The Partner of Choice for Outsourced Integrated Clinical Engineering and e-Health & e-Government Services

Company presentation and 2011 preliminary results

Milano, 18th April 2012
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Healthcare players deal with an increasing demand of services and unsustainable expenditure due to budget constraints.

**TBS Group** helps healthcare providers contain the cost and increase the quality of care, providing qualified outsourcing management of all medical and ICT technology.

The proposal develops through 2 dedicated **Business Units**:

**Medical Devices & ICT Systems**

**E-Health & e-Government Integrated Solutions**
Advantages and innovation for healthcare, public and private players

**Outsourcing management services of Medical Technology & ICT services and products**

**CAPEX OPTIMIZATION**
Containment and optimization of medical technology and ICT technologies expenditure

**INNOVATION**
Innovation in adopted integrated IT solutions and related services

**EFFICACY AND QUALITY**
Efficacious and safer use of Medical and ICT technology

**ADVISORY**
Advisory and partnership through qualified presence in loco
Integrated Approach to Medical Technology services

TBS Group has anticipated the strategic trend of progressive convergence between these services and solutions’ lines, developing an integrated approach to services of medical technology.

The integrated approach allows:

- Higher cost savings
- Superior management of these services and solutions
- A single partner for all Clinical Engineering and Medical IT needs

Convergence of Medical Equipment and Medical IT

Convergence of Medical IT and Telehealthcare

Innovation on new services

Integrated approach to Clinical Engineering outsourcing services
# The success of Med. Tech. Integrated Approach

<table>
<thead>
<tr>
<th><strong>Yesterday</strong></th>
<th><strong>Today</strong></th>
<th><strong>Tomorrow</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Limited Medical Equipment</strong></td>
<td><strong>Medical Equipment systems &amp; solutions</strong></td>
<td><strong>Digital Hospital</strong></td>
</tr>
<tr>
<td>- Little presence of Hospital Information Systems (&quot;HIS&quot;)</td>
<td>- Equipment evolving towards special purpose computers</td>
<td>- Full integration of Equipment and IT platforms</td>
</tr>
<tr>
<td>- Limited integration of Medical Equipment, digital data storage, HIS</td>
<td>- Widespread integration of Diagnostic equipment with ICT systems (i.e. PACS)</td>
<td>- Closed loop systems (i.e. diagnostic data automatic drive of therapeutics)</td>
</tr>
<tr>
<td></td>
<td>- HIS penetration still limited</td>
<td>- Patient data collected and viewed in hospital and outside</td>
</tr>
<tr>
<td><strong>Full separation of CE and ICT departments</strong></td>
<td><strong>Start of cooperation and integration between CE and ICT departments:</strong></td>
<td><strong>One department managing hospital and home care medical technology</strong></td>
</tr>
<tr>
<td>- Separate organization, different skills and focus</td>
<td>- Most advanced organization understand the need to buy and support Equipments and IT solution with a view on integrating them</td>
<td>- Mission of selecting and supporting the integrated Medical Equipment, Medical IT and telehealthcare systems and solutions</td>
</tr>
<tr>
<td>- Separate budgets and buying processes</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Separate Markets / Different players</strong></td>
<td><strong>Market Synergies between CE and ICT</strong></td>
<td><strong>One market for outsourcing CE and e-Health services</strong></td>
</tr>
<tr>
<td>- No real synergies between CE and ICT outsourcing services</td>
<td>- First signs of commercial synergies (eg joint tenders).</td>
<td>- Integrated CE outsourcing services for medical equipment &amp; e-health systems and solutions</td>
</tr>
<tr>
<td>- Different categories of players providing solutions/services to the Hospital: CE outsourcers and ICT providers</td>
<td>- Opportunity for up selling and providing integrated solutions (i.e. CE for devices, e-Health systems and solutions, ICT Outsourcing services for medical equipment management</td>
<td>- Advantage from joint provision of consulting and support services on the full spectrum of medical technologies</td>
</tr>
</tbody>
</table>
TBS Group: 2 dedicated Business Units

Medical Devices & ICT Systems BU

Medical Technology

Services and Products

Clinical Engineering & ICT outsourcing services:
- Advisory & planning for new capital expenditures
- Management of medical equipment & ICT systems
- Check in test
- Training
- Preventive and corrective maintenance
- Safety and functional testing
- Consulting on medical equipment & ICT systems renewals
- Telecare & telemedicine for remote monitoring of patients

e-Health & e-Government products & services:
- Clinical IT products and services for hospitals
- IT products and services for primary and integrated care
- e-Government products and services for PA & Private Institutions.

Customers

- Public and private hospitals
- Public and private healthcare providers
- Public and Private Institutions
- Public Local administrations and Private Institutions
Group History and Strategy

Key Milestones

- **Beginning**
  - Established in 1987 as a spin-off of a research project of the Italian research Council (CNR).

- **Leadership in Italy**
  - TBS grows as undisputed leader in Italy as CE outsourcing market rapidly develops, due to financial constraints and favorable regulatory environment (DRG system, a pay for performance hospital reimbursement scheme).

- **Move into e-Health**
  - Move into e-Health through strategic acquisitions (Telecare and Clinical IT)

- **European and Asia expansion**
  - Acquisition of European Clinical Services activities of GE in 2004 (Uk, Spain, France, Germany, Belgium, Portugal). Followed by other acquisitions in Netherlands, Spain, Germany and Italy.
  - Acquisition of Insiel Mercato in Italy, MNE Tech (now TBS India) in India, JV in China and acquisition of Agile’s branches and REM in Italy.

Strategic Rationale

- TBS Group founded after identifying low level of efficiency in the medical technologies management in Italian hospitals, compared to a US benchmark.

- Following the adoption of cost containment measures and incentives in Public Hospitals, TBS grows fast. CE outsourcing services is quickly acknowledged, as Italian hospitals historically had weak internal technical teams.

- Vision of one market for medical technology through convergence between medical equipment, medical IT and telehealthcare systems and solutions.

- Leverage Italian experience and know-how in other key European countries.

- Entry in Middle East and Asia: become the only global player in outsourcing medical technology services to exploit economies of scale.

- Create barriers to entry and competitive advantage by quick geographical expansion.
Value Proposition for clients and targets

- **Reduction of purchase and management costs** relating to medical ICT technology (both hospitals, home care services and public and private institutions).
- Unique **highly skilled technical reference** point for any medical ICT technology issue.
- **Increased uptime** (and thus utilization) of medical technology.
- **Improved safety for patients and healthcare in public and private institutions** utilizing the medical ICT technology.
- **Improved quality of the healthcare, home care services and public and private institutions**, by supporting the adoption of best practices; relates to a specific medical technology and ICT systems and solutions.
- **Facilitated continuity of treatment** of chronic and degenerative illnesses, by extending medical services to the home, improving tele health and ICT outsourcing services.

End-users of medical & ICT technology (hospitals, social healthcare public and private providers)

- Reduced support and warranty cost.
- **Improved service** to the end user.
- Organizational **simplification**.

Suppliers of medical & ICT technology (manufacturers)
A History of Growth

Revenue CAGR 99-11: +29.35%
Industry Consolidator

- **23 acquisitions** completed and successfully integrated since 2000.
- Possibility for **further consolidation**: markets, both in Europe and emerging countries, are still fragmented.

*Note*: In the chart, the turnover of the acquired companies is a rolling figure on two years for the 12 months successive to the date of acquisition (for example, an acquisition carried out at the end of September, weights for 3 months in the year and 9 months in the successive year)
Significant Competitive Advantages

**Know How**

- **Technological know how**, gained in over 20 years of activity in 12 countries.
- **IT platform** for the management of services and the sharing of know how (more than 800,000 biomedical equipments under management).
- **Highly-qualified employees** and ability to attract new talent.
- Long standing collaboration with **universities and research** centres (teaching and R&D).

**Competitive Positioning**

- Very **innovative** business model.
- Large bids need strong references and **track record**.
- **Integrated outsourced service portfolio**, in medical devices and ICT systems.
- Presence in all main **European countries plus India and China**.
- More than 1,000 **hospitals** and healthcare providers served and about 1,000 **Italian municipalities** and others local public and private administrations.

**Organization**

- **International network** of clinical engineers biomedical and IT technicians; 330 in-hospital workshops and 24 specialist centres of which 8 endoscopy specialized centres and 8 ICT specialized centres.
The company equity story and business model is much appreciated from long term professional investors.

On 23 December 2011 TBS Group signed and investment agreement with Fondo Italiano di Investimento SGR (a fund launched by the Italian Ministry of Economy with the major banks and financial institutions).

The agreement foresees a new capital injection of 20 million €, of which 10 million € through an increase of capital (1,8 €/share) and the other 10 million € through a convertible loan (2,3 €/share).

These resources will allow the company to continue to pursue its business plan and its history of growth.
Experienced Management and High-Profile Shareholders

Management

- **Significant shareholders** from the start.
- In the ‘90s TBS Group managers “created”, in Italy, the market of Clinical Engineering outsourcing services (first mover).
- **Important experience**, gained in multinational groups and leading players in the sector.
- Key Managers are bound to a **lock-up period** of a further 3 years and a half.

Shareholders

- **High-profile shareholders**.
- **Governance and organizational practices** of a public company already in place.
- **Generali Group** is a shareholder since 1999.
- **Fondo Italiano di Investimento**: new important shareholder since 31 January 2012.

*Note: Shareholders graph is updated as at [01/03/2012]*
IPO on the AIM Market on 23 December 2009, **offering price € 2,50.**

- **1,8 € per share** is the valorization from Fondo Italiano di Investimento through the **reserved increase of capital** of 10 €M.

- **2,3 € per share** is the valorization from Fondo Italiano di Investimento through a **convertible (within 3 years) debenture loan issue** worth 10 €M.
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The potential in the countries where TBS Group operates is estimated as **over €5 bn**.

**India and China** already a sizeable market.

**Diagnostic Imaging (D.I.)**: the largest new market opportunity.

<table>
<thead>
<tr>
<th>Potential Biomed services (€ bn)</th>
<th>Low Tech</th>
<th>DI</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>EU top 5 markets</td>
<td>1,97</td>
<td>1,47</td>
<td>3,44</td>
</tr>
<tr>
<td>TBS Group current presence in EU</td>
<td>2,25</td>
<td>1,68</td>
<td>3,93</td>
</tr>
<tr>
<td>Middle East</td>
<td>n.a.</td>
<td>n.a.</td>
<td>0,15</td>
</tr>
<tr>
<td>India</td>
<td>n.a.</td>
<td>n.a.</td>
<td>0,15</td>
</tr>
<tr>
<td>China</td>
<td>n.a.</td>
<td>n.a.</td>
<td>1,00</td>
</tr>
<tr>
<td><strong>Total Potential</strong></td>
<td>n.a.</td>
<td>n.a.</td>
<td>5,23</td>
</tr>
<tr>
<td>USA</td>
<td>3,56</td>
<td>2,66</td>
<td>6,22</td>
</tr>
</tbody>
</table>

Integration with **further value added services**:
- Healthcare Technology Assessment and Planning consulting.
- Asset utilization tracking and optimization.
- Financing/insurance services.

Market characterized by **significant growth**, also in economic downturns.

**Italy is the most developed market**: outsourcing is spreading through the largest European countries (and is starting in emerging markets).

*Source: A.T. Kearney – October 2009 (report commissioned by the Company, 2008 figures)*
# CE Outsourcing Services: Competitive Positioning

## Competitive Position of TBS Group

<table>
<thead>
<tr>
<th>Country</th>
<th>TBS Group Position</th>
<th>Market Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>1°</td>
<td>36%</td>
</tr>
<tr>
<td>France</td>
<td>1°</td>
<td>18%</td>
</tr>
<tr>
<td>UK</td>
<td>1°</td>
<td>33%</td>
</tr>
<tr>
<td>Spain</td>
<td>2°</td>
<td>14%</td>
</tr>
<tr>
<td>Germany</td>
<td>4-6°</td>
<td>8%</td>
</tr>
<tr>
<td>Overall</td>
<td>1°</td>
<td>23%</td>
</tr>
</tbody>
</table>

## Potential Development\(^1\)

<table>
<thead>
<tr>
<th></th>
<th>Already outsourced</th>
<th>Potential market</th>
</tr>
</thead>
<tbody>
<tr>
<td>€771m</td>
<td>€204m</td>
<td>€996m</td>
</tr>
<tr>
<td>€166m</td>
<td>€166m</td>
<td>€675m</td>
</tr>
<tr>
<td>€78m</td>
<td>€78m</td>
<td>€307m</td>
</tr>
<tr>
<td>€60m</td>
<td>€60m</td>
<td>€688m</td>
</tr>
<tr>
<td>€41m</td>
<td>€41m</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Penetration Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>26%</td>
</tr>
<tr>
<td>17%</td>
</tr>
<tr>
<td>12%</td>
</tr>
<tr>
<td>20%</td>
</tr>
<tr>
<td>6%</td>
</tr>
</tbody>
</table>

Source: A.T. Kearney – October 2009 (report commissioned by the Company, 2008 figures)

I: Potential market includes Clinical Engineering services managed both in house, by original equipment manufacturers (OEM) and by outsourcers.
European countries are developing nationals programs to **increase adoptions of healthcare IT by hospitals**. These programs reflect their need to:

- **Decrease cost** of medical errors and improve service quality;
- **Improve efficiency**, reducing duplication of analysis and treatments;
- Allow **operating data** collection and monitoring.

### Healthcare IT Potential Market

The table show the **potential of Telemedicine services and sale of monitoring equipment** (estimated annual charge per user of € 250)

- Potential for Monitoring Services in 2012 ranging from € 0,8 bn to € 3,8 bn.
- The expected **economic benefit for the Healthcare systems** is higher then Telemedicine market value.

### Hospital Information System (HIS) Market in Western Europe¹

Source: A.T. Kearney – October 2009 (report commissioned by the Company, 2008 figures)

¹ Countries involved are UK, Germany, France, Italy, Spain, Scandinavia, Benelux. Source: Frost & Sullivan
TBS Group has started developing the activity in e-Health and e-Government in Italy, integrating these services into the offering to hospitals and healthcare structures.

The Group has then started to propose this integrated portfolio in other European countries where it is recognized as leading player in CE services.

Austria has proved this strategy as successful and other countries are following this path.

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### Competitive Position of TBS Group

<table>
<thead>
<tr>
<th>Country</th>
<th>Medical IT</th>
<th>Telehealthcare</th>
<th>Market share Medical IT</th>
<th>Market share Telehealthcare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Italy</td>
<td>4-6°</td>
<td>1°</td>
<td>8.5%</td>
<td>38%</td>
</tr>
<tr>
<td>Austria</td>
<td>2°</td>
<td>/</td>
<td>31%</td>
<td>/</td>
</tr>
</tbody>
</table>

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*Source: A.T. Kearney – October 2009 (report commissioned by the Company, 2008 figures)*
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**Financials: 2011 Results**

- Recent Important Acquisitions and JV
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Strong Top Line Growth

Top line growth, confirmed also in 2011, is mainly driven by:

- **Increasing revenues** in existing markets, both where TBS Group is leader (i.e. Italy) and countries where the company has recently started operations.
- **Cross selling** between the Bus.
- **Acquisitions** in strategic geographical markets and business segments.

The table shows 2011 revenues breakdown per market:
Since the beginning, TBS Group has always recorded a **sound growth** of revenues and margins.

The slight decline in **EBITDA margin** in 2011 is attributable primarily to **negative non-recurring items**, for a total of **2 €M**, which include:

- 1H 2011 costs of Insiel Mercato for the establishment of a **new Data Centre**, to develop services in CLOUD mode.

- **Restructuring process of German subsidiary Subitec GmbH**: it was partly achieved in 2H 2011, with the termination of a particularly onerous order.

- Non-recurring costs for **staff restructuring, renegotiation** of contracts, consultancy and due diligence costs for **M&A deals**, some not completed.
Non recurring costs in 2011 also impacted Operating Profit, which decreased of 1.2 €M, also because of 1 M of impairment test.
For an optimized management of OWC TBS Group periodically closes operations linked to the assignment of receivables.

**Factoring** over the last three years amounted to:

- €24,7m in 2008
- €25,9m in 2009
- €51m in 2010
- €74,4m in 2011

Increase in 2011 was due to changing macronconomic environment and further lengthening of payment terms in the public sector.
On the basis of the solid equity position and the desire to confirm the policy of rewarding shareholders with dividends, BoD has proposed the distribution of a dividend of 0.024 € per share.

Total dividend distribution of 1.1 €M.

Debt spread is, on average, < 300 bps.
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TBS Group JV in China

- Joint Venture agreement signed with Sinopharm Group in March 2011 for an expected investment of € 0,57 mln
- The newco is Sinopharm TBS Beijing Clinical Engineering Co. Ltd, with HQ in Beijing
- Core activities will be outsourced clinical engineering services on all the Chinese territory, leveraging on Sinopharm Group leadership in engineering, production and large scale distribution of biomedical equipment.
- Operations are expected to start in mid 2012: the company has already started the inventory of the medical equipment in an hospital in Beijing and recorded first revenues (from trading activity)

**Operation rationale**

- Access an emerging markets with strongly increasing demand of quality services and solutions.
- Leverage on TBS Group sound expertise and innovation capacity.
- Large domestic market, representing a significant base for other operations in the Sout-East Asian continent.
2011 - 2012 strategic acquisitions and JV: UK

EBME (Electrical Bio Medical Engineering Ltd), in UK

- Acquired in August, 2011 for a total consideration of about £ 1,25 million (plus eventual earn out) for the 63.25%.

- EBME provides **management of integrated clinical engineering services**: medical equipment management, technical consultancy services, training and supply of spare parts and consumables.

- Revenues 31/03/2011: about **£ 1,25 million**

- EBITDA 31/03/201: about **£ 0,228 million**

**Operation rationale**

- Enhance the **competitive positioning** in a market which presents strong growth perspective.

- Acquire **management know-how** and integrate **expertise** in the local market.
Agile IT & Call Centre branches

- Agreement reached on January 2012 for the acquisition of **IT and Call Centre branches** of Agile S.r.l., in receivership.
- Three-year **business plan** setting out economic and strategic planning for the targets’ **integration and valorization** inside the Group.

REM S.p.A.

- Investment in REM on March 2012, through the subscription of a **reserved capital increase of 2 €M**.
- REM operates in sale, development and management of **diagnostic imaging equipment** through outsourced multivendor maintenance services.

**Operation rationale**

Agile IT & Call Centre branches

- Integration in TBS Group offering of outsourced services regarding **information and communication technology systems (ICT)**.
- TBS Group as Global IT player, active in all IT product supply chain for health sector, public administration and the private sector.
- Significant **synergies of cost and economies of scale** with Group subsidiaries.

REM S.p.A.

- Access into **diagnostic imaging market**, a segment with high added value and significant content of technological innovation.
- Fundamental milestone in the strategy aimed at **increasing and differentiating** the scope of Group offering.
- Access to D.I. know how to be exploited abroad
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TBS Group target: STAR market

**HIGH GROWTH POTENTIAL FOR MEDIUM CAP COMPANIES**
- Market cap < €1,000 M
- Regulated market
- High interest of institutional investors
- High national and international visibility (STAR conference in Milan, London, New York,...)

**ENTRY POINT FOR SMALL & MEDIUM CAP**
- Market cap < €100 M
- Not regulated market
- Low interest for institutional investors
- Low national and international visibility

More liquidity (more institutional investors)

Less liquidity (more retail investors)
Organic growth Strategy

Medical Equipment & Devices BU

e-Health & e-Government Systems & Solutions BU

From First Mover to Leader: a Growth Path
MD & ICT systems BU – Strategic Guidelines

Optimization of existing perimeter

As a complex multilevel/multinational service, streamlining of operation, process and organization is of paramount importance to delivering consistent service quality and exploiting operating leverage (cost control).

New offering portfolio outsourcing services

Serve hospitals’ new “technology pain”:

- **One order of magnitude larger** potential addressable market by expanding the service portfolio, adding “adjacent” services on a wider technology spectrum.
- Diagnostic Imaging/ ICT systems.

Leverage uniqueness of wide geographic coverage to target new customer segments:

- International hospital chains in Europe and Asia; construction of new hospitals with requirements of innovative technology.
- OEMs for Service Arm partnerships.

Expansion of the footprint

- The nature of the on-site business model carries substantial economies of scale with geographical “density” (high number of customers in the same local area).
- Significant untapped potential market in current TBS geographies.
- Many local/regional players as potential M&A targets in all geographies.
Clinical Engineering portfolio evolution will follow two directions:

**CE outsourcing services on new devices and technologies:**
- Spare Parts & Equipment distribution
- Biomedical Equipment
- Endoscopy
- Diagnostic Imaging

**Move up the value chain adding new value added services:**
- Healthcare Technology Assessment and Planning consulting
- Asset utilization tracking and optimization
- Financing/insurance services.

Increase the scope of service offered to customers leveraging the CE network
e-Health & e-Government integrated solution BU – Strategic Guidelines

- Combination of the offering of all Group entities to provide an end to end coverage of the clinical process and integration with administrative tools.
- Leverage benefits of proprietary technology platform “phi technology”:
  - For TBS Group - fast prototyping, fast and cost effective development of proprietary applications and customers solutions.
  - For customers - reduced cost, ease of use and possibility to “self-develop”.

- Indirect “open source” model: an opportunity to scale sales internationally leveraging “phi technology”.
- Leverage Group synergies: integration with CE, by jointly promoting and delivering “convergent” services (e.g. on IT Medical Devices, IT Outsourcing, ...)

Penetrate selected key markets:
- Selected vertical IT products’ (including Emonet Blood Bank and CUP) identified as potential candidates.
- Buy telehealthcare services for EU and emerging market.
E-Health & e-Government evolution is based on the introduction of a new technological platform:

IT integrated solutions (proprietary/third party) in whole healthcare process:

- Prevention
- Access
- Diagnosis
- Therapy
- Monitoring
- Social Healthcare Systems
- Emergency reservation
- Clinical HIS
- Non Clinical HIS
- Telecare Medicine

PHI, TBS Group Technology Platform:

- An innovative technology platform, based on open and international standards
- The platform represents the basis for all Group solutions and proprietary applications.

Providing IT solutions for hospitals, healthcare institutions, Public Administrations
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- TBS Group
- Market and Competitive Positioning
- Financials
- Recent Important Acquisitions and JV
- Strategy

Appendix
## Summary Profit & Loss

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>IFRS</td>
<td>%</td>
<td>IFRS</td>
<td>%</td>
</tr>
<tr>
<td>Net revenues</td>
<td>124.536</td>
<td>98,8%</td>
<td>157.213</td>
<td>99,2%</td>
</tr>
<tr>
<td>Other revenues and income</td>
<td>1.483</td>
<td>1,2%</td>
<td>1.201</td>
<td>0,8%</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>126.019</td>
<td>100,0%</td>
<td>158.414</td>
<td>100,0%</td>
</tr>
<tr>
<td>Cost for raw materials, consumables and goods</td>
<td>(19.235)</td>
<td>(15,3%)</td>
<td>(24.528)</td>
<td>(15,5%)</td>
</tr>
<tr>
<td>Cost for services</td>
<td>(47.019)</td>
<td>(37,3%)</td>
<td>(57.211)</td>
<td>(36,1%)</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>(43.623)</td>
<td>(34,6%)</td>
<td>(55.528)</td>
<td>(35,1%)</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>(1.306)</td>
<td>(1,0%)</td>
<td>(1.970)</td>
<td>(1,2%)</td>
</tr>
<tr>
<td>Accruals</td>
<td>(216)</td>
<td>(0,2%)</td>
<td>(392)</td>
<td>(0,2%)</td>
</tr>
<tr>
<td><strong>Gross operating profit (EBITDA)</strong></td>
<td>14.620</td>
<td>11,6%</td>
<td>18.785</td>
<td>11,9%</td>
</tr>
<tr>
<td>Amortization, depreciation and impairment losses</td>
<td>(5.658)</td>
<td>(4,5%)</td>
<td>(7.398)</td>
<td>(4,7%)</td>
</tr>
<tr>
<td><strong>Operating profit (EBIT)</strong></td>
<td>8.962</td>
<td>7,1%</td>
<td>11.387</td>
<td>7,2%</td>
</tr>
<tr>
<td>Associates</td>
<td>(26)</td>
<td>(0,0%)</td>
<td>33</td>
<td>0,0%</td>
</tr>
<tr>
<td>Net financial expenses</td>
<td>(2.830)</td>
<td>(2,2%)</td>
<td>(1.489)</td>
<td>(0,9%)</td>
</tr>
<tr>
<td>Proventi finanziari</td>
<td>390</td>
<td>999</td>
<td>731</td>
<td>270</td>
</tr>
<tr>
<td>Oneri finanziari</td>
<td>3.220</td>
<td>2.488</td>
<td>2.862</td>
<td>4.522</td>
</tr>
<tr>
<td><strong>Pretax income</strong></td>
<td>6.106</td>
<td>4,8%</td>
<td>9.931</td>
<td>6,3%</td>
</tr>
<tr>
<td>Taxes</td>
<td>(3.355)</td>
<td>(2,7%)</td>
<td>(5.704)</td>
<td>(3,6%)</td>
</tr>
<tr>
<td><strong>Net income (before minorities)</strong></td>
<td>2.751</td>
<td>2,2%</td>
<td>4.227</td>
<td>2,7%</td>
</tr>
<tr>
<td>Minorities</td>
<td>(302)</td>
<td>(0,2%)</td>
<td>(507)</td>
<td>(0,3%)</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>2.449</td>
<td>1,9%</td>
<td>3.720</td>
<td>2,3%</td>
</tr>
</tbody>
</table>
## Balance Sheet

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>thousands of Euros</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets and goodwill</td>
<td>44.940</td>
<td>54.707</td>
<td>59.537</td>
<td>60.122</td>
</tr>
<tr>
<td>Tangible assets</td>
<td>11.915</td>
<td>12.709</td>
<td>15.669</td>
<td>17.043</td>
</tr>
<tr>
<td><strong>Fixed assets</strong></td>
<td><strong>60.754</strong></td>
<td><strong>71.628</strong></td>
<td><strong>85.918</strong></td>
<td><strong>87.034</strong></td>
</tr>
<tr>
<td>Inventory</td>
<td>5.678</td>
<td>6.898</td>
<td>6.483</td>
<td>7.544</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>86.088</td>
<td>104.828</td>
<td>115.370</td>
<td>121.051</td>
</tr>
<tr>
<td>Trade payables</td>
<td>38.941</td>
<td>42.868</td>
<td>42.311</td>
<td>45.188</td>
</tr>
<tr>
<td><strong>Operating working capital</strong></td>
<td><strong>52.825</strong></td>
<td><strong>68.858</strong></td>
<td><strong>79.542</strong></td>
<td><strong>83.407</strong></td>
</tr>
<tr>
<td>Other current assets</td>
<td>4.269</td>
<td>6.449</td>
<td>6.537</td>
<td>8.534</td>
</tr>
<tr>
<td>Other current payables</td>
<td>20.986</td>
<td>25.252</td>
<td>27.271</td>
<td>35.125</td>
</tr>
<tr>
<td><strong>Total working capital</strong></td>
<td><strong>36.108</strong></td>
<td><strong>50.055</strong></td>
<td><strong>58.808</strong></td>
<td><strong>56.816</strong></td>
</tr>
<tr>
<td>Severance indemnities</td>
<td>4.665</td>
<td>6.234</td>
<td>6.553</td>
<td>6.668</td>
</tr>
<tr>
<td>Other long-term liabilities</td>
<td>8.019</td>
<td>10.963</td>
<td>11.896</td>
<td>11.156</td>
</tr>
<tr>
<td><strong>Total net capital employed</strong></td>
<td><strong>84.178</strong></td>
<td><strong>104.486</strong></td>
<td><strong>126.277</strong></td>
<td><strong>126.026</strong></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>18.912</td>
<td>8.454</td>
<td>8.786</td>
<td>17.531</td>
</tr>
<tr>
<td>Current financial assets</td>
<td>617</td>
<td>203</td>
<td>249</td>
<td>2.699</td>
</tr>
<tr>
<td>Other financial assets</td>
<td>1.517</td>
<td>1.549</td>
<td>1.643</td>
<td>1.714</td>
</tr>
<tr>
<td>Current financial liabilities</td>
<td>42.112</td>
<td>35.648</td>
<td>54.960</td>
<td>71.803</td>
</tr>
<tr>
<td>Non-current financial liabilities</td>
<td>19.762</td>
<td>26.352</td>
<td>24.647</td>
<td>19.466</td>
</tr>
<tr>
<td><strong>Net Debt</strong></td>
<td><strong>40.827</strong></td>
<td><strong>51.794</strong></td>
<td><strong>68.929</strong></td>
<td><strong>69.325</strong></td>
</tr>
<tr>
<td><strong>Total equity</strong></td>
<td><strong>43.351</strong></td>
<td><strong>52.692</strong></td>
<td><strong>57.348</strong></td>
<td><strong>56.701</strong></td>
</tr>
<tr>
<td><strong>Total sources</strong></td>
<td><strong>84.178</strong></td>
<td><strong>104.486</strong></td>
<td><strong>126.277</strong></td>
<td><strong>126.026</strong></td>
</tr>
</tbody>
</table>
Players in the Industry (1/2)

**OEM’s**
- Producers of equipment
- Providing warranty/maintenance services on their equipment
- Sometimes offering multivendor maintenance, with specific focus on DI segment.

**Player Comment**
- Large international OEM provide multivendor maintenance to control the customer technology management strategy and to influence equipment purchasing decision.
- GE market leader in USA (estimated revenues in excess of USD 400m), divested to TBS in Europe after failing to integrate several small players acquired in key countries.
- Germany: the domestic market for the largest vendors, still an OEM stronghold in multivendor services.
- Drager is multivendor maintenance market leader in Germany, and is active in Italy, France and Spain.
- Mid term trend: sign of OEM back-off from the multivendor market (Italy, France, …).
- Small/medium OEM or non EU OEMs: maintenance headache! Potential candidates for outsourcing their maintenance activities on a regional or continental scale to specialized outsourcers with appropriate reach (TBS uniquely positioned).

**Service Companies in Healthcare space**
- Typically large multinational companies providing wide ranges of outsourced services to hospitals (Facility Management, Catering, Construction/Project, …).
- Players in other fields looking at the CE European industry as a diversification.

**Comment**
- Notice: the largest USA independent CE players have been acquired in the past decade by large multi service companies (see entry in CE by Aramark).
- Vamed very active in multivendor maintenance in Austria and Germany, Dalkia has a presence in the business in France and Spain.
- Threat: large players such as Aramark expected to enter EU for CE services, leveraging existing customer relationship (USA chains and EU customers);
- Opportunity: selected players (such as project/construction and facility management) could be approached as strategic/sales partner to bundle service offering to customers.
## Players in the Industry (2/2)

<table>
<thead>
<tr>
<th>Player</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>‧ Few players with significant presence outside of the USA. USA players now looking into Europe</td>
<td></td>
</tr>
<tr>
<td>‧ Providing comprehensive or vertical CE services at the international level</td>
<td></td>
</tr>
<tr>
<td>‧ TBS largest player in Europe/Asia.</td>
<td></td>
</tr>
<tr>
<td>‧ Independent multivendor services providers focused on one country/region</td>
<td></td>
</tr>
<tr>
<td>‧ Market highly fragmented in all European countries. Most players act at county/region level</td>
<td></td>
</tr>
</tbody>
</table>

Clinical Engineering Outsourcer (International)

Clinical Engineering Outsourcer (Regional and/or local)

**European market**: not yet highly competitive but becoming attractive to USA and new large players.

Still many consolidation options (available to TBS and the entrants).

**USA**: historical CE independent players absorbed by large multiservice groups: what about Europe?

**OEM role**: defending position in historical strongholds markets in multivendor services. Opportunity for Service Arm agreements.

**Comment**

‧ Currently no independent player at the continental level neither in EU nor in Asia (except for TBS).

‧ USA players in DI and Rental moving into Europe.

‧ Many available small service companies in all major countries in Europe, might provide a beachhead for new entrants if acquired.

‧ Opportunity to join forces (sales partnership, JV) to test US-proven services on the European arena.

‧ No other independent player in more than one / two countries besides TBS Group.

‧ All markets highly fragmented, offering acquisition opportunities to incumbents and new entrants.

‧ Most local players, low-quality and low-cost providers driving markets prices down for basic maintenance services.