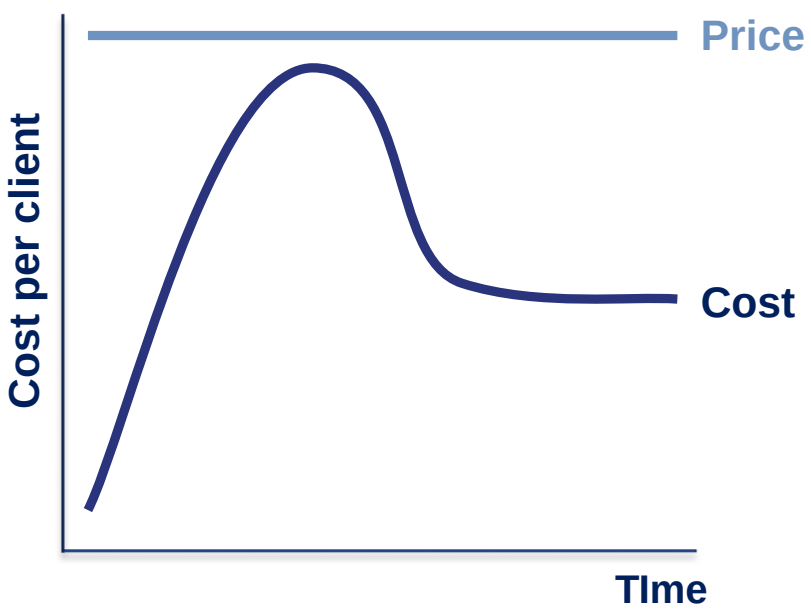
Over time, OdontoPrev Dental Plans present a predictable …

Medical Plans



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

OdontoPrev Plans



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

… and more attractive cost profile than Medical Plans.

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OdontoPrev Prepaid Business Model

- **High predictability of cash flow**
- **No working capital need**
- **Low CAPEX need**

Positive cash flow generation every day



Inside OdontoPrev:

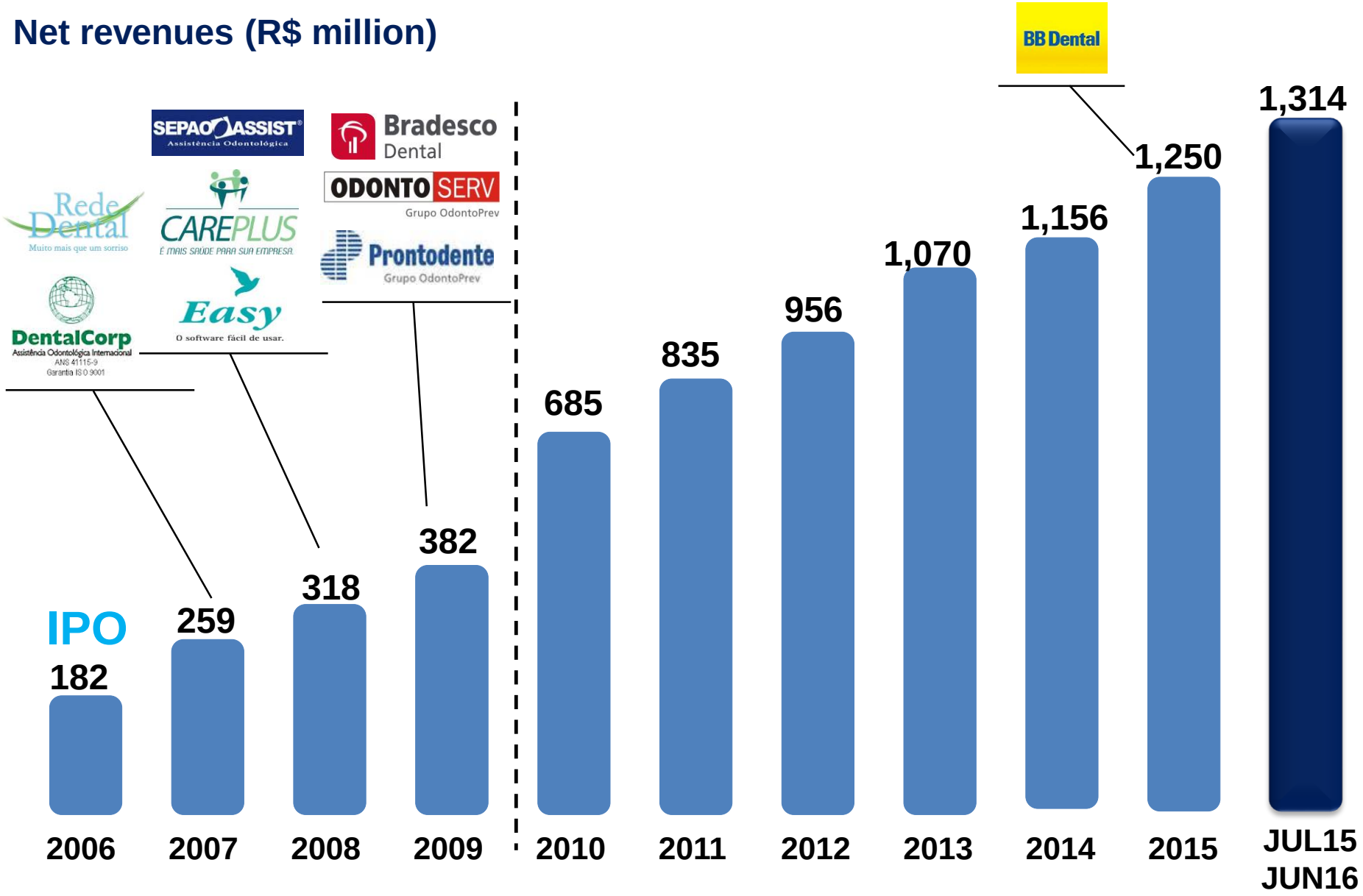
Strategic competitive advantages

2



OdontoPrev: 9 years of sustainable value creation since IPO

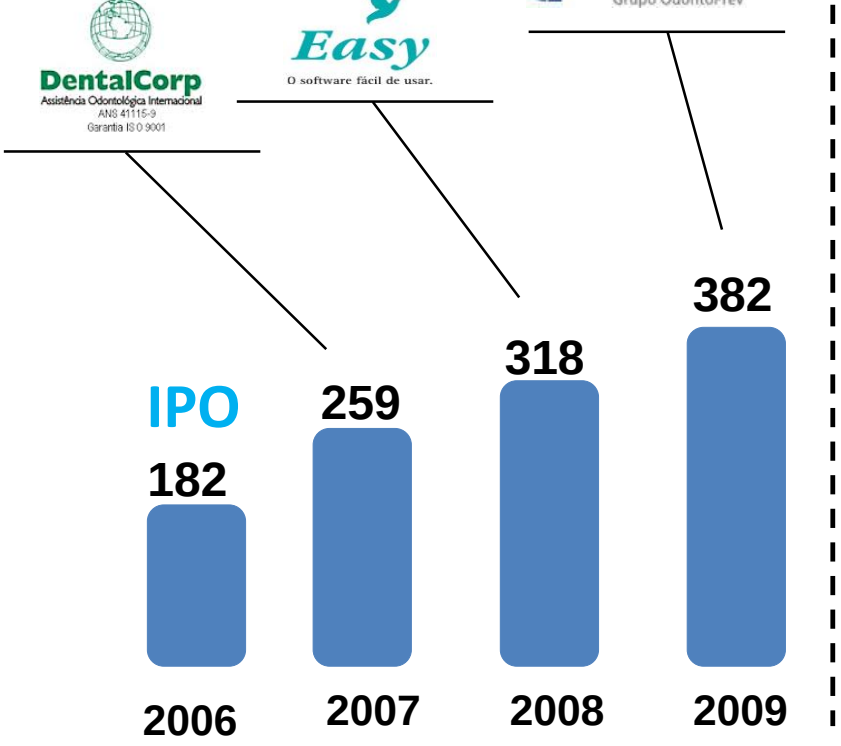
Net revenues (R$ million)



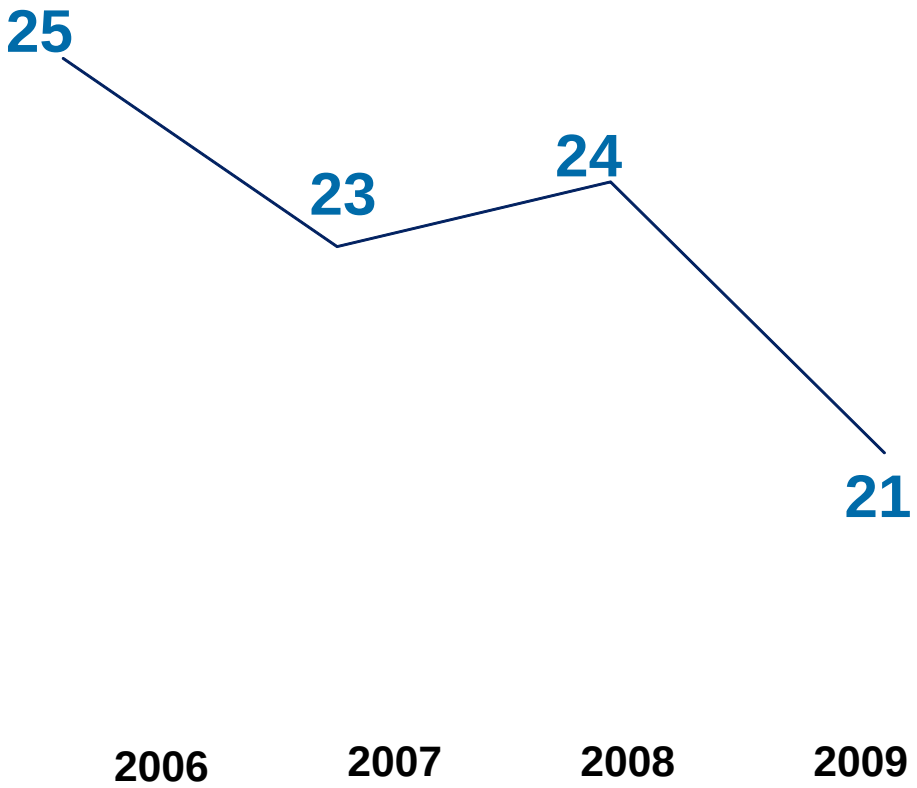
OdontoPrev: 2006-2009 inorganic growth cycle

Net revenues (R$ million)

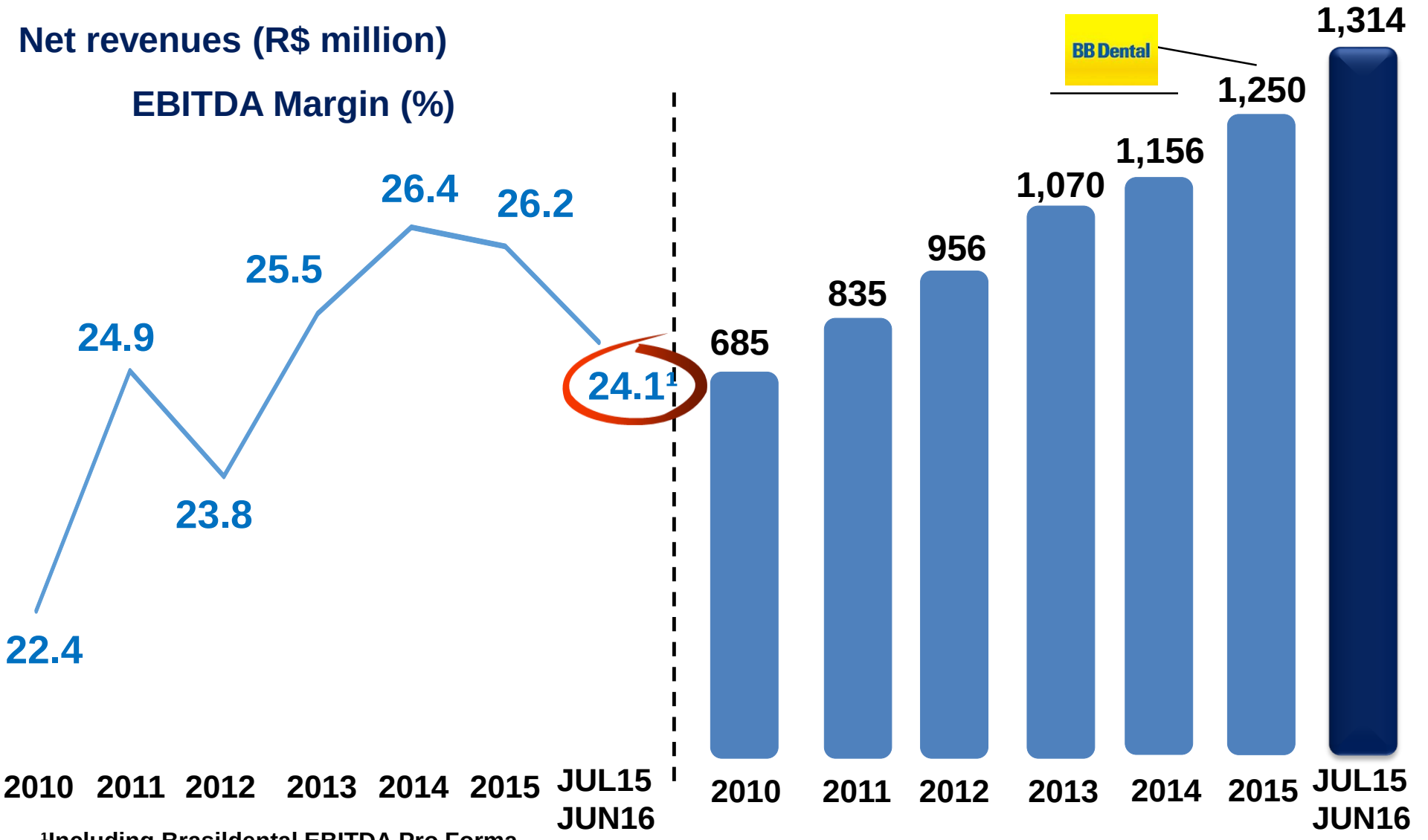




EBITDA Margin (%)



OdontoPrev: organic growth after 2010



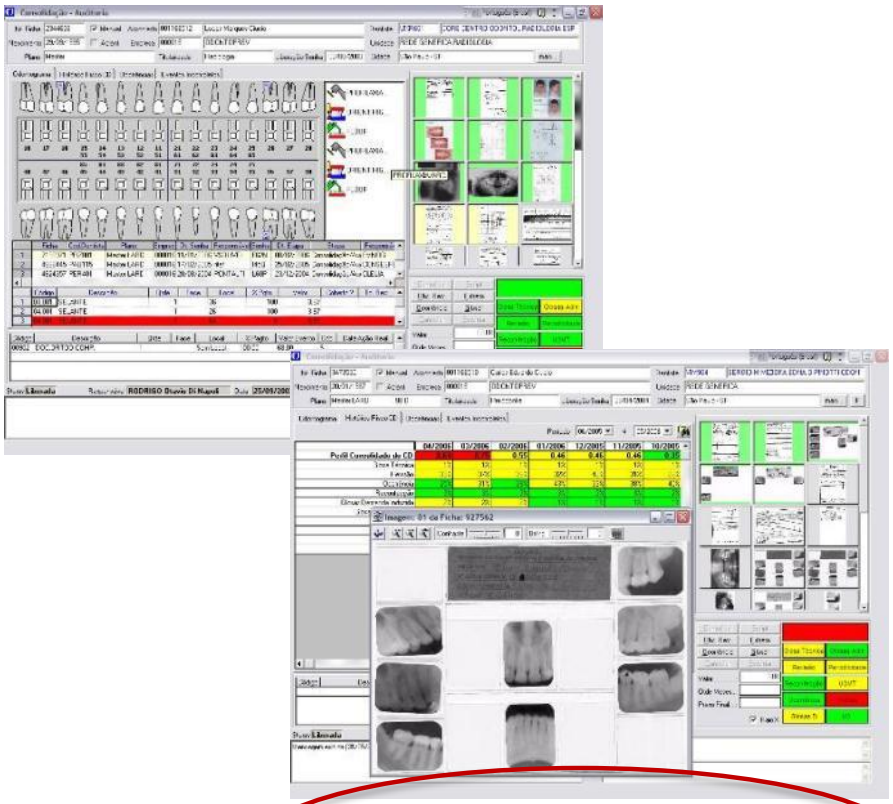
[1]Including Brasildental EBITDA Pro Forma

OdontoPrev and its strategic competitive advantages



Proprietary IT Platform: information-driven decisions





+ Complete dental record of all beneficiaries

+ 28 years of actuarial data

+ Risk Management and fraud prevention

+ Quality assurance

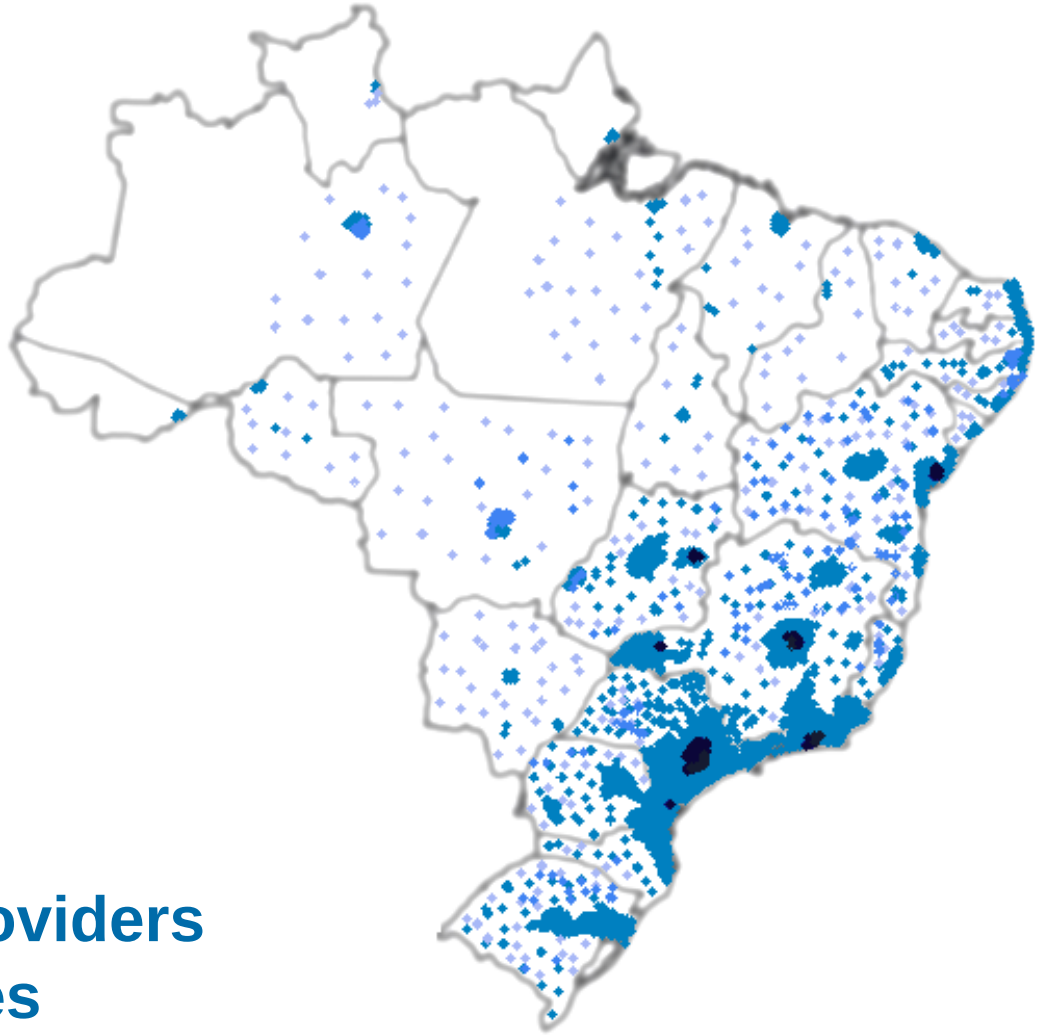
+ Clear barrier to entry

+ Cost control

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Largest and best dentist network

- ✓ National distribution
- ✓ Differentiated academic background
- ✓ Continuous education
- ✓ 24/7 call center



- ✓ 25,000 providers
- ✓ 2,200 cities

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Best in class distribution channels



Direct selling

Bradesco

BANCO DO BRASIL



Bank channels

Brokers



Online selling



Retailers



Medical Plan Organizations

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Banks: strong and committed long-term partners

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The healthcare of your smile

Bradesco + Banco do Brasil

Back-office	**Front-office**
Price maker	**Price takers**
Product design	**Selling**
Customer relationship	**National footprint capilarity**
Dentist network management	**Bank branches and brokers distribution**

The largest bancassurance platforms in Brazil

	Bradesco	Banco do Brasil
Clients	+ 80 million	+ 60 million
National footprint		
Exclusivity		20 years

Source: Bradesco and Banco do Brasil

Bradesco: HSBC acquisition to bring opportunities

HSBC

- **5 million clients**
- **851 branches**
- Losango
  Conte com a gente.

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Innovation-driven organization



Dentist network management



Unique Business Model



Dental business intelligence



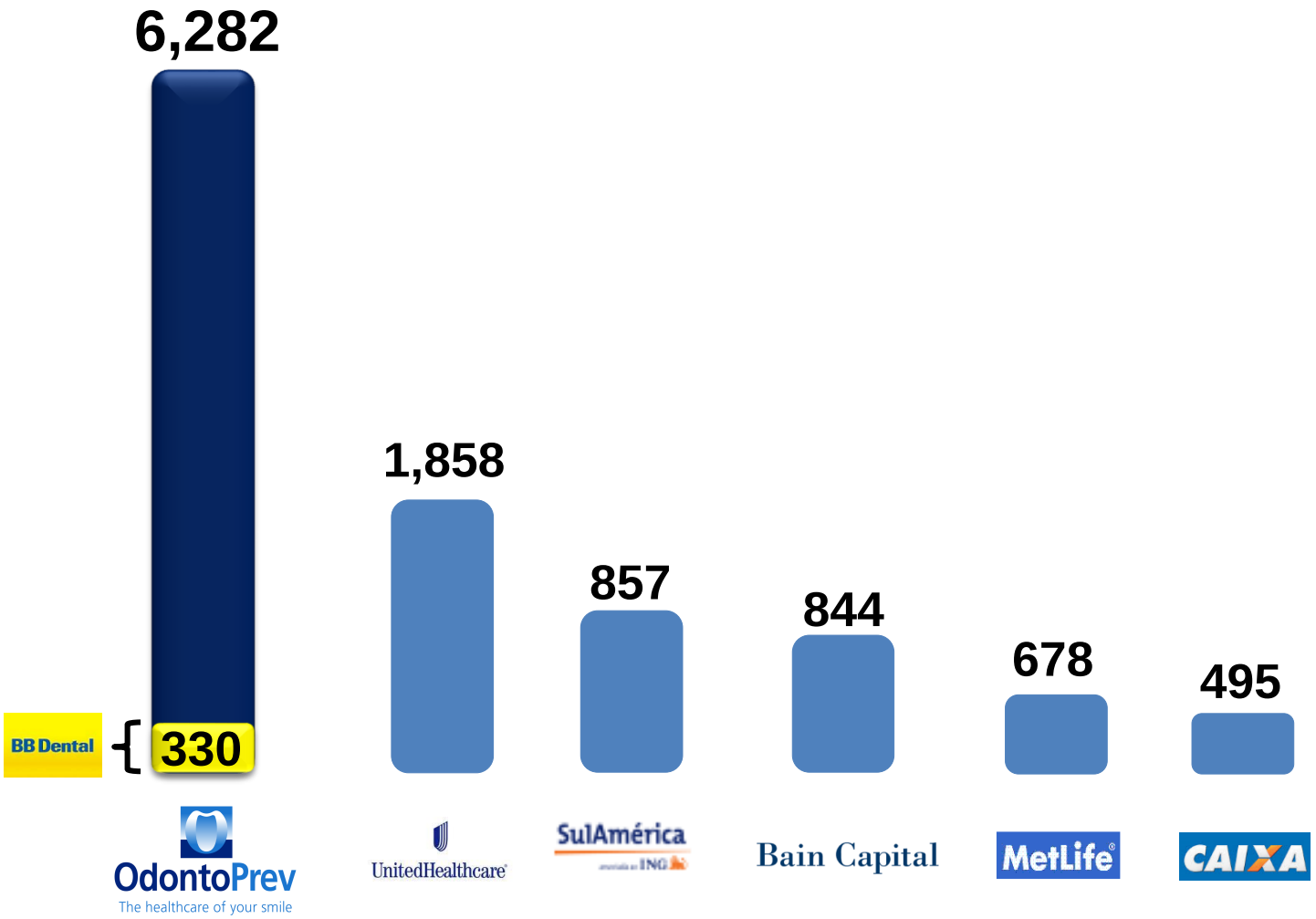
National Footprint



Product diversification

OdontoPrev: Market leadership since the 1990's

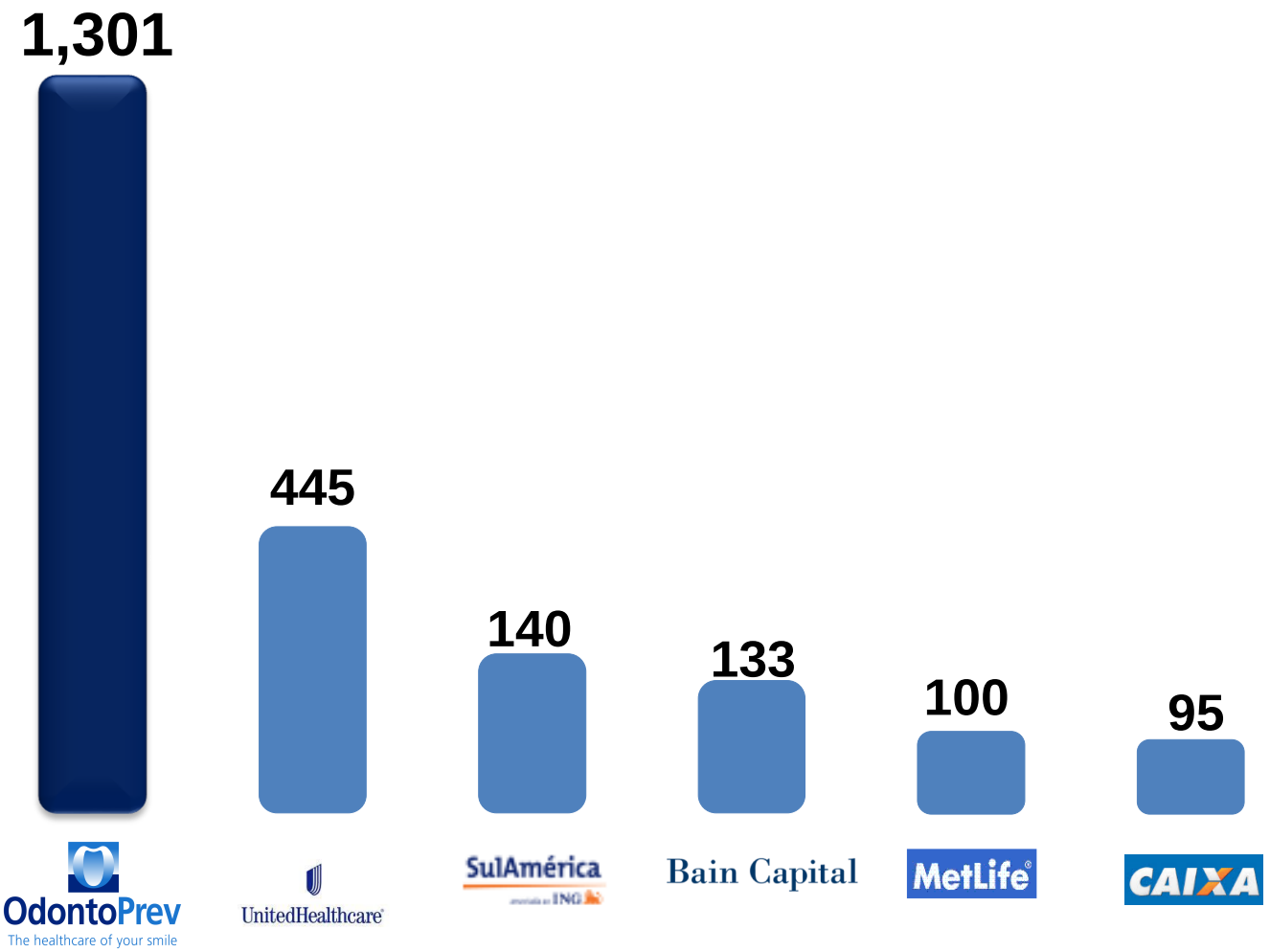
Key players, brazilian dental sector (JUN 2016, thousand members)



Source: OdontoPrev

OdontoPrev: Market leader in Payments, net

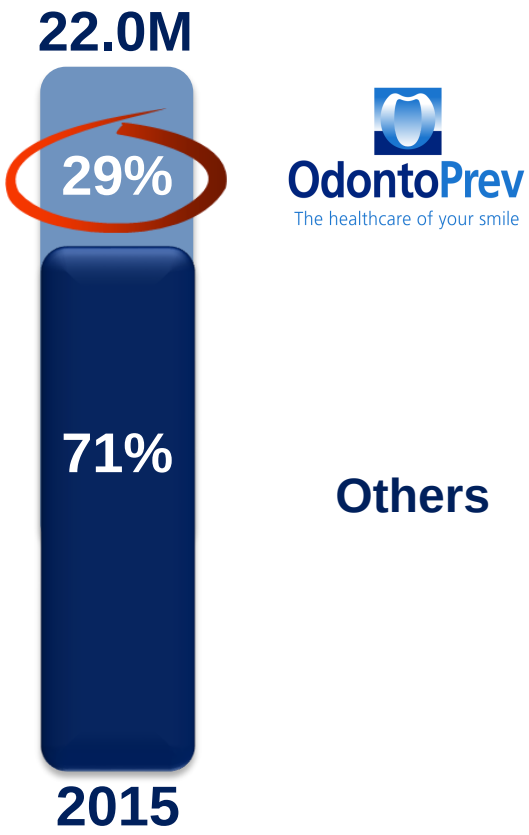
Payments, net in 2015 (R$ million)



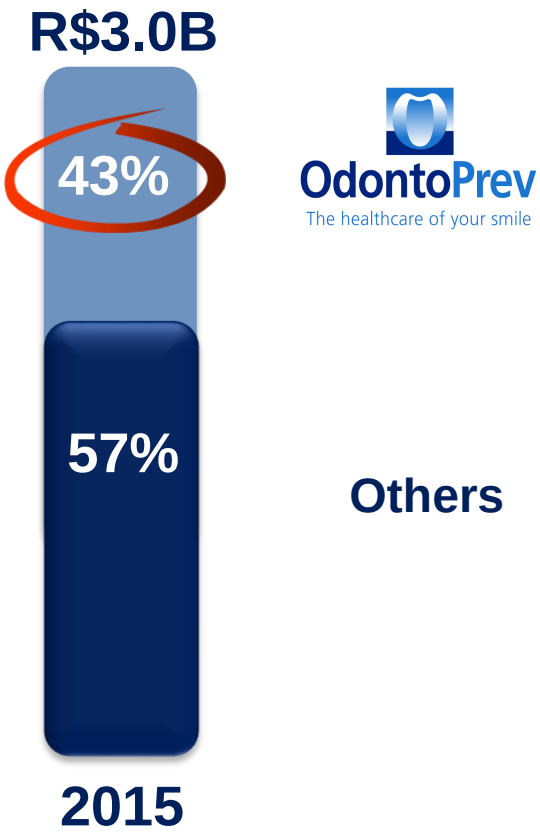
Source: OdontoPrev

OdontoPrev in 2015: 29% of Members and 43% of Revenues

Membership Market share
% of members



Revenues Market Share
% of R$ B



Source: OdontoPrev

OdontoPrev:

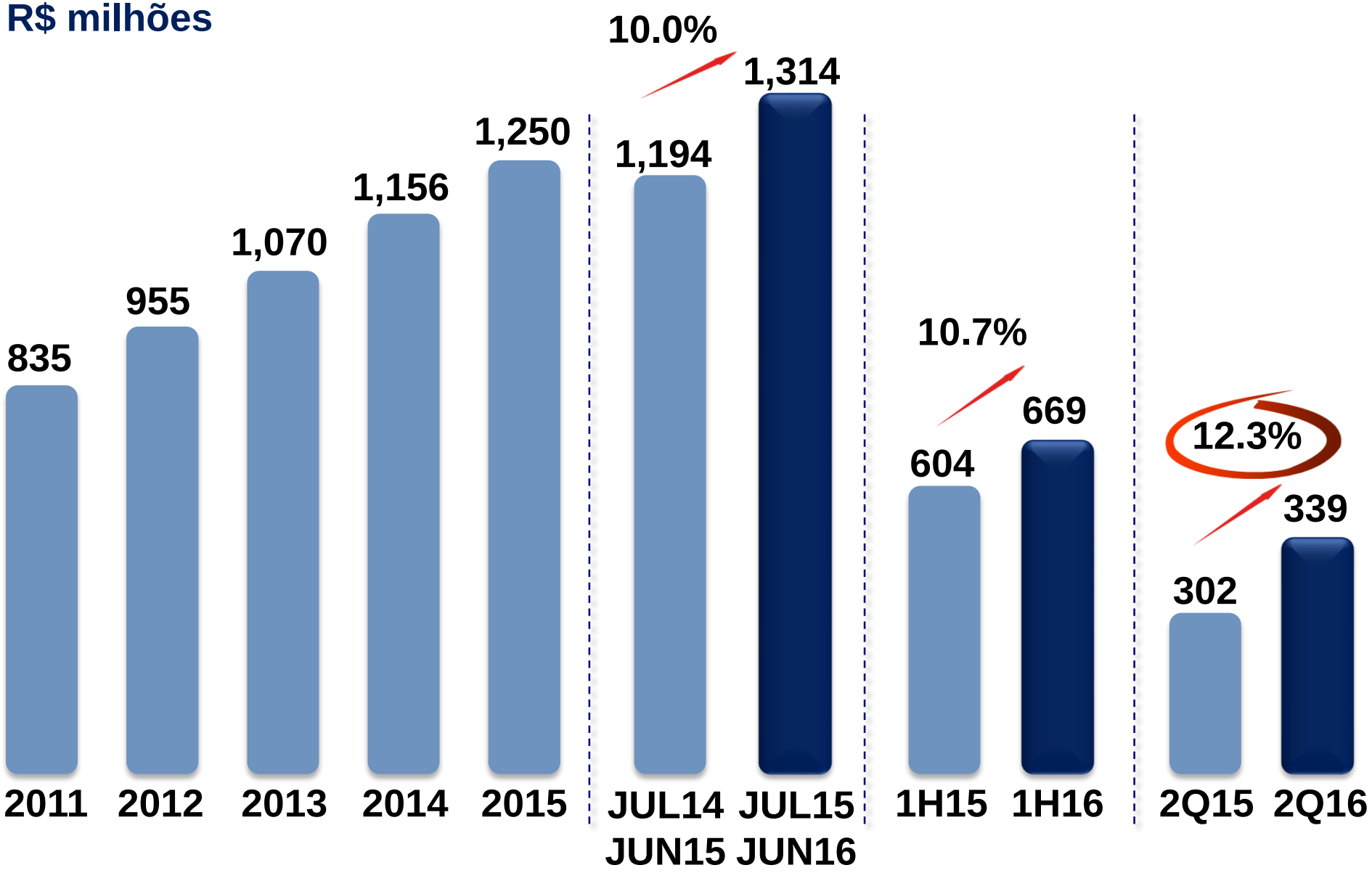
3

Financial and Operational Performance



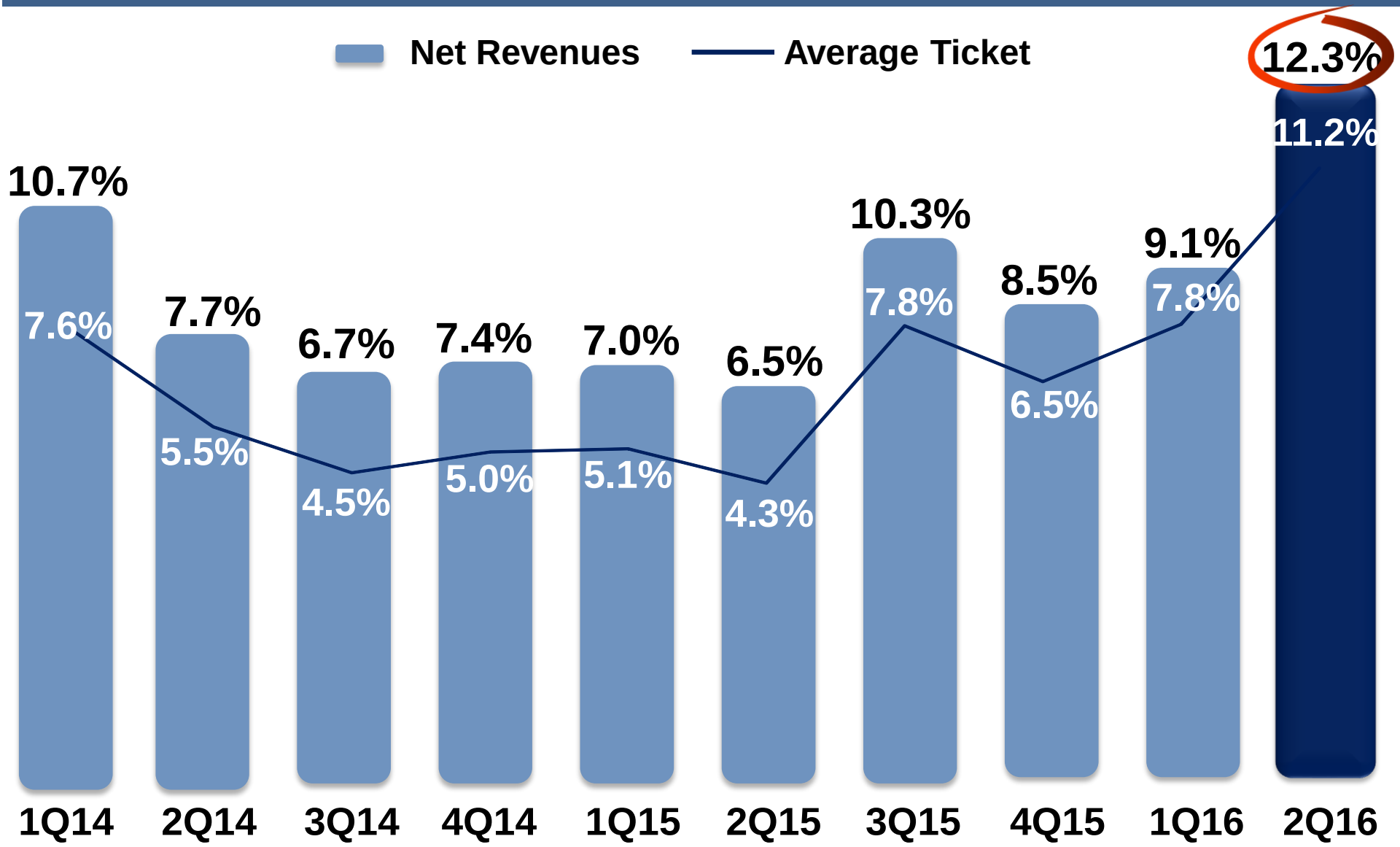
Net Revenues Expansion

R$ milhões



OdontoPrev

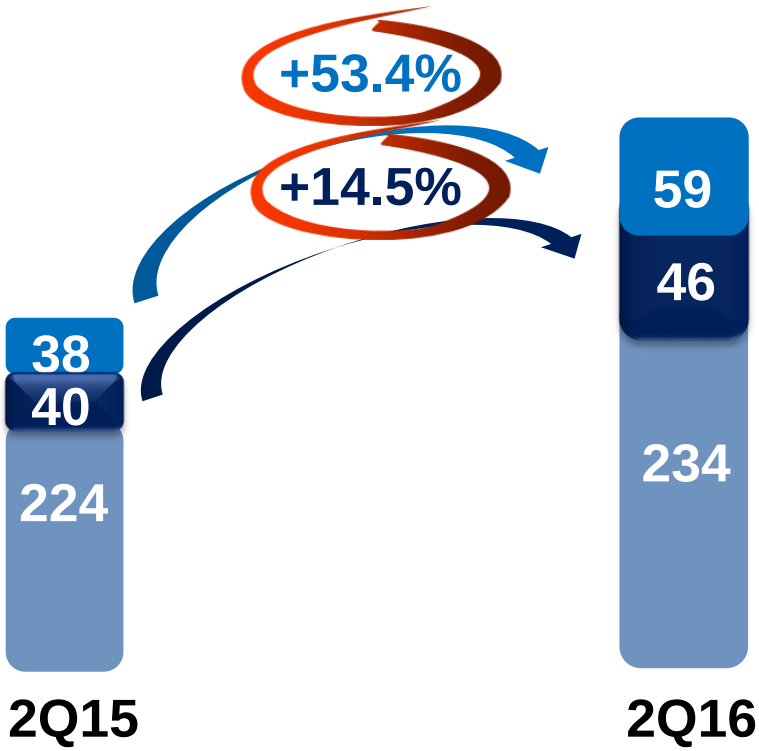
Annual Increase of Net Revenues and Average Ticket (%)



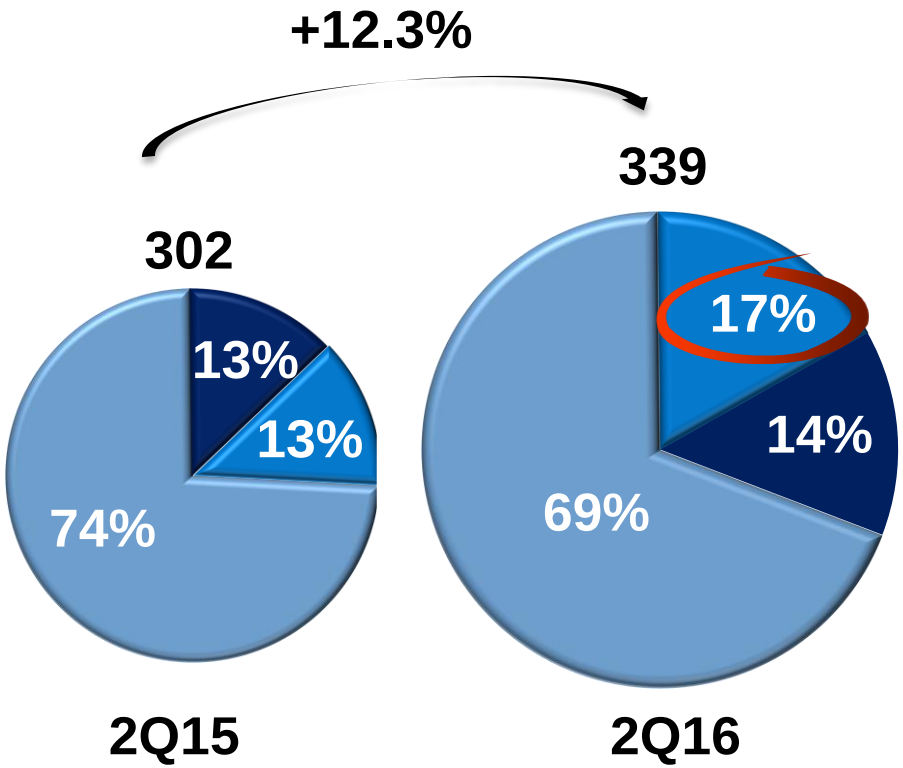
OdontoPrev

Revenues per segment

R$ million



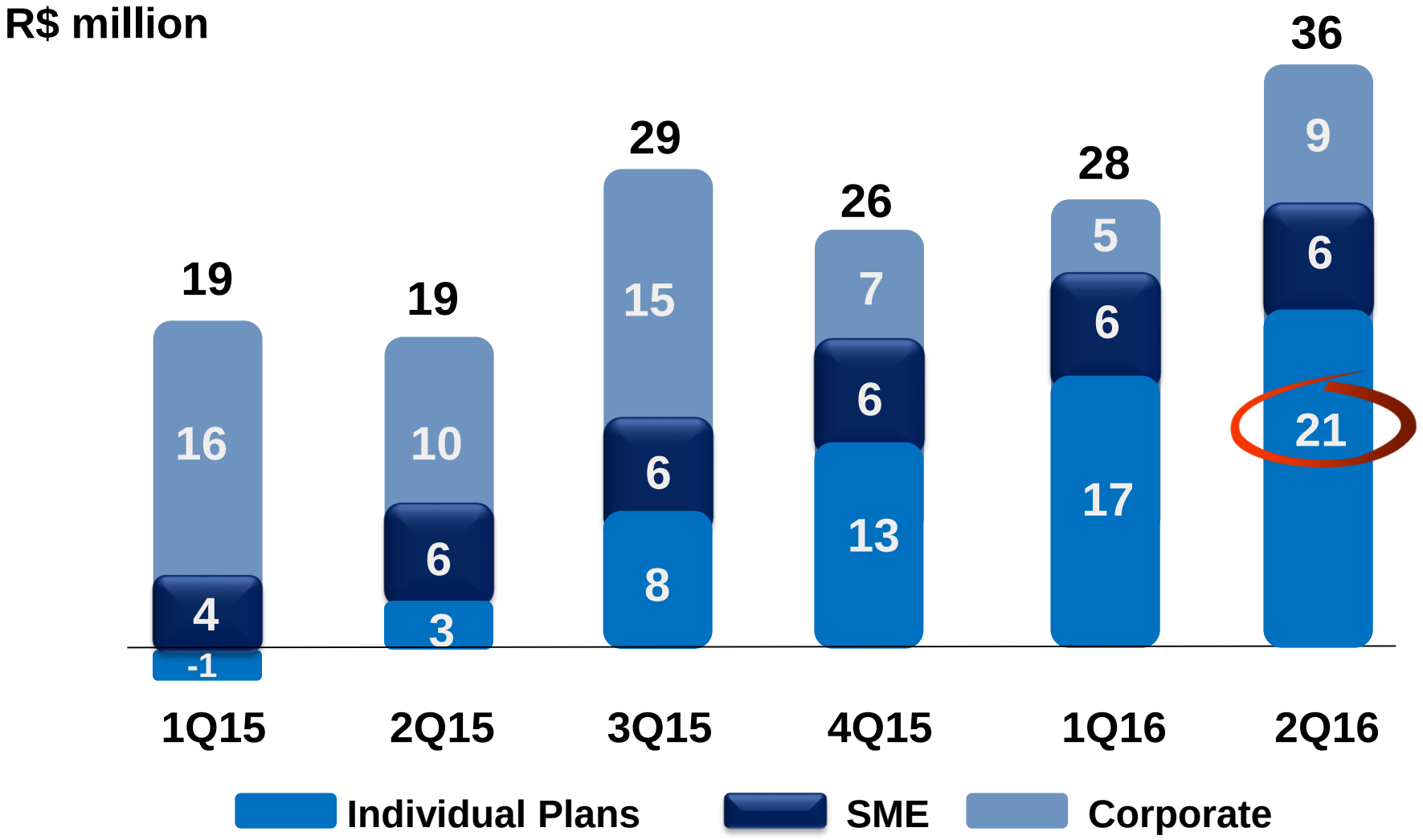
R$ million



Corporate SME Individual Plans

OdontoPrev

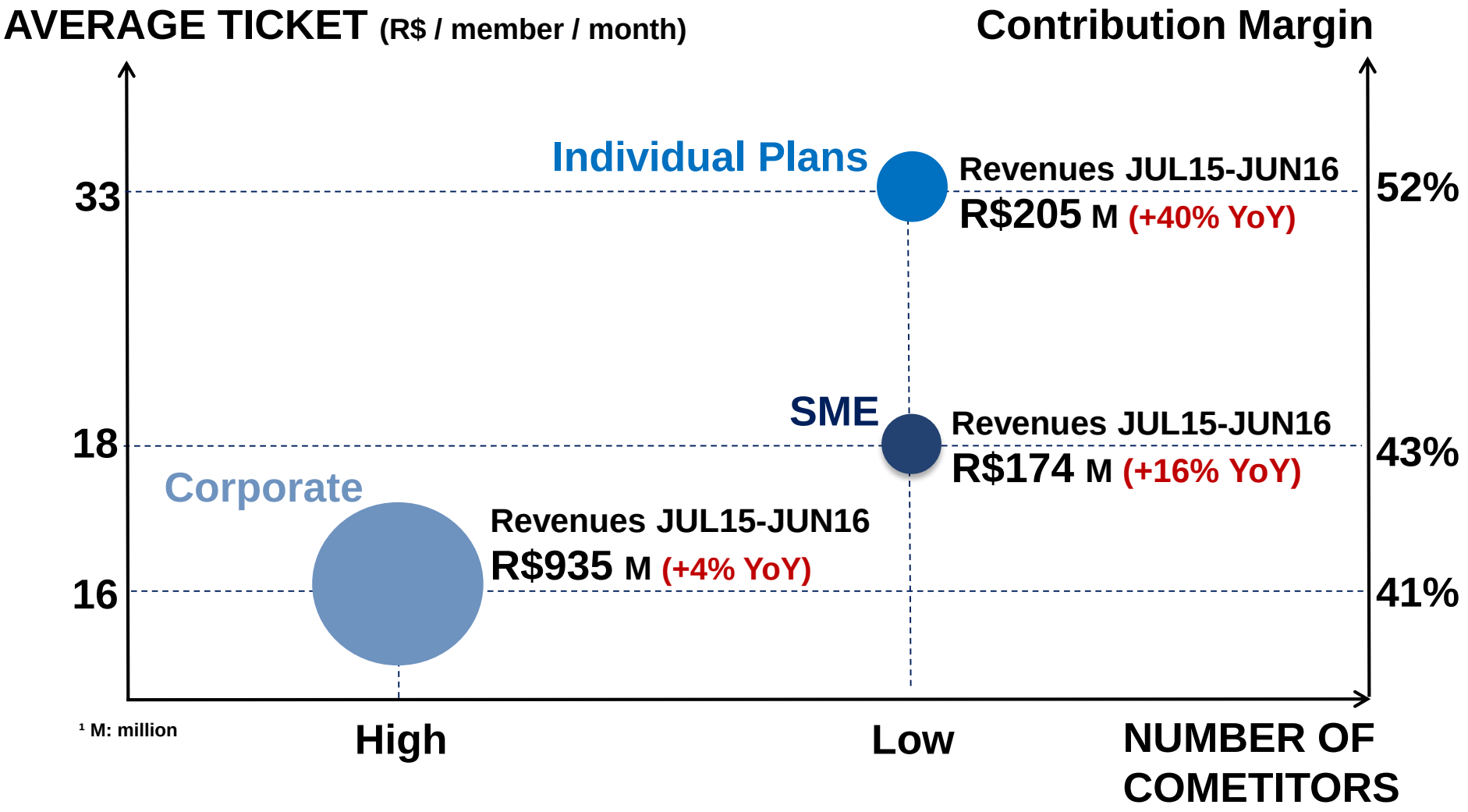
Incremental revenue expansion per segment YoY



OdontoPrev

Average ticket, annual revenues and contribution margin per segment

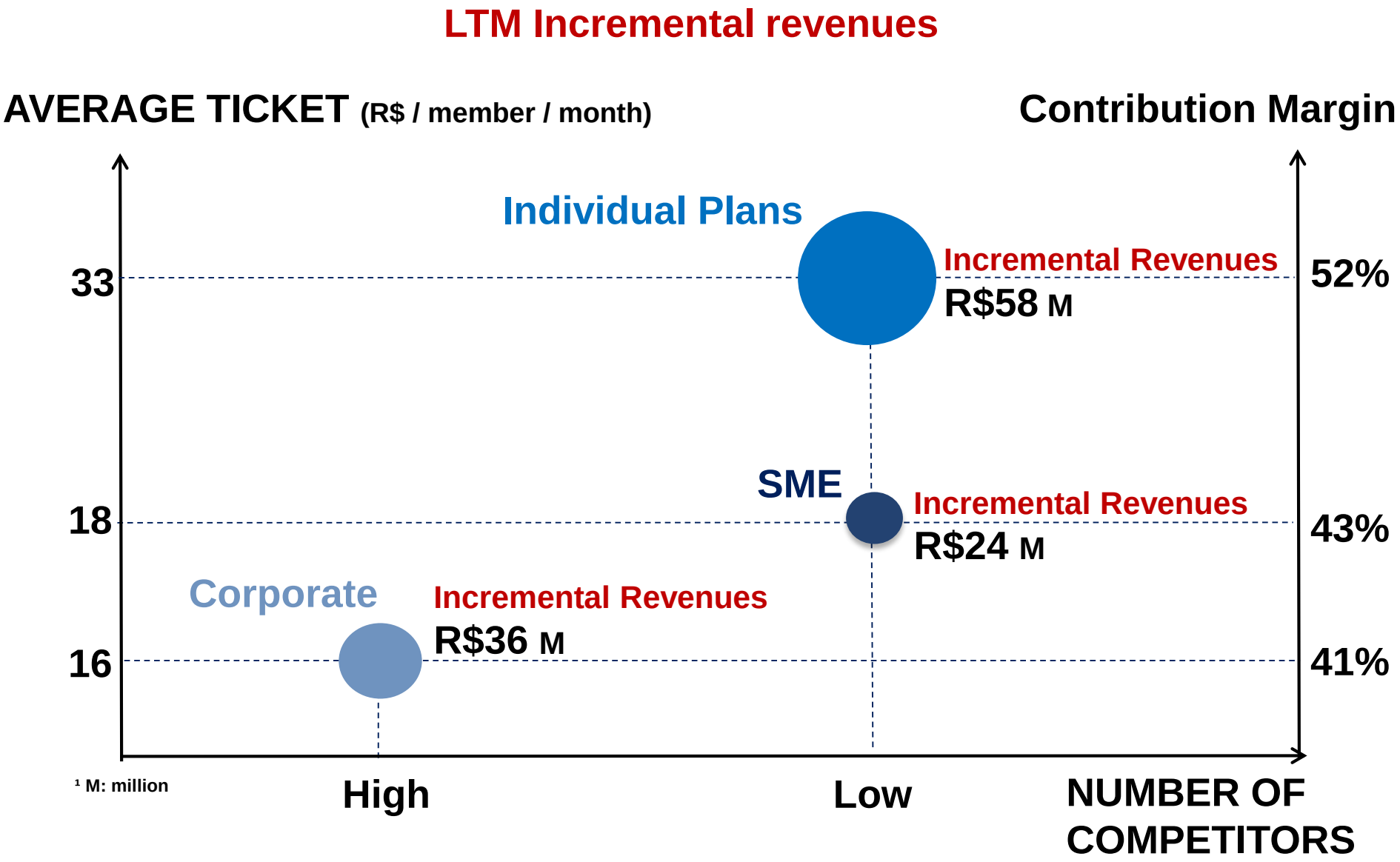
JUL15 - JUN16



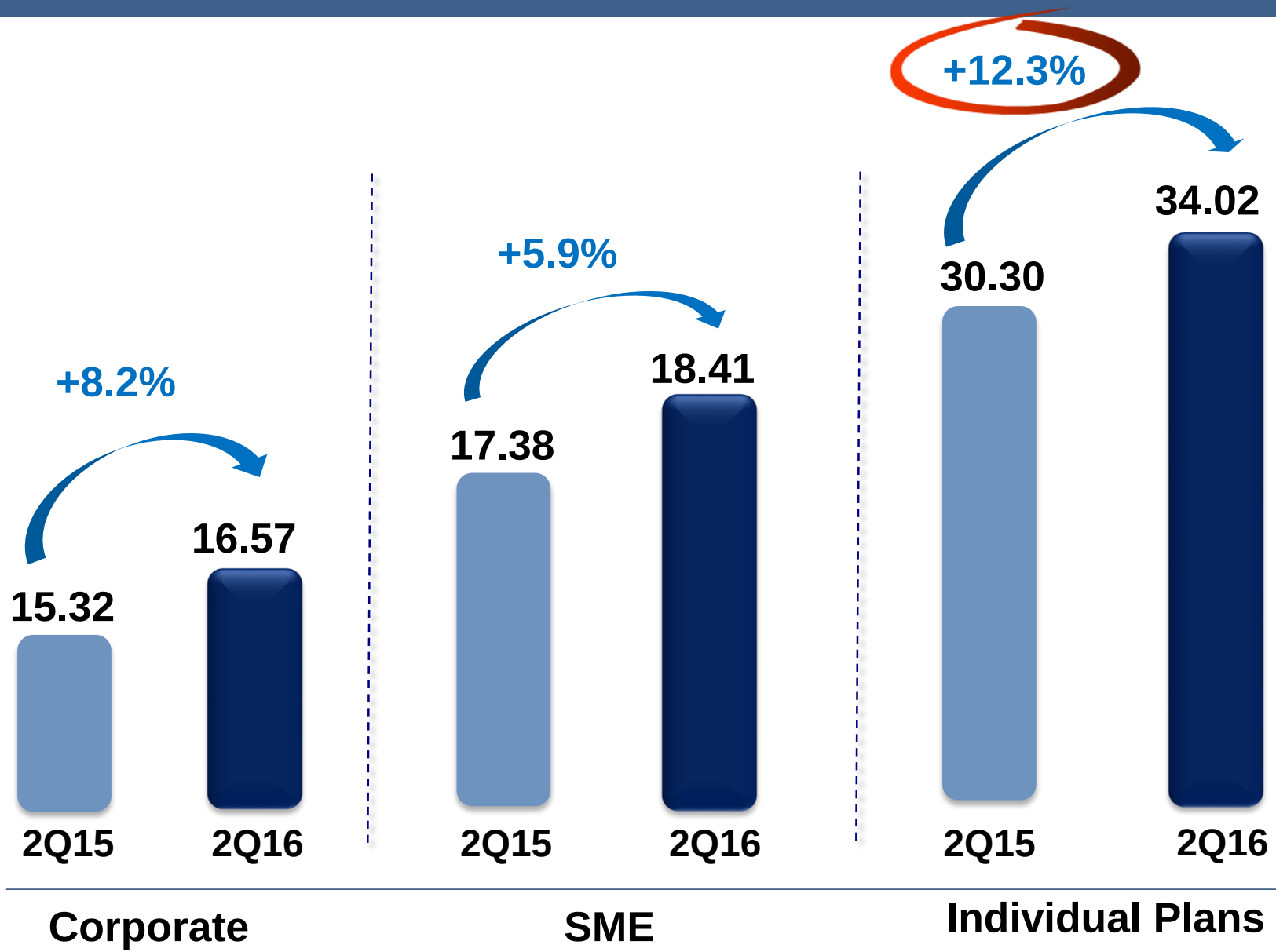
[1] M: million

OdontoPrev

Average ticket, incremental revenues and contribution margin per segment



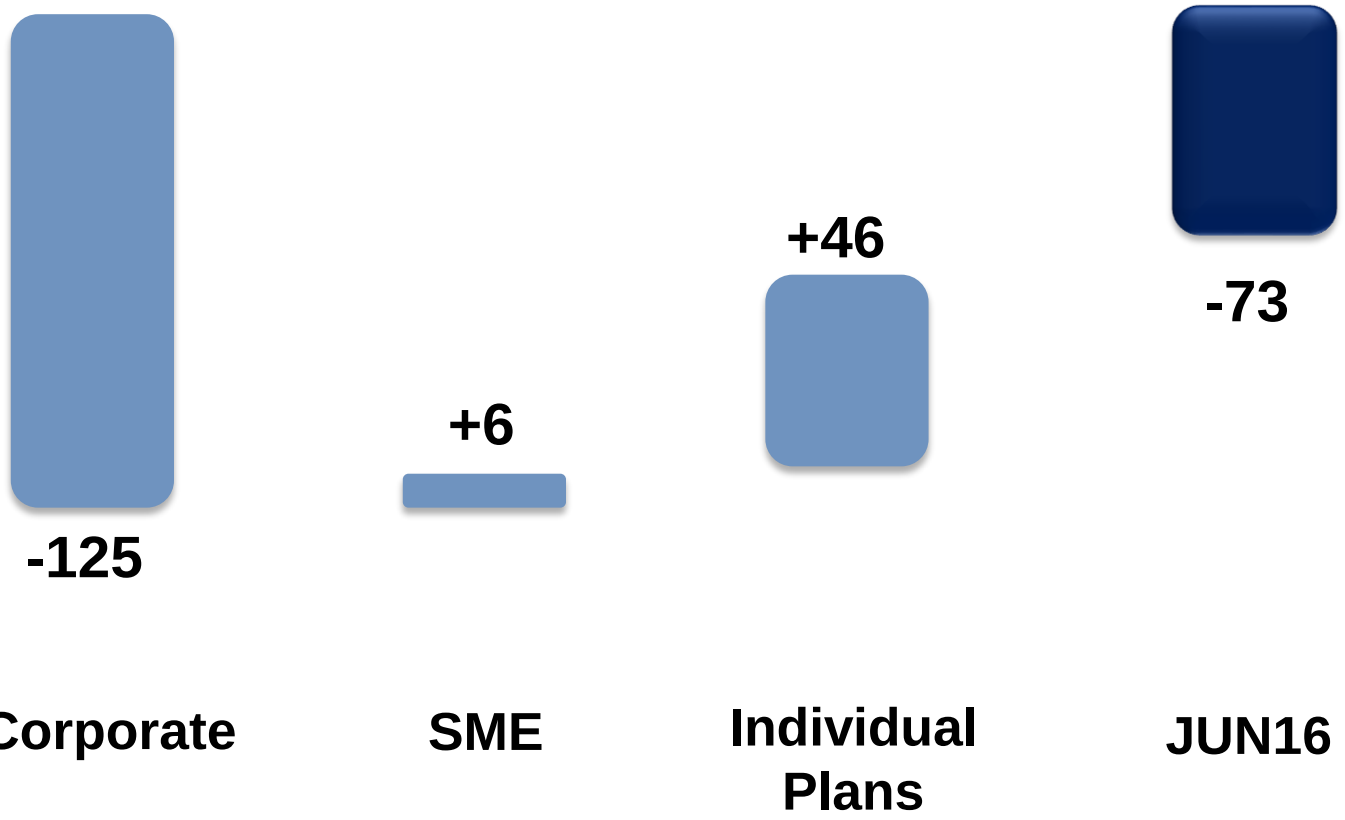
Average Ticket per Segment (R$/member/month)



OdontoPrev

2Q16 net additions per segment

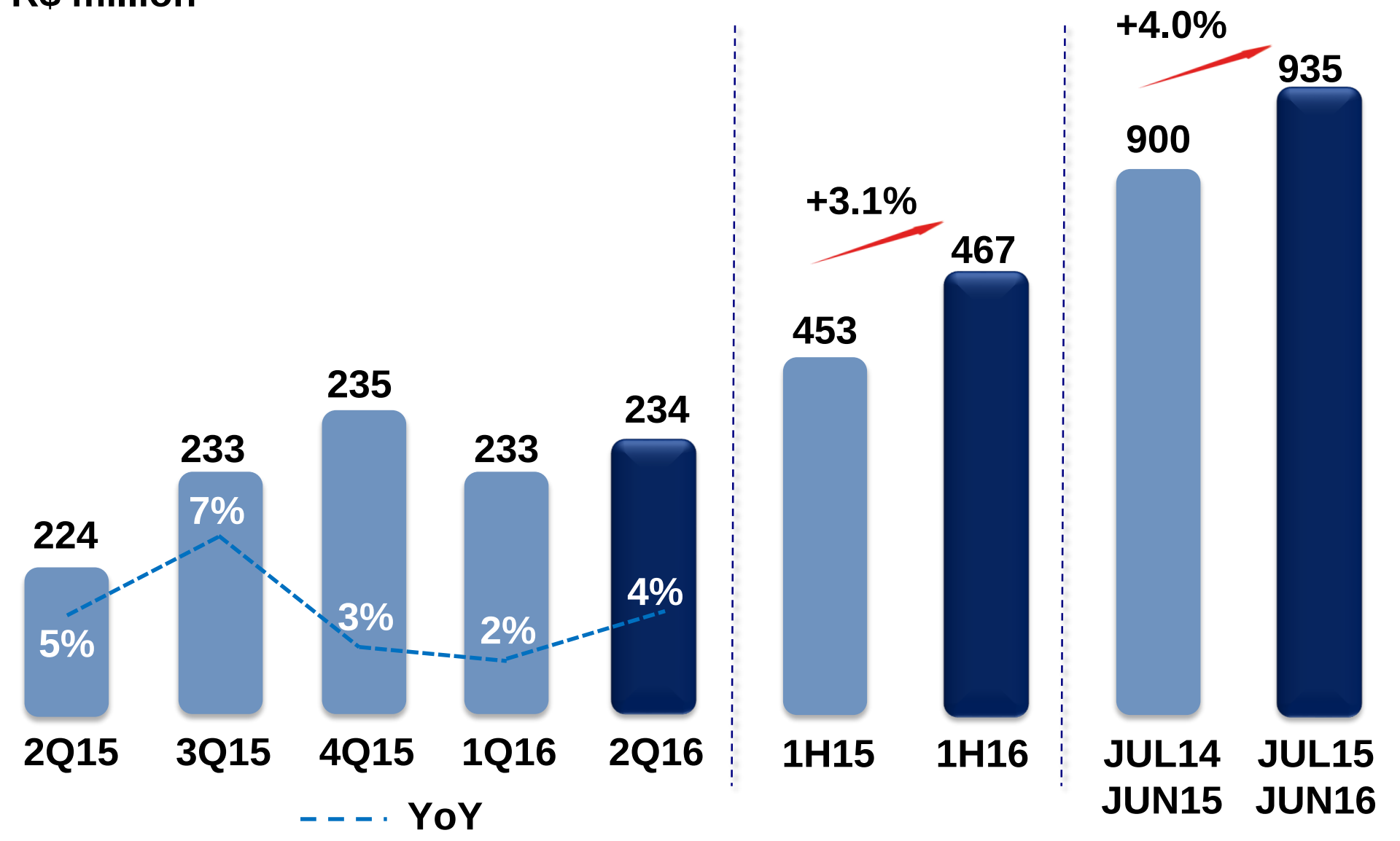
Thousand lives



OdontoPrev

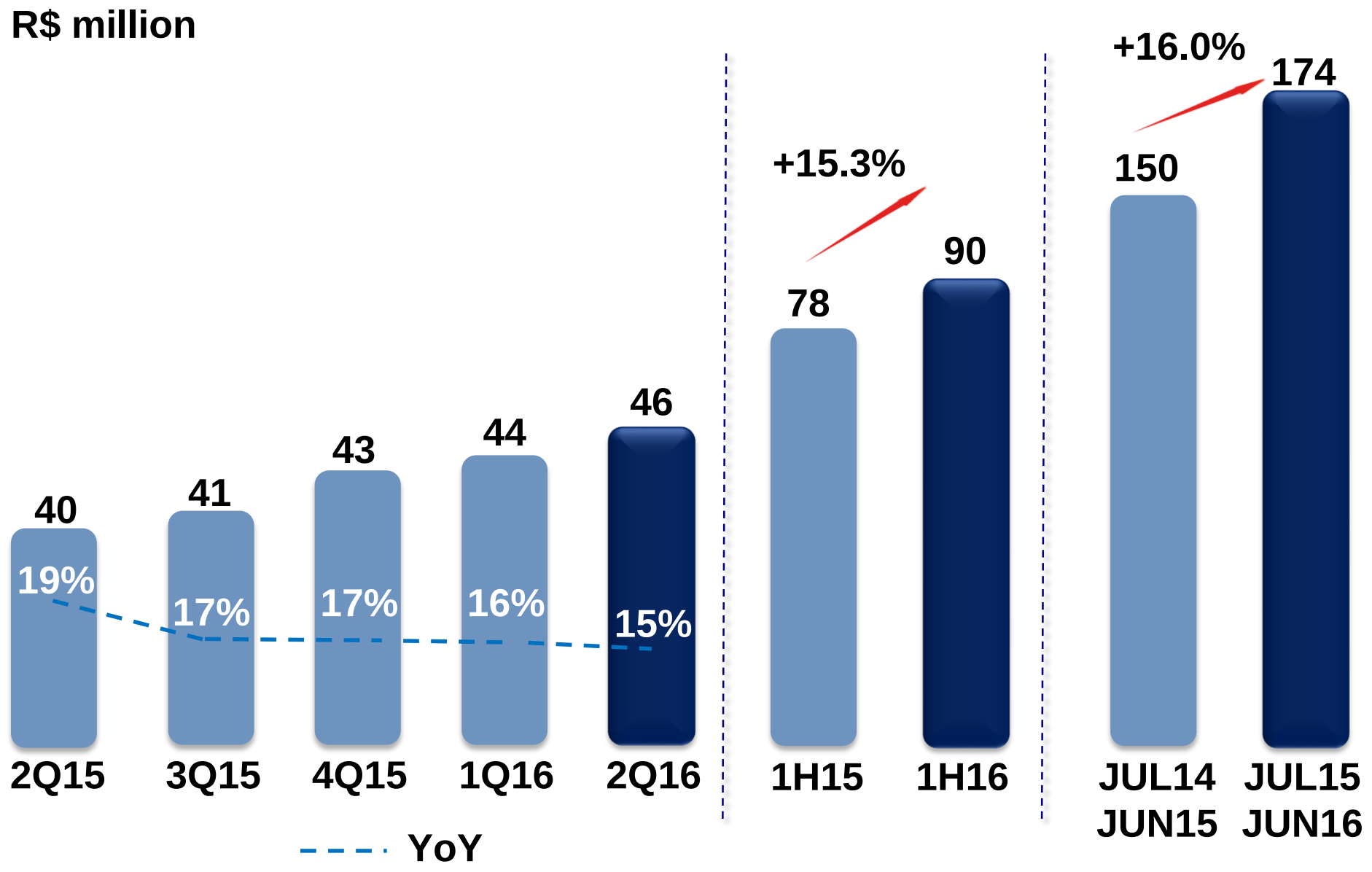
Net Revenues - Corporate

R$ million



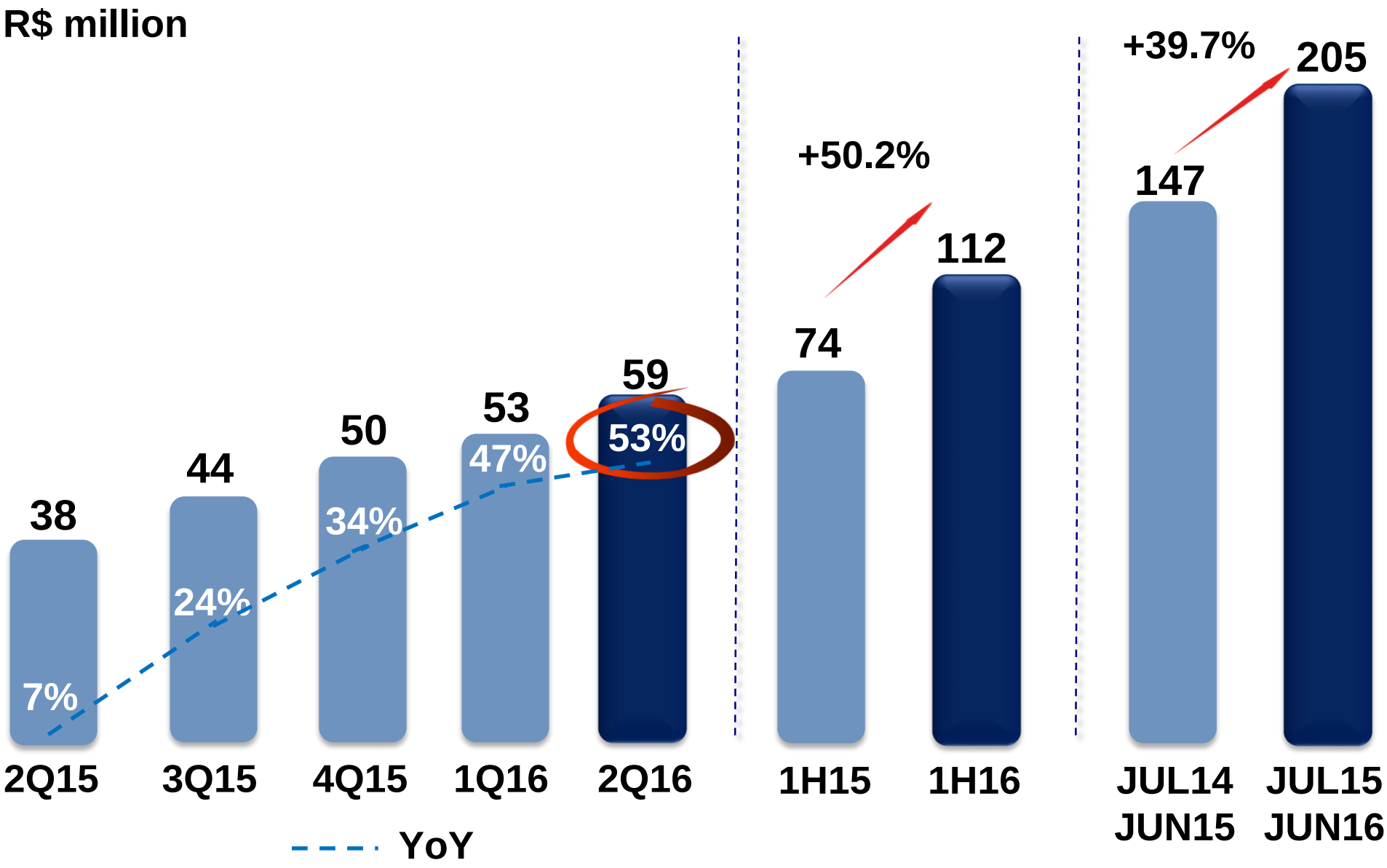
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Net Revenues - SME



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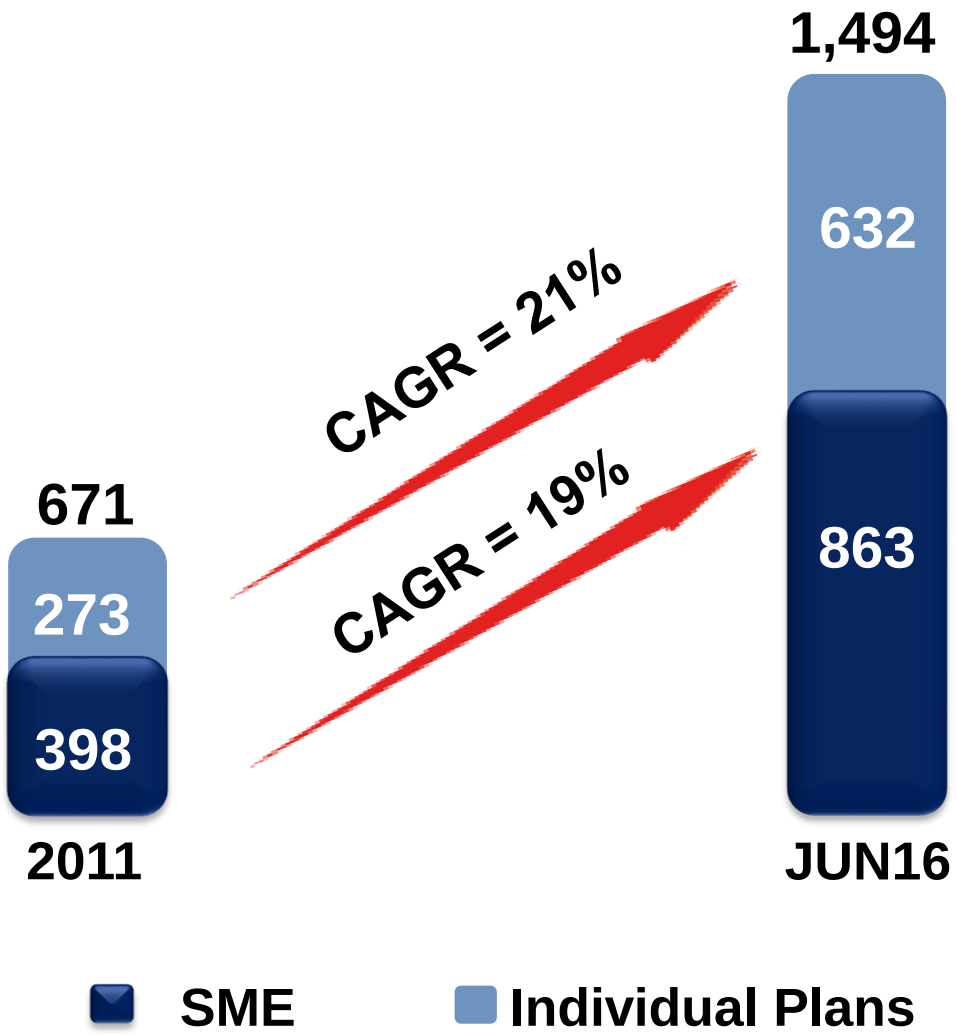
Net Revenues – Individual Plans



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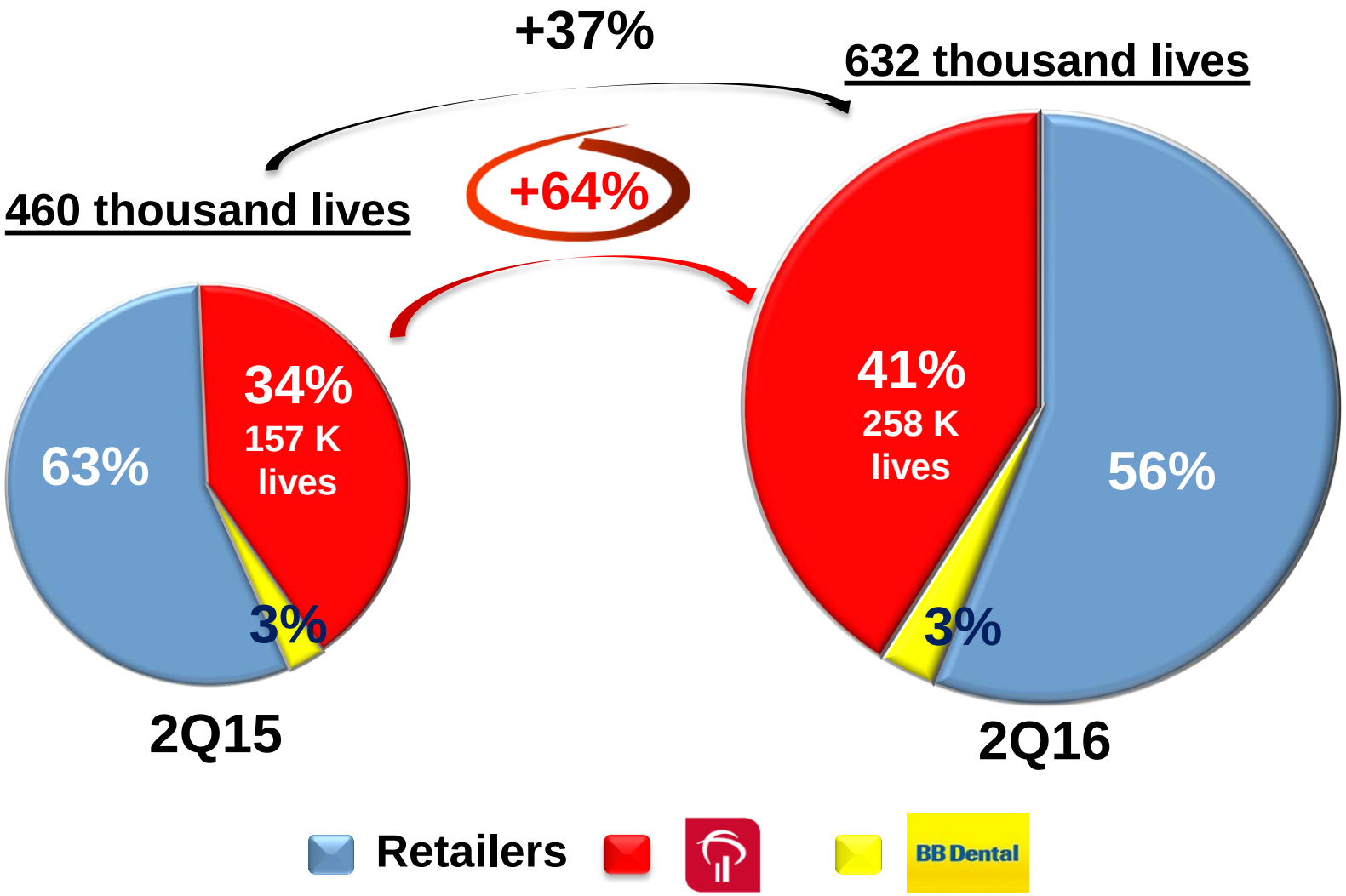
SME and Individual Plans: portfolio more than doubled since 2011

Thousand lives



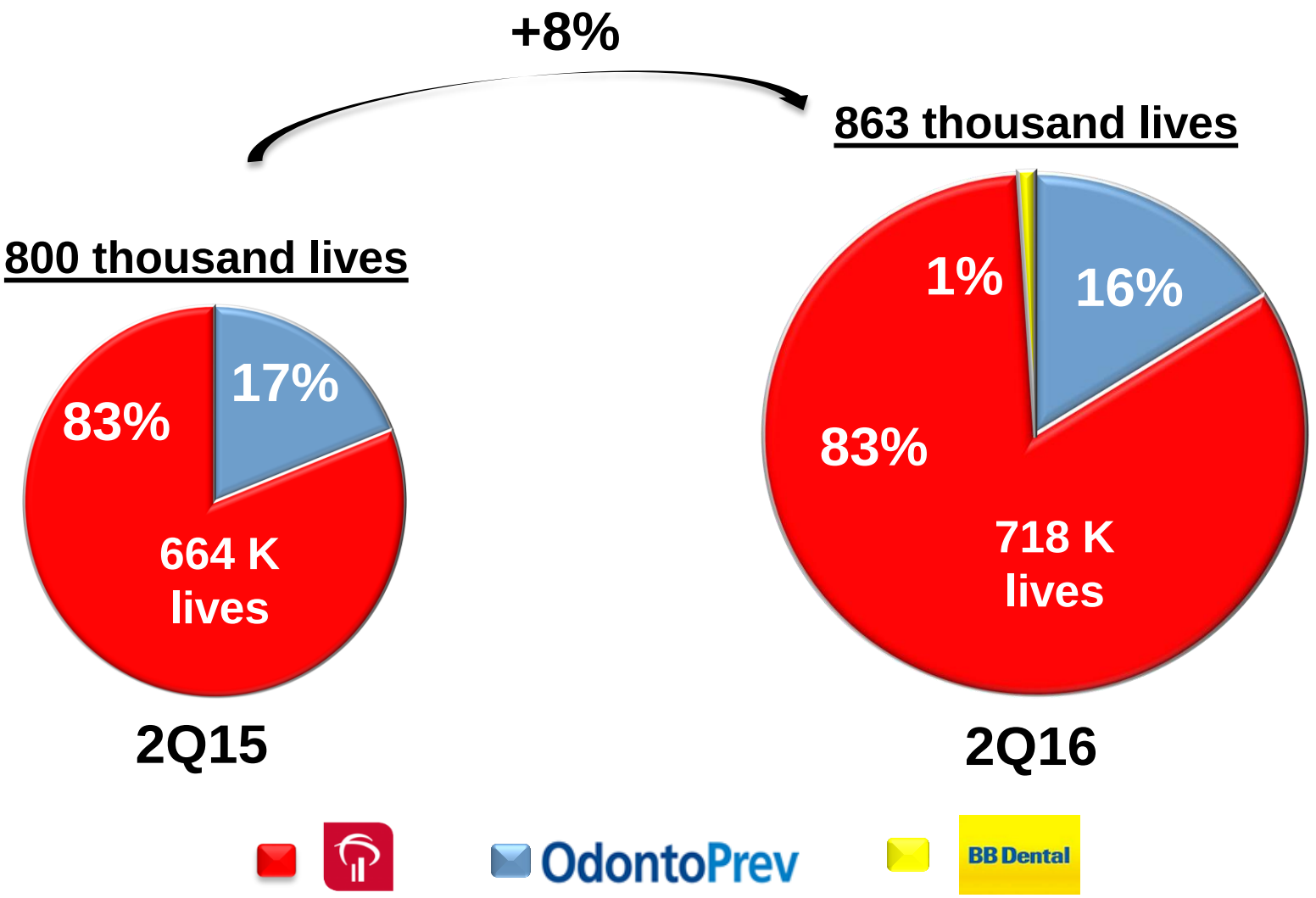
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Individual plans portfolio breakdown



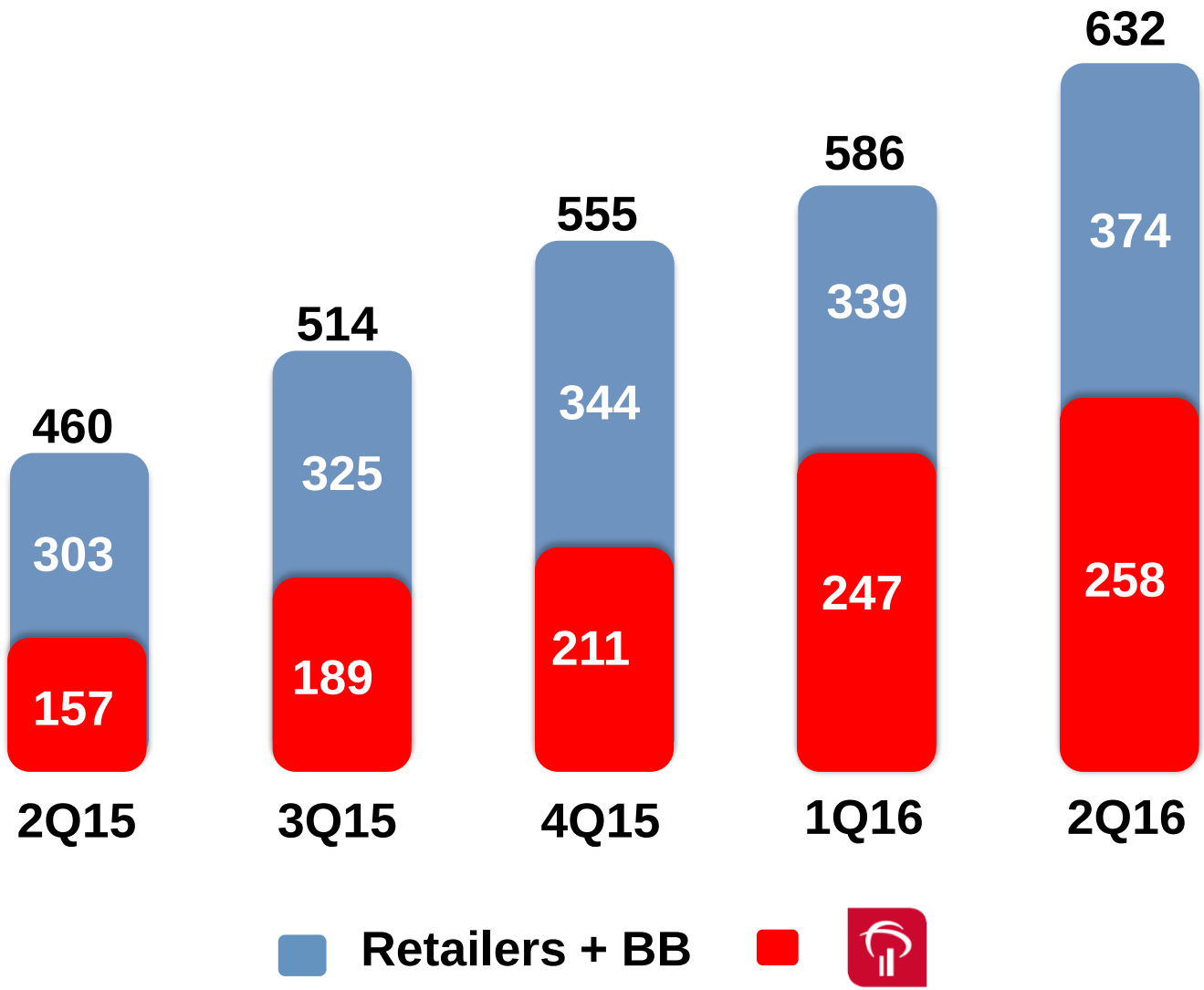
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SME portfolio breakdown



Individual Plans: growing participation of Bradesco

Thousand lives



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New Growth Cycle after the Bradesco Association

OdontoPrev The healthcare of your smile + Bradesco

	2009 Bradesco Association	JUL15 JUN16
Revenues (R$ million)	R$382	R$1,314
DLR	44.0%	47.7%
Selling	11.2%	9.6%
G&A	22.0%	14.6%
EBITDA Margin	21.2%	24.1%[1]

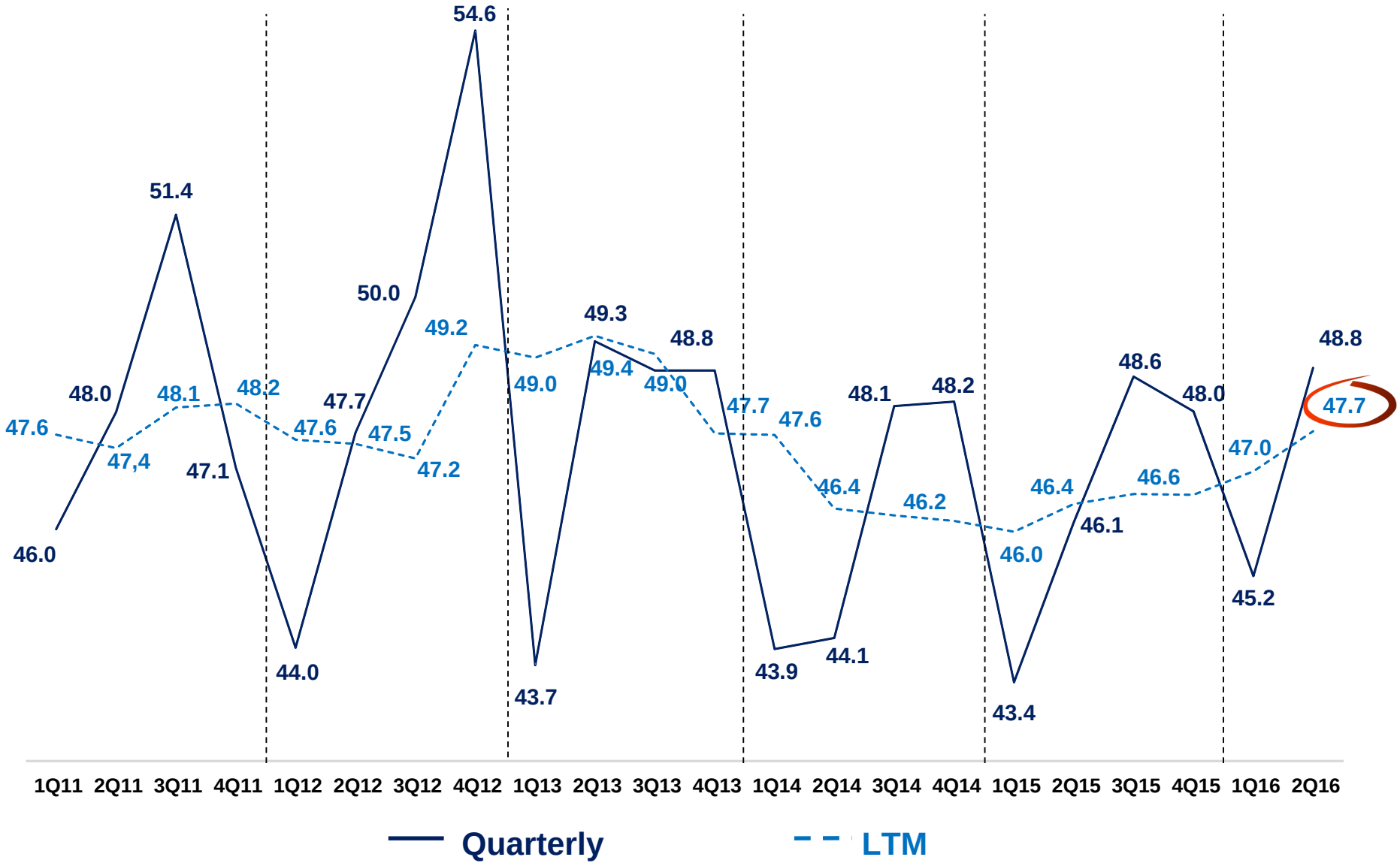
[1]Including Brasildental EBITDA Pro Forma

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Positive effects of bank channels

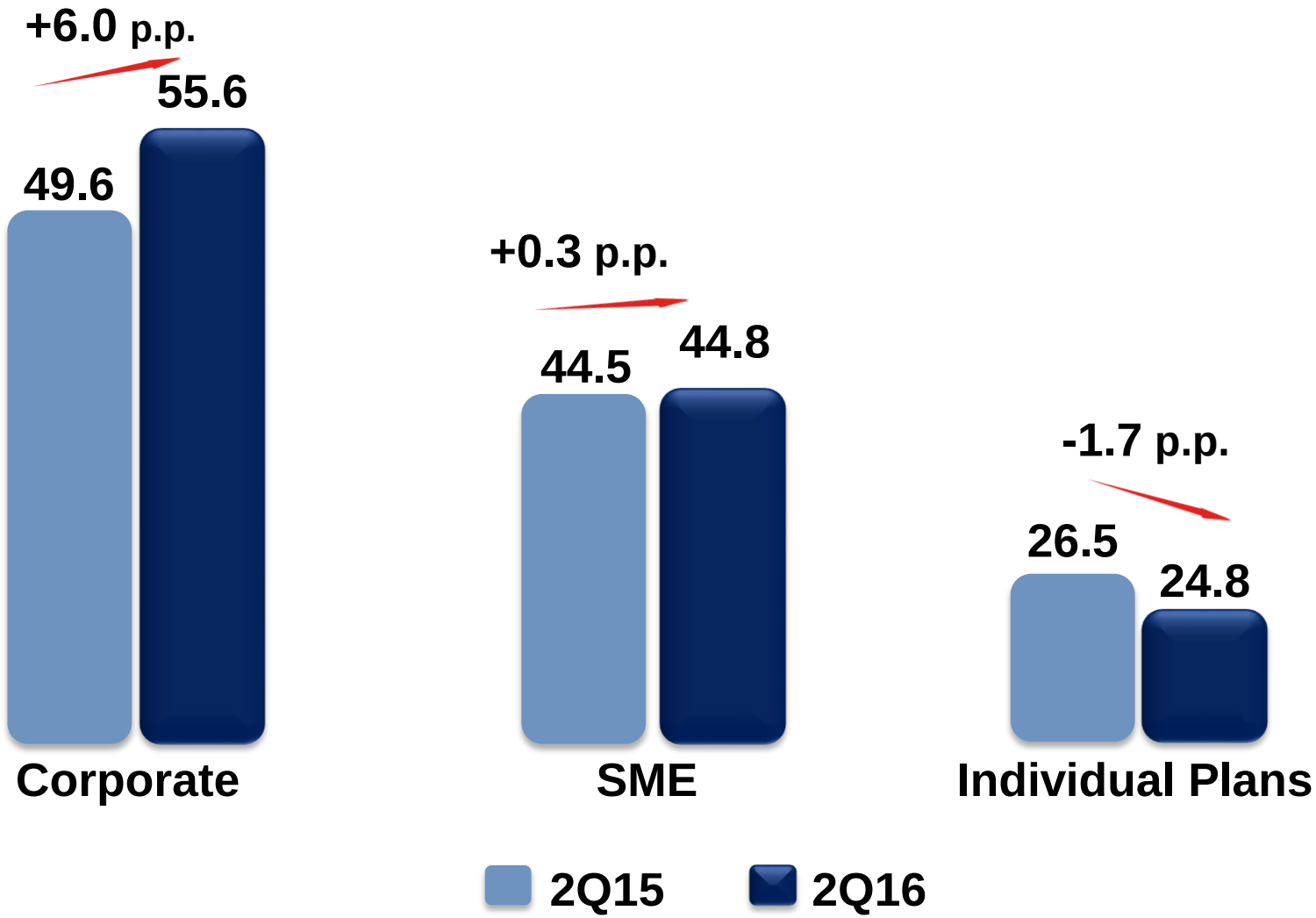
	& BB Dental	Retailers
2Q16 List prices	R$41.40	R$32.15
Annual Plan / Internet	Yes	No
Selling expenses	10% - 15%	25% - 40%
Profitability	Higher	Lower

Quarterly and LTM Cost of Services (% NOR)



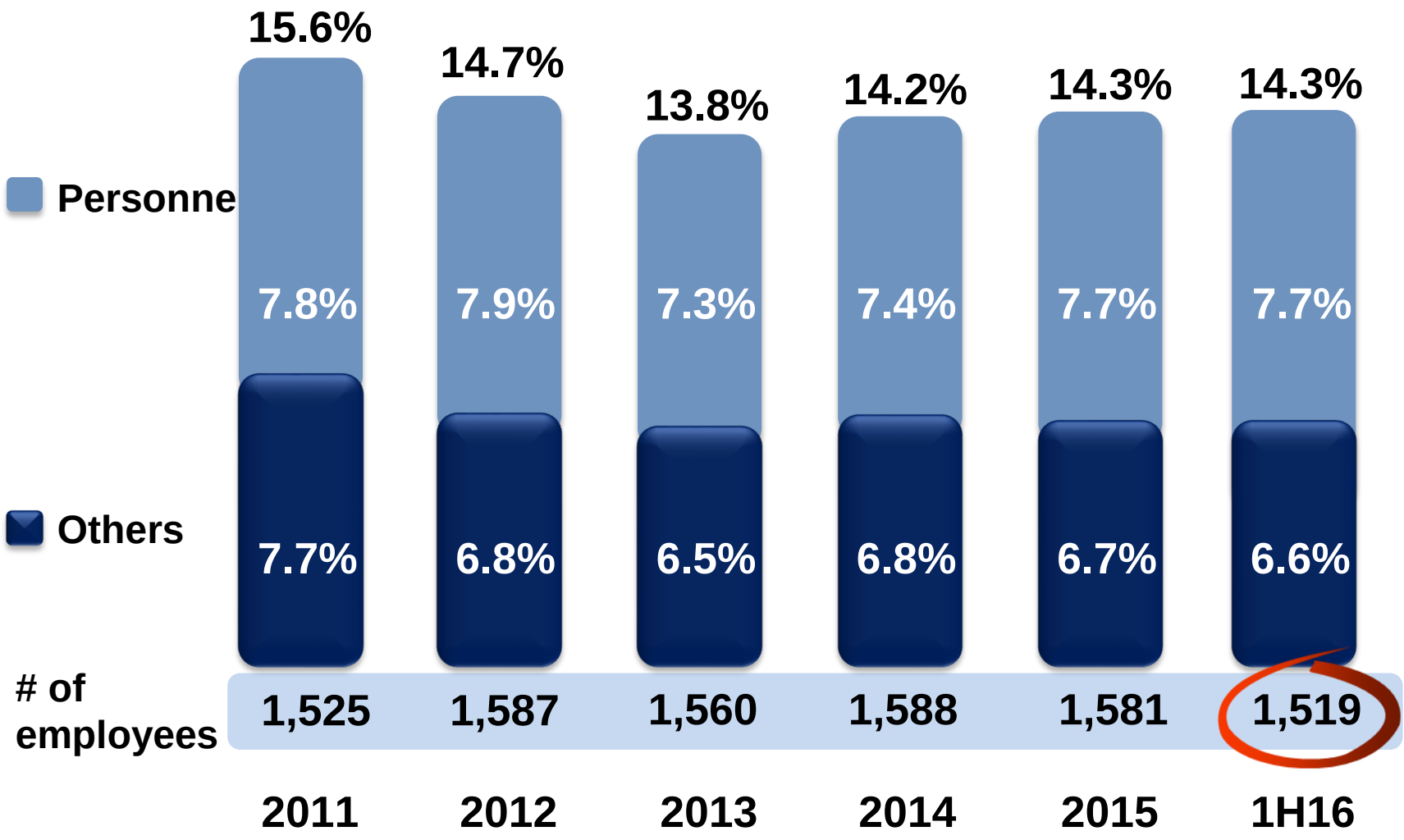
OdontoPrev

2Q Cost of services per segment (% NOR)



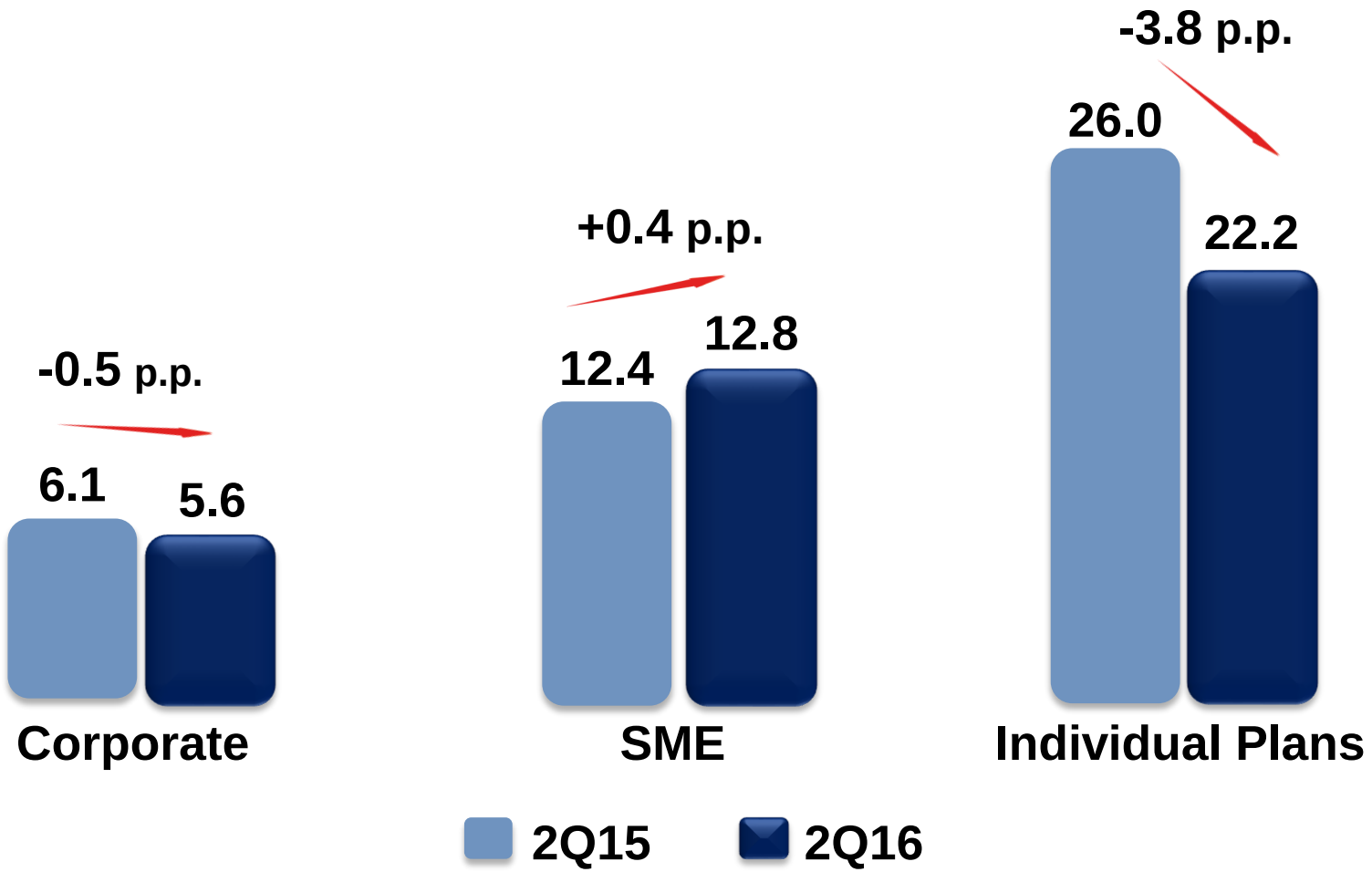
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G&A (% NOR)



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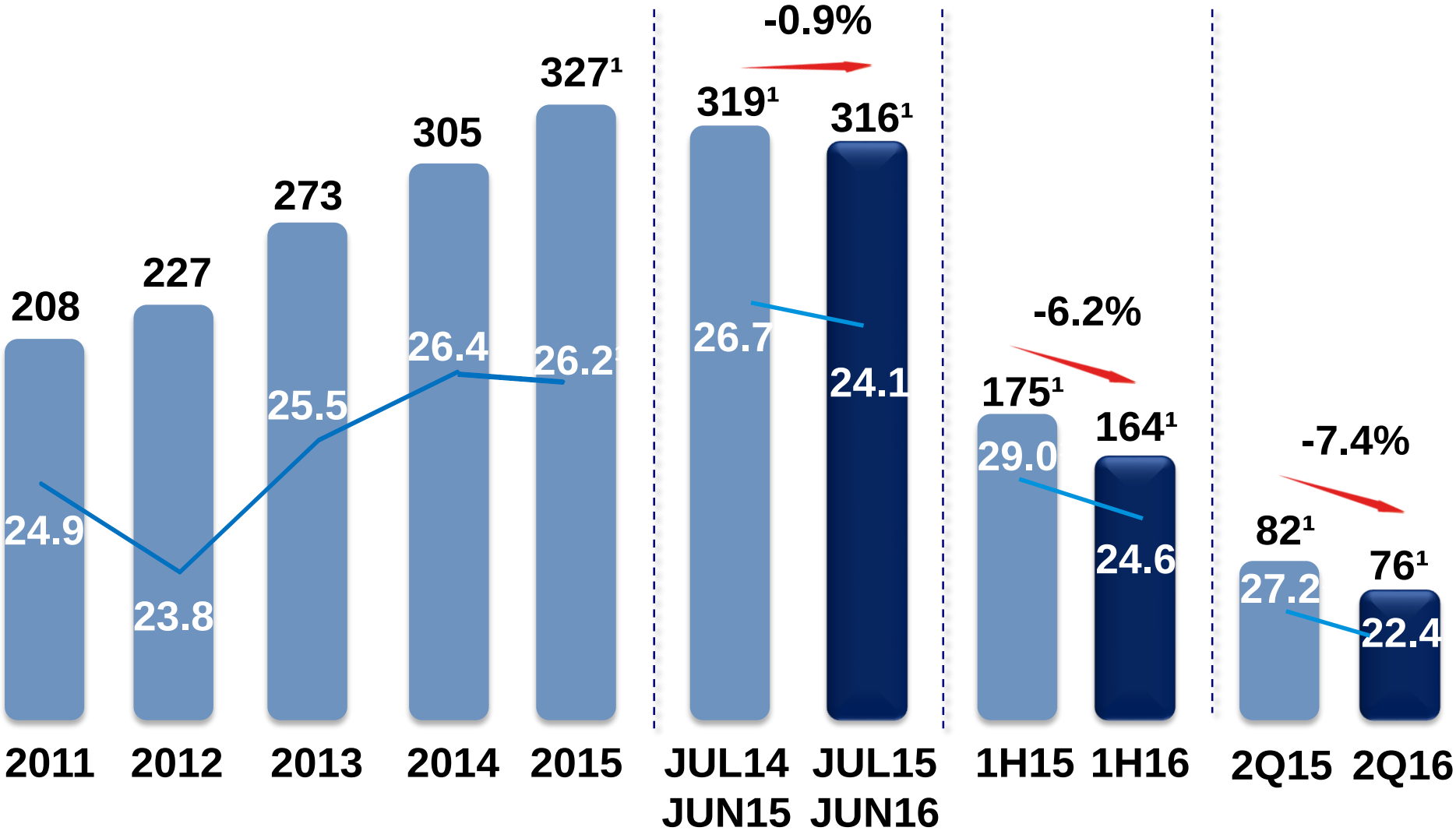
2Q Selling expenses per segment (% NOR)



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Adjusted EBITDA and Adjusted EBITDA margin

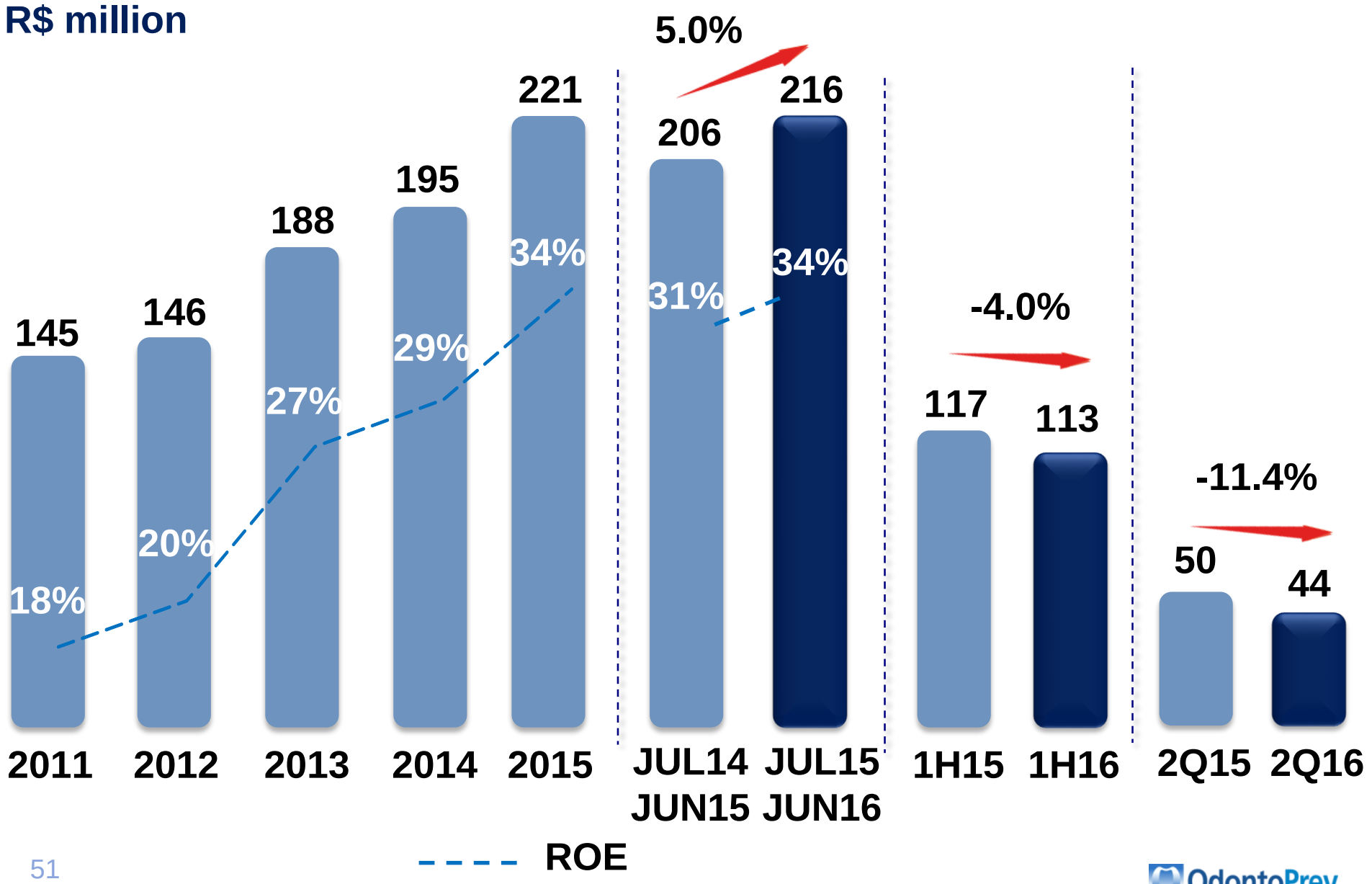
R$ million and % NOR



¹Including Brasildental EBITDA Pro Forma

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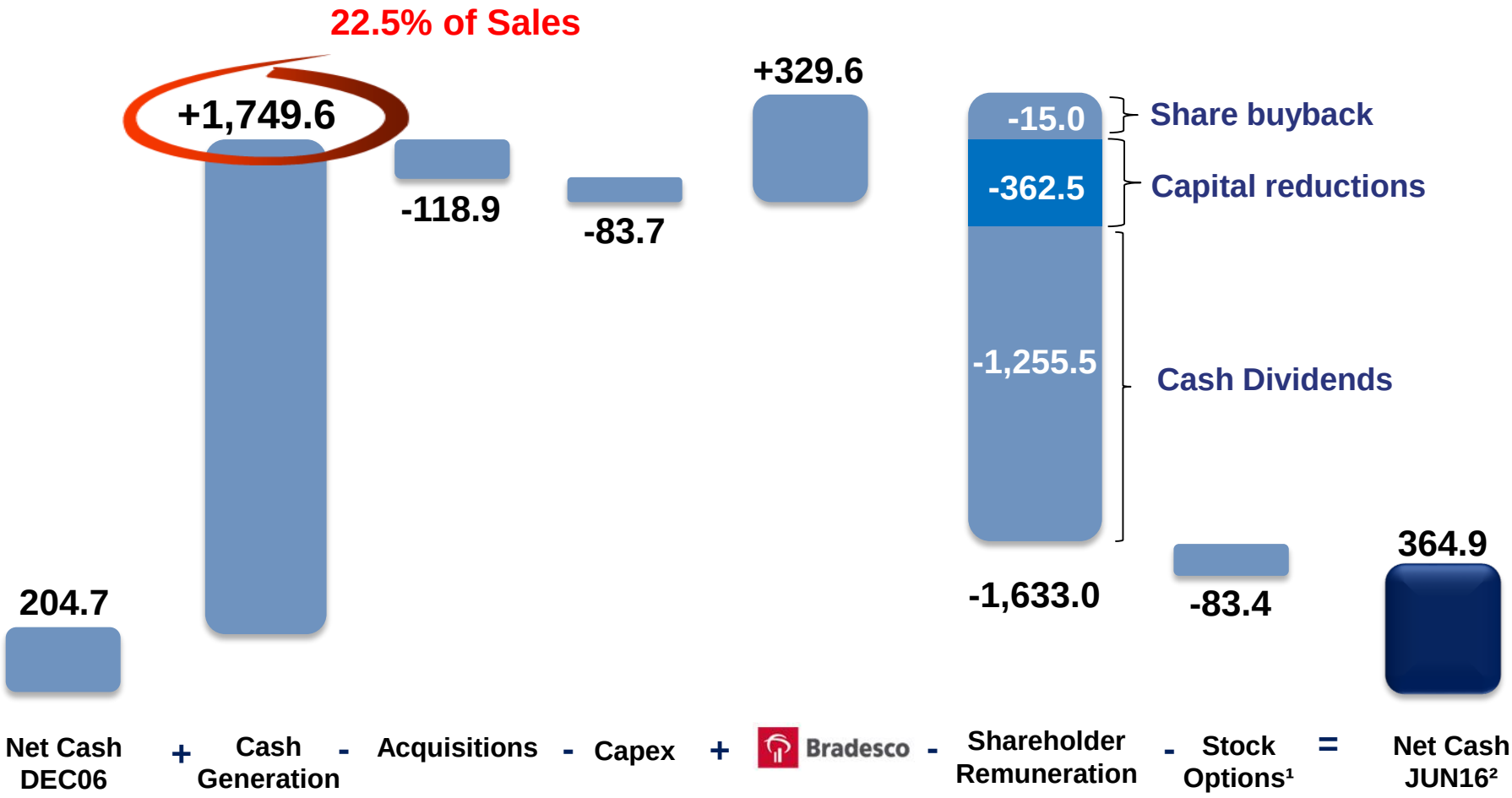
Net Income



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Cash Flow since the IPO in 2006

R$ million



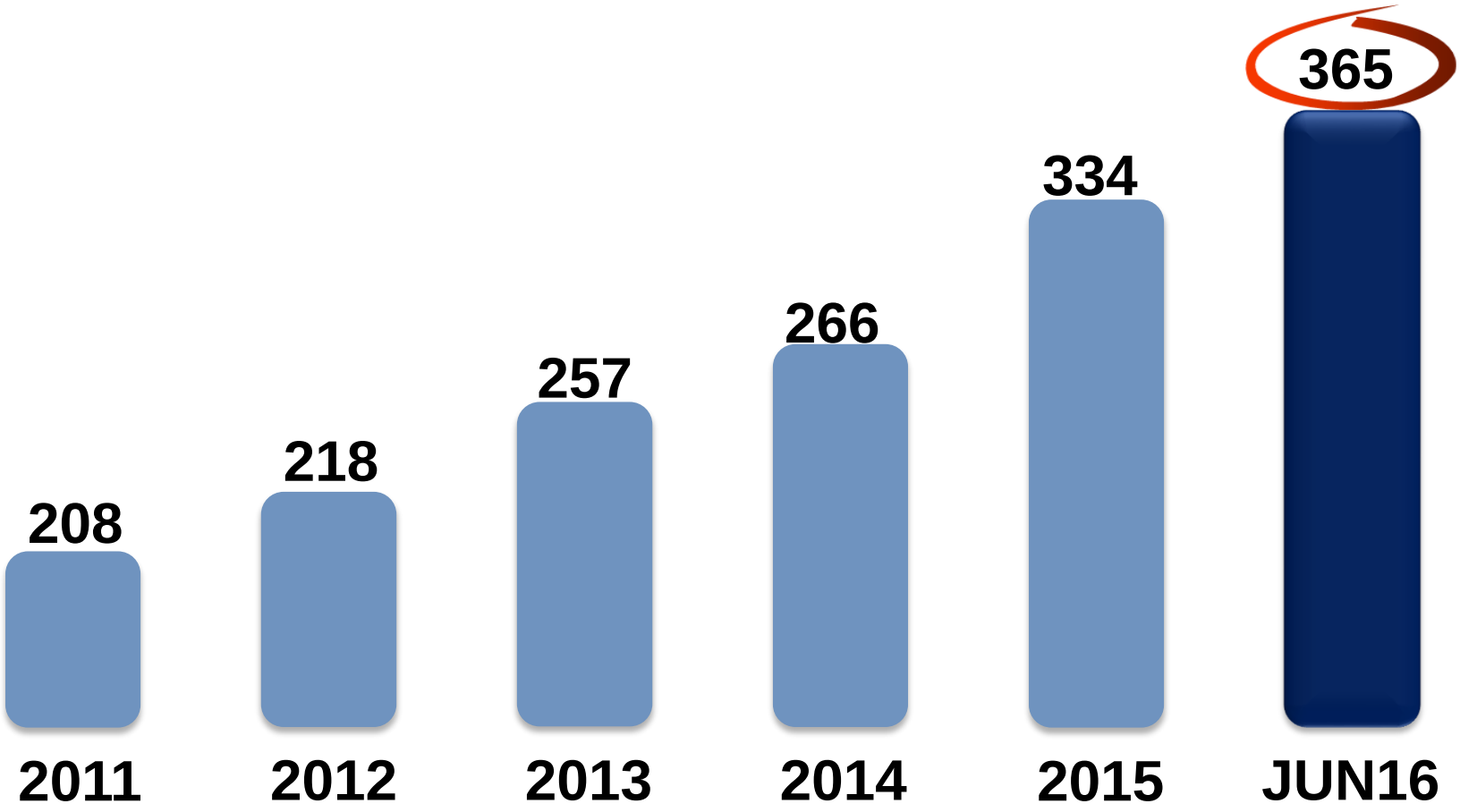
[3] Share repurchase to cover the Stock Options Plan, net of strike price.

[2] Includes R$74.1 million of technical provisions and R$237.1 million of social security deposits for individual dentists.

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Net cash, zero debt

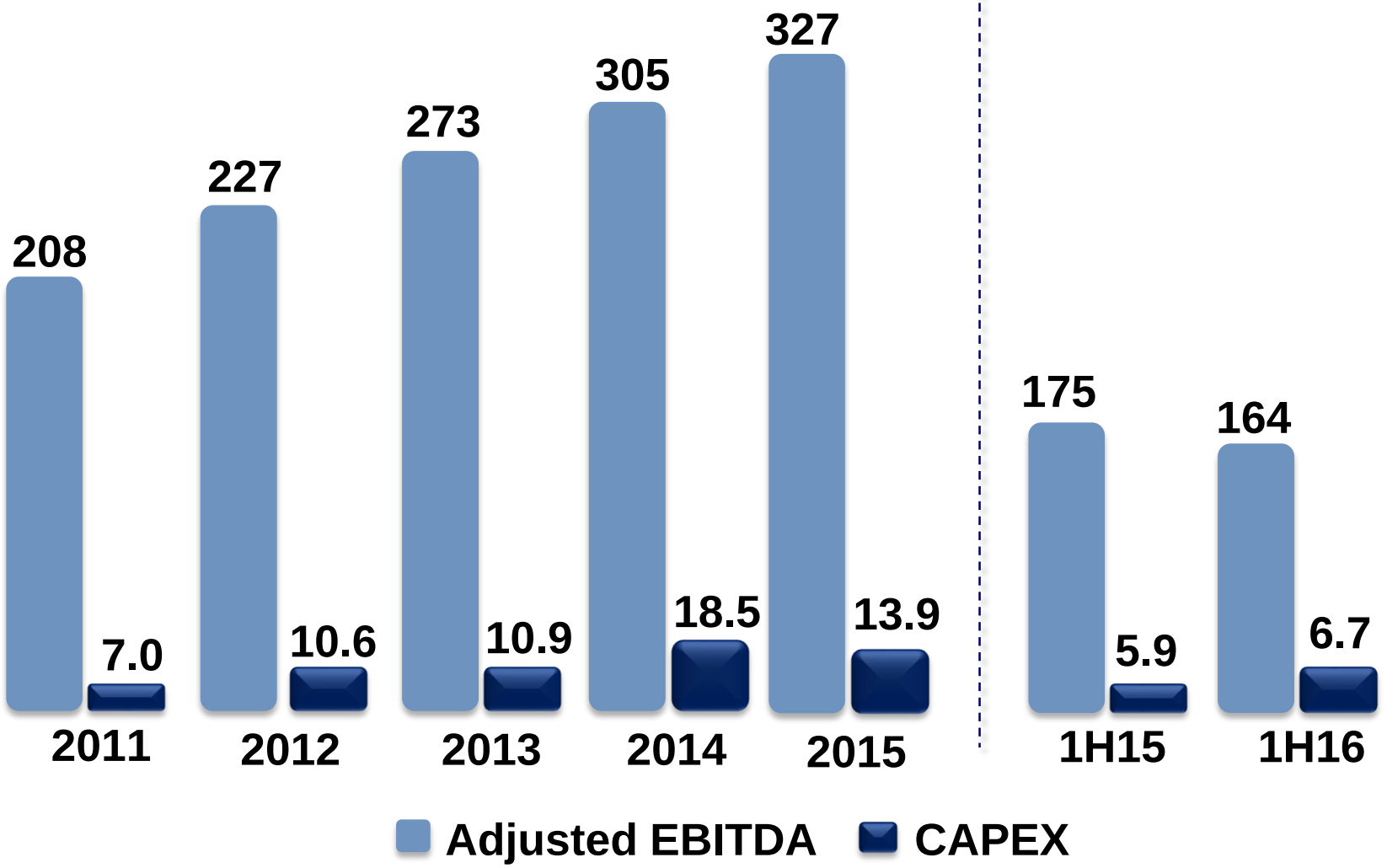
R$ million



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Capex: low portion of EBITDA

R$ million



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INSS: Important optionalities

	Until 2010 Bradesco Dental	After 2010 OdontoPrev
Provisioned amount	R$43 million	R$237 million
Approval	Yes	Open
Effects	Special dividend	Special dividend + margin expansion

Working for the future



4

Corporate clients: conversion of new employees into members, on free adhesion basis



New conversion center at our Commercial Dept

- ✓ **Free adhesion basis contracts represent ~40% of the corporate portfolio**
- ✓ **~50% penetration**
- ✓ **Multi-year program and captive opportunity**

OdontoPrev online: individual plans sold at the web



Value driven retention tools

- ✓ **Individual annual plan**
- ✓ **Welcome kit & welcome call**
- ✓ **Pro active call center**



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New Bradesco individual plans: Prime and Exclusive





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New APP for the accredited network of dentists

UNNA

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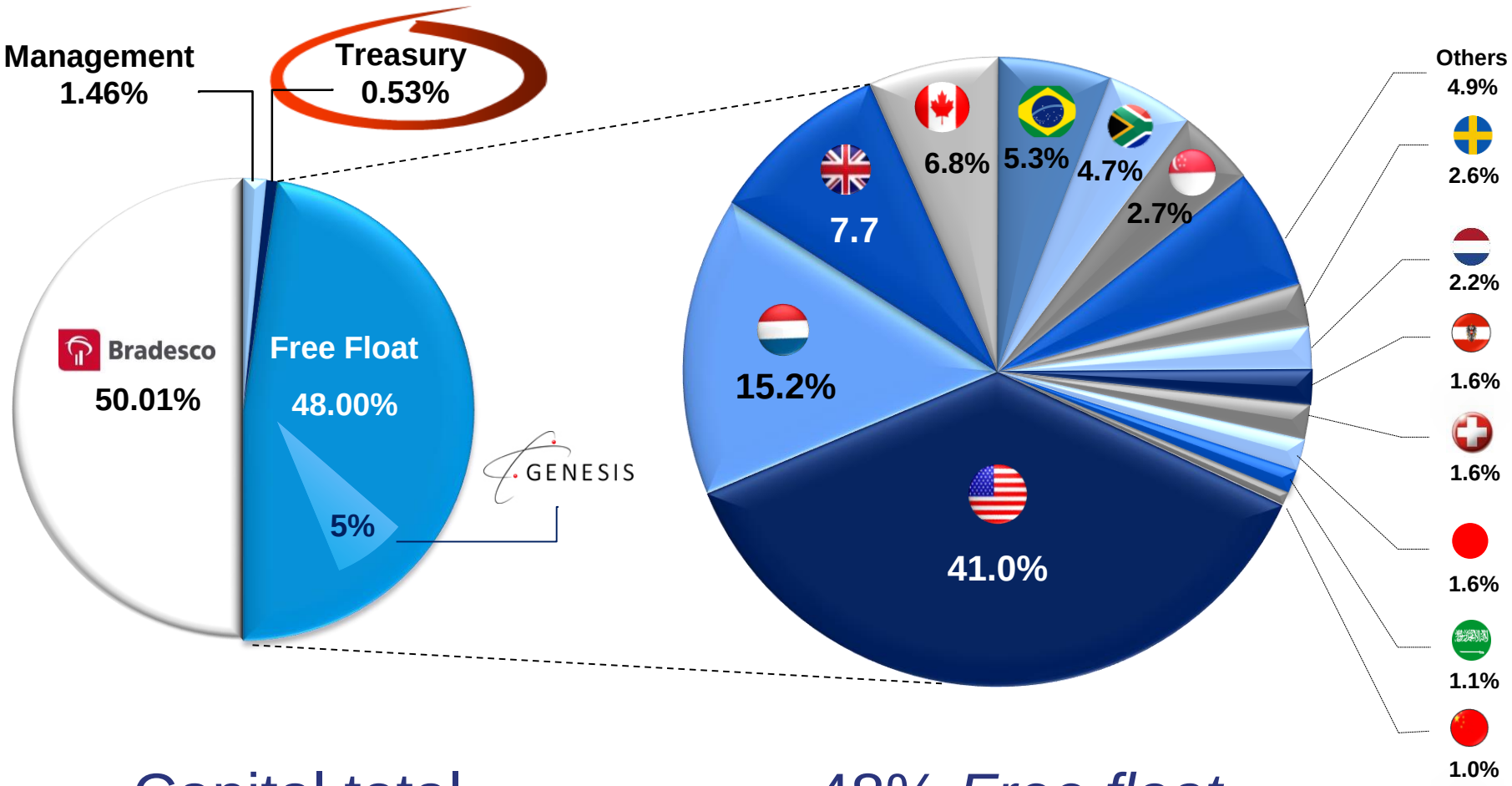




Capital Markets

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Global shareholder structure: investors from 37 countries



Capital total

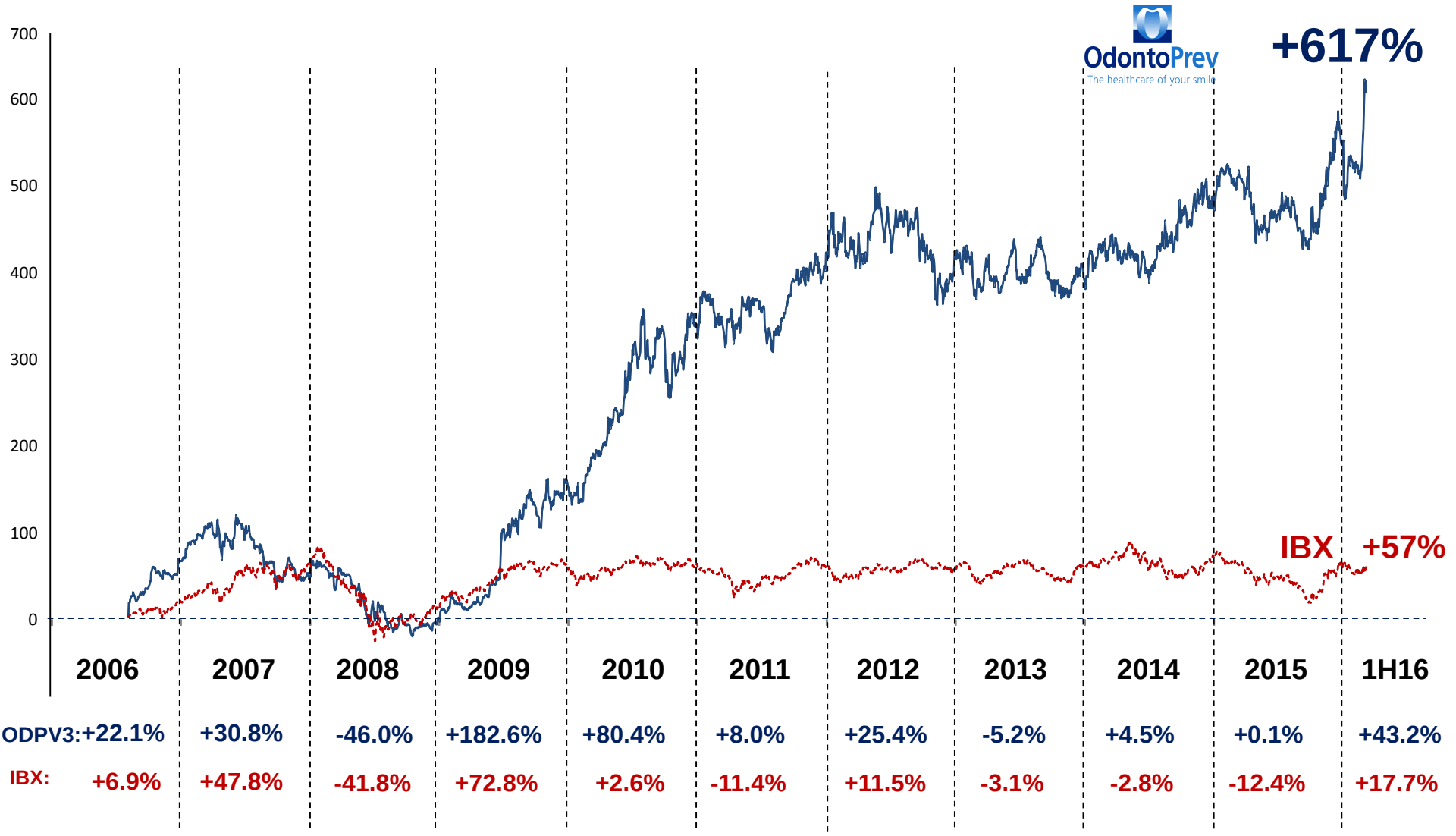
531,294,792 Shares

48% *Free float*

255,089,537 Shares

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Total shareholder remuneration since IPO x IBX

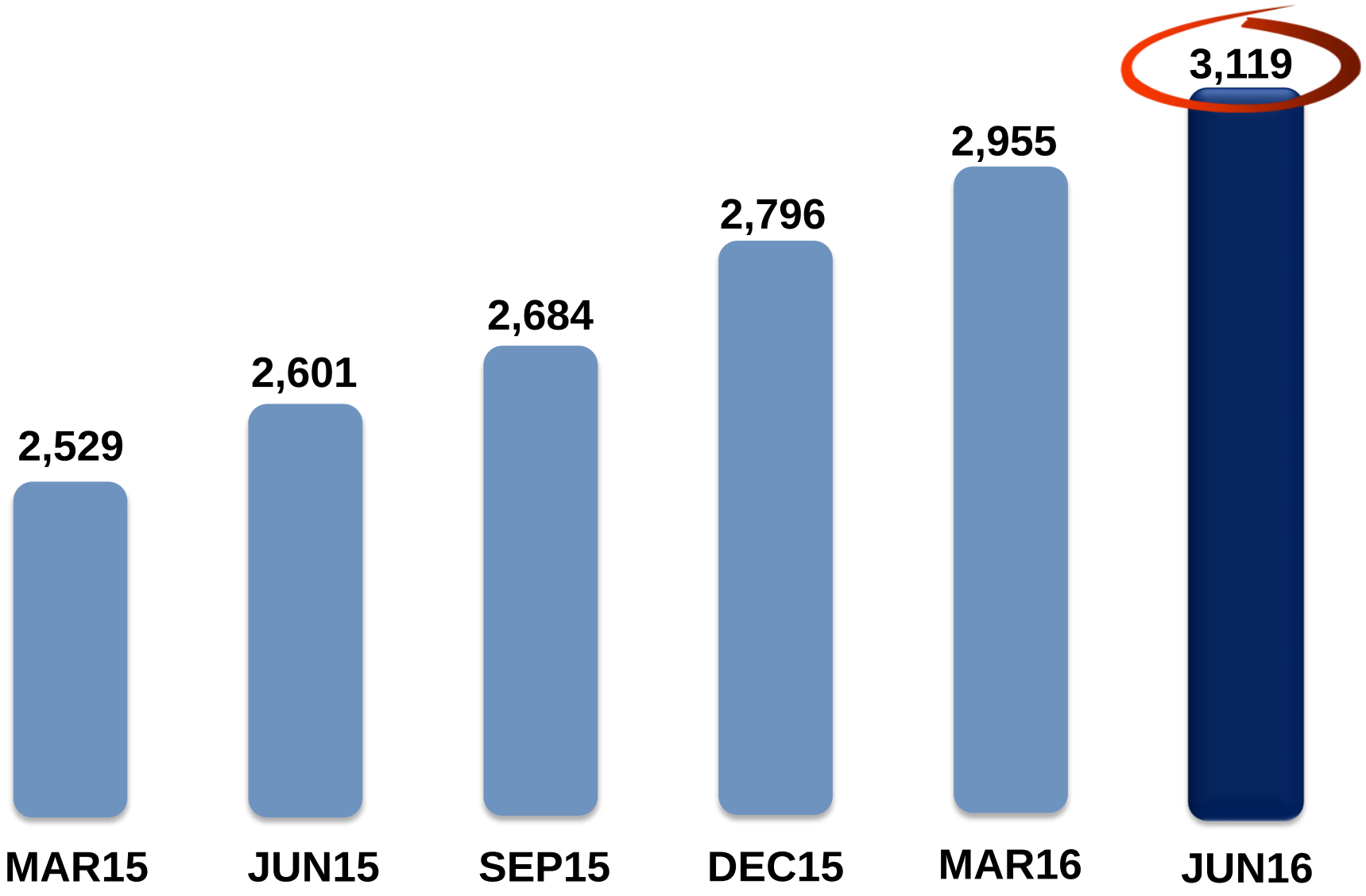


	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	1H16
ODPV3:	+22.1%	+30.8%	-46.0%	+182.6%	+80.4%	+8.0%	+25.4%	-5.2%	+4.5%	+0.1%	+43.2%
IBX:	+6.9%	+47.8%	-41.8%	+72.8%	+2.6%	-11.4%	+11.5%	-3.1%	-2.8%	-12.4%	+17.7%

Source: BM&FBovespa, last updated on 06.30.2016

Increasing number of shareholders

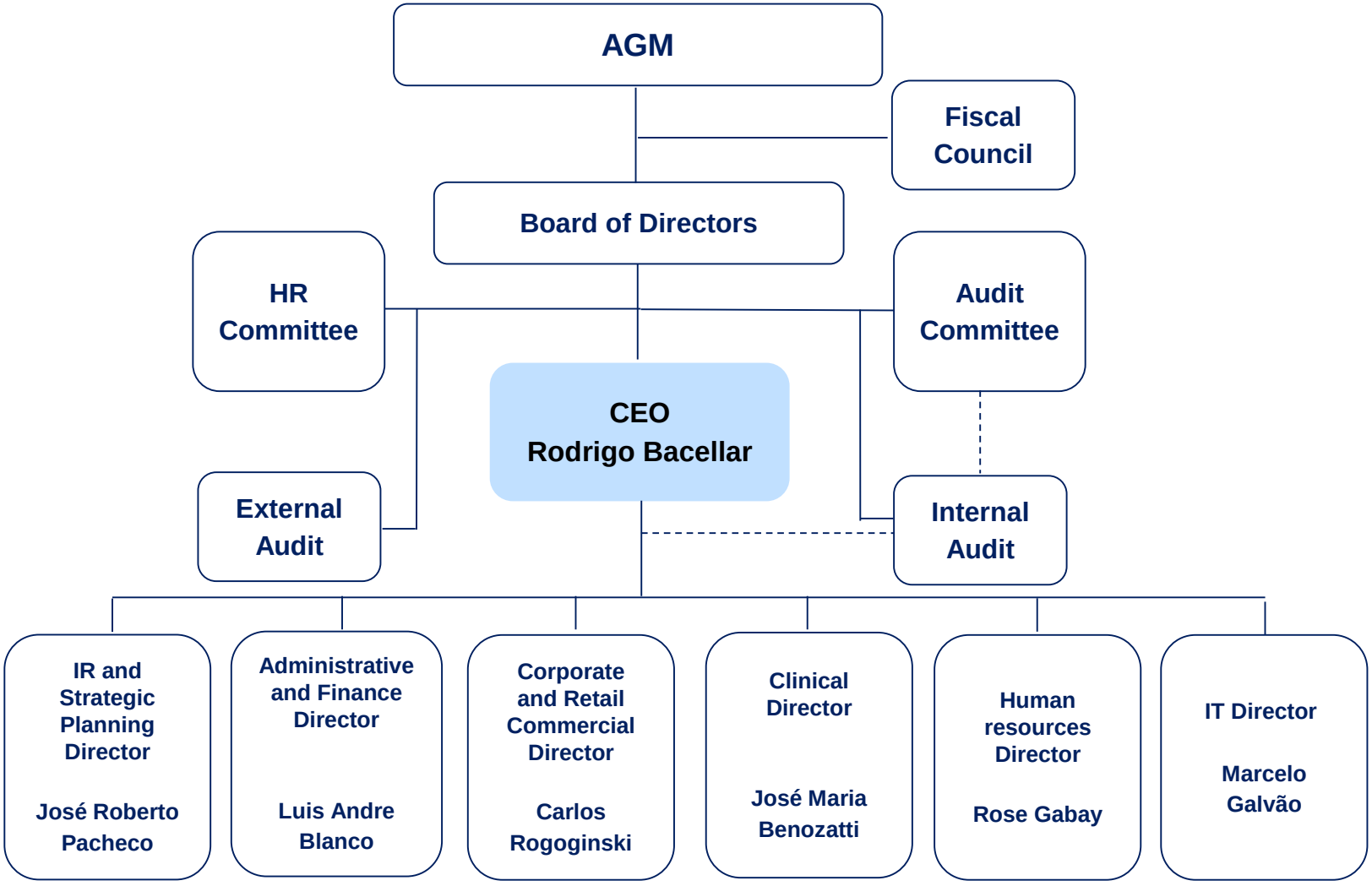
Institutional and individual investors



last updated on 06.30.2016

OdontoPrev

Corporate Governance and professional management team



OdontoPrev

Superior Corporate Governance Standards

- **Chairman # CEO, since the 1990s**
- **Board of Directors without executive functions, 56% independent members**
- **AGM previous notice to shareholders of 30 days**
- **Quarterly cash dividend payments to investors**

Key Metrics for management's compensation

Quantitative goals

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

Perception Studies

- Beneficiaries
- Dentists
- HR managers
- Quality of services

OdontoPrev awarded for the 6th consecutive year...

Institutional Investor

Best Healthcare Company

in Latin America

2010 / 2011 / 2012 / 2013 / 2014 / 2015

... Thank you!

OdontoPrev

Feedback from the street

Aberdeen

“Well-run company, experienced and focused management team, complying with high Corporate Governance standards. Leadership position in a defensive market with favorable growth prospects. Strong balance sheet and cash generative business.”

DYNAMO

“The merger with Bradesco combines the best of the best: OdontoPrev’s quality management team and state of the art IT platform with Bradesco’s distribution capability and large presence.”

HSBC

“The combination of product innovation + distribution power + implementation skills seems to be unique.”

Santander

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

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.”

30anos BTGPactual

"OdontoPrev is without doubt an impressive company. With operating margins above the insurance industry average, a strong revenue-to-cash conversion, market share dominance, and a powerful controlling shareholder that offers a differentiated opportunity via its bank branches, it is indeed a unique investment case".

Upcoming IR events

Date	Country	Broker	Event
Jul 28, 2016		BTG Pactual	Investor Presentation - São Paulo
Aug 01-02, 2016		Credit Suisse	NDR Credit Suisse - Montreal & Toronto
Aug 03-04, 2016		Credit Suisse	10th Annual Credit Suisse Mid-Summer LatAm Conference - New York
Aug 17, 2016			OdontoPrev Day - São Paulo
Aug 23, 2016		J.P.Morgan	JP Morgan 10th Healthcare Check-Up - São Paulo
Sep 12-14, 2016		Morgan Stanley	Morgan Stanley LatAm Conference - London
Sep 15, 2016		Bank of America Merrill Lynch	NDR Merrill Lynch - Boston
Sep 16, 2016		Bank of America Merrill Lynch	NDR Merrill Lynch - New York
Sep 20, 2016		UBS	UBS IV Healthcare Day - São Paulo
Oct 26, 2016			3Q16 Earnings Release
Oct 27, 2016			3Q16 Webcast
Oct 27, 2016		Santander	Investor Presentation - São Paulo
Nov 15-16, 2016		Bradesco	Bradesco 6th Annual CEO Forum - New York
Nov 21-22, 2016		Itaú BBA	Itau BBA's 9th Annual LatAm Conference - London
Nov 29 - Dec 1, 2016		UBS	UBS XIV GEM Conference - New York
Nov 30, 2016		J.P.Morgan	JP Morgan 9th Brazil Opportunities Conference

OdontoPrev´s Investor Relations activities, including conference calls, webcasts, one-on-one meetings and public presentations are made by the Company's CEO and/or IRO since the 2006 IPO.

Why OdontoPrev?



Your Investor Relations Team

José Roberto Pacheco
Executive Director & IRO

Roberta Carneiro
IR Manager

Darcio Nunciatelli
IR Analyst

Stella Hong
IR Analyst

IR Award winner Brazil 2015 magazine

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Custodian & Market Maker

Bradesco

Independent Auditors

KPMG cutting through complexity™

BM&FBovespa Ticker

ODPV3 NOVO MERCADO BM&FBOVESPA

ADR Ticker

ODPVY OTCMarkets ADR - Level I