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Agenda

- 1. About Capitol Health
- 2. Recap Interim results H1 FY2015
- 3. Track Record
- 4. H2 FY2015 To Date
- 5. FY 2016 Industry outlook
- 6. FY 2016 Capitol Health outlook
- 7. Summary



1. About Capitol Health

- Capitol Health Limited (ASX:CAJ) is an Australian public company providing medical diagnostic imaging (DI) services
- It is the largest community based (non-hospital) DI provider within Victoria and is the only ASX-listed company operating exclusively in DI
- The Company employs approximately +650 staff and contractors across 70 facilities within metropolitan and rural Victoria & NSW
- The Company has supplemented above system organic growth with strategic acquisitions
- These acquisitions have broadened the geographic footprint, improved clinical capability and revenue streams
- The Company's objective is to build a leading primary healthcare business generating sustainable growth and profitability for shareholders whilst delivering a superior patient experience



2. Recap - Interim Results (H1 FY2015)

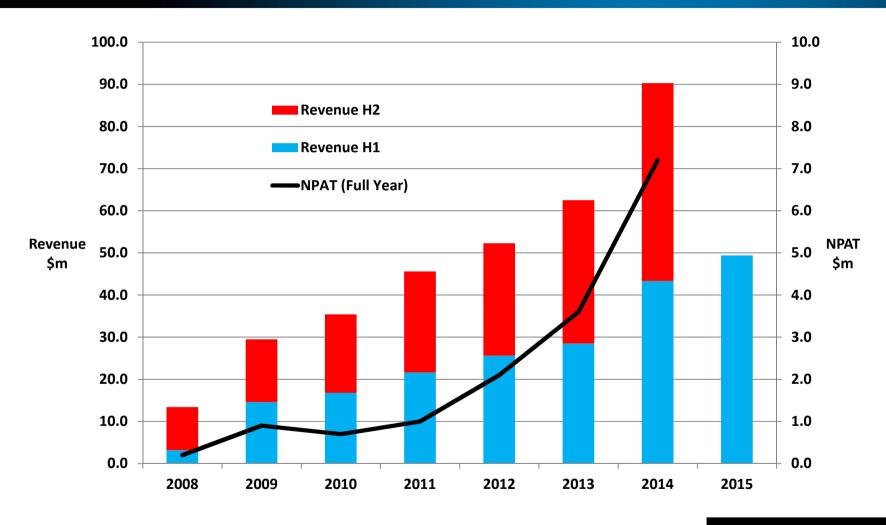
| KPI | H1 FY2015 | H1 FY2014 | % change |
|-------------------------|-----------------|-----------|-----------------|
| Revenue | \$49.4m | \$43.3m | + 14% |
| NPBT Margin * | 14.9% / 13.2% | 10% | +490 / +320 bps |
| NPBT * | \$7.3m / \$6.5m | \$4.3m | + 69.9% / 51.2% |
| NPAT * | \$4.6 | \$3.0m | + 53.3% |
| EPS (basic = diluted) # | 0.99 | 0.7c | + 41.4% |
| DPS (fully franked) # | 0.6c | 0.4c | + 50% |

^{• *} Before / After acquisition costs



^{• #} Includes issue of 64.7m shares as part of 10 December 2014 equity raise

3. Track record continues





4. H2 FY2015 - To Date

- Subsequent to the interim result announced on 11 February 2015, the Company has:
 - Strengthened its balance sheet via a heavily oversubscribed SPP, raising ~\$20m
 - This follows the \$37.5m raised from institutions in December 2014
 - Completed the NSW acquisition of Southern Radiology on April 1st, delivering a strong geographical and clinical presence supported by world class infrastructure.
- Announced the acquisition of two further Sydney practices, Eastern Radiology (based in Bondi) and Sydney Radiology (based in Cremorne)
- Secured additional acquisition debt funding
- MRI strategy driving positive patient outcomes



5. FY 2016 Industry Outlook

- Outlook for FY 2016 continues the themes developed over the last few years
 - Industry growth still expected to be roughly double that of growth in GDP

Growth driven by:

- Expanding and ageing population
- Emphasis on early detection and prevention
- Critical service to Australian healthcare industry
- Improved accuracy and capability of imaging techniques attracts greater usage for preferred providers
- Government initiatives favouring those participants who have invested through shift towards MRI
- The key theme emerging in Healthcare is "Bespoke Health"
- > The **personalisation** of systems, processes and outcomes that are patient and referrer specific.
- Generates optimal outcomes for patients, reduces error and advocates superior quality
- Driven by advances in IT, data capture, enhancement & distribution
- Capitol will deploy to enhance clinical diagnosis, improve workflow efficiencies, capacity utilisation and customer engagement.



6. FY 2016 Capitol Health outlook

- Strong performance expected to be maintained in 2H FY 2015
- Focus on completing and integrating acquisitions and driving identified synergies and network benefits
 - Initiatives already commenced, benefits to accrue in FY16 and beyond
- Further organic and acquisitive growth
 - Government initiatives and Capitol's superior customer offering are expected to drive further organic growth
 - The Board remains responsive to further opportunities for expansion via acquisition and through contract wins
- Continued uplift in revenue and profits
 - Network expansion, customer offering & favourable Government legislation expected to deliver further market share gains
 - Highly scalable and low-cost business model firmly in place
- Interim and Final Dividend payments supportable and expected to continue (based on current outlook)

7. Summary

Capitol is positioned to deliver sustainable growth and profitability through:

- Strong financial performance record results continuing
- Clear and focused strategy
- Highly scalable business model with low-cost base
- Attractive offering for customers, Radiologists and referrers Greater focus in personalised healthcare
- Supportive regulatory environment
- Attractive Dividend yield and growth
- Positioned as the largest community-based DI network in Victoria and now capitalising on growth opportunities throughout Australia



