



Press Release June 2014

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Executive summary

Section I. Risk rating

Banmédica S.A. stock and bond risk ratings published by Fitch Rating and ICR are the following:

Stocks	Level 2
Bonds	AA-

Source: Credit Analysis Fitch Ratings- June 30, 2013

Bond lines rating: Fitch and ICR assigned a rating of 'AA-(cl)' for two bond lines (10 and 30 years) for UF 2.2 million each but with a maximum of UF 2.2 million between both lines. The purpose of this emission was to finance part of the company investment plan, to refinance debt and for other corporate purposes. Also, Fitch confirmed its existing rating to Banmédica.

Equity rating: The equity rating is based on its strong solvency and liquidity indicators plus a strong track record at the Chilean stock market. The company market cap reached MMUS\$1.325 as of June 30th 2014 with 70.56% trading activity during 2014.

Section II. Revenues, EBITDA and Net profit

Operating revenues increased 13.63% reaching Ch\$ 520.507 million for period ended on June 30th. This growth is mainly explained by higher hospital and ambulatory services and from higher operating revenues in Vidaintegra due to the opening of new medical centers, as well as on higher operating revenues from foreign subsidiaries. In the case of Colmedica Colombia, the higher operating revenues is mainly explained by the increase in its beneficiaries and from Clinica San Felipe and Laboratorio ROE in Peru due to an increase on ambulatory and hospital activities plus higher sales of laboratory tests.

Company's EBITDA decreased 4.59% to Ch\$ 54.675 million mainly explained by lower EBITDA margin from the health insurance companies in Chile.

Net profit of the Company decreased to Ch\$ 25.050 million (-19.94%) explained by lower operating income due to an increase in the medical loss ratio and higher sick leave in Isapres. Also, higher administrative expenses in addition to an inflation effect.

Section III. Highlights

- Dividend: Empresas Banmédica distributed in April 2014 a dividend of \$35 per share equivalent to 62.45% of its annual net profit for the fiscal year 2013.
- In the session held on July 29, 2014, Mr. Hugo Bravo Lopez resigned to Banmedica's Directors Committee.
- In the session held on July 31, 2014, Mr. Alfredo Moreno Charme was designated as Director of the Board of Banmédica S.A. replacing Mr. Hugo Bravo Lopez.

In addition, Alfredo Moreno Charme was included as a member of the Directors Committee.

Section IV. Medical Facilities Investment Plan

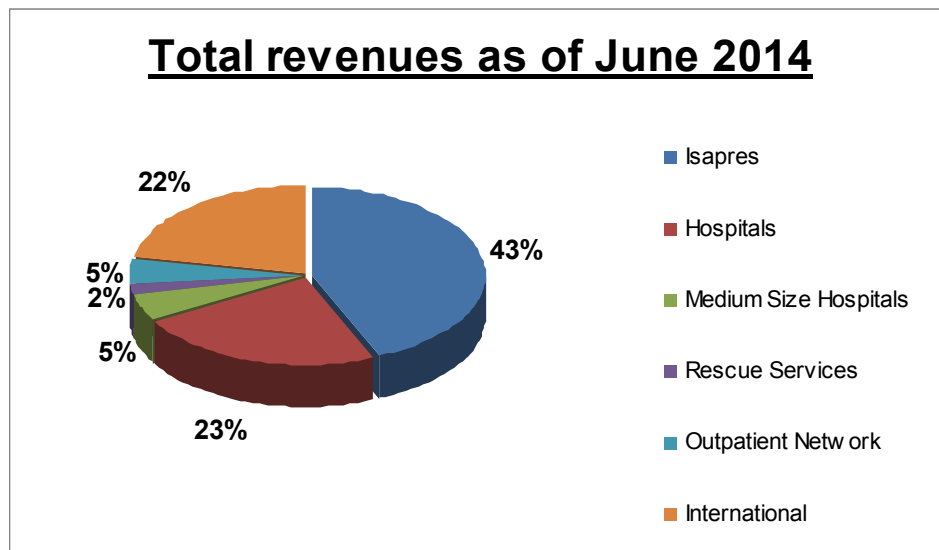
- In the first semester of 2014, investments reached Ch \$ 25.733 million, equivalent to 2.16x depreciation.
- Higher investments on fixed assets in Clinica Santa Maria and Clinica Davila plus Medium Size Hospitals. These major investment plans has allowed Banmedica to maintain its leadership in the healthcare market by providing high quality care, excellence and safeness to its clients.

Section V. Financial Results Summary

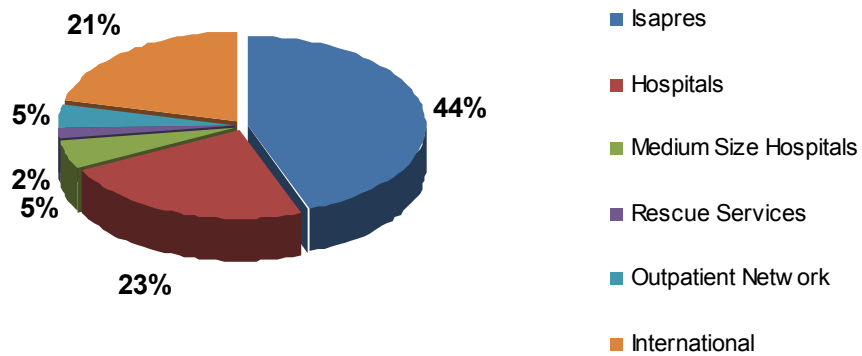
	Jun.2014	Jun. 2013	Change
Revenues (Millions of Ch\$)	520.507	458.065	62.442
Ebitda (Millions of Ch\$)	54.675	57.305	(2.630)
Ebitda Margin (%)	10,50%	12,51%	-2,01%
Net Profit (Millions of Ch\$)	25.050	31.289	(6.239)
Net Margin (%)	4,81%	6,83%	-2,02%
Occupancy Rate (Hospitals)	75,10%	75,80%	-0,70%
Physician Consultations (Number)	2.023.472	1.891.521	131.951
Number of Insurance	435.394	415.432	19.962

Net Income attributable to shareholders added Ch\$ 25.050 million (Ch\$ 31.13 per share), a decrease of 19.94% when compare to June 2013, mainly explained by lower operating income coming from Isapres due to a higher medical loss ratio, sick leave and administrative expenses.

Empresas Banmédica						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	274.274	233.418	40.856	520.507	458.065	62.442
Cost of Sales	(221.072)	(182.555)	(38.518)	(408.313)	(349.428)	(58.885)
Gross Income	53.201	50.863	2.338	112.193	108.637	3.556
Gross Margin (%)	19,40%	21,79%	-2,39%	21,55%	23,72%	-2,16%
SG & A Expenses	(34.707)	(30.849)	(3.858)	(69.456)	(62.258)	(7.198)
Non Operating Result	(8.456)	(6.713)	(1.743)	(17.688)	(15.091)	(2.597)
Net Profit	10.039	13.301	(3.262)	25.050	31.289	(6.239)
Net Margin (%)	3,66%	5,70%	-2,04%	4,81%	6,83%	-2,02%
Ebitda	24.565	25.634	(1.069)	54.675	57.305	(2.630)
Ebitda Margin (%)	8,96%	10,98%	-2,03%	10,50%	12,51%	-2,01%



Total revenues as of June 2013



Section VI. Balance Sheet Analysis

Statement on Financial Position (Ch\$ Millions)		
	Jun.2014	Dec. 2013
Current Assets	249.759	244.400
Fixed Assets	324.391	314.811
Other Assets	169.049	156.896
Total Assets	743.199	716.107
Current Liabilities	334.494	299.655
Long Term Liabilities	197.399	212.967
Minoritary Interest	13.666	13.416
Equity	197.641	190.069
Equity and Liabilities	743.199	716.107

Cash and Cash Equivalents	36.458	37.524
Financial Debt	219.371	203.618
Net Financial Debt	182.913	166.093

The change in total assets between June 2014 and December 2013 was explained by:

- An increase in accounts receivable associated with higher hospital and ambulatory activity showed in health providers.
- A variation of Other Non-Financial Assets (Non-current) mainly due to an increase on deferred sales commissions expenses for Isapre Banmedica, Help and Colmedica.
- An increase on Other Financial Assets Noncurrent, primarily due to an increase in the guarantee required by the Healthcare Superintendence.
- An increased on Investments Accounted mainly for the recognition of income earned in the Subsidiary Clinica del Country.
- A change in property, plant and equipment due to higher investments in fixed assets on Health Providers. As a result of these investment,, Banmedica has been able to increase their capacity and maintain its leadership in the healthcare market.

Shareholders' Equity:

Shareholders Equity	Semester ended June 2014			Change %
(Ch\$ million)	jun-14	dec-13	jun-13	Jun.14-Jun.13
Capital	32.332	32.332	32.332	0,0%
Reserves	(1.218)	(5.414)	(8.468)	-85,6%
Retained earnings:				
Retained earnings prior periods	149.100	131.707	134.406	10,9%
Income for the period	25.050	45.101	31.289	-19,9%
Provision for mandatory dividend	(7.624)	(13.657)	(9.452)	-19,3%
Equity attributable to shareholders	197.641	190.069	180.107	9,7%
Non-controlling interest	13.666	13.416	13.421	1,8%
Total Equity	211.306	203.485	193.528	9,2%
ROE*	21%	25%	28%	-27,2%

(*) Annualized Net Profit attributable to shareholders / Average equity attributable to shareholders.

Shareholders' equity totaled CLP\$ 211.306 million for the second quarter. ROE for the period between July 2013 and June 2014 reached 21%.

Financial position and financial debt changes.

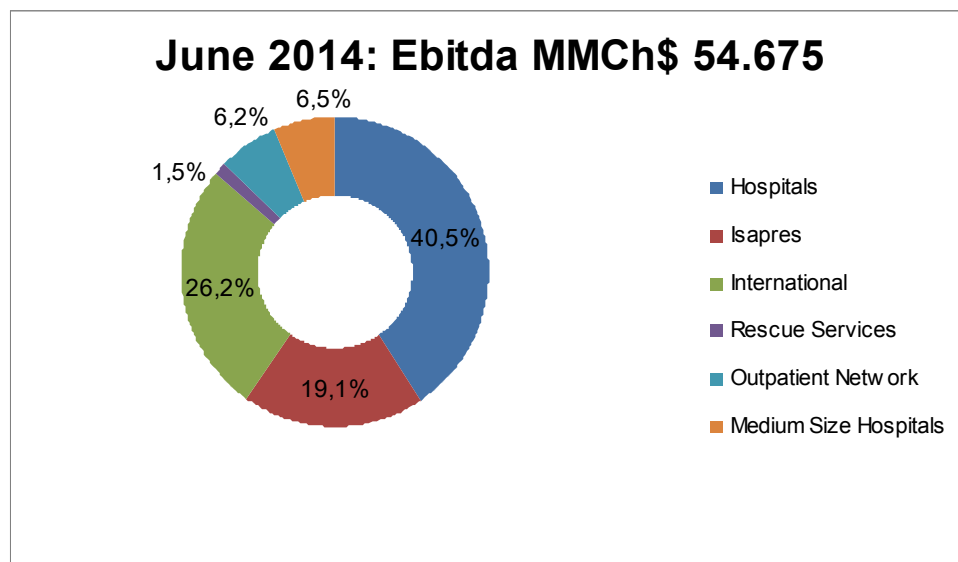
RATIOS	June 2014	Dec.2013
Indebtedness Ratio	2,69x	2,70x
Financial Indebtedness Ratio	1,04x	1,00x

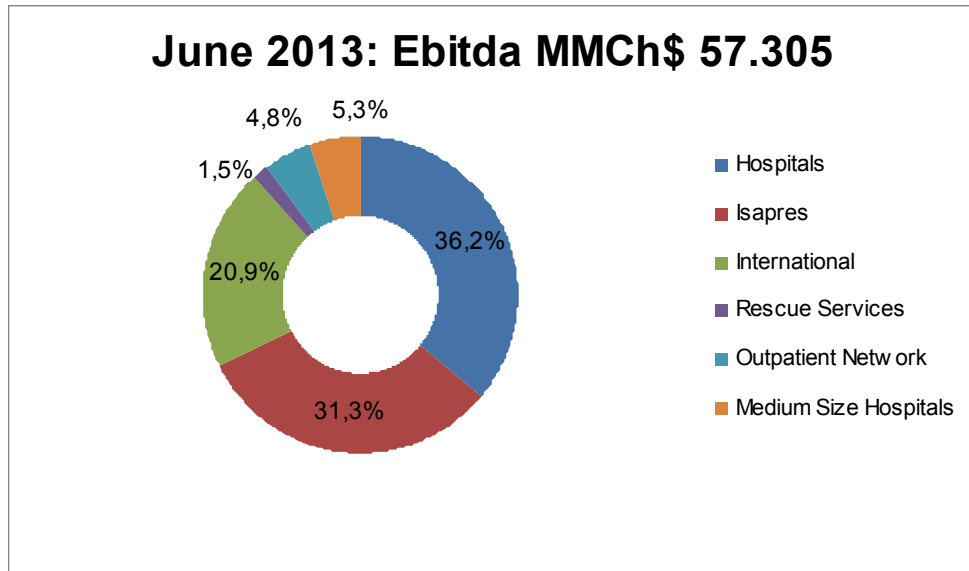
The indebtedness ratio was 2.69 for the second quarter lower when compared to December 2013 explained by an increase in Shareholders' equity due to the recognition of the income earned between January 2014 and June 2014.

Our financial expenses coverage decreased to 7.27 as of June 2014 explained by:

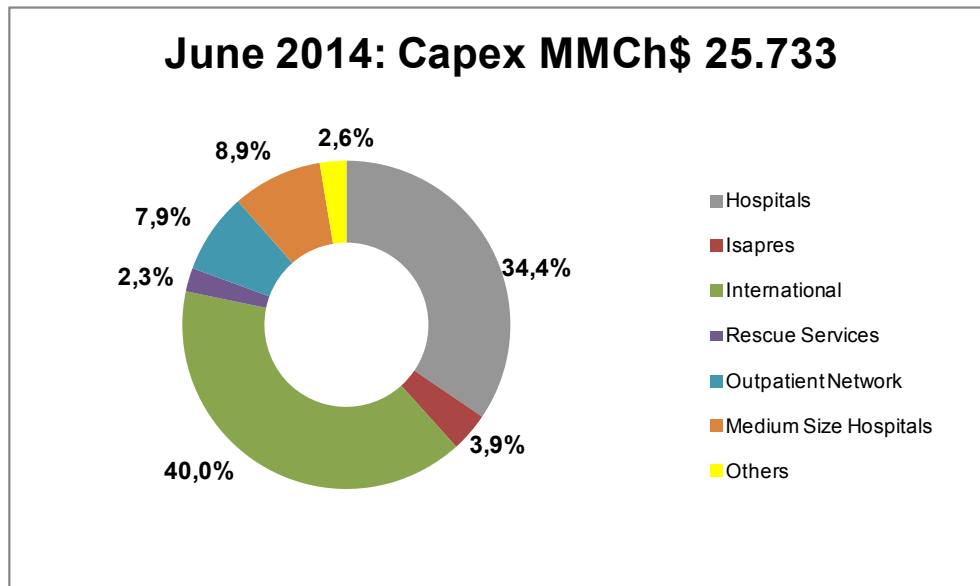
- EBITDA for the period between July 2013 and June 2014 amounted Ch\$ 91.471 million versus Ch\$ 97.841 million for the period between July 2012 and June 2013. The result is mainly explained by lower profits from the Isapre business.
- In the period between July 2013 and June 2014 financial expenses reached Ch\$ 12.577 million, 9.23% higher when compare to the period between July 2012 and June 2013 due to an increase on Net Debt.

Section VII.- EBITDA Composition by Business Unit





Section VIII.- Capex Composition



Capex highlights:

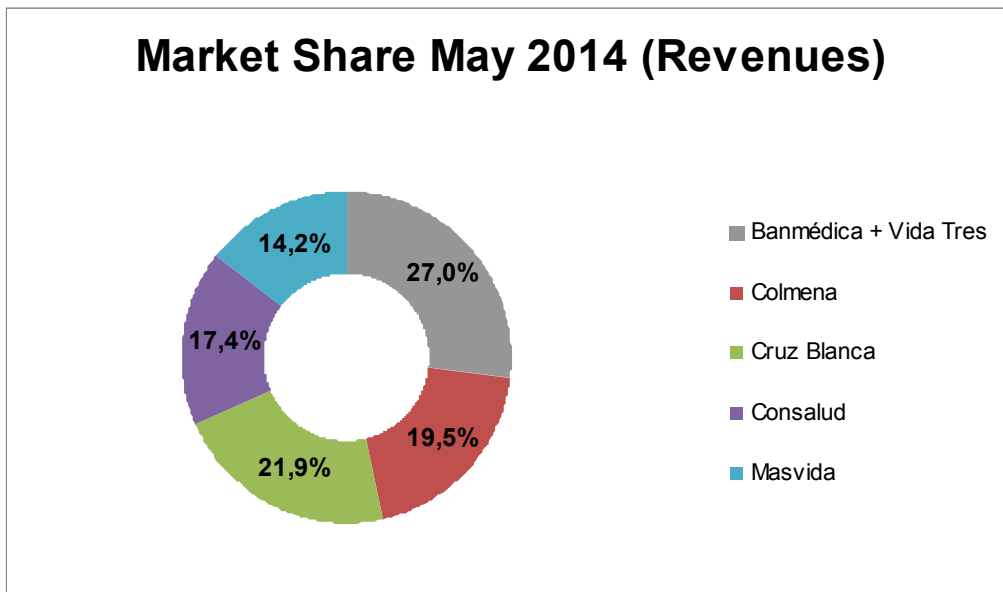
- New investment projects in Health Providers, mainly in Clinica Santa Maria, Clinica Davila and Medium Size Hospitals.

Section IX.- Financial Highlights by Business Unit

Isapres						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	127.319	117.493	9.827	252.839	233.722	19.116
Cost of Sales	(115.993)	(104.410)	(11.583)	(218.609)	(194.597)	(24.012)
Gross Income	11.326	13.083	(1.756)	34.230	39.126	(4.896)
Gross Margin (%)	8,90%	11,13%	-2,24%	13,54%	16,74%	-3,20%
SG & A expenses	(11.321)	(9.985)	(1.336)	(24.400)	(21.183)	(3.217)
Non Operating Result	2.931	1.038	1.893	3.611	(420)	4.032
Net Income	2.936	4.135	(1.199)	13.441	17.522	(4.082)
Net Margin (%)	2,31%	3,52%	-1,21%	5,32%	7,50%	-2,18%
Ebitda	406	3.449	(3.043)	10.605	18.620	(8.016)
Ebitda Margin (%)	0,32%	2,94%	-2,62%	4,19%	7,97%	-3,77%

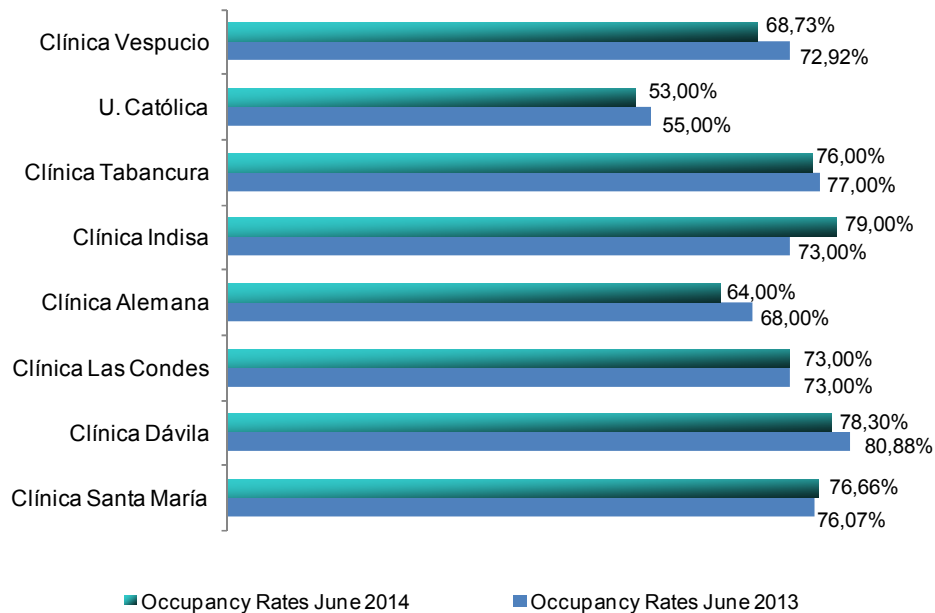
Isapres results

- Variation is explained by higher medical loss ratio and sick leave.
- Higher administrative expenses.



Hospitals						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun.2013	Change
Revenues	84.371	77.868	6.503	162.480	146.321	16.159
Cost of Sales	(62.294)	(56.687)	(5.607)	(121.665)	(108.569)	(13.097)
Gross Income	22.077	21.181	896	40.815	37.753	3.062
Gross Margin (%)	26,17%	27,20%	-1,03%	25,12%	25,80%	-0,68%
SG & A expenses	(11.353)	(10.180)	(1.173)	(22.358)	(19.998)	(2.360)
Non Operating Result	(4.490)	(3.488)	(1.001)	(8.063)	(6.090)	(1.973)
Net Income	6.234	7.512	(1.278)	10.393	11.664	(1.271)
Net Margin (%)	7,39%	9,65%	-2,26%	6,40%	7,97%	-1,58%
Ebitda	14.558	14.455	103	26.049	24.640	1.409
Ebitda Margin (%)	17,26%	18,56%	-1,31%	16,03%	16,84%	-0,81%

Hospitals results: Revenues increased 11.0% and gross margin maintain its level over 25% but net income was impact by non operating results mainly due to an inflation effect. Both Clínica Santa María and Clínica Dávila are leaders in occupancy rate.



Source: Clínicas de Chile A.G.

Outpatient network						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	14.691	12.786	1.904	27.230	23.702	3.528
Cost of Sales	(12.400)	(10.801)	(1.599)	(23.642)	(20.716)	(2.926)
Gross Income	2.291	1.985	305	3.588	2.986	602
Gross Margin (%)	15,59%	15,53%	0,07%	13,18%	12,60%	0,58%
SG & A expenses	(1.022)	(920)	(102)	(1.916)	(1.700)	(216)
Non Operating Result	(510)	(351)	(159)	(808)	(541)	(266)
Net Income	759	714	45	865	745	120
Net Margin (%)	5,17%	5,59%	-0,42%	3,18%	3,14%	0,03%
Ebitda	2.157	1.828	329	3.427	2.829	598
Ebitda Margin (%)	14,68%	14,30%	0,39%	12,58%	11,94%	0,65%

Outpatient results: Best results in Vidaintegra are explained by the opening of new medical centers in Santiago. Total sales increased by 14.9% with growth in physician consultations and diagnostic exams, reaching 614.064 consultations and 1.194.498 on laboratory tests. Ebitda margin rose 5.4% reaching 12.58%.

Rescue Services						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun.2013	Change
Revenues	5.554	5.392	162	11.046	10.857	189
Cost of Sales	(2.700)	(2.598)	(102)	(5.307)	(5.252)	(55)
Gross Income	2.854	2.794	60	5.739	5.605	134
Gross Margin (%)	51,39%	51,81%	-0,43%	51,96%	51,63%	0,33%
SG & A expenses	(2.593)	(2.485)	(108)	(5.107)	(4.903)	(205)
Non Operating Result	125	(59)	184	171	(113)	284
Net Income	387	250	137	803	589	213
Net Margin (%)	6,96%	4,63%	2,33%	7,27%	5,43%	1,84%
Ebitda	373	419	(46)	848	910	(63)
Ebitda Margin (%)	6,72%	7,77%	-1,05%	7,67%	8,38%	-0,71%

Rescue Services results: In the second quarter of 2014 variation is mainly explained by an inflation effect.

Colmédica Colombia						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	57.015	49.126	7.889	109.412	96.143	13.269
Cost of Sales	(44.336)	(40.046)	(4.290)	(85.136)	(77.752)	(7.384)
Gross Income	12.679	9.080	3.599	24.276	18.391	5.885
Gross Margin (%)	22,24%	18,48%	3,76%	22,19%	19,13%	3,06%
SG & A expenses	(8.932)	(5.977)	(2.955)	(16.032)	(11.741)	(4.290)
Non Operating Result	(1.266)	(867)	(399)	(2.470)	(1.866)	(604)
Net Income	2.482	2.236	246	5.774	4.784	990
Net Margin (%)	4,35%	4,55%	-0,20%	5,28%	4,98%	0,30%
Ebitda	4.079	3.661	418	8.858	7.506	1.352
Ebitda Margin (%)	7,15%	7,45%	-0,30%	8,10%	7,81%	0,29%

Colmédica results: Best results in Colmédica are explained by higher operating revenues (+13.8%) due to the increase in beneficiaries.

Colombia Hospitals						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	18.181	13.059	5.122	34.074	24.236	9.838
Cost of Sales	(11.884)	(8.119)	(3.765)	(22.286)	(15.300)	(6.986)
Gross Income	6.296	4.940	1.357	11.788	8.936	2.852
Gross Margin (%)	34,63%	37,83%	-3,19%	34,60%	36,87%	-2,27%
SG & A expenses	(4.088)	(2.200)	(1.889)	(7.850)	(4.582)	(3.268)
Non Operating Result	(1.555)	(997)	(558)	(2.412)	(1.754)	(658)
Net Income	653	1.743	(1.090)	1.526	2.600	(1.074)
Net Margin (%)	3,59%	13,35%	-9,76%	4,48%	10,73%	-6,25%
Ebitda	3.027	3.210	(183)	5.576	5.162	414
Ebitda Margin (%)	16,65%	24,58%	-7,93%	16,36%	21,30%	-4,93%

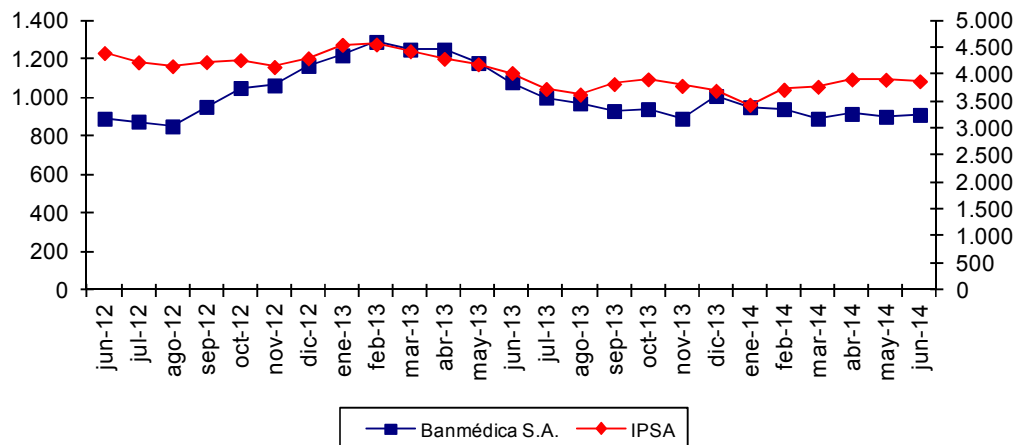
Results for Colombian Hospitals

Negative variation in net income is due to an increase on administrative expenses cause by the opening of f Clínica La Colina in june 2013.

Empremédica						
Financial Highlights (Ch \$ Millions)	2Q 2014	2Q 2013	Change	Jun.2014	Jun. 2013	Change
Revenues	8.999	7.239	1.760	17.394	13.879	3.515
Cost of Sales	(5.863)	(4.181)	(1.682)	(11.477)	(8.821)	(2.655)
Gross Income	3.136	3.058	78	5.918	5.058	860
Gross Margin (%)	34,85%	42,25%	-7,39%	34,02%	36,44%	-2,42%
SG & A expenses	(976)	(1.335)	359	(1.982)	(1.889)	(93)
Non Operating Result	(958)	(856)	(102)	(1.744)	(1.358)	(385)
Net Income	1.202	867	335	2.192	1.811	381
Net Margin (%)	13,36%	11,98%	1,38%	12,60%	13,05%	-0,45%
Ebitda	2.540	2.005	535	4.676	3.725	952
Ebitda Margin (%)	28,22%	27,69%	0,53%	26,88%	26,84%	0,05%

Empremédica Results: Best results are due to an increase on ambulatory and hospital activities (the occupancy rate raised to 70%), and higher sales of laboratory tests.

Section X.- Stock Market Information



Banmédica
Closing Price 30/06/2014 (Ch\$ per share) 910,00