



# FIRST HALF 2010 RESULTS

27<sup>TH</sup> JULY 2010



GRUPO  
**BAVIERA**

OFTALMOLOGÍA Y MEDICINA ESTÉTICA

## I. Introduction

- A. New corporate identity
- B. Baviera Group
- C. Baviera Group's structure

## II. 1H10 Results

- A. Executive summary
- B. Consolidated results
- C. Business units' performance

## III. Financial calendar and Contact



# I. INTRODUCTION

## New corporate identity

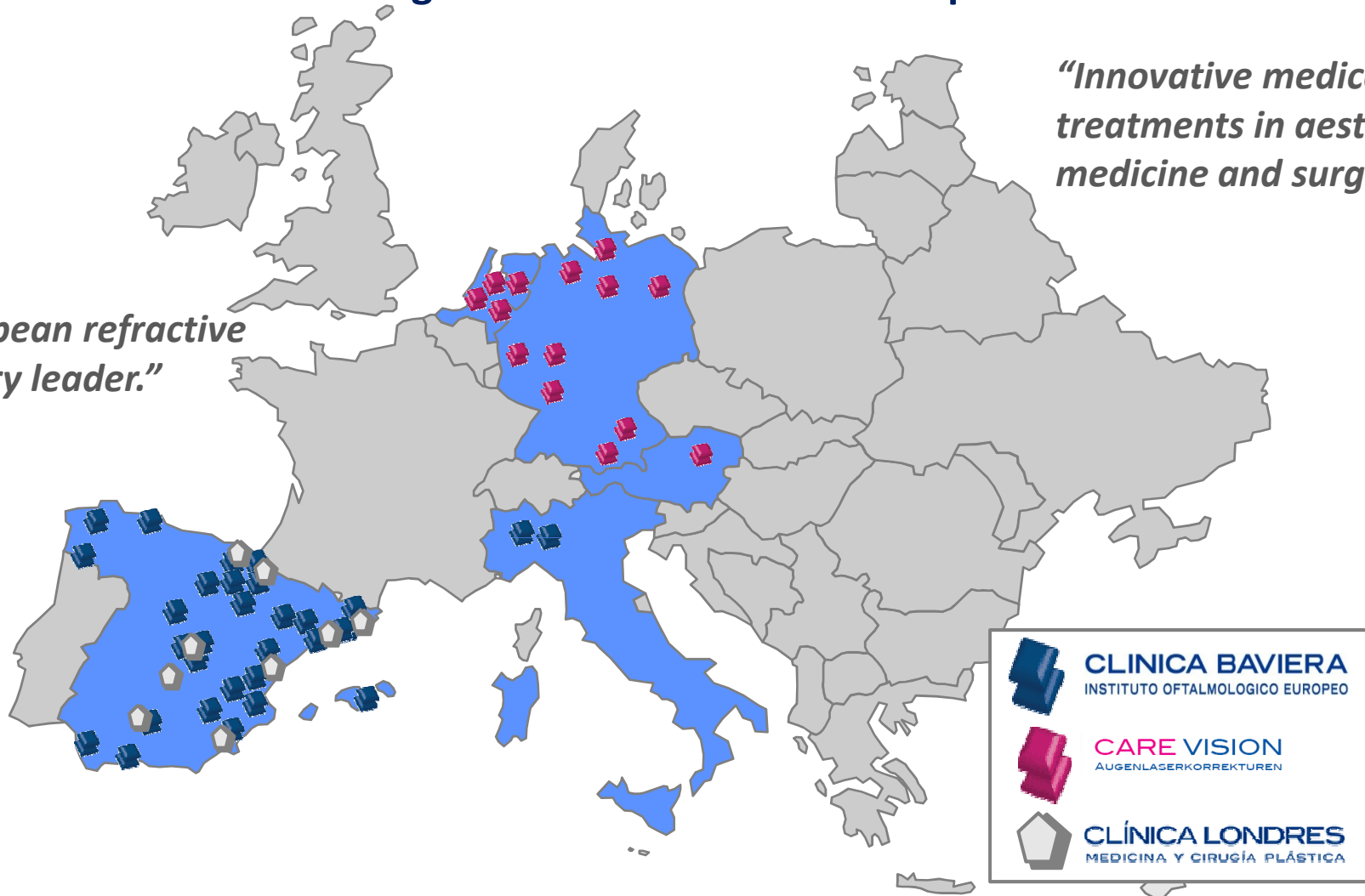


Provides the Group with an unique identity, while maintaining and conferring cohesion to all trademarks.

**Baviera Group offers ophthalmology and aesthetic medicine and surgery treatments throughout its network of 69 European clinics.**

*“European refractive surgery leader.”*

*“Innovative medical treatments in aesthetic medicine and surgery.”*



# BAVIERA GROUP'S STRUCTURE



## CLINICA BAVIERA INSTITUTO OFTALMOLOGICO EUROPEO



- **Ophthalmology:**
- Founded in 1996.
- 40 clinics in Spain.
- 121 doctors.
- Treatments: Refractive surgery, intraocular procedures and other ocular diseases.

## CLINICA BAVIERA ISTITUTO OFTALMICO EUROPEO



- **Ophthalmology:**
- Founded in 2008.
- 2 clinics in Italy.
- 3 doctors.
- Treatments: Refractive surgery, intraocular procedures and other ocular diseases.

## CARE VISION OOGLASERCORRECTIE



- **Ophthalmology: :**
- Entered the group in 2008.
- 14 clinics in Germany, Austria and the Netherlands.
- 21 doctors.
- Treatments: Refractive surgery, intraocular procedures, other ocular diseases.

## CLÍNICA LONDRES MEDICINA Y CIRUGÍA PLÁSTICA



- **Aesthetics:**
- Founded in 2005.
- 13 clinics in Spain.
- 31 doctors.
- Treatments: Aesthetic surgery, aesthetic medicine and obesity.

## II. 1H10 RESULTS

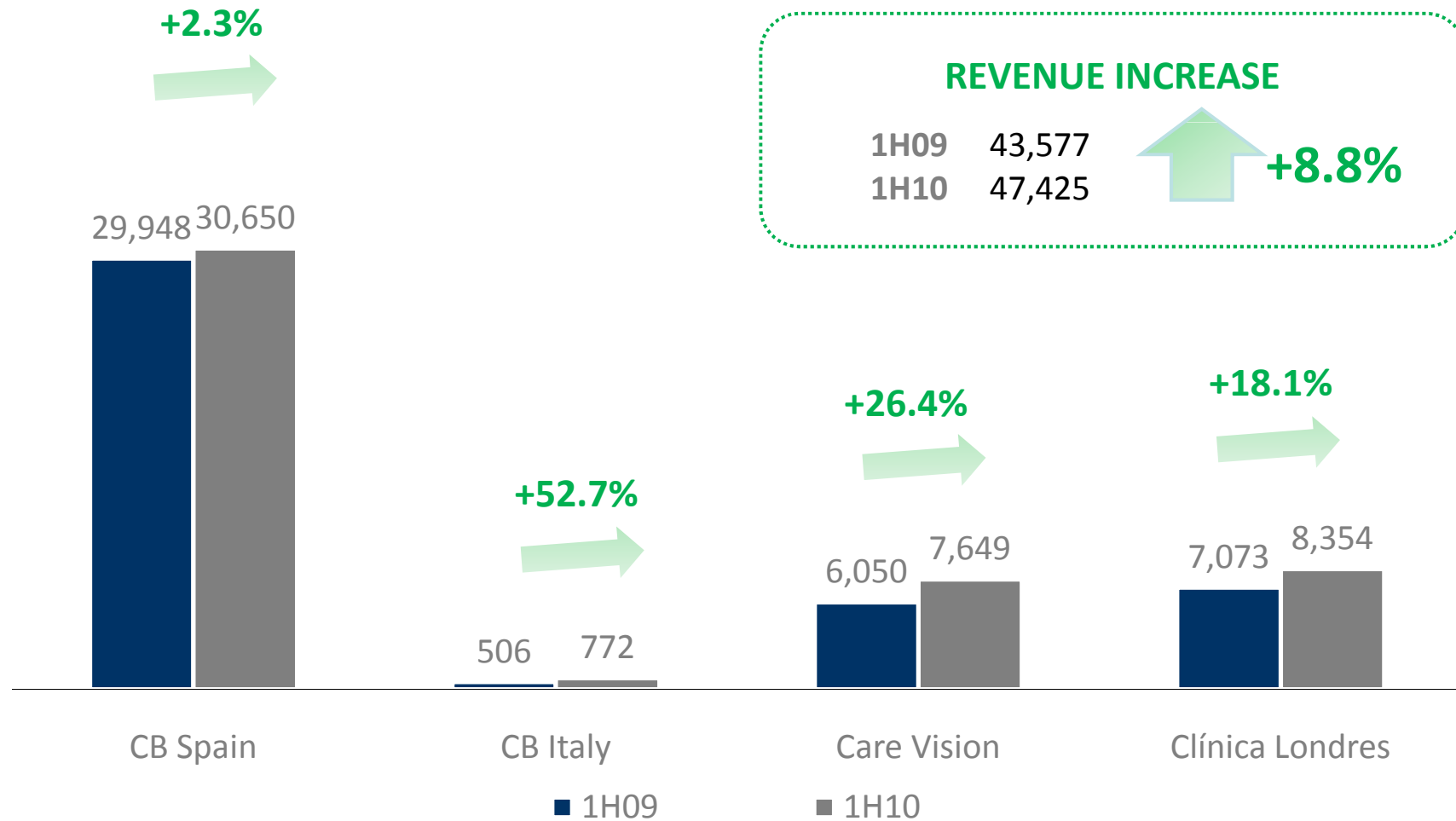
## A. EXECUTIVE SUMMARY



- First half 2010 results reflect and **increase of 8.8% in net revenue** compared to 1H09, as a result of international clinics consolidation and our commitment on the aesthetic medicine and surgery market.
- International business represents 17.8% of total revenues in the first six months of 2010 vs. 15.0% in the same period of 2009.
- **International business growth rate** during the first half of the year hit **28.5%**, while the **national growth rate** reached **5.4%**.
- **EBITDA** reached €9,648 thousand, 46.5% higher than the same period 2009. This improvement is due to the activities outside Spain.
- **Strength of EBITDA margins**, reaching a Group margin of **20.3%**. By business units: CB Spain (+26.4%), Care Vision (+13.9%) and Clinica Londres (+5.6%).
- **Net Profit** reached **€4,009** thousand, 180.0% higher than in 2009, due to:
  - Increase of the operating results.
  - Financial results improvement.
- Note: All data are in thousand €.

## B. CONSOLIDATED RESULTS

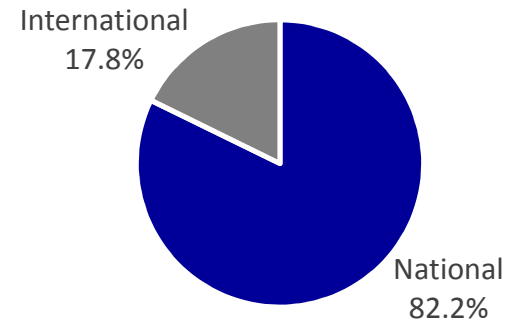
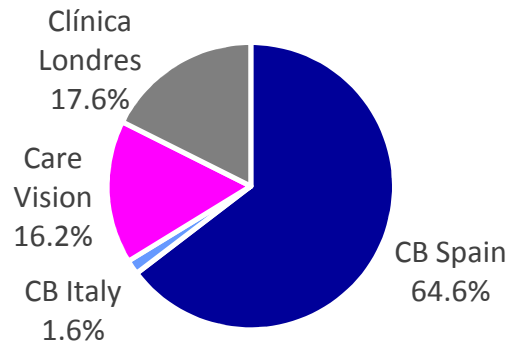
# REVENUES BY BUSINESS UNIT 1H10



**Revenues increase in all the Business Units**

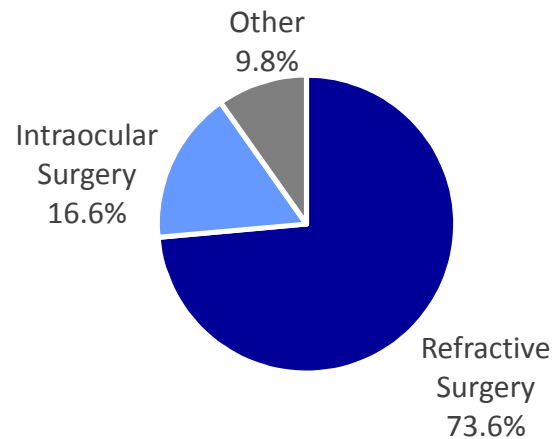
# REVENUES BREAKDOWN

## By brand and geographic location

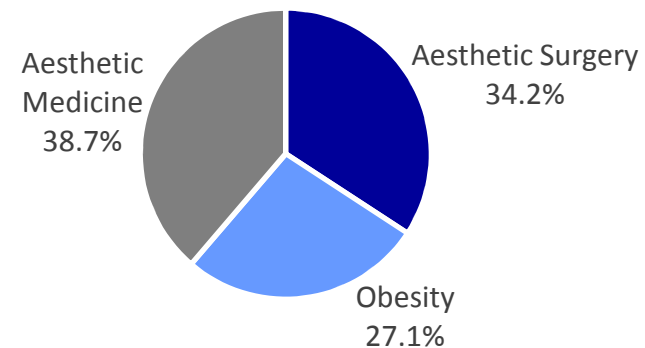


## By product

### Ophthalmology



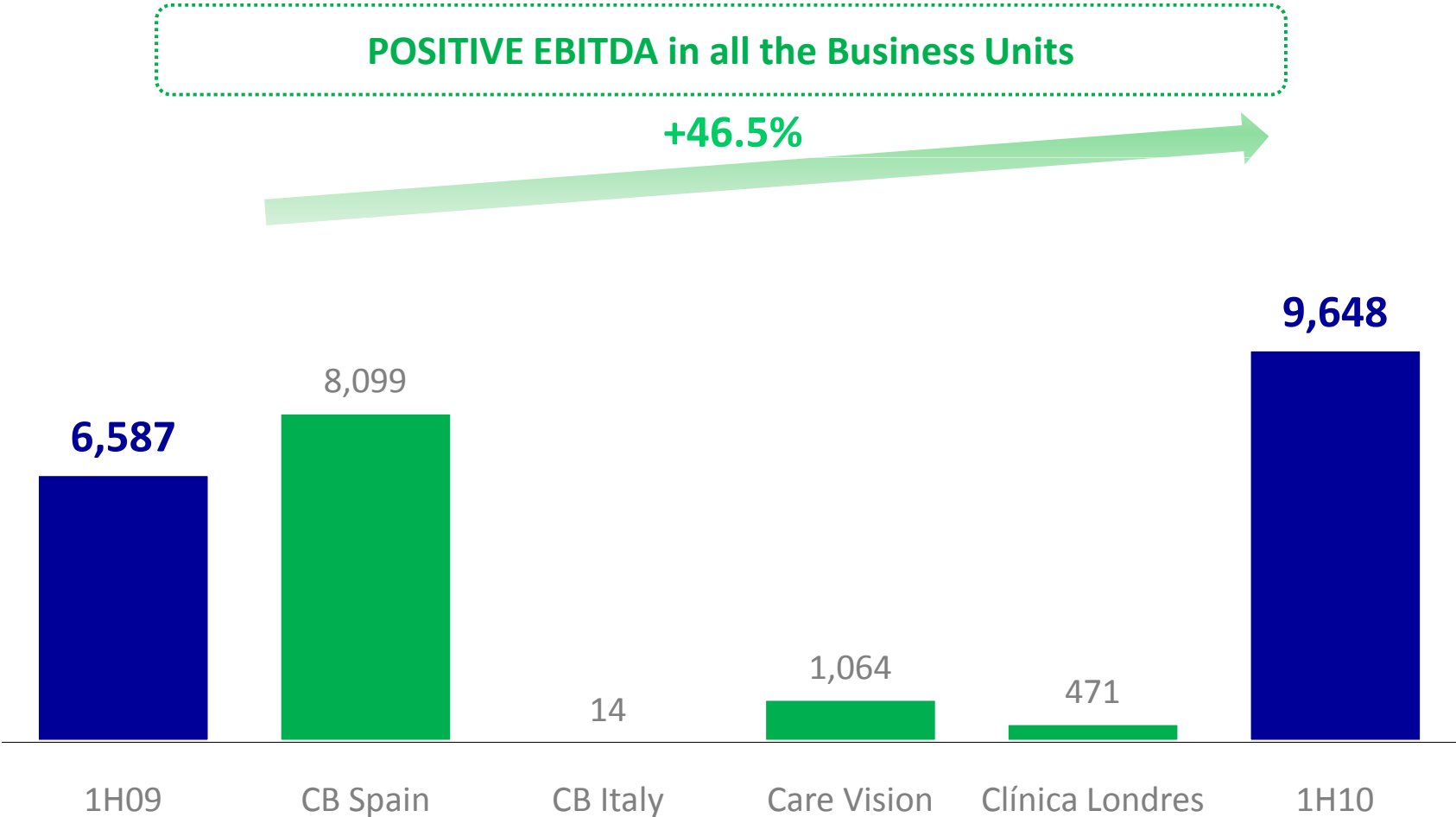
### Aesthetics



# EBITDA BY BUSINESS UNIT 1H10 vs 1H09

**POSITIVE EBITDA in all the Business Units**

**+46.5%**



# CONSOLIDATED PROFIT AND LOSS ACCOUNT 1H10 vs 1H09

	1H10	1H09 <sup>(1)</sup>	€'000	%
Net Revenues	47,425	43,577	3,848	8.8%
Total Operating Expenses	(37,777)	(36,991)	786	2.1%
EBITDA	9,648	6,587	3,061	46.5%
D&A	(3,432)	(3,707)	(275)	(7.4%)
EBIT	6,216	2,880	3,336	115.9%
Net Financial result	(471)	(818)	(348)	(42.5%)
Profit Before Taxes	5,745	2,062	3,685	178.7%
Corporate Income Tax	(1,736)	(630)	1,107	175.7%
Profit for the period	4,009	1,432	2,577	180.0%

<sup>(1)</sup> 1H09 includes €812 thousand restructuring costs in Clinica Londres.

## 180% increase in Profit for the Period

- Operational result improvement
- Increase in financial result

# 1H10 PROFIT AND LOSS ACCOUNT BY BUSINESS UNIT



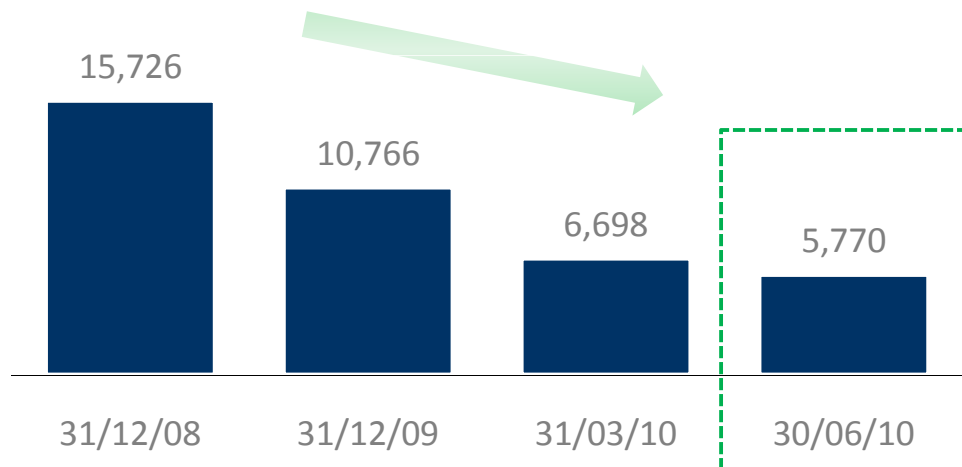
	CB SPAIN	CB ITALY	CARE VISION	CLINICA LONDRES	TOTAL
Net Revenues	30,650	772	7,649	8,354	47,425
Total Operating Expenses	(22,551)	(758)	(6,585)	(7,883)	(37,777)
EBITDA	8,099	14	1,064	471	9,648
<b>1H10 EBITDA margins</b>	<b>26.4%</b>	<b>1.8%</b>	<b>13.9%</b>	<b>5.6%</b>	<b>20.3%</b>
1H09 EBITDA margins	27.6%	(178.5%)	(3.2%)	(15.4%)	15.1%
% difference	(1.2%)	+180.3%	+17.1%	+21.0%	<b>+5.2%</b>

# NET DEBT AT 30<sup>TH</sup> JUNE 2010



	30/06/2010	31/12/2009	'000€ 09-10
Cash and Equivalents	16,556	13,964	2,592
Financial Debt	(20,708)	(22,092)	1,384
Earn-outs	(1,618)	(2,638)	1,020
<b>NET FINANCIAL DEBT</b>	<b>(5,770)</b>	<b>(10,766)</b>	<b>4,996</b>

Significant net debt reduction





# CONSOLIDATED BALANCE SHEET

## 30<sup>TH</sup> JUNE 2010



	30/06/10	31/12/09	€'000	%
Property, plant and equipment	20,681	21,794	(1,113)	(5.1%)
Goodwill and other intangible assets	18,118	18,239	(121)	(0.7%)
Financial instruments and deferred taxes	1,459	1,467	(8)	(0.6%)
Debtors	2,220	2,687	(467)	(17.4%)
Tax receivables	36	34	2	4.8%
Other current assets	838	568	270	47.6%
Cash and cash equivalents	16,556	13,964	2,592	18.6%
<b>Total Assets</b>	<b>59,908</b>	<b>58,753</b>	<b>1,155</b>	<b>2.0%</b>
Loans and borrowings	20,708	22,092	(1,384)	(6.3%)
Trade creditors	6,901	6,780	121	1.8%
Other financial liabilities	1,937	2,221	(284)	(12.8%)
Earn- outs	1,618	2,638	(1,020)	(38.7%)
Tax payables	4,723	3,210	1,513	47.1%
Other current liabilities	483	459	25	5.4%
Other non current liabilities	517	488	29	5.9%
Net equity (Attributable to parent company)	22,990	20,865	2,125	10.2%
Minority interests	31	-	31	n.a.
<b>Total Equity and Liabilities</b>	<b>59,908</b>	<b>58,753</b>	<b>1,155</b>	<b>2.0%</b>

# 1H10 CAPEX



## Openings 1H10

- Relocation of the surgery clinic in Madrid into new surgical facilities that increase the surgical capacity.
- Relocation of our aesthetic medicine clinic into Madrid to a new clinic with more capacity.



## Next Openings 2H10



### Ophthalmology:

- Spain:  2-3 centers
- International:  2 centers



### Aesthetics:

- Not expected openings in 2H10.

# CASH FLOW

## 30TH JUNE 2010

	1H10
Profit before taxes	5,745
D&A	3,432
Other adjustments	541
Changes in working capital	1,111
Corporate income tax paid	(639)
Other	(391)
<b>Cash flow from operating activities</b>	<b>9,799</b>
Purchase of property, plant and equipment	(2,233)
Payments for subsidiaries' acquisition	(1,043)
Other	(78)
<b>Cash flow from investing activities</b>	<b>(3,354)</b>
Charge for bank loans	1,000
Payment on bank loans	(2,384)
Payments to long term suppliers	(550)
Dividends payment	(1,142)
Other	(777)
<b>Cash flow from financing activities</b>	<b>(3,853)</b>
<b>Net change in cash position</b>	<b>2,592</b>



## C. BUSINESS UNITS EVOLUTION

# CB SPAIN

## 1H10 VS. 1H09 RESULTS

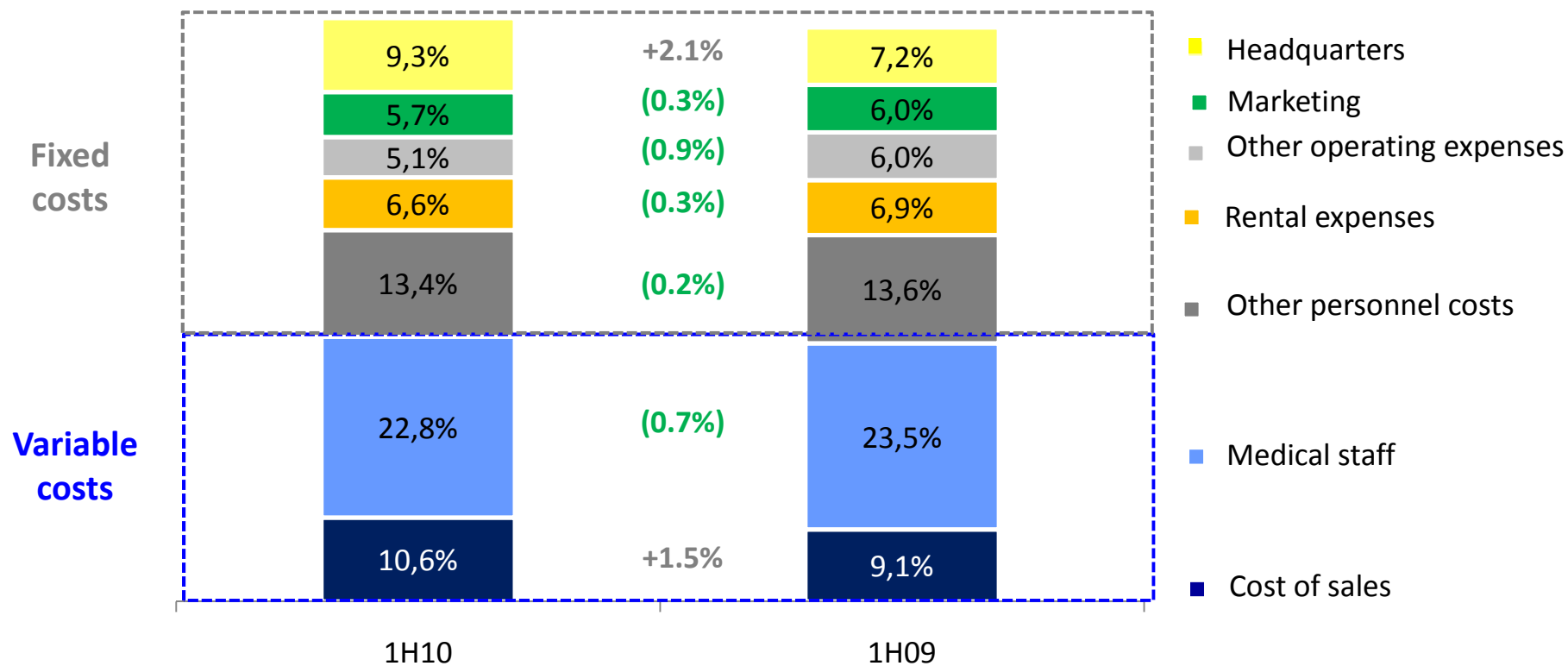
	1H10	1H09	€'000	%
Net Revenues	30,650	29,948	702	2.3%
Total Operating Expenses	(22,551)	(21,686)	865	4.0%
EBITDA	8,099	8,262	(163)	(2.0%)

### 2010 Openings:

-  Relocation of the surgery clinic in Madrid into new 2,500 sq.m. surgical facilities in the northern part of the city with 4 operating rooms and 3 medical consultations. With this new center we increase the surgical and growth capacity of the project.
-  Expected opening of 2-3 consultation clinics in 2H10.

# CB SPAIN


## 1H10 RATIOS OVER SALES EVOLUTION



Note: Costs % represent ratios over sales

# CB ITALY 1H10 VS 1H09 RESULTS

	1H10	1H09	€'000	%
Net Revenues	772	506	266	52.7%
Total Operating Expenses	(758)	(903)	(145)	(16.1%)
EBITDA	14	(397)	411	103.5%

 **Positive evolution of revenues** due to the consolidation of our existing clinics in Milan, the progressive acceptance of our treatments among the Italian population, our brand positioning improvement in the city and the increase in the number of positive references among the treated patients.




 **Positive EBITDA margin**

 1H10	<b>+1.8%</b>
 1H09	(178.5%)






# CARE VISION 1H10 VS 1H09 RESULTS

	1H10	1H09	€'000	%
Net Revenues	7,649	6,050	1,599	26.4%
Total Operating Expenses	(6,585)	(6,242)	343	5.5%
EBITDA	1,064	(192)	1,256	n.a.

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**Double digit growth rate** in revenues.
  -  Like for like: 21.5% growth excluding 2009 and 2010 openings.
  -  Expected 1-2 clinics openings in 2H10.

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**Positive EBITDA margin**


 1H10	<b>+13.9%</b>	
 1H09	(3.2%)	



# CLÍNICA LONDRES



## 1H10 VS 1H09 RESULTS

	1H10	1H09	€'000	%
Net Revenues	8,354	7,073	1,281	18.1%
Total Operating Expenses	(7,883)	(7,348)	536	7.3%
Recurring EBITDA	471	(275)	746	271.6%
Non Recurrent Expenses	-	(812)	(812)	(100.0%)
EBITDA	471	(1,087)	1,558	143.4%


**Positive growth rates of 18.0%** respond to: operational measures implemented in 2009-2010, together with the slight recovery of the consumption.

- 1H10 releases double digit growth rate in our three medical sub-specialties: aesthetic medicine, aesthetic surgery and obesity.
- Relocation in June of the aesthetic medicine clinic in Madrid into a bigger center to absorb volume increases.
- No openings expected in 2H10.


**Positive EBITDA margin**

-  1H10 5.6%
-  1H09 (15.4%)



### III. FINANCIAL CALENDAR AND CONTACT

# FINANCIAL CALENDAR AND CONTACT



## RELEVANT FACTS (APRIL-JUNE)

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22<sup>nd</sup> June 2010: Annual General Meeting

23<sup>rd</sup> June 2010: 2009 Dividend payment

## FINANCIAL CALENDAR

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9M 2010 Results: 1<sup>st</sup>-5<sup>th</sup> November 2010

## CONTACT

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