
Qualicorp

Disclaimer

The material that follows is a confidential presentation of general background information about Qualicorp S.A. and its subsidiaries (collectively, "Qualicorp" or the "Company") as of the date of the presentation. It is information in summary form and does not purport to be complete. No representation or warranty, express or implied, is made concerning, and no reliance should be placed on, the accuracy, fairness, or completeness of this information.

This confidential presentation may contain certain forward-looking statements and information relating to Qualicorp that reflect the current views and/or expectations of Qualicorp and its management with respect to its performance, business and future events. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like "anticipate", "believe", "estimate", "expect", "forecast", "plan", "predict", "project", "target" or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in this presentation, including: market acceptance of Qualicorp's products or services; volatility in the healthcare industry, the Brazilian economy and the financial markets; changes in legislation, accounting standards, taxation and government policies affecting the healthcare sector; ability to stay abreast of changes in technology; ability to continuously introduce competitive new products and services, while staying competitive in existing ones.

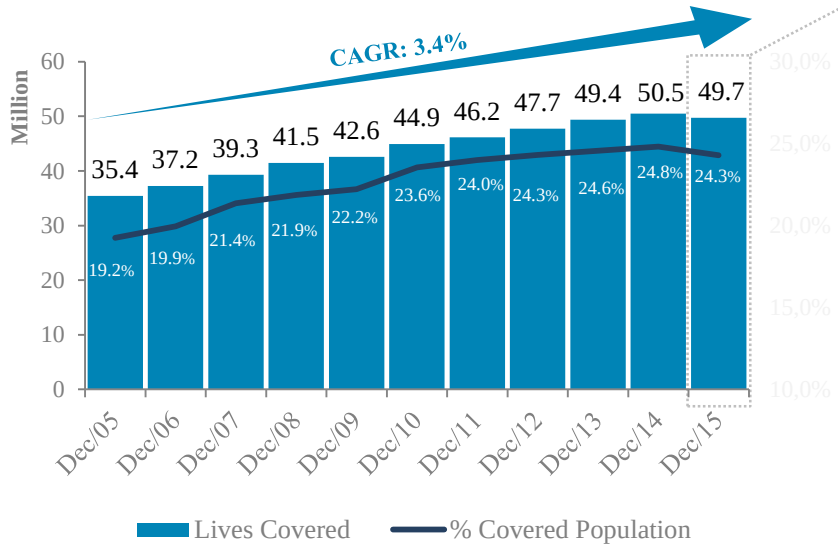
In no event, neither Qualicorp nor any of its affiliates, directors, officers, agents or employees, nor the selling shareholder, placement agents or underwriters, shall be liable before any third party (including investors) for any investment or business decision made or action taken in reliance on the information and statements contained in this presentation or for any consequential, special or similar damages.

All forward-looking statements in this presentation are based on information and data available as of the date they were made, and Qualicorp undertakes no obligation to update them in light of new information or future developments. This presentation and its contents are proprietary information and may not be reproduced or otherwise disseminated in whole or in part without Qualicorp's prior written consent. Securities may not be offered or sold in the United States unless they are registered or exempt from registration under the United States Securities Act of 1933, as amended. Any offering of securities to be made in the United States will be made solely by means of a confidential offering memorandum that may be obtained from the placement agents or the underwriters. Such confidential offering memorandum will contain detailed information about Qualicorp and its business and financial results, as well as its financial statements. This presentation does not constitute an offer, or invitation, or solicitation of an offer, to subscribe for or purchase any securities. Neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever.

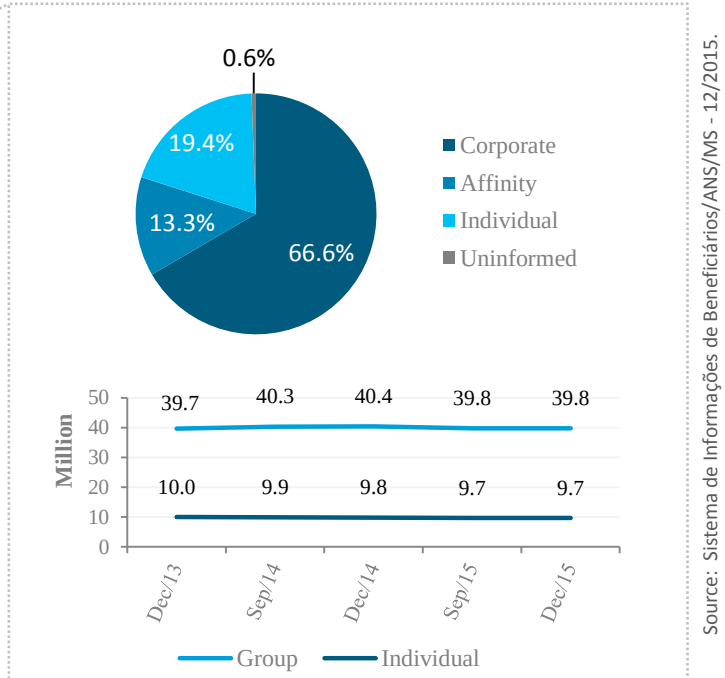
Industry Overview

The Brazilian Private Healthcare Sector has approximately 49.7 million members, which represents 24.3% of the total population. The majority of the covered members are concentrated in Group plans : (i) 66.6% in Corporate plans; and (ii) 13.3% in Affinity group plans, which is the largest business for Qualicorp.

Private Healthcare Sector Membership Growth



Private Healthcare Sector Members Breakdown



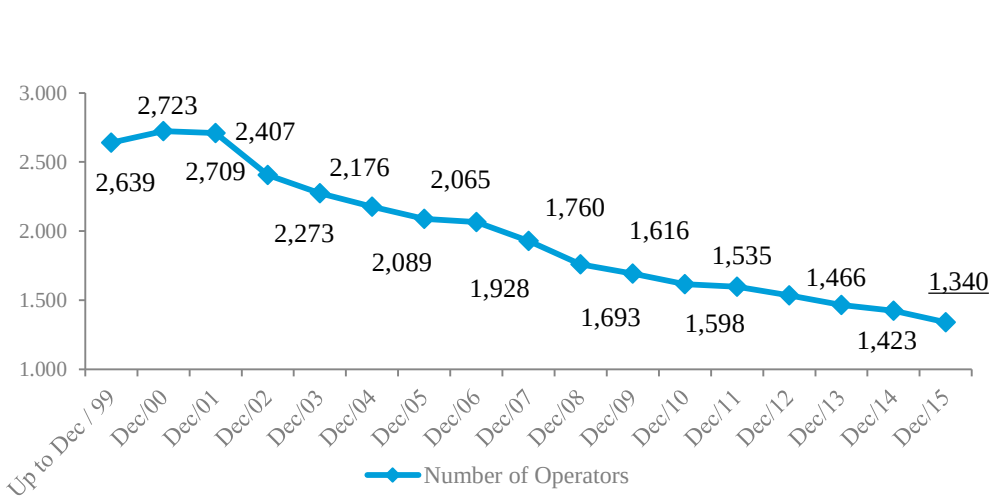
Source: Sistema de Informações de Beneficiários/ANS/MS - 12/2015.

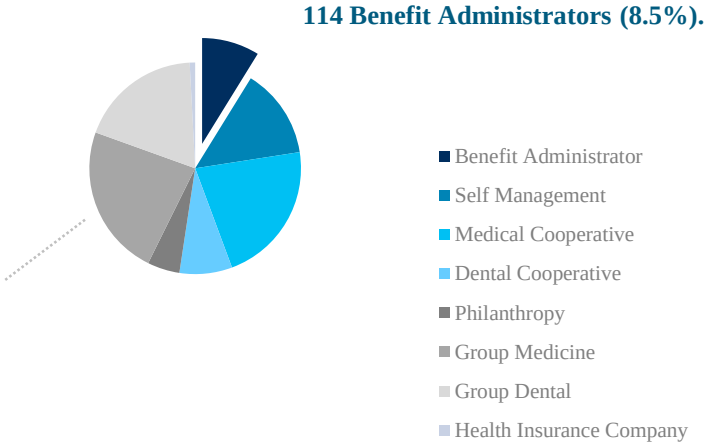
Source: Sistema de Informações de Beneficiários/ANS/MS - 12/2015.

Over the last two years group plans membership grew by 0.1% while the individual segment decreased 3.2%, as shown in Exhibit (2), which indicates a potential shift in preference given more competitive prices.

Industry Overview

Number of Healthcare Operators in Brazil



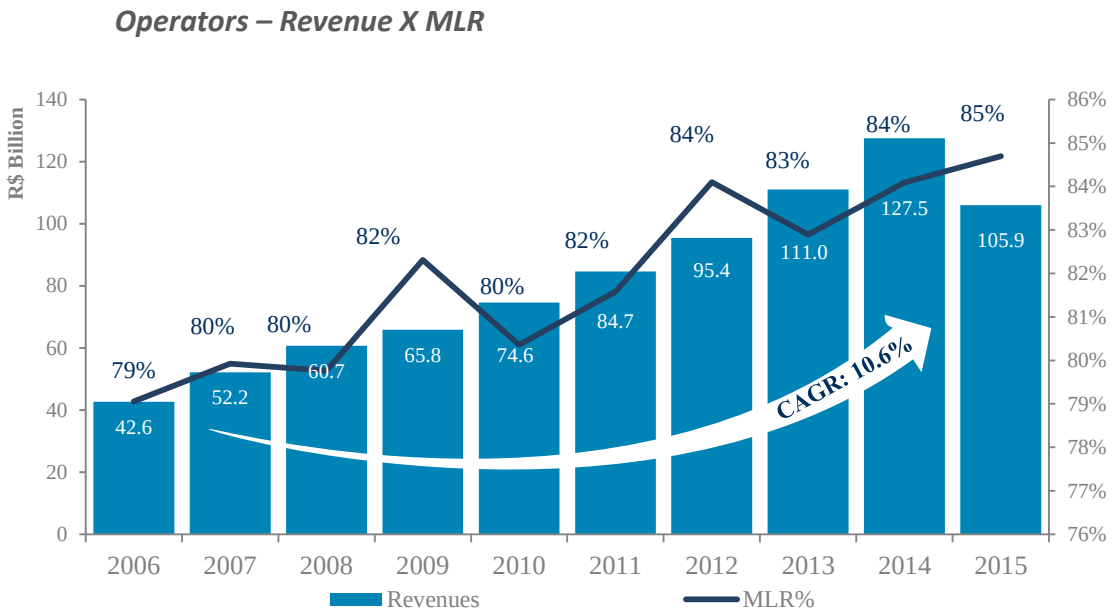


Source: Caderno de Informação da Saúde Suplementar - ANS (12/2015) / IBGE.

According to ANS, Brazil has 1,340 active Healthcare operators. Out of those, 114 are benefit administrators like Qualicorp. Given the high level of fragmentation in the sector, we consider ourselves as leaders in this segment, with around 1.8 million members in the affinity segment and almost 3.3 million in the corporate and others segments.

Industry Overview

Private Healthcare Sector Revenues (R$)



Source: Sistema de Informações de Beneficiários/ANS/MS - 12/2015.

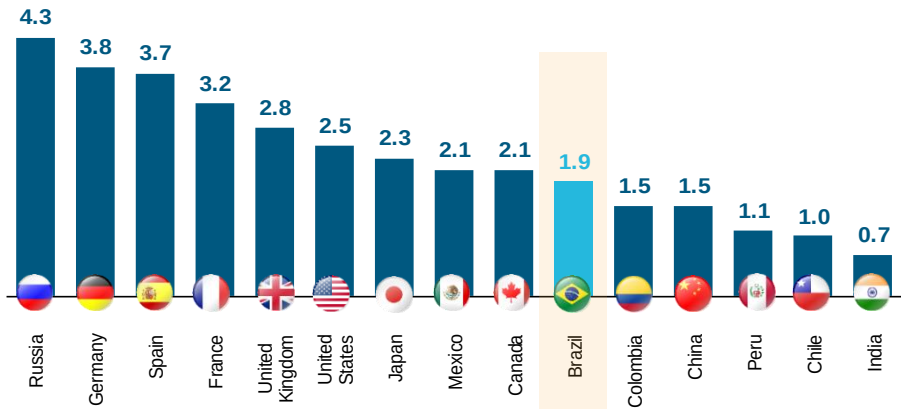
The Exhibit shows the evolution of the Healthcare sector revenues and MLR, indicating a strong expansion since 2006 but still high level of costs. We highlight that Qualicorp is not exposed to underwriting risks, which places the company in an unique position among the healthcare sector. At the same time, to guarantee the sustainability of our business we engage strong efforts to keep the MLR of our portfolio under control, enabling competitive prices and strong growth.

Industry Overview

Historical lack of physicians and beds

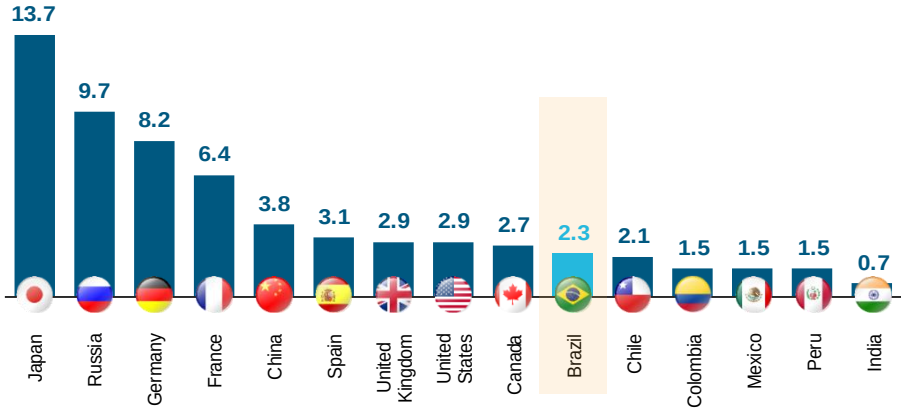
Physicians per capita rate is much lower than in developed countries ...

(Physicians per 1,000 people)



... so as the number of beds per capita

(beds per 1,000 people)



Hospital beds distribution

(beds per 1,000 people)



The number of physicians per 1,000 inhabitants is far behind that of developed countries standards

It is important to notice that in Brazil there is:

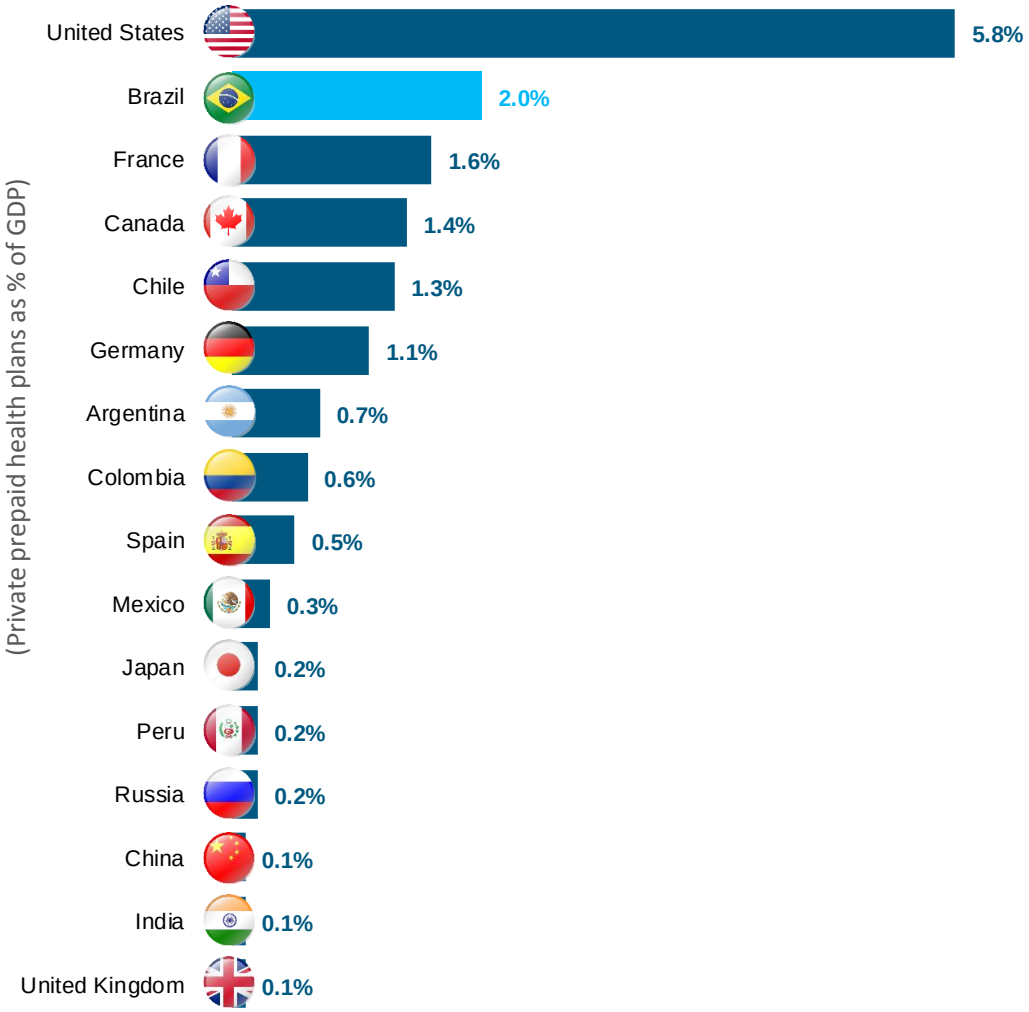
- Huge penetration disparity across regions and also between capital, cities and countryside regions
- Poor infrastructure quality
- Major inefficiencies, such as lack of basic support and monitoring

Healthcare assistance in Brazil is far behind of developed countries

Source: World Health Organization, Datasus and Wall Street Research.

Industry Overview

Brazilians have high expenditures on private health plans



Source: World Health Organization and Wall Street Research.
(1) Among the selected group of countries.

Brazilians spend more than almost any other country on private health plans(1)

Deep underinvestment in the public healthcare system forces the population to look for private alternatives

The overlapping of private and public health services also generates over spending

Regulation obligating a minimum coverage and procedures to be provided by some health plans increases spending

Industry Overview

Health Plans in Brazil

- Upward social mobility, consumption dream, most valued benefit by users.
- Change of the social and demographic profile -> change of the epidemiological profile.
- The private health sector by definition is complementary to the public system, but it is used as a replacement.

Key challenges to be addressed

- Historically the system is based on revenue increase (in times of high inflation) and pass through of costs, and not on health management and cost savings with the irrational use of resources => high annual increases.
- Lack of alignment between the purpose of the system (producing healthy individuals) and the payment criteria (based on diseases)
- Payment model based on "fee for service" and lack of alignment of financial incentives with a high level of waste.

Promote comparative evaluation - indicators	**Encourage and reward best practices aligned with clinical outcome and cost**	**Face the problem of OPME (Orthotics, Prosthetics and Special Materials)**	**Use of clinical protocols**

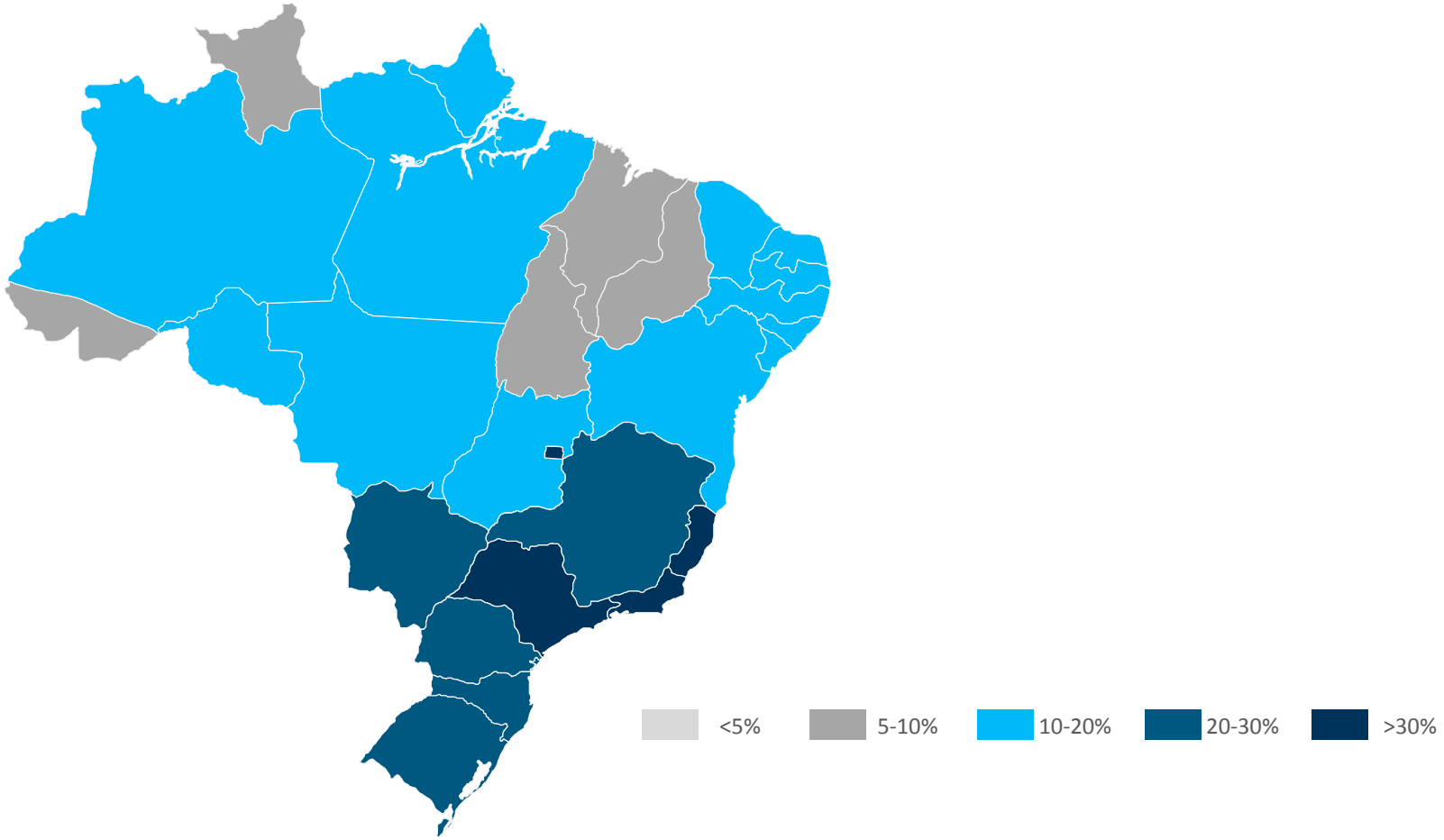
- Organize health information - EHR (reducing repetitions, cost and increasing safety).
- Use of continued information technology with users - habits, disease prevention, health promotion and quality of life => integrality of the individualized health care line throughout life.
- Consumers' co- responsibility when using the plan.
- Invest in engagement, education and change of habits and behavior

Motto -> EFFICIENCY

Industry Overview

Health plans coverage is mostly concentrated in the southeast region

Private health plans coverage
(as of sep-14)

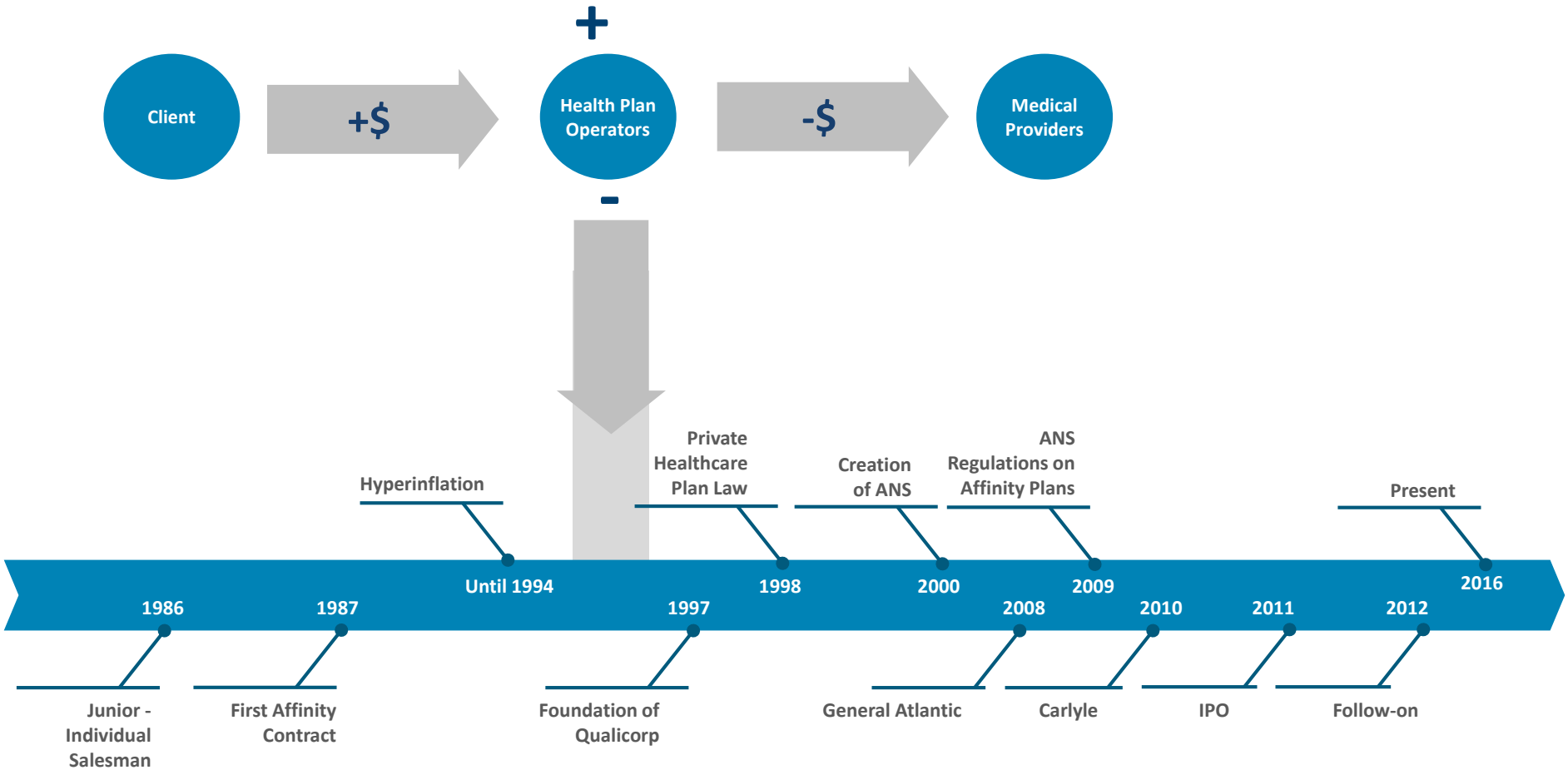


Source: ANS.

Industry Overview

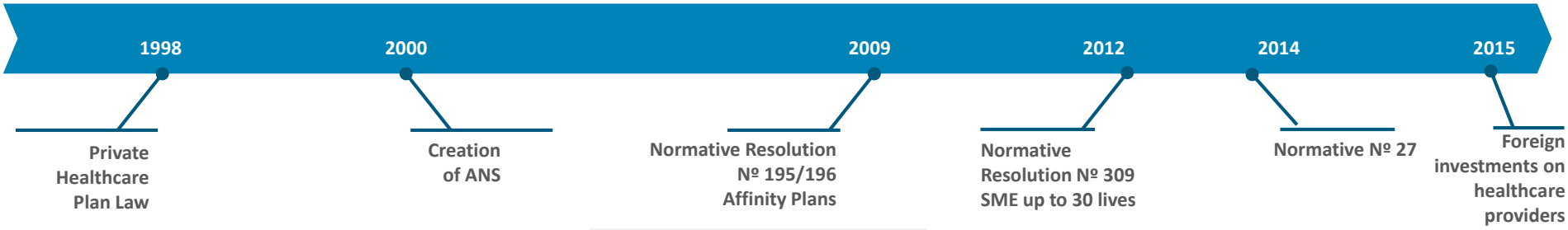
Relationship with Clients/Beneficiaries

Relationship with Providers (MLR Management)



Regulatory Framework

The evolution of the Private Healthcare Regulatory System



- 1998 - First regulation for the healthcare sector - law 9.656/98 was created to regulate the private sector. Levels of Services, reimbursements, price adjustments, networks and other matters.

- 2000 – ANS was created as a regulatory agency for the Private Healthcare sector in order to set performance standards, complying with law 9.656/98.

- 2009 - RN 195: Regulate : grace periods, price adjustments criteria, healthcare segmentation and geographic coverage.
- RN 196: Regulates the activities of the Benefits Administrators. Was created to mitigate conflict of interest between clients and providers, risk selection, and the false collectivization.
- Benefit Administrators: (i) price adjustments negotiation; (ii) guarantee operators are respecting regulation and contracts; (iii) Absorb delinquency risk; (iv) registration handling.
- Prohibition of benefit administrators to develop any typical activity of health plan operator.

- 2012 - New price adjustment rules for contracts of corporative plans under 30 beneficiaries. The measure states that the health plan operators must group these contracts and calculate a single readjustment for the entire pool, to dilute risk.

- 2014 - Normative came up to reinforce that the practice of risk selection by health plan operators is prohibited.

- 2015 - In January the Brazilian government passed a law that allowed foreign entities to invest in healthcare providers (hospital and clinics).

Leading, Full-Service Benefits Administrator in Brazil



Affinity (Professional Associations)

- Partners with leading Brazilian professional associations and health plan operators to offer health plans to association members at reduced prices
- Offers value-added services to over 530 professional associations
- Direct relationship with beneficiaries



Corporate and Other (Companies / HR)

- Benefits consultant and health plan broker
- Third-party administrator (TPA)
- Connectivity (Medlink/Connectmed-CRC)
- Mass insurance product sales (PraxiSolutions)

Qualicorp has a unique business model which provides access to high quality healthcare services to millions of Brazilians

Qualicorp Overview

Relationship with Clients

Affinity/ Corporate Clients

Benefit Administration

91%

- Individual Customers Collection and Services (Ownership)
  - Billing
  - Collection
  - Call center
- Medical Management
- Infrastructure
- Proprietary IT
- Knowledge/Intelligence
- Client Pool/Customer Base

4%

- Brokerage (Sales)
  - Scale
  - Sales Force
- Mass Insurance Products

Relationship with Providers (MLR Management)

Health Plan Operators

Medical Providers

Health Management / Administration

5%

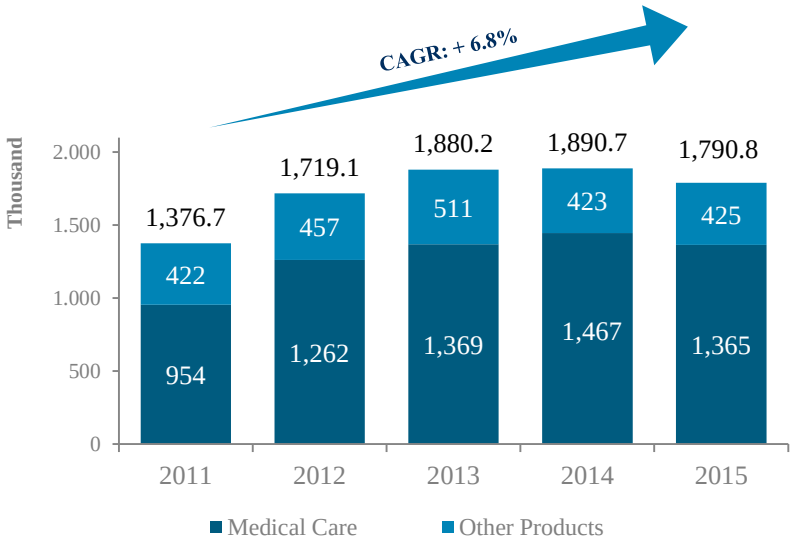
- TPA (Third-Party Administration) ✓
- HCIT (Healthcare Information Technology) ✓
- PBM (Pharmacy Benefit Management) ✓
- PPO (Preferred Provider Organization) ✓

✓ Services already offered by Qualicorp (under expansion)

✓ Being evaluated according to opportunity

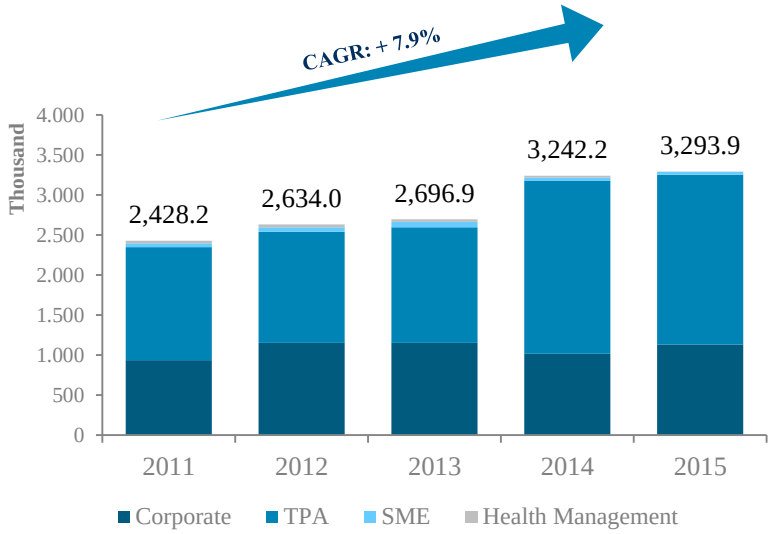
Qualicorp - Segments

Affinity Members



Source: Company Data.

Corporate and Others' Members



Source: Company Data.

Exhibits show the evolution of Qualicorp membership base growth divided by segment. We currently have around 5.1 million lives among Affinity and Corporate clients, and our most recent results (4Q15) showed reduction of -6.9% y/y in the Affinity Medical Care membership base, mainly due to (i) Potencial Sale in 2Q15 (-53.3k lives); (ii) One-time loss of 12k lives due to the cancellation of Unimed Seguros operation in the Affinity market in the 3Q15, and; (iii) One-time loss of 44k lives due to the compulsory sale of Unimed Paulistana's Portfolio in 4Q15. The corporate and others segment increased 1.6% y/y on 4Q15.

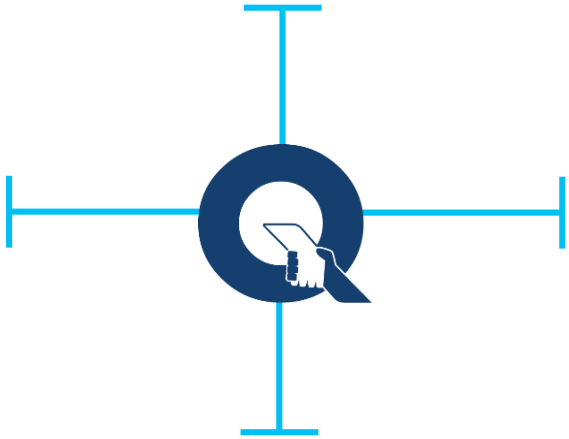
Qualicorp Adds Value to All Constituents in the Affinity Segment

Individual Beneficiaries

- Improves access to private healthcare Discounts up to 50% compared to individual plans
- Additional value-added services
- Access to unique line of products and brands

Health Plan Operators

- Most effective way to address individuals
- Improves access to individual policyholders with attractive demographics and income profile
- Lower MLRs and zero delinquency
- Back office services at no additional cost



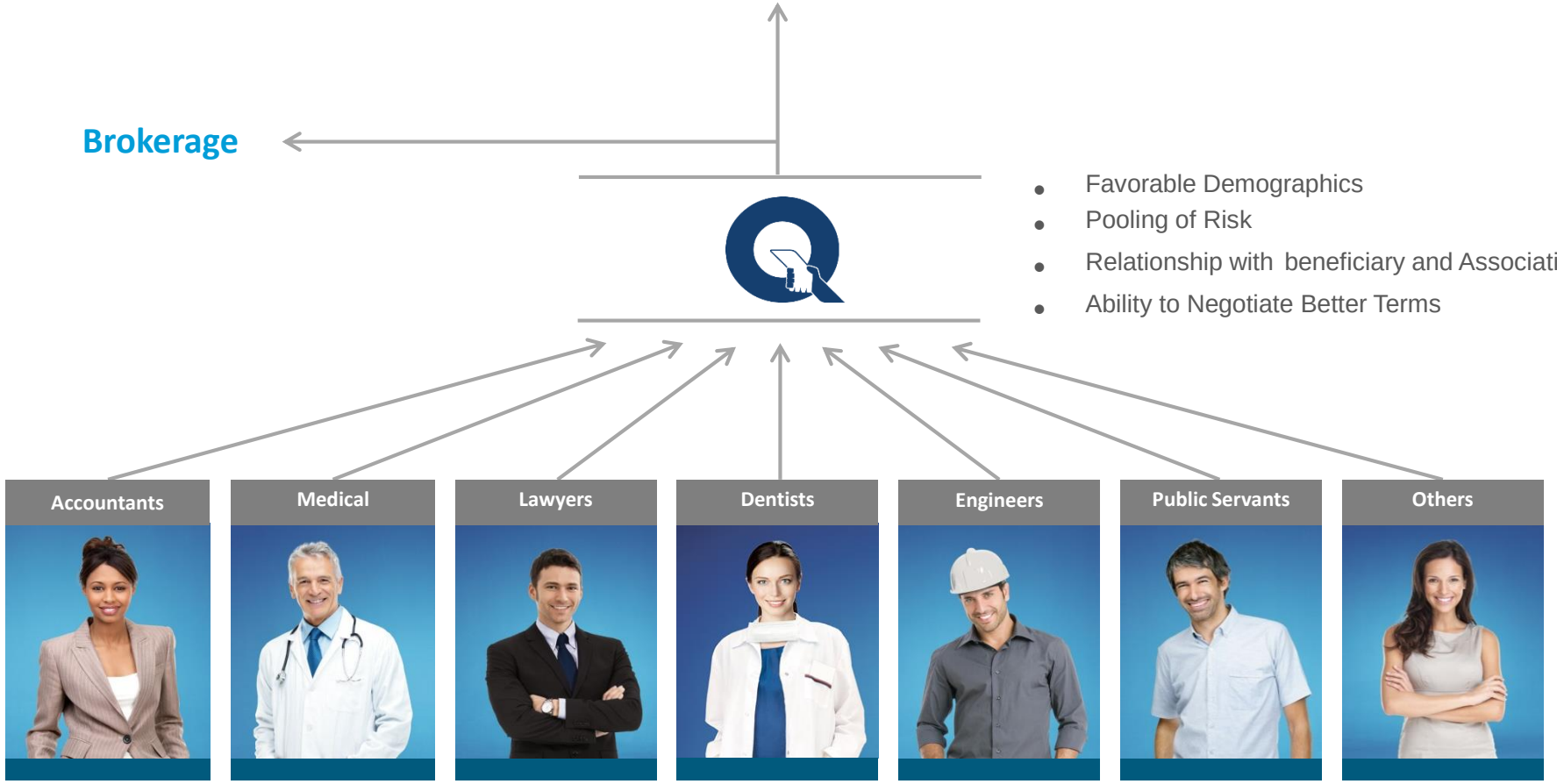
Professional Associations

- Improves negotiating power
- Revenue-sharing agreements with Qualicorp provide source of income – help attract new members
- Augments association database through tracking and data Management

Brazilian Government

- Improves accessibility of private healthcare system
- Alleviates burden on public healthcare system

Uniquely Positioned to Aggregate Interests and Demands in the Affinity Market



Professional Associations

Qualicorp: Unique Business Model

Brokerage (Sales)

Sales

- Marketing of products
  Direct marketing
  Database marketing
- Provide distribution channels
  - Direct: Telemarketing; franchisees
  - Indirect: Internet
- Identify the best option for the customer
- Contact companies and associations
- Originate qualified beneficiaries
- Prepare proposal for clients
- Discuss commercial terms with beneficiaries

Benefits Administration

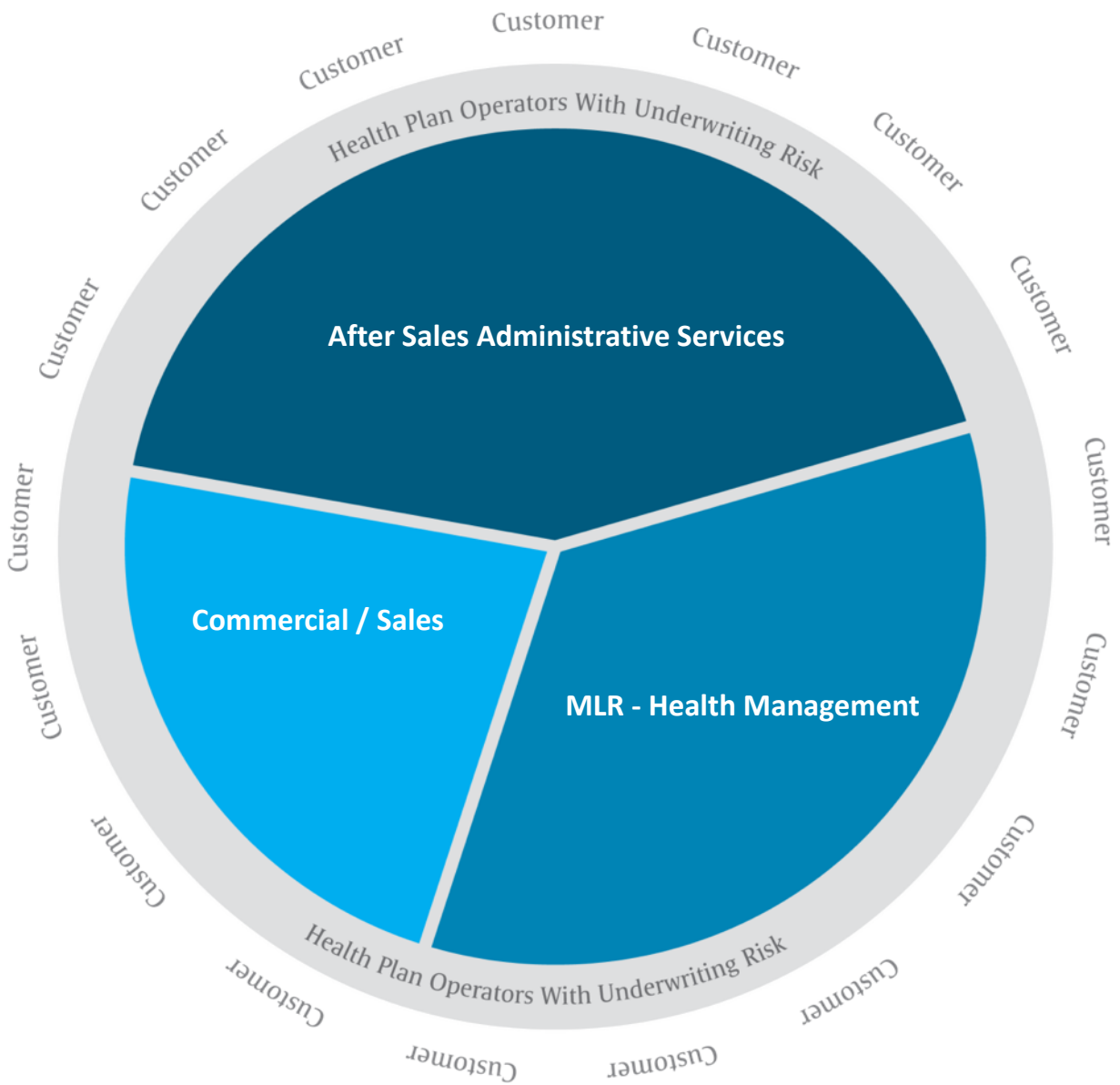
We "Own" the Client ("Umbrella Contracts")

Services

Customer register	Implement customer register changes	Manage costs and utilization rates
Send ID card and manuals for the clients	Manage conflicts between operator and beneficiaries	Call center
Prepare invoice	Charge the client	Pass through the payment
Enable healthcare services	Clarify doubts regarding plans	Monitor pregnancy and chronic diseases
Help reimbursing clients	Manage hospitalization pre approvals	Negotiate premium adjustments
Healthcare and Preventive Medicine promotion	Report changes in the terms negotiated	Identify opportunities with operators and health insurance companies

BENEFICIARIES | COMPANIES | PROFESSIONAL ASSOCIATION

Traditional Business Model



Qualicorp's Business Model

Qualicorp is uniquely positioned as a complete service provider along the entire healthcare value chain



* Not part of Qualicorp

Key Investment Highlights

- Fast Growing, Underpenetrated and Large Addressable Market
- Unique Business Model which Creates Value for All Constituents and Assumes No Underwriting nor Reimbursement Risk
- Leading Position with Significant Scale and Long-Standing Customer Relationships
- Multiple Opportunities for Continued Growth
- Strong Operational and Financial Performance
- Management Team Led by Respected Industry Pioneers
- Ongoing Organic Growth and Attractive Acquisition Opportunities

Significant Growth Opportunities

Growth Strategy Going Forward (Affinity Segment)

- Expanded geographically to new markets in Brazil adding New Partnerships with Operators and Professional Associations
- Deepen Penetration Within Existing Associations
- More Options: Clube de Saúde and Copayment products
- Improve the distribution channels: Franchises, Phone and Internet Sales

Unparalleled Partnerships with the Largest Brazilian Health Plan Operators

Top Health Plan Operators in Brazil

SulAmérica associada ao ING
OdontoPrev Especialistas em Odontologia
Amil
Bradesco Saúde
Unimed Fesp
Central Nacional Unimed
Unimed Belo Horizonte
Golden Cross
Unimed Rio

Expansion Plan

Growth Strategy

Multiple Avenues to Continue to Drive Long Term Sustainable Growth



Currently, Qualicorp is pursuing all of these growth avenues

How We Have Delivered

- Partnerships with operators nationwide, including unique opportunities with the largest Brazilian healthcare plan operators **Bradesco Saúde**, **SulAmérica**, **Golden Cross** and **Amil**.
  - Entered the emerging middle class market.
- Expanded geographically to new markets in Brazil through new branches or franchises.
- Started to sell Class C and D products through the new brand - **Clube de Saúde**.
- Internet and Telephone Sales
- Client Segmentation – NPV project

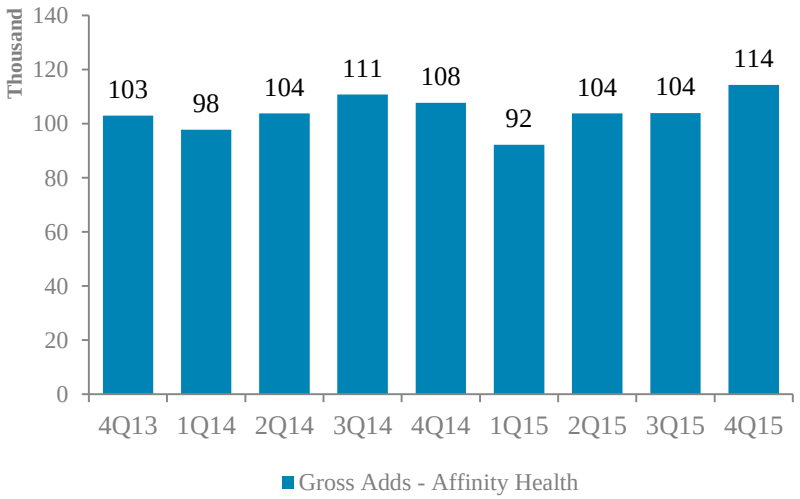
Strong organic growth in number of beneficiaries

Track record of implementing multipronged growth strategies and tremendous room for future expansion

1 - Organic Growth

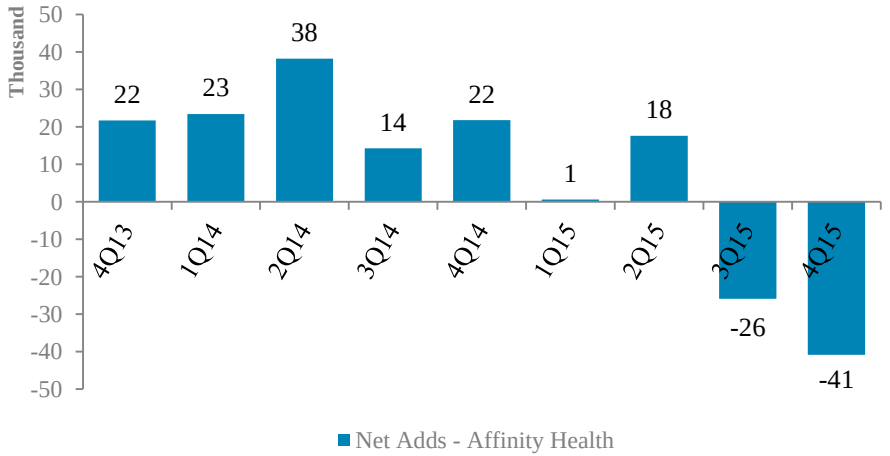
Affinity Members

***Historical Gross Adds** (# of lives)*



Source: Company Data.

***Historical Net Adds** (# of lives)*



Source: Company Data.

1.1 - Organic Growth

Clube de Saúde

Started on 2014 as a way to mitigate the negative macroeconomic scenario and the consequent loss of purchase power by the population, sales of Classes C and D products are being successful.

- Lower operational costs to keep the same level of margin
- More than 20 regional operators
- Almost 80 professional associations
- Penetration in 15 States
- Average Ticket of R$130.00

São Cristóvão saúde

COOPUS Planos de Saúde

Santa Helena Saúde
TRABALHANDO PELA VIDA

SAÚDE SÃO LUCAS Desde 1983

GreenLine SISTEMA DE SAÚDE DESDE 1992

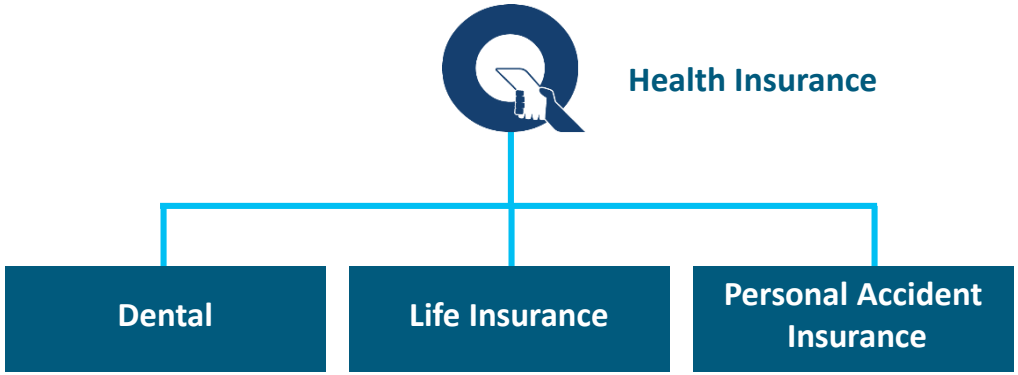
Intermédica

AMEPLAN ASSISTÊNCIA MÉDICA PLANEJADA

Hapvida Saúde

Ana Costa Saúde
Sempre evoluindo para acompanhar você

1.2 - Cross-Sell New Products and Services to Existing Customers

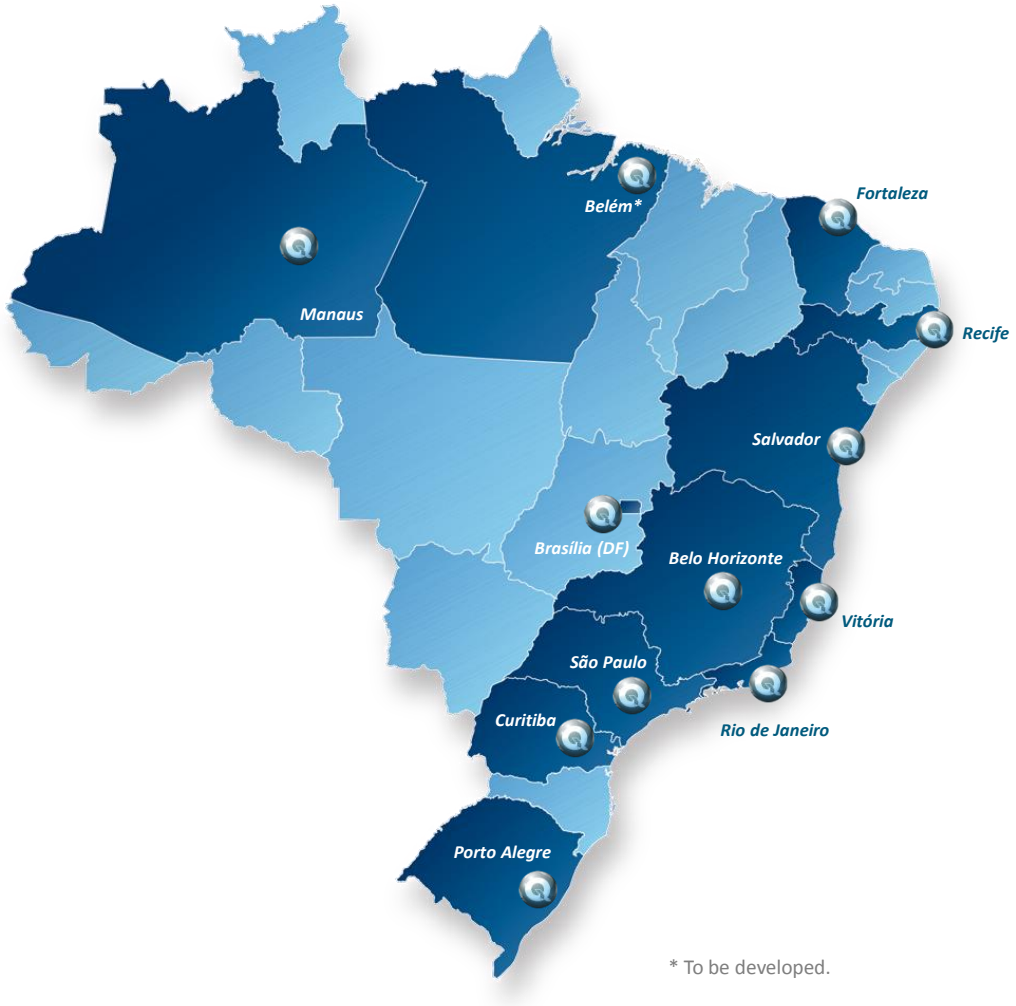


- Continue to leverage brand, exclusive association and provider relationships and existing customer base
- Capitalize on substantial cross-selling potential through PraxiSolutions acquisition to drive growth
- Identify additional products / geographies for cross-selling with support of specialized consulting firms
- Invest in marketing and advertising to increase awareness of Qualicorp's product offerings

Cross-Selling Initiatives Deepen Relationship with Professional Associations and Improve Customer Stickiness

2 - Expand Geographically to New Markets in Brazil

- Target high growth markets outside São Paulo and Rio de Janeiro
- Identify and prioritize attractive new regions with the support of specialized consulting companies
- Utilize partners strong capabilities and brand names to support geographic expansion
- Continue to leverage relationship with existing partners
- Franchises



* To be developed.

3 - Successful Execution of Acquisitions

Grow Through Selective Acquisitions

APRIL 2011

MedLink gestão total em saúde

Provides connectivity services to complement Qualicorp's businesses . Already implemented in the TPA segment.

APRIL 2011

DIVICOM Administradora de Benefícios

Provided approximately 60k additional lives to the affinity portfolio

JULY 2011

PRAXI SOLUTIONS

Adds mass insurance products to existing platform and allows for cross-selling through distribution channels across Brazil .

OCTOBER 2011

Newport CONSULTORIA EM BENEFÍCIOS

Provides corporate collective healthcare insurance through a brokerage service

DECEMBER 2011

GRUPO AFINIDADE

Expanded geographic presence and added new associations and lives providers (+ 27k lives to the affinity portfolio)

3 - Successful Execution of Acquisitions

Grow Through Selective Acquisitions

MARCH 2012

Fidelitas Corretora de Seguros

Added new opportunities in the Corporate segment and expanded Qualicorp's geographic footprint

JULY 2012

PS GrupoPadrão Desde 1991

Reinforced our strategy to increase penetration in Affinity Group Health plans by adding 84,000 lives to Affinity portfolio, mainly in Rio de Janeiro and São Paulo and also in Paraná, Ceará and the Federal District of Brazil

AUGUST 2012

Aliança Administradora de Benefícios de Saúde

Reinforced our position in the public segment, increased penetration in Health plans by adding 140,000 lives to Affinity/Corporate portfolio, mainly in the Federal District of Brazil

APRIL 2014

CRC gama Soluções em Saúde SAÚDE

connect·med

Expand its services offered to the TPA (Third Party Administrator) sector, in accordance with its strategic guidelines, which included management and backoffice outsourced services to self-managements, governmental agencies and operators (+ 27k lives to the TPA portfolio)

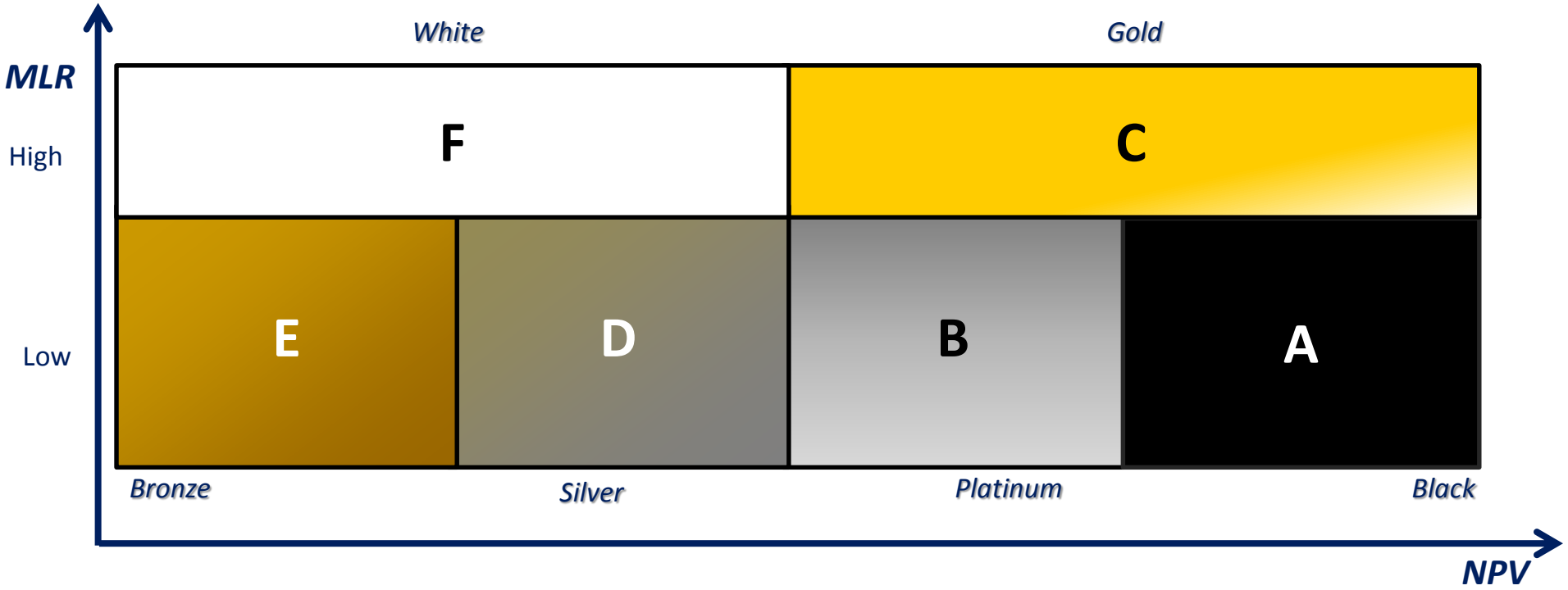
- Selected and disciplined acquisitions of affinity brokerage portfolios support growth
- Operational leverage: incremental contribution margin of more than 60% for every new affinity member
- Add new capabilities: (i) Continue to broaden product offering; (ii) Leverage track record of increasing

4 - Leverage Existing Platform to Expand as Healthcare Market Evolves

Third-Party Administrator (TPA)	• Leading TPA in Brazil in number of lives • Acquisition of CRC-Connectmed and GAMA Saúde
Healthcare Information Technology (HCIT)	• Significant collection of medical data • Acquisition of one of the largest connectivity companies in Brazil (Medlink)
Mass Insurance Products	• Consists of a broad range of insurance products including life, accident, etc
PBM and PPO Products	• Evaluated according to opportunity

5 - New Channels and Operational Improvement

Client Segmentation – NPV Project



The NPV Project was launched in 2015 to create a segmentation among our clients. The level of MLR and ticket are the main keys to separate them. With this strategy we are creating different approaches for each one of our customers delivering extra care for those who are more profitable for the Company.

5.1 - New Channels and Operational Improvement

Sales Improvement

New strategies <u>being Implemented</u>

System Sales Support

Facilitate the sale of products



- Installation via App for Internal and External brokers
- Physical to Digital
- Less papers, easier sales, better production
- Integrated with Cadastration and Acceptance
- Increase efficiency on the operational area
- Reduce costs



Brokers Relationship Program

Segment brokers and provide different benefits for the best-ranked.

- Provide different benefits for different level of deliveries
- Segmentation based not only on volume but also on ticket and quality

5.2 - New Channels and Operational Improvement

Other innovation initiatives

Broker CRM Tool	Broker daily management tool
Lead as Incentive	Best leads as incentive to Best Brokers
RV Sales new platform	RedVentures Platform to accelerate sales
DeepDive	Anticipate Customers' Churn Movements through analyzing previous experiences
Private Advisors to TOP NPV	Copycat from Private Banking Model
Cross Benefits	Boost clients loyalty through cross benefits
Akinator	Right/better health plan selection
E-Commerce	Make the whole selling process through internet

Keep a track on disruptive innovation in Healthcare.

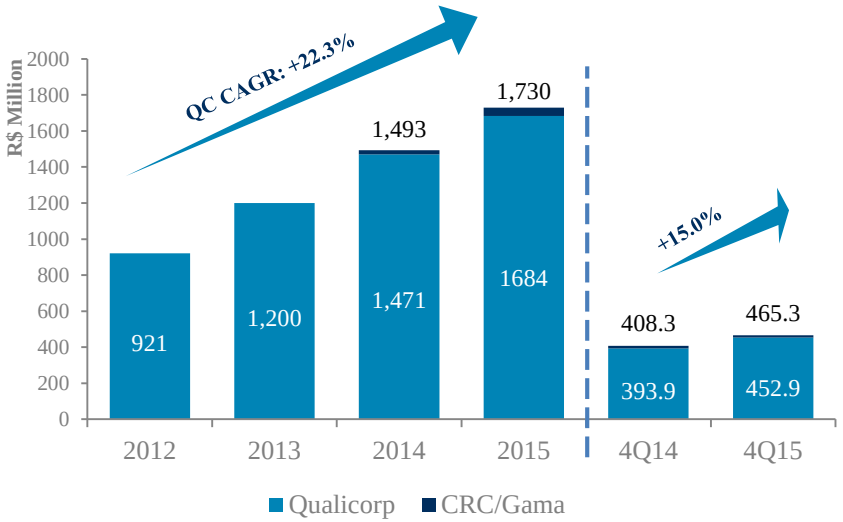
Affinity Revenue Streams

Payer	*Revenue to Qualicorp*	*Recurrence*
Individual Beneficiary	Membership Fee	Initial
	Benefits Admin Fee	Monthly
Health Plan Operator	New Sales Fee	Initial
	Brokerage	Monthly
	Royalty	Monthly

Around 90% of all revenues are recurring

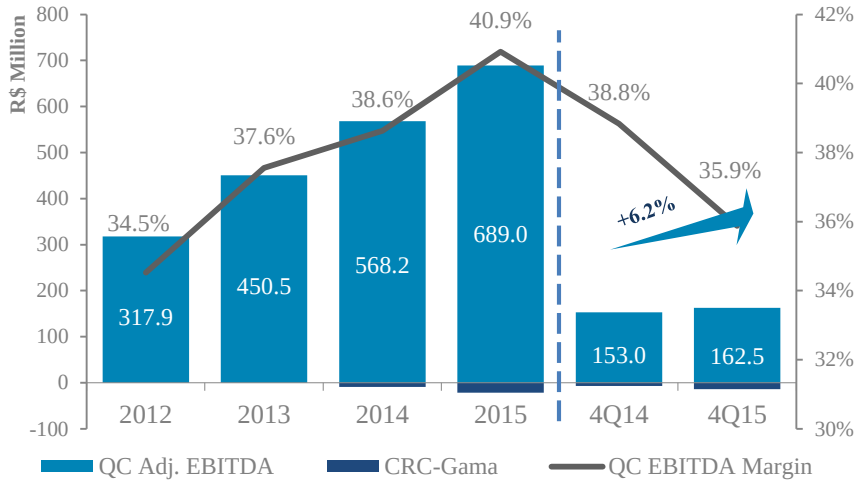
Financial Data

Net Revenues



Source: Company Data.

Adjusted EBITDA and EBITDA Margin



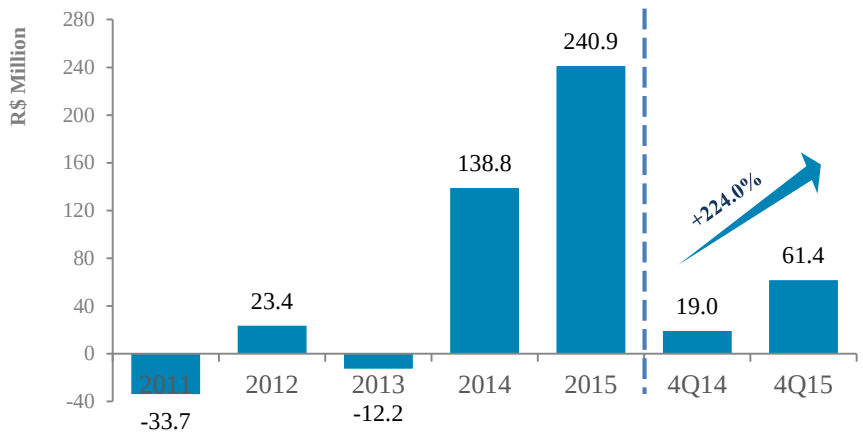
Source: Company Data.

<u>* In order to facilitate the understanding and make the financial information comparable with previous periods, we have presented the 2014 and 2015 results excluding the non-recurring retroactive effects of tax credit and the negative results from the acquired companies CRC/Gama.</u>

[1] The Adjusted EBITDA is not audited and represents management view of the company results. It excludes stock option expenses, non-recurring expenses and adds the interest on late penalties.

Financial Data

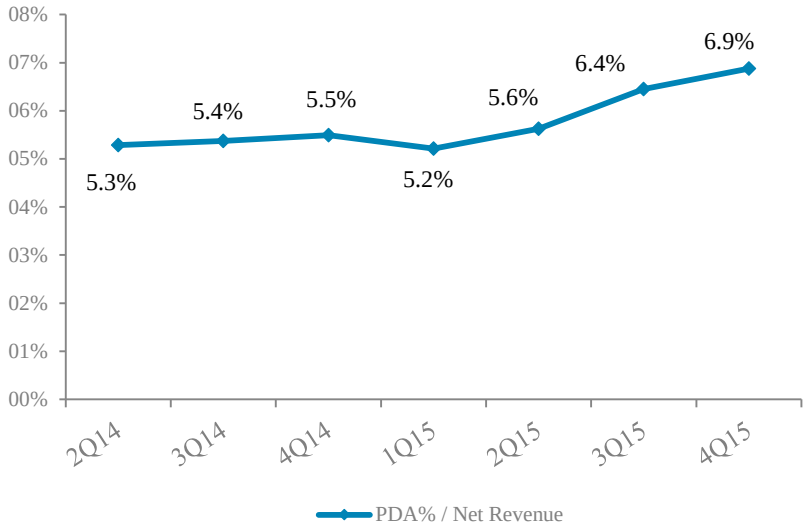
Net Income



* Our consolidated net income on 2015 was positively affected by our operational result with the capital gain from Potencial and on 2014 it was also positively affected by retroactive recognition of PIS/COFINS taxes.

Source: Company Data.

*Qualicorp %PDA/Net Revenue**

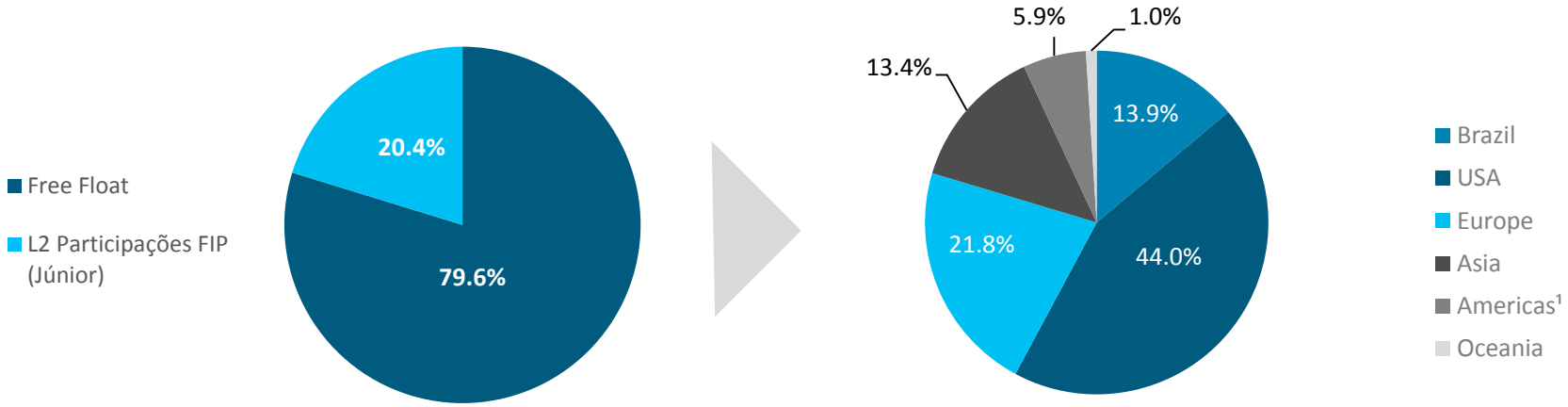


* %PDA on Net Revenues from Qualicorp, without any effects from acquired Companies.

Source: Company Data.

Ownership Breakdown

Ownership Breakdown



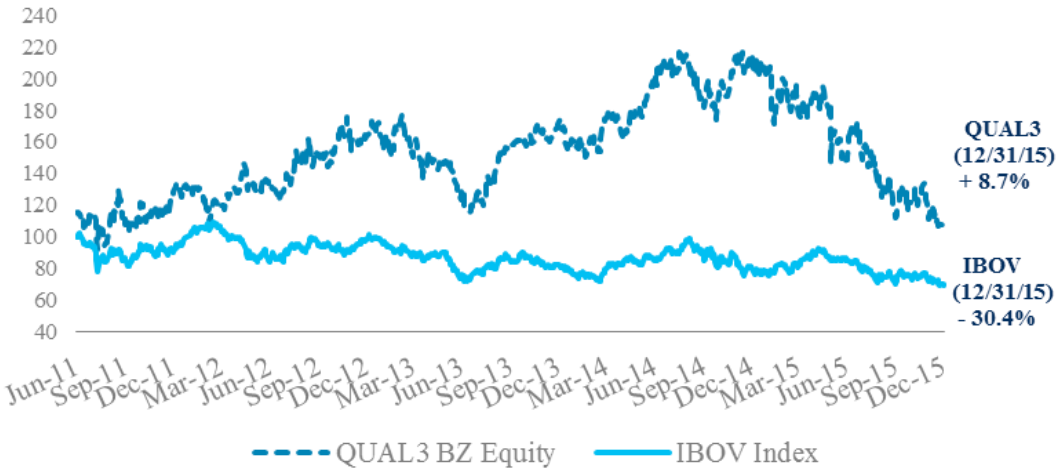
Source: Company Data (02/04/2016).

[1] North, Central and South Americas, excluding Brazil and USA.

Our shareholder structure is segmented as shown in Exhibit (14). Júnior holds 20.4% of the total number of shares and the remaining 79.6% is at the free float market. Of the total free float, Exhibit (15), 86.1% are under foreigners funds and 13.9% under locals.

Share Performance

QUAL3 X IBOV



Source: Company Data (12/31/2015).

- ✓ Since the IPO, Qualicorp shares presented a strong outperformance compared to BM&FBOVESPA index.
- ✓ While IBOV index presents a reduction of 30.4% since our IPO, our share price increased 8.7% in the same period.

Average daily trading (R$)						
period	# of trades			volume		
2011	131	R$	14.51	294,188	R$	4,236,835
2012	1,243	R$	18.06	1,039,778	R$	19,889,733
2013	3,423	R$	19.62	1,625,605	R$	31,778,727
2014	6,750	R$	24.15	2,011,582	R$	48,333,546
2015	5,717	R$	21.27	1,874,830	R$	40,085,928

Source: Company Data (12/31/2015).

Qualicorp ADRs trade on the US OTC market :

Symbol - QULRY | CUSIP - 74752K100 | Ratio - 1:1 | BNY Mellon





Índice Brasil Amplo BM&FBOVESPA **IBRA**

Índice de Ações com Governança Corporativa Diferenciada **IGC**

Índice de Governança Corporativa Trade **IGCT**

Índice de Ações com Tag Along Diferenciado **ITAG**

Índice Small Cap **SMLL**

Índice Brasil **IBRX**

