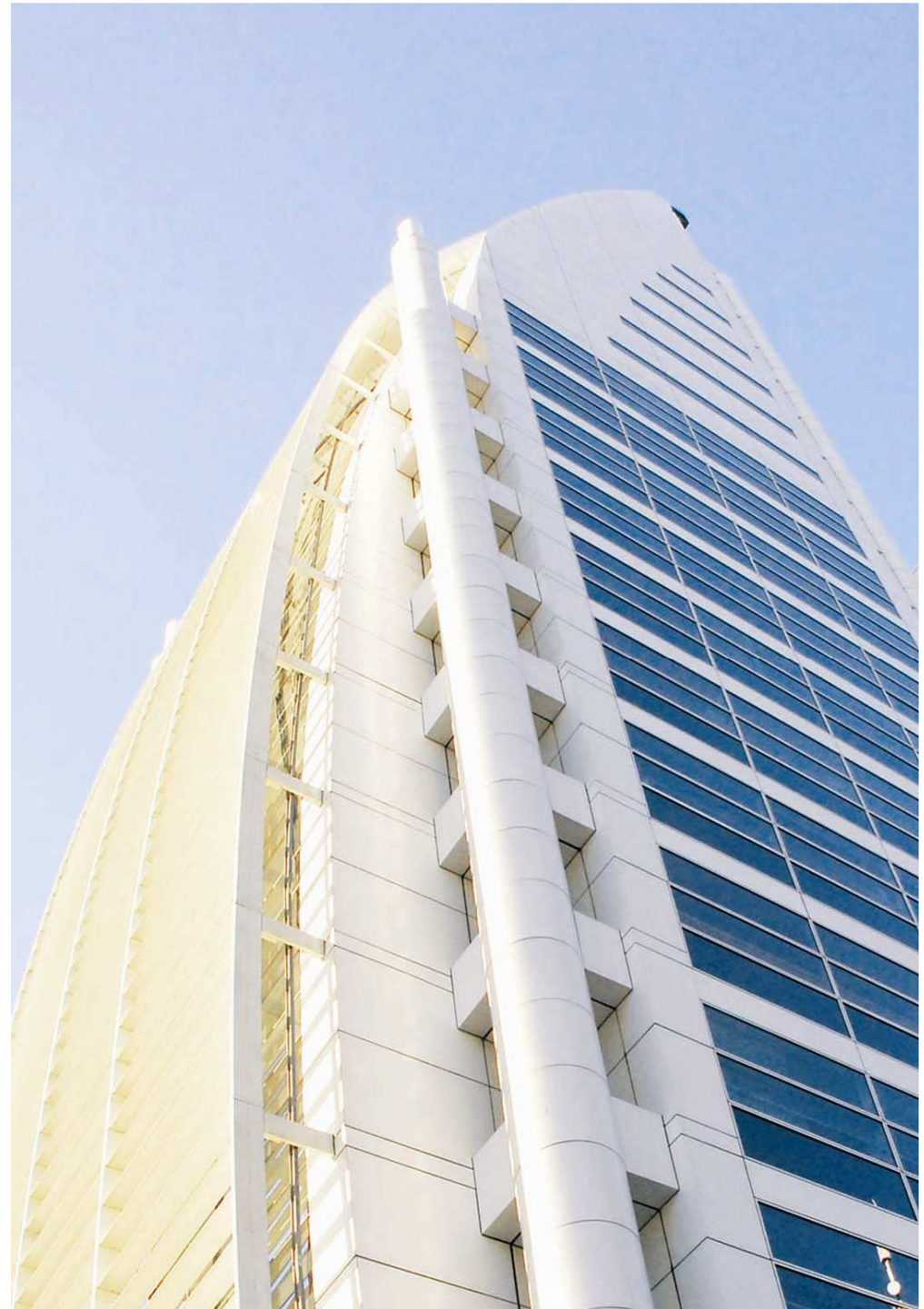




# Empresas Banmédica

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**Financial Results  
First Quarter 2008**



- ▶ **Empresas Banmédica**
  - *Business Organization*
  - *Shareholders structure*
  - *Issues First Quarter 2008*
- ▶ **Market Overview**
  - *Isapres*
  - *Private Hospitals*
- ▶ **Financial Highlights**
  - *Consolidated*
  - *Business Areas*

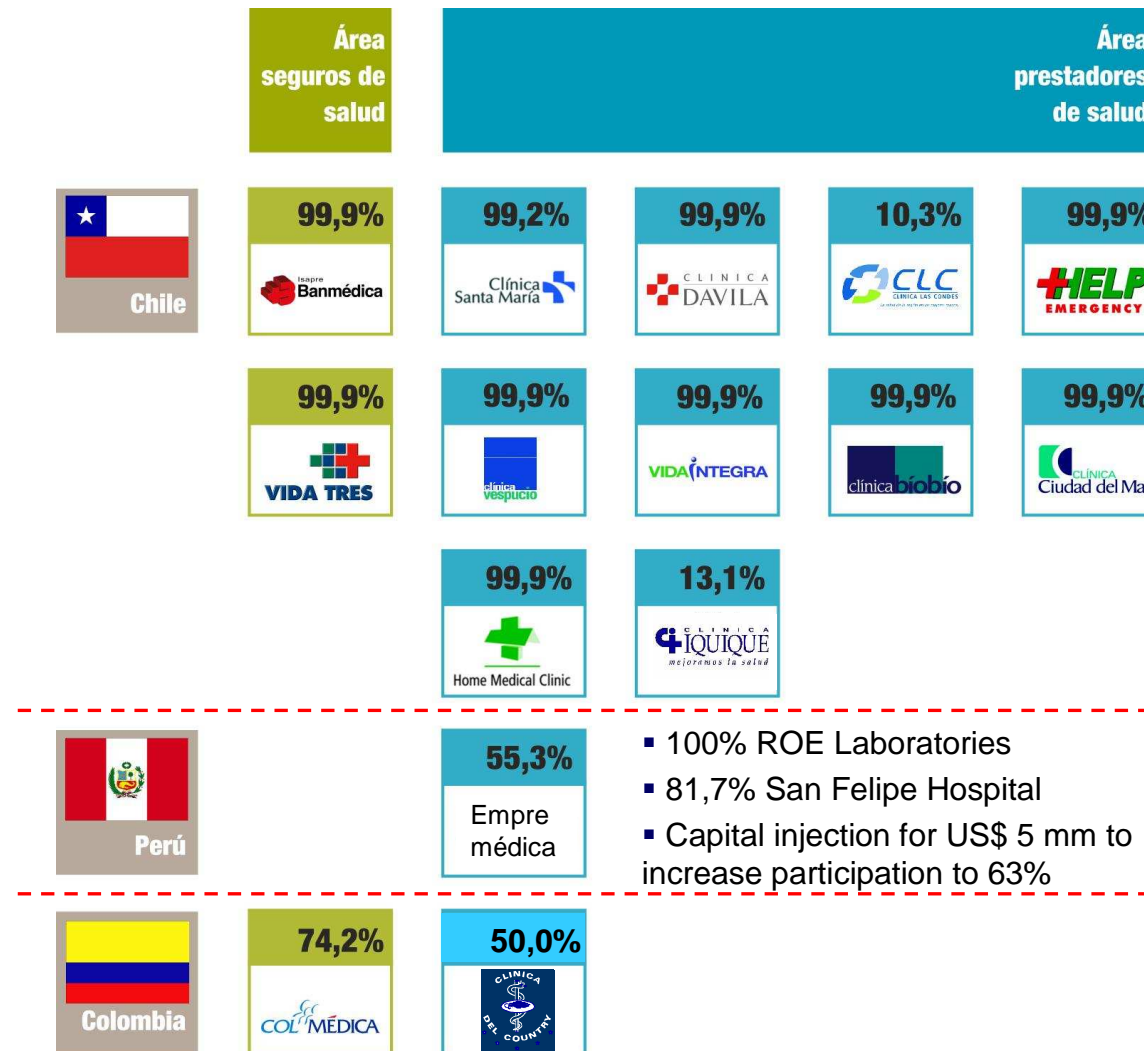
## Empresas Banmédica

- *Business Organization*
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# Empresas Banmédica: Business Organization



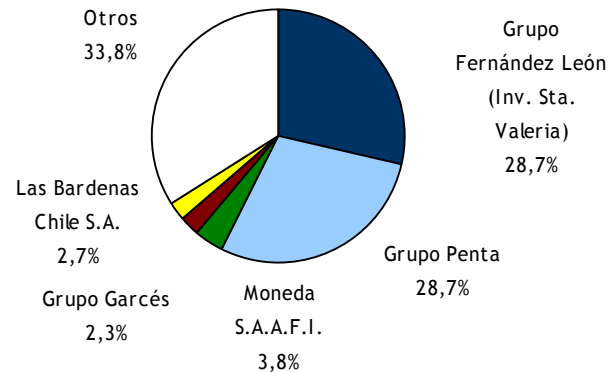
- ▶ Strong position in health insurance and medical facilities business in Chile
- ▶ Banmédica gives complex health solutions to its clients
- ▶ International business model



# Empresas Banmédica: Shareholders Structure



## Shareholders Structure



Source: SVS 2008

- ▶ Prestige of shareholders
- ▶ Board and Managers with more than 20 years of experience in health industry
- ▶ Long term vision to invest and create value

## Stock Price Evolution



Source: Financial Times

- ▶ Banmedica share price has been influenced by “subprime” market crisis. However last time it has increased its value
- ▶ Market Cap reached around US\$ 1 billion

**Banmédica acquired  
Roe Laboratories and  
San Felipe Hospital  
in Lima Perú**

On February 5 2008 Banmédica acquired 55,3% of Empremédica holding owns of Roe Laboratories and San Felipe Hospital, two of the most important private medical institutions in Lima Peru. Banmédica Invested US\$ 13 millions and it will capitalize US\$ 5 millions during 2009 to reach 63% of Empremedica

**Banmédica will launch  
two series of bonus  
for CLF 1,7 millions**

Banmédica informed to SVS the emission of two series of bonus for CLF 1,7 millions (US\$ 73 millions) to reorganize bank debt and finance investment in hospitals, medical centers and international operations

**Medical Facilities  
Investment Plan**

Clínica Santa María and Clínica Dávila are working to expand their medical facilities. The project includes 150 beds at CSM and 100 at CD, parking lots, surgery rooms and ambulatory services. Those infrastructure will be available for patients in IVQ 2009.

## Empresas Banmédica

- *Business Organization*
- *Shareholders structure*
- *Issues First Quarter 2008*

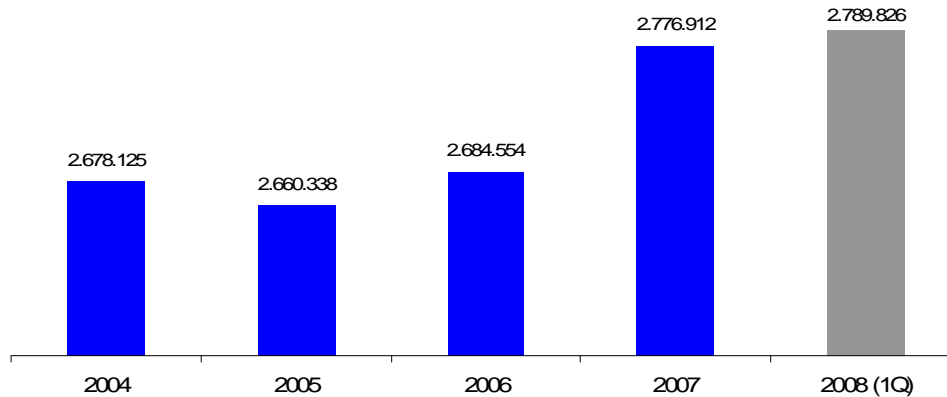
## Market Overview

- *Isapres*
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- ▶ **Financial Highlights**
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# Market Overview: ISAPRES



## Beneficiaries of Isapre Industry



*Isapre Industry has recovered clients after economic crisis at the beginning of this decade*

## Revenues and Affiliates Isapre Industry



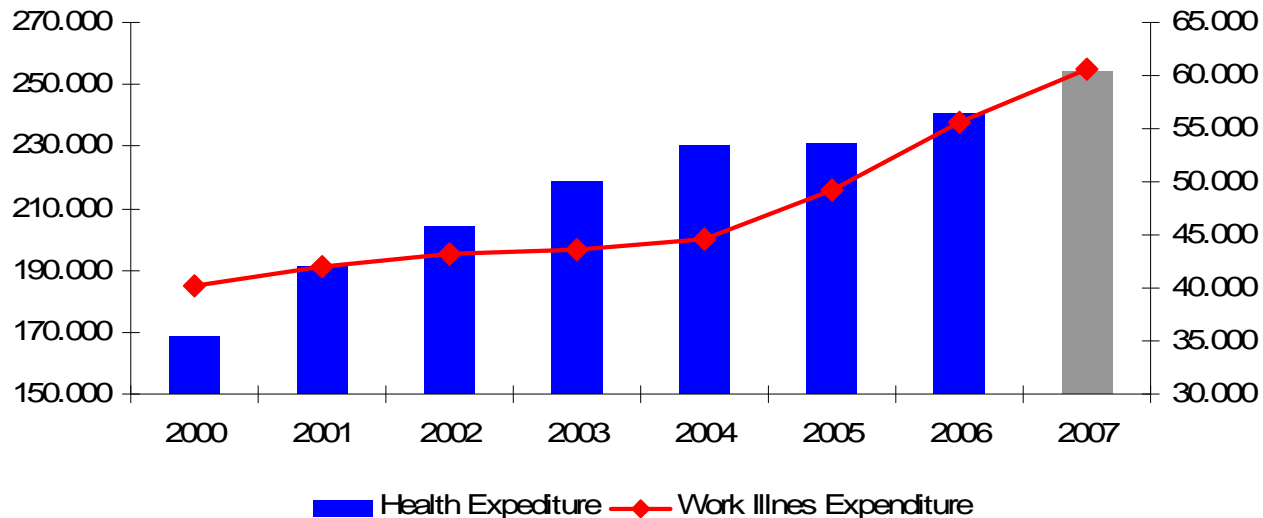
*Also, Isapre Industry has increased constantly its revenues, it raised around US\$ 2 billions in 2007*



# Market Overview: ISAPRES



## Expenditure by Beneficiary Isapre Industry (CL \$ 2007)

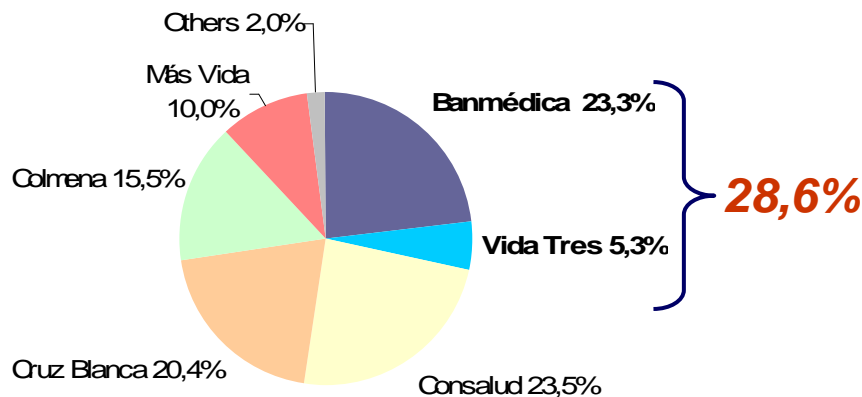


Health expenditure by beneficiary of Isapre Industry has increased at 6,6% a year from 2000 and work illness at 4,2% annually. Those rates are similar to USA and European health insurances and they are associated to health trends like ageing populations, medical solutions and improvement of economic standards

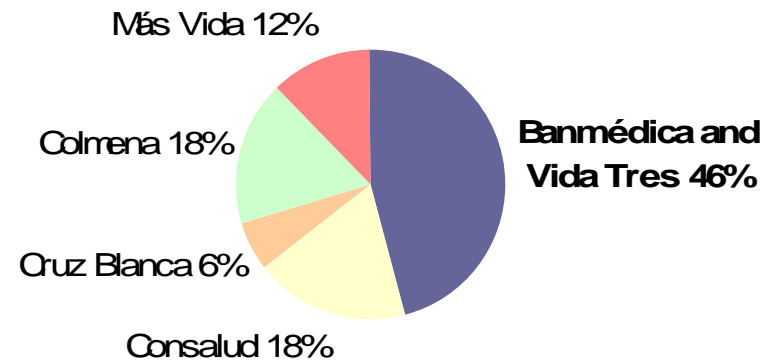
# Market Overview: ISAPRES



**Market Share Affiliates 1Q 08**

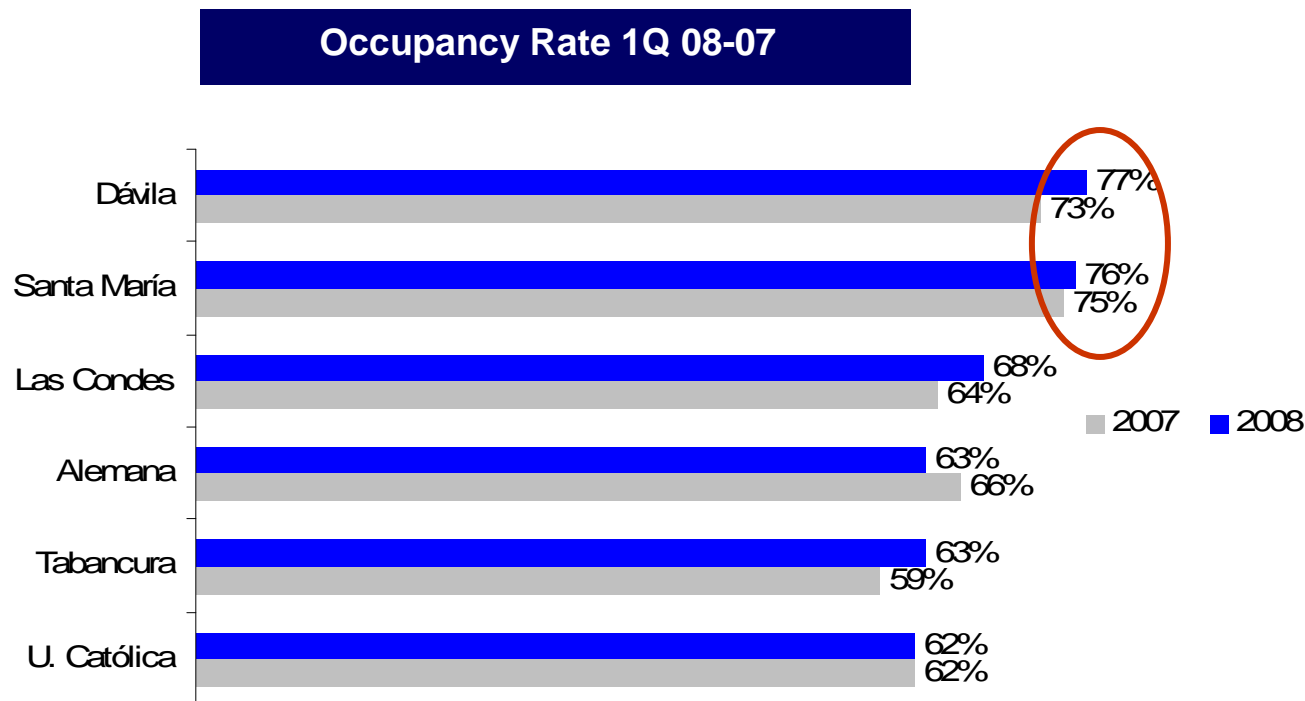


**Market Share Operating Income 1Q 08**



Isapres Banmédica and Vida Tres are leaders in the industry. In fact, they have close to 29% of affiliates of the industry and 46% of operating income of total system. The difference between market share by affiliates and operating income show a good performance against competitors

# Market Overview: Private Hospitals



Generally, first quarter shows lowest annual occupancy influenced for summer vacations. However, Clínica Dávila and Santa María increased the number of bed used (1Q08 – 1Q07) and both reached the highest occupancy rate of the private hospital in Santiago

# Market Overview: Private Hospitals

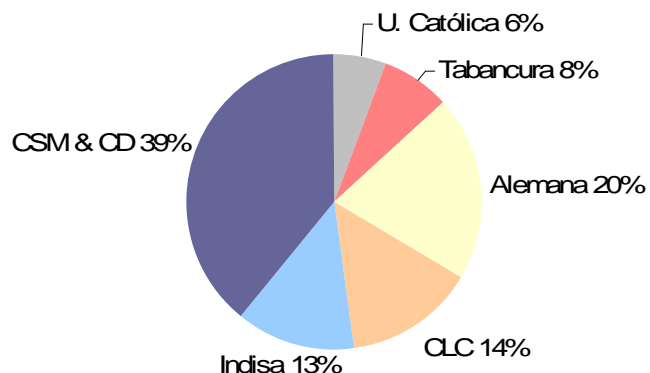


## Operating Income (CL \$ MM 08)

	2008 1Q	2007 1Q
<b>Santa María</b>	1.909	1.812
<b>Dávila</b>	1.070	1.169
<b>Indisa</b>	1.573	663
<b>Las Condes</b>	1.509	1.687
<b>Tabancura</b>	483	432

Most important private hospital in Santiago show similar profit income than 1Q 2007. Indisa raises its results due to expansion of more than 100 beds last year.

## Market Share 1Q 08 (Beds used)



Clínica Santa María and Davila are leading market share of the industry during 1Q 2008

Source: SVS and Banmedica

## Empresas Banmédica

- *Business Organization*
- *Shareholders structure*
- *Issues First Quarter 2008*

## Market Overview

- *Isapres*
- *Private Hospitals*

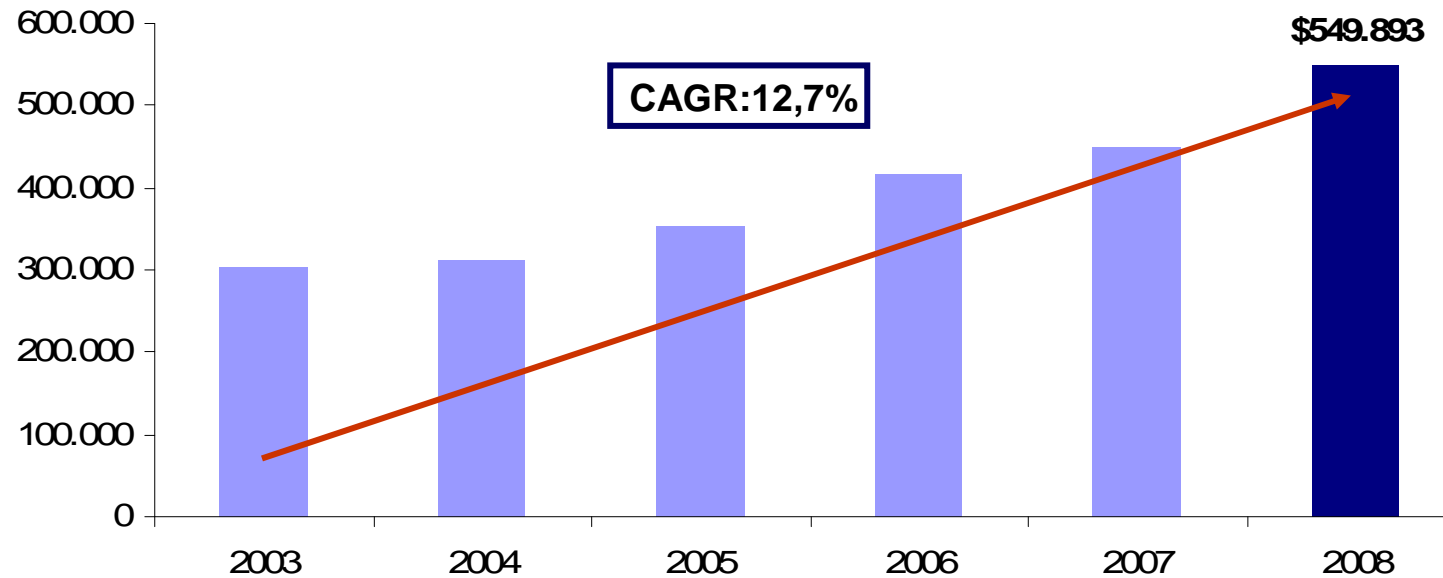
## Financial Highlights

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- *Business Areas*

# Financial Highlights: Consolidated



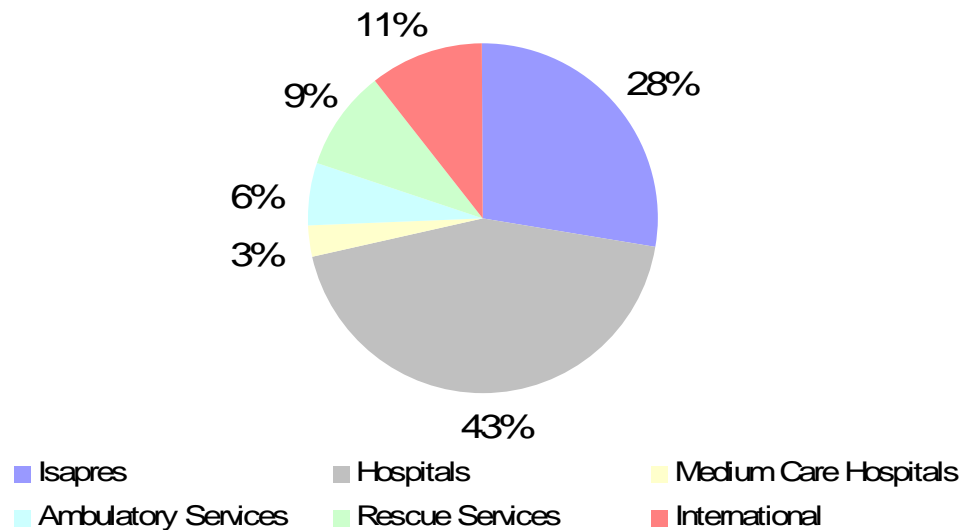
## Revenues (Y-1Q) (\$MM-08)



# Financial Highlights: Consolidated



## Ebitda Share 2008 (Y-1Q)



**Total Annual Ebitda 1Q08: US\$128 millions**

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**Isapres:** Banmédica & Vida Tres

**Hospitals:** Clínicas San María and Dávila

**Medium Care Hospitals:** Clínicas Vespuccio, Bio Bio and Ciudad del Mar

**Ambulatory Services:** Vidaintegra and Home Medical Clinic

**Rescue Service:** Help

**International:** Colmédica

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# Financial Highlights: Consolidated



## Financial Ratios (Y-1Q)

	2003	2004	2005	2006	2007	2008
<b>Leverage</b>	1,93	1,84	1,61	1,79	1,84	1,97
<b>ROE</b>	7,5%	8,9%	10,5%	9,2%	9,5%	10,2%
<b>ROA</b>	2,5%	3,1%	3,9%	3,3%	3,3%	3,4%
<b>Net Margin / Sales</b>	31,5%	32,4%	33,5%	32,3%	30,9%	29,7%

- Leverage has increased against last year due to acquisitions carried out during 2007. However, it is very similar to 5 years ago.
- ROE increased in 70 bsp between 1Q 07 and 1Q08
- ROA is keeping the same level than last year
- Net income is increasing respect to 1Q07, but net income / sales ratio decreased slightly due to an increment of consolidated revenues



# Financial Highlights: Consolidated



## Balance Sheet (1Q 2007-08)

Balance Sheet (Ch \$ Millions)	1Q 07	1Q 08
Current Assets	123.202	113.771
Fixed Assets	149.826	169.439
Other Assets	54.190	68.384
<b>Total Assets</b>	<b>327.218</b>	<b>351.594</b>
Current Liabilities	123.180	144.628
Long Term Liabilities	86.657	82.923
Minoritary Interest	3.102	8.464
Equity	114.279	115.579
<b>Equity and Liabilities</b>	<b>327.218</b>	<b>351.594</b>

# Financial Highlights: Consolidated



## Financial Results (1Q 07-08)

Financial Highlights (Ch \$ Millions)	1Q 07	1Q 08
Revenues	122.613	138.334
Cost of Sales	-84.763	-97.217
<b>Gross Income</b>	<b>37.850</b>	<b>41.117</b>
<b>Gross Margin (%)</b>	<b>30,9%</b>	<b>29,7%</b>
SG & A	-23.359	-24.735
Depreciation	-2.691	-3.207
Operating Income	14.491	16.382
<b>Ebitda</b>	<b>17.436</b>	<b>20.107</b>
<b>Ebitda Margin (%)</b>	<b>14,2%</b>	<b>14,5%</b>
Non Operating Result	-3.658	-4.567
<b>Net Income</b>	<b>10.833</b>	<b>11.815</b>
<b>Net Margin (%)</b>	<b>8,8%</b>	<b>8,5%</b>

- Revenues increased 12.8%
- Ebitda Margin won 30 bsp
- Net Income has increased in close to \$1.000 millions equivalent to 9% respect to 1Q 07

# Financial Highlights: Business Areas



## Isapres (1Q 07-08)

<b>Isapres</b>		
<b>Financial Highlights (CL \$ Millions)</b>	<b>1Q 07</b>	<b>1Q 08</b>
Revenues	76.747	79.666
Cost of Sales	-58.342	-61.860
<b>Gross Income</b>	<b>18.405</b>	<b>17.806</b>
<b>Gross Margin (%)</b>	<b>24,0%</b>	<b>22,4%</b>
SG & A	-9.454	-9.064
Depreciation	-262	-285
Operating Income	8.951	8.742
<b>Ebitda</b>	<b>9.322</b>	<b>9.202</b>
<b>Ebitda Margin (%)</b>	<b>12,1%</b>	<b>11,6%</b>
Non Operating Result	-802	-515
<b>Net Income</b>	<b>8.149</b>	<b>8.227</b>
<b>Net Margin (%)</b>	<b>10,6%</b>	<b>10,3%</b>

Although Ebitda margin lost 50 bsp respect to 1Q07, net income increased close to 1%.

# Financial Highlights: Business Areas



## Hospitals (1Q 07-08)

Hospitals Financial Highlights (Ch \$ Millions)	1Q 07	1Q 08
Revenues	27.662	28.357
Cost of Sales	-19.910	-19.562
<b>Gross Income</b>	<b>7.752</b>	<b>8.795</b>
<b>Gross Margin (%)</b>	<b>28,0%</b>	<b>31,0%</b>
SG & A	-4.770	-5.054
Depreciation	-1.284	-1.435
Operating Income	2.982	3.741
<b>Ebitda</b>	<b>4.265</b>	<b>5.175</b>
<b>Ebitda Margin (%)</b>	<b>15,4%</b>	<b>18,2%</b>
Non Operating Result	-1.011	-1.057
<b>Net Income</b>	<b>1.971</b>	<b>2.684</b>
<b>Net Margin (%)</b>	<b>7,1%</b>	<b>9,5%</b>

- Gross margin increased 300 bsp
- Operating Income increased 25.4% and Ebitda margin 180 bsp
- Net income increased 36.2% and net margin 240 bsp

# Financial Highlights: Business Areas



## Medium Care Hospitals (1Q 07-08)

Medium Care Hospitals Financial Highlights (Ch \$ Millions)	1Q 07	1Q 08
Revenues	4.587	5.839
Cost of Sales	-3.585	-4.592
<b>Gross Income</b>	<b>1.002</b>	<b>1.247</b>
<b>Gross Margin (%)</b>	<b>21,84%</b>	<b>21,36%</b>
SG & A	-1.010	-1.187
Depreciation	-1.425	-465
Operating Income	-8	60
<b>Ebitda</b>	<b>1.416</b>	<b>526</b>
<b>Ebitda Margin (%)</b>	<b>30,87%</b>	<b>9,01%</b>
Non Operating Result	-190	-288
<b>Net Income</b>	<b>-198</b>	<b>-228</b>
<b>Net Margin (%)</b>	<b>-4,32%</b>	<b>-3,90%</b>

Medium care hospitals are increasing revenues, keeping gross margin ratio and getting positive operating income

# Financial Highlights: Business Areas



## Ambulatory Services (1Q 07-08)

<b>Ambulatory Services</b>		
<b>Financial Highlights (Ch \$ Millions)</b>	<b>1Q 07</b>	<b>1Q 08</b>
Revenues	5.424	5.591
Cost of Sales	-4.408	-4.510
<b>Gross Income</b>	<b>1.016</b>	<b>1.081</b>
<b>Gross Margin (%)</b>	<b>18,73%</b>	<b>19,33%</b>
SG & A	-732	-844
Depreciation	-207	-417
Operating Income	284	237
<b>Ebitda</b>	<b>491</b>	<b>654</b>
<b>Ebitda Margin (%)</b>	<b>9,05%</b>	<b>11,70%</b>
Non Operating Result	-108	-80
<b>Net Income</b>	<b>176</b>	<b>157</b>
<b>Net Margin (%)</b>	<b>3,24%</b>	<b>2,81%</b>

Gross margin increased 60 bsp and Ebitda margin 265 bsp

# Financial Highlights: Business Areas



## Rescue Services (1Q 07-08)

<b>Rescue Services</b>		
<b>Financial Highlights (Ch \$ Millions)</b>	<b>1Q 07</b>	<b>1Q 08</b>
Revenues	6.158	7.507
Cost of Sales	-2.012	-2.450
<b>Gross Income</b>	<b>4.146</b>	<b>5.057</b>
<b>Gross Margin (%)</b>	<b>67,33%</b>	<b>67,36%</b>
SG & A	-2.896	-3.349
Depreciation	-220	-225
Operating Income	1.250	1.708
<b>Ebitda</b>	<b>1.468</b>	<b>1.933</b>
<b>Ebitda Margin (%)</b>	<b>23,84%</b>	<b>25,75%</b>
Non Operating Result	-103	-524
<b>Net Income</b>	<b>1.147</b>	<b>1.184</b>
<b>Net Margin (%)</b>	<b>18,63%</b>	<b>15,77%</b>

Net income increased 3,2% respect to 1Q07 despite sales investment in Concepción to create a strong base of affiliates there

# Financial Highlights: Business Areas



## Colmédica Colombia (1Q 07-08)

<b>Colmédica</b>		
<b>Financial Highlights (Ch \$ Millions)</b>	<b>2007 1Q</b>	<b>2008 1Q</b>
Revenues	24.328	24.860
Cost of Sales	-18.286	-18.787
<b>Gross Income</b>	<b>6.042</b>	<b>6.073</b>
<b>Gross Margin (%)</b>	<b>24,84%</b>	<b>24,43%</b>
SG & A	-4.407	-4.085
Depreciation	-92	-90
Operating Income	1.635	1.988
<b>Ebitda</b>	<b>1.845</b>	<b>2.420</b>
<b>Ebitda Margin (%)</b>	<b>7,58%</b>	<b>9,73%</b>
Non Operating Result	-66	-309
<b>Net Income</b>	<b>1.569</b>	<b>1.679</b>
<b>Net Margin (%)</b>	<b>6,45%</b>	<b>6,75%</b>

- Ebitda margin won 215 bsp
- Net income increased 7%



# Financial Highlights: Business Areas



## C. del Country Colombia (1Q 08)

<b>Clínica del Country S.A.</b>	
<b>Finacial Highlights (Ch \$ Millions)</b>	<b>1Q 08</b>
Revenues	6.867
Cost of Sales	-4.955
<b>Gross Income</b>	<b>1.912</b>
<b>Gross Margin (%)</b>	<b>27,84%</b>
SG & A	-871
Depreciation	0
Operating Income	1.041
<b>Ebitda</b>	<b>1.040</b>
<b>Ebitda Margin (%)</b>	<b>15,14%</b>
Non Operating Result	-281
<b>Net Income</b>	<b>760</b>
<b>Net Margin (%)</b>	<b>11,07%</b>

# Financial Highlights: Business Areas



## Empremédica Perú (1Q 08)

Empremédica	
Clínica San Felipe y Lab. Roe	
Financial Highlights (Ch \$ Millions)	
	1Q 08
Revenues	3.976
Cost of Sales	-2.616
<b>Gross Income</b>	<b>1.360</b>
<b>Gross Margin (%)</b>	<b>34,21%</b>
SG & A	-525
Depreciation	-134
Operating Income	835
<b>Ebitda</b>	<b>968</b>
<b>Ebitda Margin (%)</b>	<b>24,35%</b>
Non Operating Result	-145
<b>Net Income</b>	<b>690</b>
<b>Net Margin (%)</b>	<b>17,35%</b>