



**Investor Day June 10 , 2011**

# Forward Looking Statements

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Certain of the statements contained in this presentation are "forward-looking statements" within the meaning of applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, business strategy, plans and other expectations, beliefs, goals, objectives, information and statements about possible future events. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. You are cautioned not to place undue reliance on such forward-looking statements. Forward-looking statements are based on current expectations, estimates and assumptions that involve a number of risks, which could cause actual results to vary and in some instances to differ materially from those anticipated by Centric Health and described in the forward-looking statements contained in this presentation.

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# Presentation Outline

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- 1. Canadian Healthcare: The Opportunity**
- 2. Centric Health: History & Strategy**
- 3. Acquisition of LifeMark: Background & Transaction**
- 4. Combined Group: Compelling Synergies**
- 5. First Quarter Financial Results**
- 6. Future Focus & Summary**

# Canadian Healthcare

## The Opportunity



*Your Care. Our Focus.*

# The Macro Economics

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- People who get sick ►►► want to get better
- Who will provide?
- Who will pay?
- New challenges of . . .
  - Longevity
  - Deficits
  - Technology
  - Pharma
  - Patient's rights

*There is NO blueprint for success*

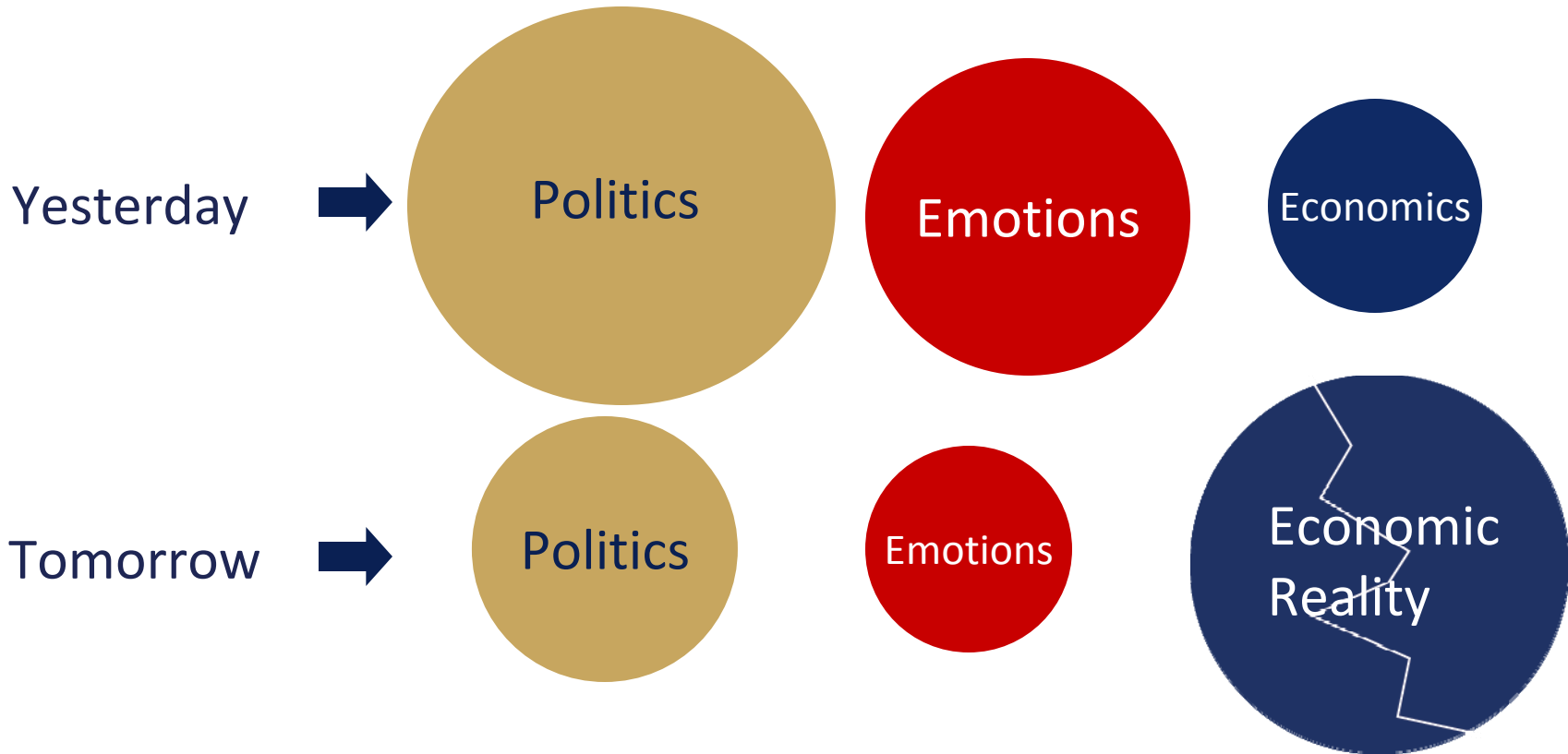
# Healthcare in Canada

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- Healthcare governed by Canada Health Act
  - Universal Access
  - Equity & Parity
  - Single Tier
  - Predominantly Publicly Funded
- Federally funded: provincially delivered
  - 70% Government Funding
  - 18% Insurance (Dental / Drugs / WSIB / WCB/ MVA)
  - 12% Discretionary
- Increasing private sector delivery in the last 10 years

# About Healthcare

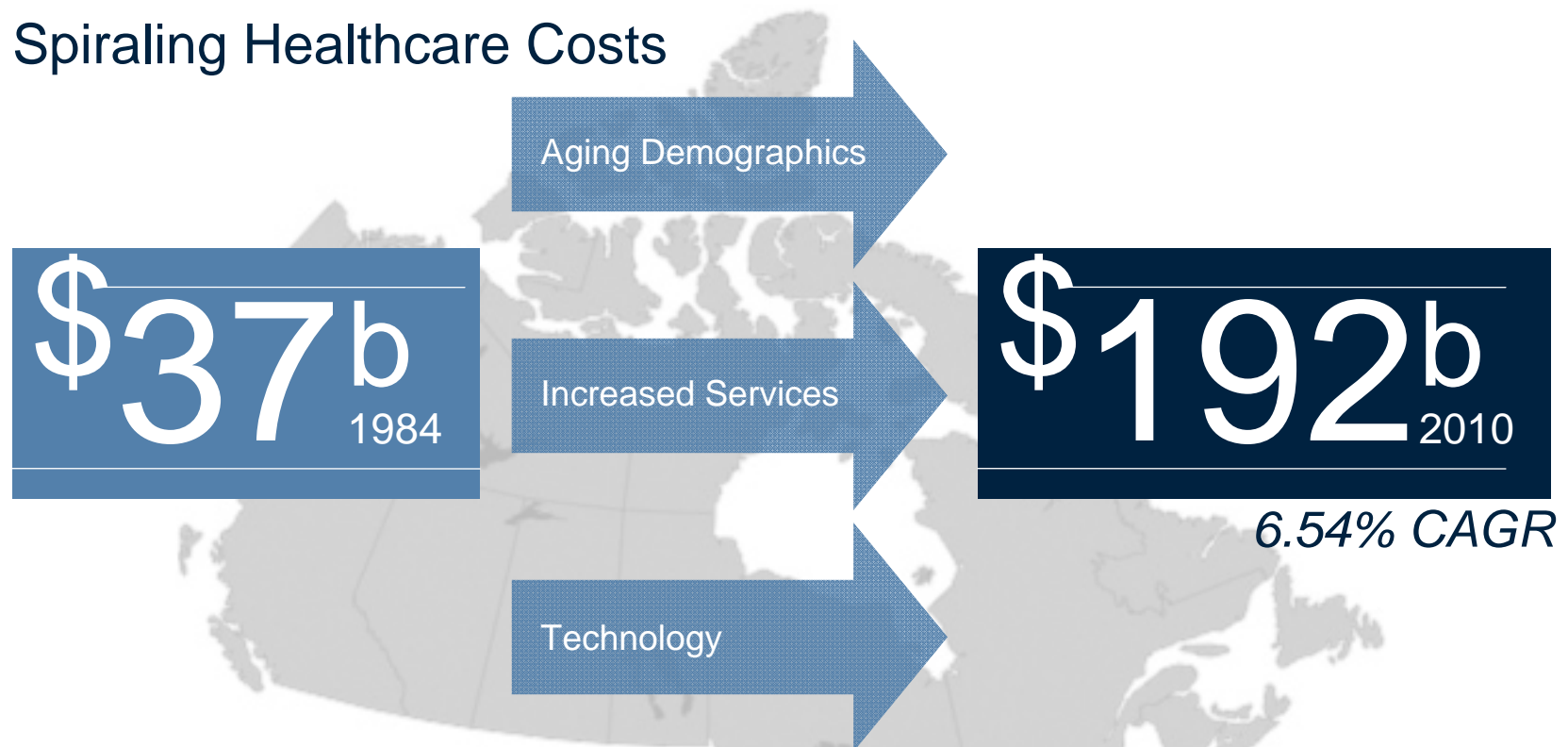
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- Need to re-engineer the delivery model
- Need specialized management skills and innovation
  - Get better value for healthcare spending dollars
- Tomorrow's economics will drive health care policy

# Canadian Healthcare Spending Landscape

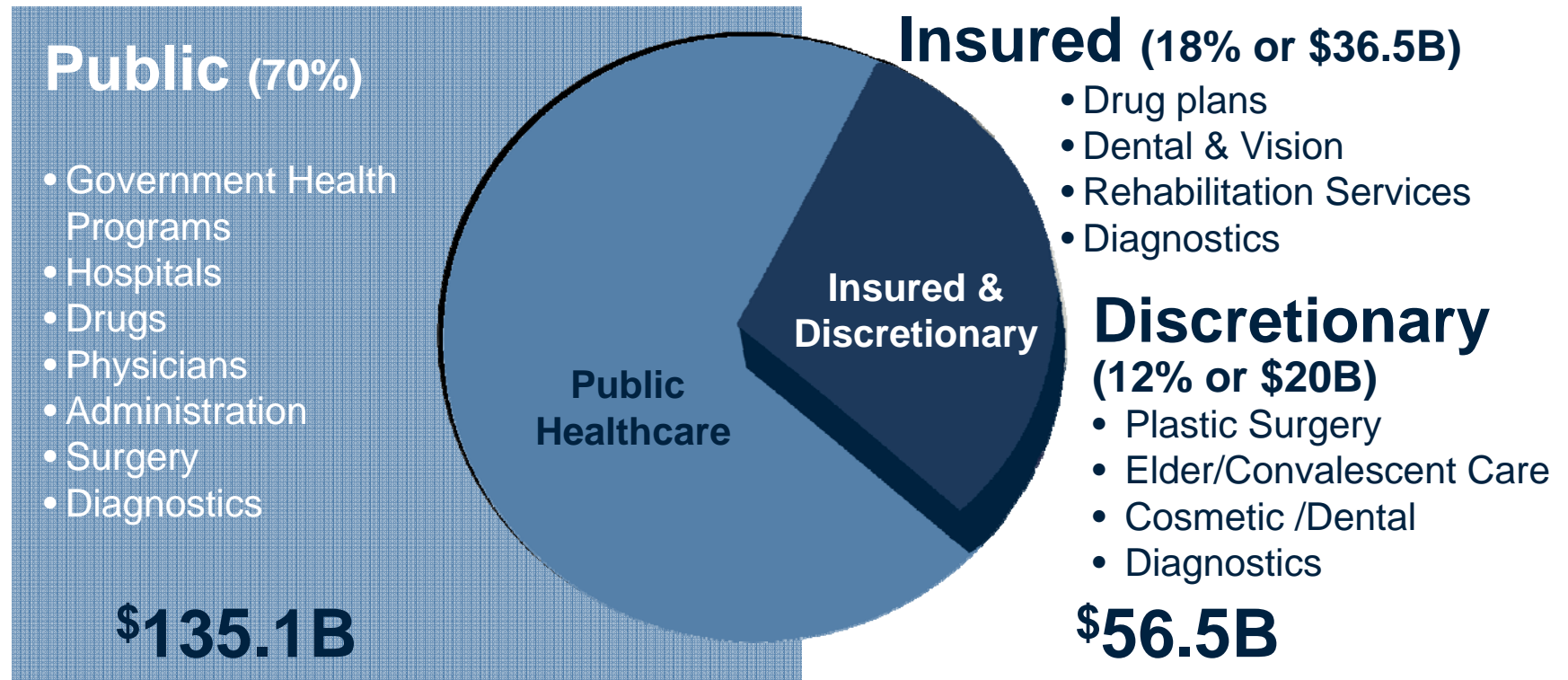
## Spiraling Healthcare Costs



**ENORMOUS** pressure for cost savings via new innovation

Source: Canadian Institute for Health Information: National Health Expenditure Trends, 1975–2010

# Canadian Healthcare Spending Landscape



**45% or \$61B of Publicly Funded Healthcare is Delivered Privately**  
**Total Privately Delivered Healthcare > \$117B**

Source: Canadian Institute for Health Information: National Health Expenditure Trends, 1975 - 2010

# Focus Areas for Healthcare Change

<b>Aging Population</b>	<ul style="list-style-type: none"><li>• LTC / RH / Admissions</li><li>• Multivendor Service Offering</li><li>• HomeCare</li></ul>
<b>Reduce Hospital Cost / LOS</b> <b>(PPP)</b>	<ul style="list-style-type: none"><li>• Competitive Pricing (WLI)</li><li>• Day Surgery (COE)</li><li>• Extended Choice Network</li></ul>
<b>Corporate Health Plans</b> <b>(Network Plan)</b>	<ul style="list-style-type: none"><li>• Dental</li><li>• Chronic Pharma</li><li>• PT &amp; Other</li></ul>
<b>Share Risk with Doctors</b> <b>(Global Fees)</b>	<ul style="list-style-type: none"><li>• Full Service</li><li>• Community Medical Centres</li><li>• Wellness / Prevention</li><li>• Diagnostics</li></ul>

# There Will be Changes...

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Innovative solutions  
are needed to improve

- Accountability and delivery
- Efficiencies and incentives
  - *Industry consolidation*
- Competitive purchasing
- Alignment of interests

Change creates  
opportunities for  
the private sector

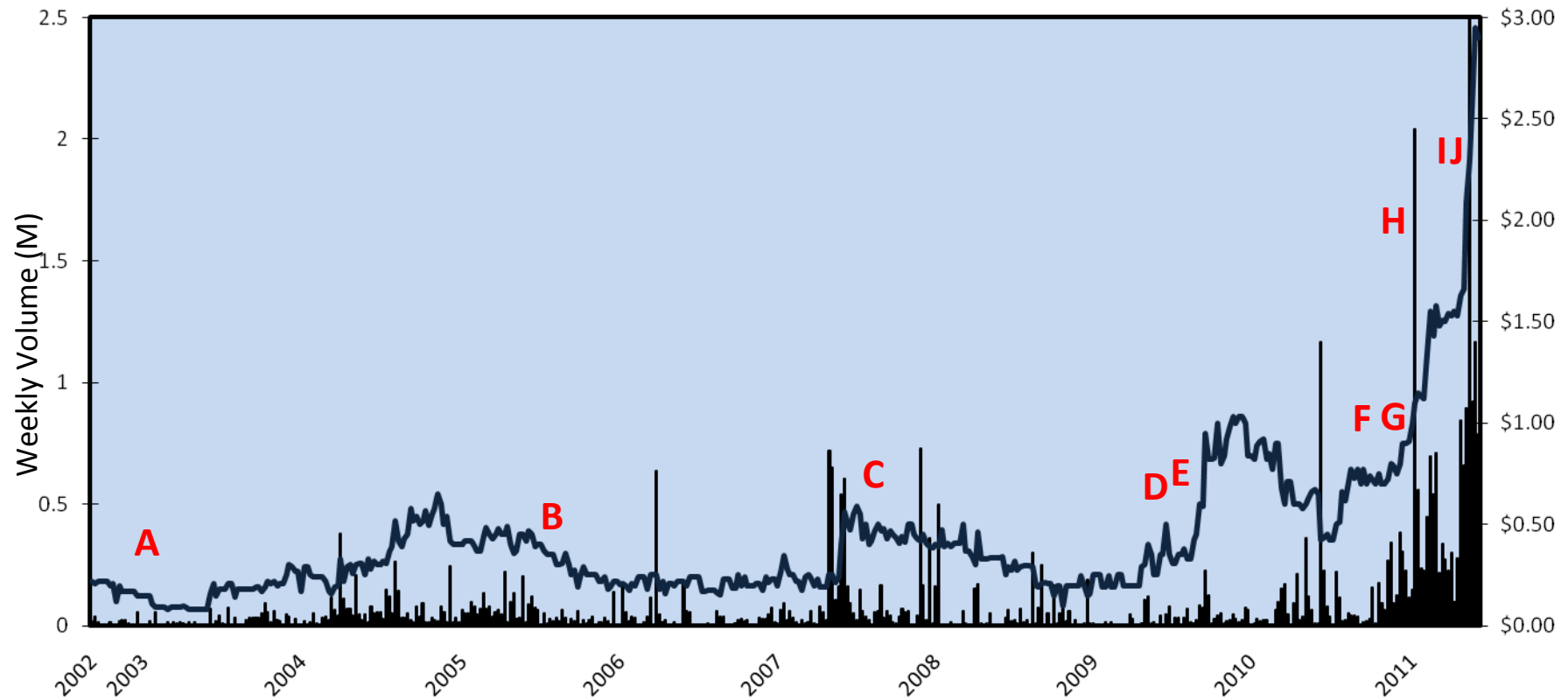
# Centric Health

## History & Strategy



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# Centric Health History



- A** – Alegro Health listed on TSX-V
- B** – Don Mills Surgical Unit acquisition
- C** – GHIS Strategic Alliance
- D** – Active Health acquisition

- E** – Name change to Centric Health and TSX listing
- F** – Community Advantage Rehabilitation acquisition
- G** – Southlake Specialty Pharmacies acquisition
- H** – Surgical Spaces acquisition
- I** – LifeMark Health acquisition
- J** – Blue Water & LSC acquisition

# What To Be – Strategic Imperatives

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**Canada's Premier Healthcare Company  
that Provides Innovative Solutions Centered Around  
Patients and Healthcare Professionals**

- Highest ethical standards
- Partner of choice for healthcare professionals
- High service ethic with best clinical outcomes
- A unique “Brand of Care”
- Respected as world class and world famous
- The most appealing healthcare investment

# What To Do

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- Form, merge and/or acquire strategic stakes in selected healthcare companies
- Enhance business operations (Brand) with management team, healthcare professionals and staff
- Adopt and implement patient and doctor centric approach
- Offer innovative & relevant solutions that improve efficiencies and quality of care
- Phased capital raise
- Lowest cost provider of quality care in North America

## Where We Focus

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- Reputable entrepreneurial companies with successful track records and intellectual property (Canada's Finest)
- Consolidation and rationalization opportunities
- Underperforming companies
- Healthcare systems seeking innovative solutions
- Established groups ready for their next growth phase
- Unique strategy with the defined leadership principles
  - Best and safest product
  - Partnerships with healthcare professionals
  - Operational efficiency
  - Growing with passionate people

# What To Exceed

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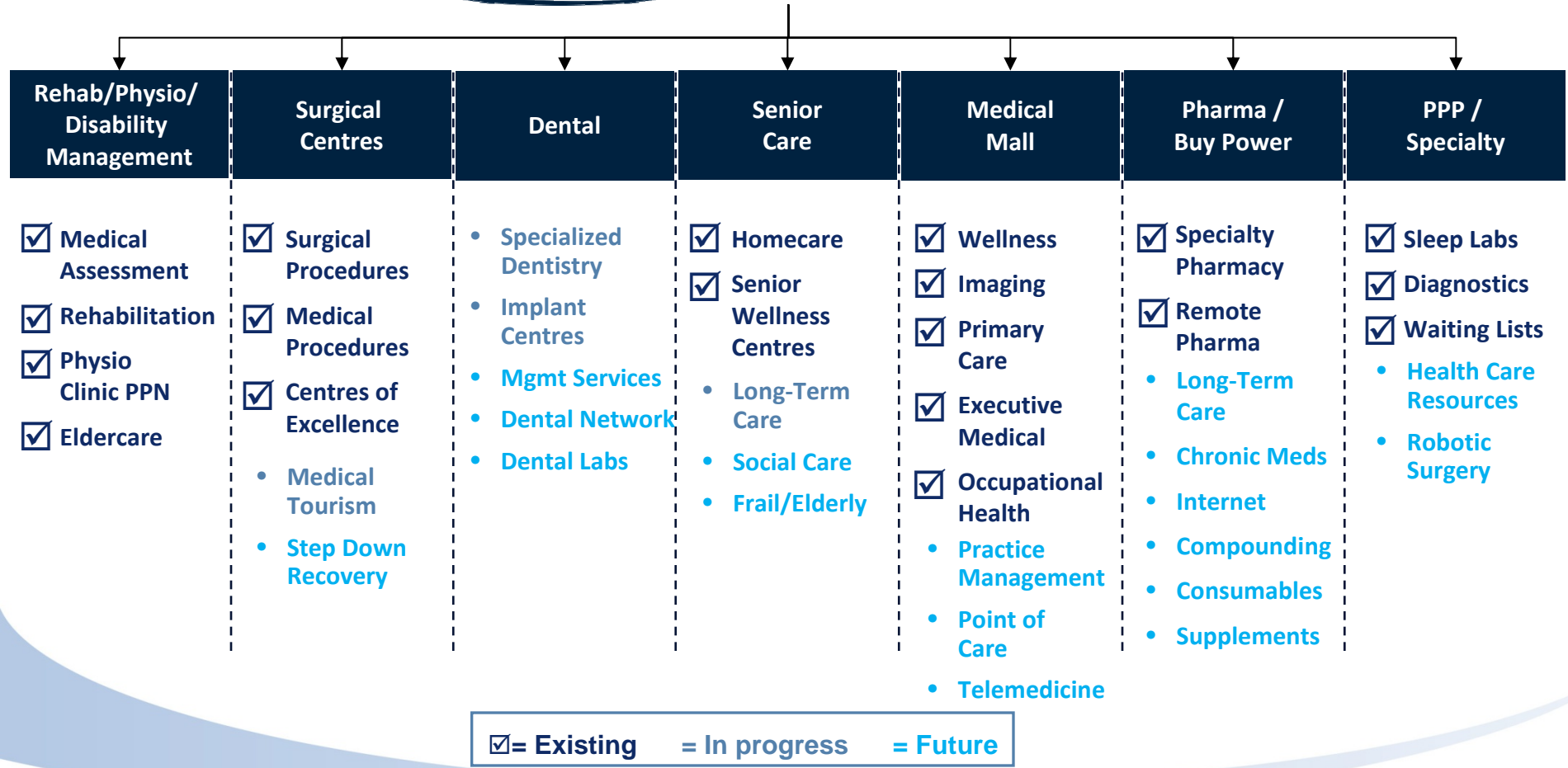
## Brand

- Healthcare group of choice for patients and healthcare professionals
- Comprehensive range of diversified products and services across multiple sectors and provinces
- > 2,000 locations

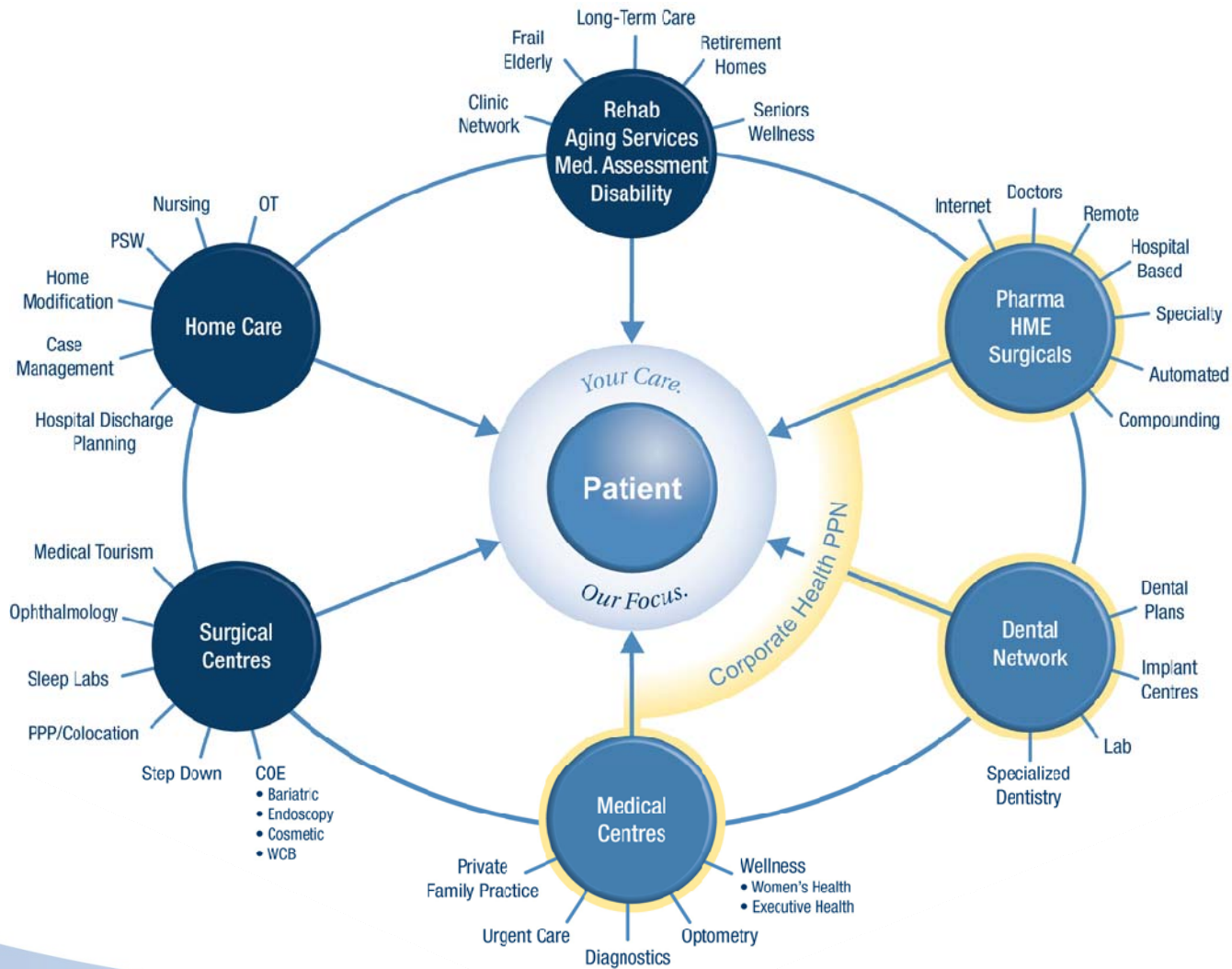
## Financial Targets

- Group and associate revenue > \$2 Billion
- Margins > market average (>15% EBITDA)
- CAGR > 20%
- Strong cash generation
- Double shareholder value every 3 to 4 years
- CFROI > 150% of Cost of Capital

# Phased Strategic Rollout



# Centric Health Strategy



# Acquisition of LifeMark

## Background & Transaction

**LifeMARK**  
HEALTH



**Centric Health**

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# LifeMark Overview

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- Rehabilitation and physiotherapy services to a range of patients
- Operates over 120 physiotherapy clinics across Canada with over 2,000 dedicated healthcare staff, consultants and medical doctors
- Eldercare Division provides aging services through 122 contracts in Ontario and British Columbia
- One of the largest assessment providers in Ontario
- Home medical equipment franchise
- 55 acquisitions since 2008
- Strong track record of growth and profitability

# Research and Development

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- Supports internal clinical research initiatives and is currently developing a Health Advisory Council on Health Education and Research
- Has contributed to numerous articles published in peer reviewed journals
- Is actively involved in bone and joint health research with the University of Alberta
- Selected to conduct leading edge, multicentred studies funded by Worker's Compensation Boards in British Columbia, Alberta and Manitoba

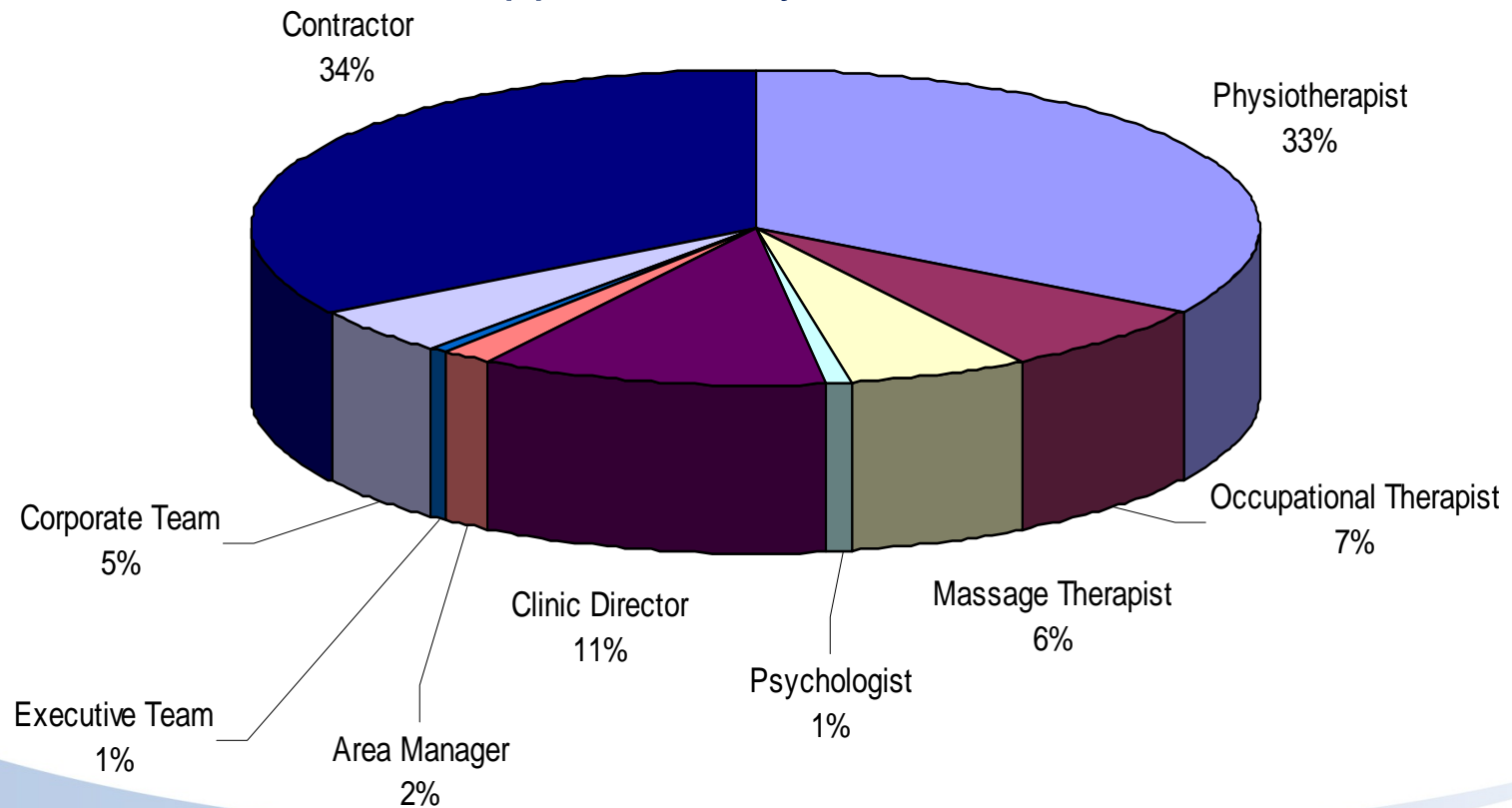
# Patient Satisfaction and Outcomes

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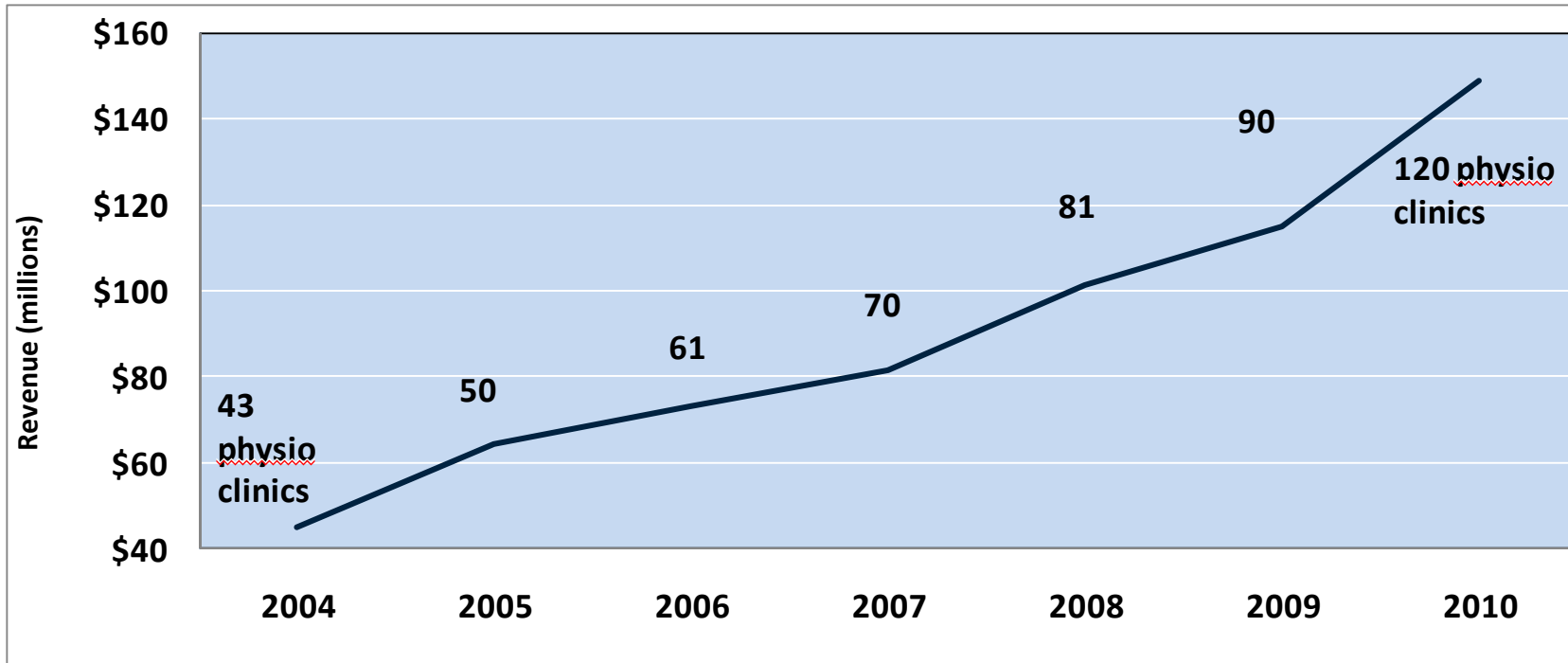
- In patient surveys over 95% of respondents rated LifeMark 5 out of 5 based on the quality of service provided
- LifeMark has a proven track record for delivering strong clinical outcomes
- LifeMark has an evidence based, outcome driven philosophy for patient care

# LifeMark Professional Staff

- 2,000 dedicated non-unionized healthcare employees with 890 professional staff members
- Low turnover rate of approximately 10%



# LifeMark History



**2004** – LifeMark acquired by current owners and acquisition of Columbia Health (43 clinics)

**2005** – Acquired 4 rehabilitation clinics

**2006** – Completed 6 acquisitions including MEDiChair

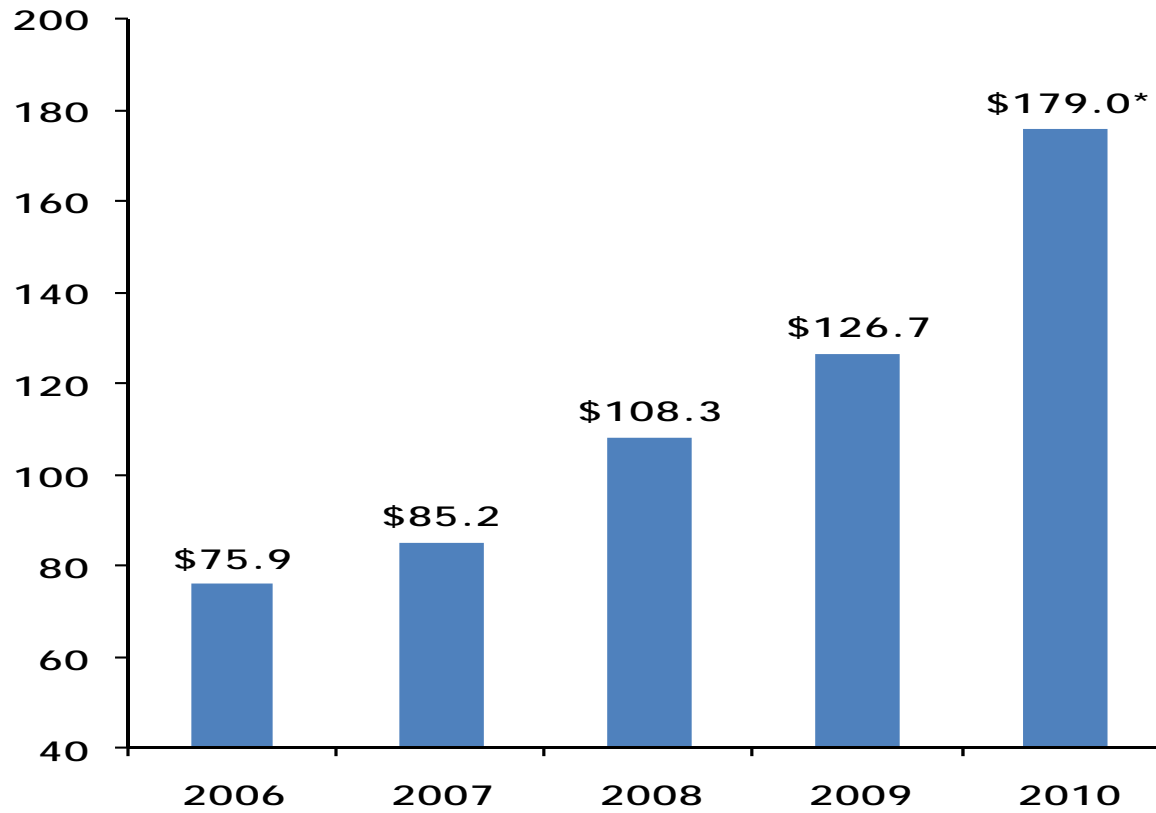
**2007** – Acquired 14 physiotherapy clinics

**2008** – Acquired 15 physiotherapy clinics

**2009** – Acquired 7 physiotherapy companies/ 13 clinics

**2010** – Acquired 22 physiotherapy clinics

# LifeMark Revenue (in millions)



\*Pro forma - Annualized for 2010 acquisitions

# Combined Group

Compelling Synergies

**LifeMARK**  
HEALTH



**Centric Health**

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# Combined Service Offering & Synergies



	Assessments	Eldercare & Long-term Care Retirement Assessments	Rehabilitation/ Disability Management	Home Medical Equipment	Surgical and Medical Centres	Home Care
<b>Centric Health</b>	<ul style="list-style-type: none"> <li>• Work Able</li> <li>• Direct Health</li> <li>• Active Health</li> </ul>	<ul style="list-style-type: none"> <li>• Active</li> </ul>	<ul style="list-style-type: none"> <li>• Active Clinic Network</li> <li>• Community Advantage Rehabilitation</li> <li>• Direct Health</li> <li>• Work Able Centres</li> </ul>		<ul style="list-style-type: none"> <li>• Southlake Regional Pharmacy</li> <li>• DMSU</li> <li>• False Creek</li> <li>• Maples</li> <li>• Blue Water &amp; LSC*</li> </ul>	<ul style="list-style-type: none"> <li>• Active Health</li> <li>• Community Advantage Rehabilitation</li> </ul>
<b>LifeMark</b>	<ul style="list-style-type: none"> <li>• LifeMark</li> <li>• RJL</li> <li>• Health Impact Assessments</li> <li>• ViewPoint</li> <li>• IGMS</li> <li>• FIT (Austin)</li> </ul>	<ul style="list-style-type: none"> <li>• LifeMark Eldercare</li> <li>• On the Go</li> </ul>	<ul style="list-style-type: none"> <li>• LifeMark Physiotherapy</li> <li>• LifeMark Health</li> <li>• At Work</li> </ul>	<ul style="list-style-type: none"> <li>• MEDiChair</li> <li>• 4 Corporate Stores &amp; 71 Franchises</li> </ul>	<ul style="list-style-type: none"> <li>• Canadian Surgery Solutions</li> </ul>	<ul style="list-style-type: none"> <li>• LifeMark Health</li> <li>• On the Go</li> </ul> <p>* Expected to close in June/July 2011</p>

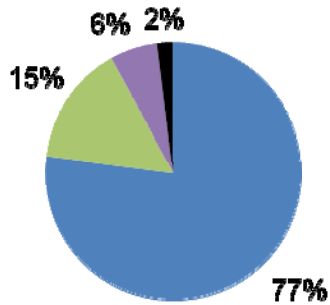
# Creating Canada's Leading Healthcare Services Company

## Delivering care in >670 locations across Canada

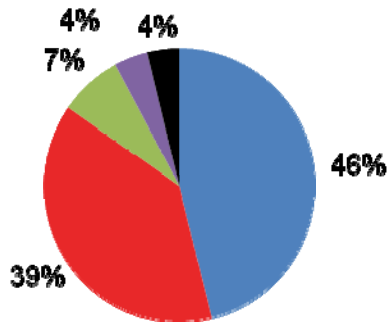
ELDERCARE DIVISION	 Centric Health <i>Your Care. Our Focus.</i>	 LifeMARK H E A L T H	COMBINED GROUP
LTC # of Beds	14,354	6,742	21,096
Contracts	107	50	157
RH # of Beds	16,755	6,740	23,495
Contracts	186	72	258
Total: # Beds	31,109	13,482	44,591
Contracts	293	122	415
REHAB DIVISION			
Network of Clinics	51 (5 owned)	120 (100% owned)	171
Insurance & Employer Contracts	25	30	55
Provinces	ON, NS, NB	AB, BC, SK, MB ON, NB, NS	7 Provinces
ASSESSMENT DIVISION			
Assessor Roster Size	750	3,000	3,750
Preferred Provider Contracts	16	15	27 (4 common)
Brands	WorkAble, Direct Health Solutions, Active	IGMS, RJL, LifeMark Assessments, Viewpoint, Health Impact	
4 x SURGICAL CENTRES (ORs:Beds)	9 : 54	4 : 32	13 ORs:86 Beds
MEDICHAIR STORES & FRANCHISES		71	71
STAFF & CONSULTANTS	~1,800	~2,000	~3,800

# 2010 Revenue Diversification by Province

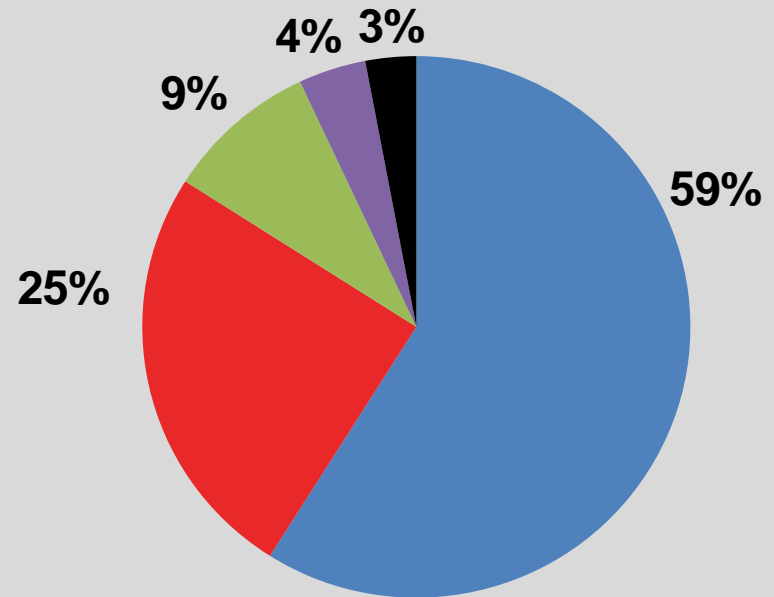
## Centric Health



## LifeMark



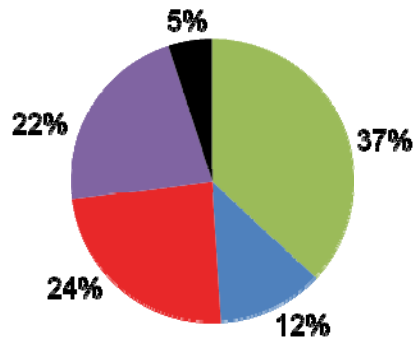
## Combined Business



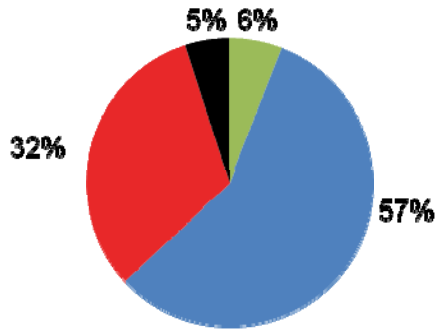
Ontario
  Alberta
  BC
  Man/Sask
  Atlantic

# 2010 Revenue by Business Segment

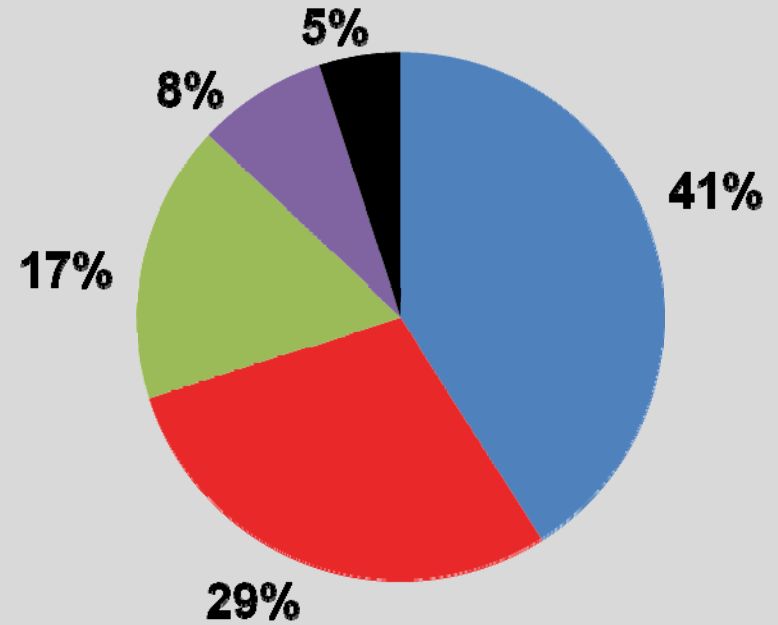
## Centric Health



## LifeMark



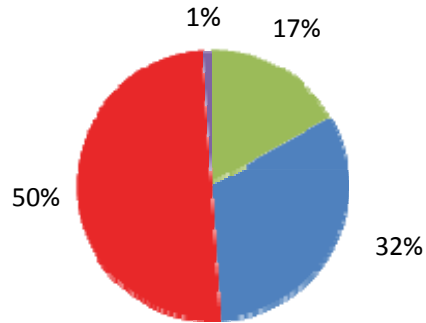
## Combined Business



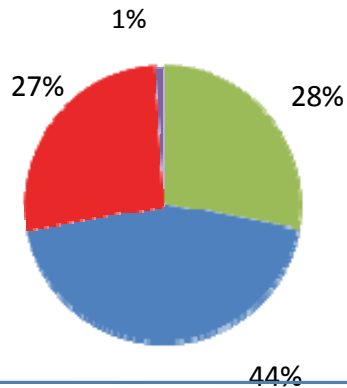
-  Physio Clinics
-  Medical Assessment
-  Eldercare/Home Care
-  Surgical
-  Pharmacy & Medi Chair

# 2010 Revenue by Payor

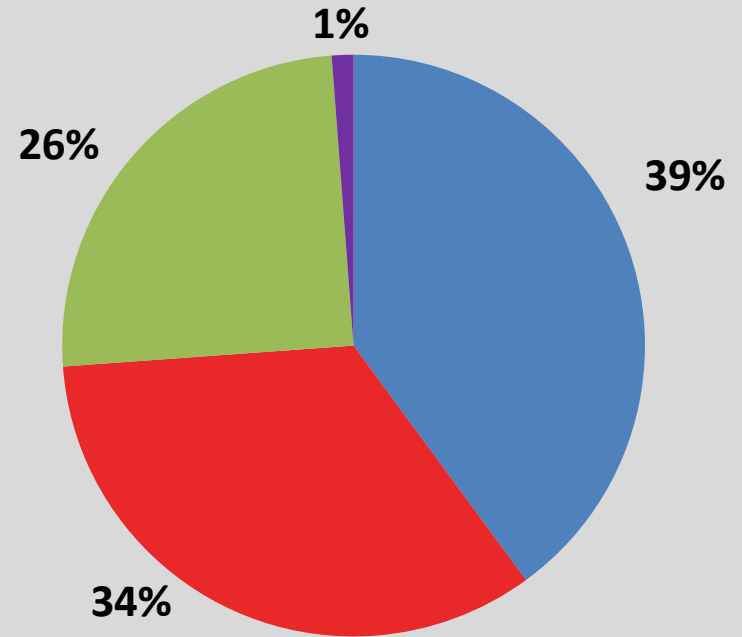
## Centric Health



## LifeMark



## Combined Business



# Opportunities for Further Consolidation

- **Market remains highly fragmented with majority of clinics owner operated**
- **> 6,000 clinics across Canada**
- **What will drive consolidation?**
  - Competitive pricing
  - RFP complexity and IT needs
  - Establishment of PPN-National Footprint
  - Addition of complimentary services
  - Retention of margins through rationalization, economies of scale, IT needs

# First Quarter Financial Results



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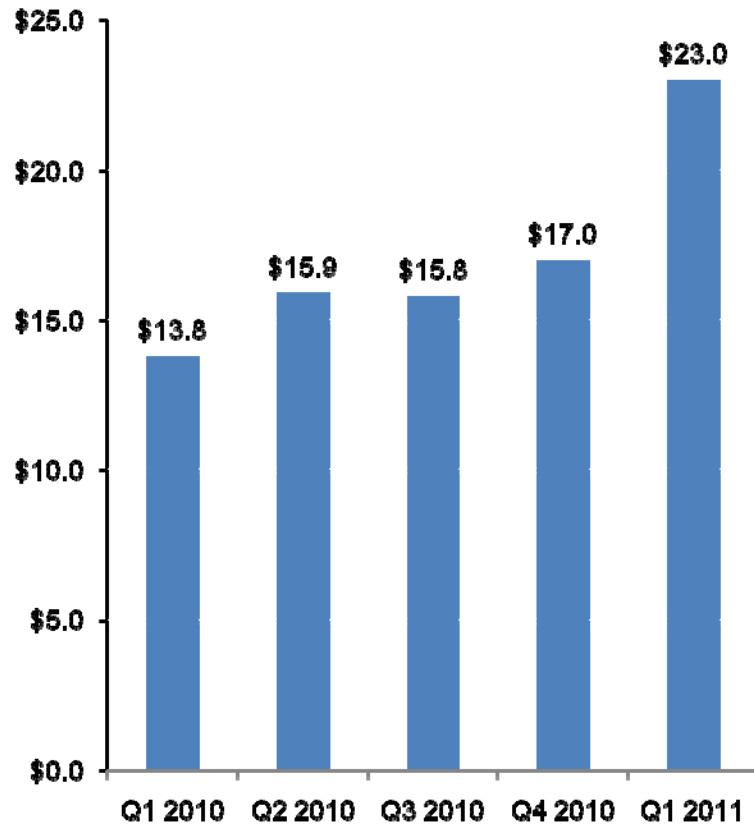
## IFRS - Main effects: Q1

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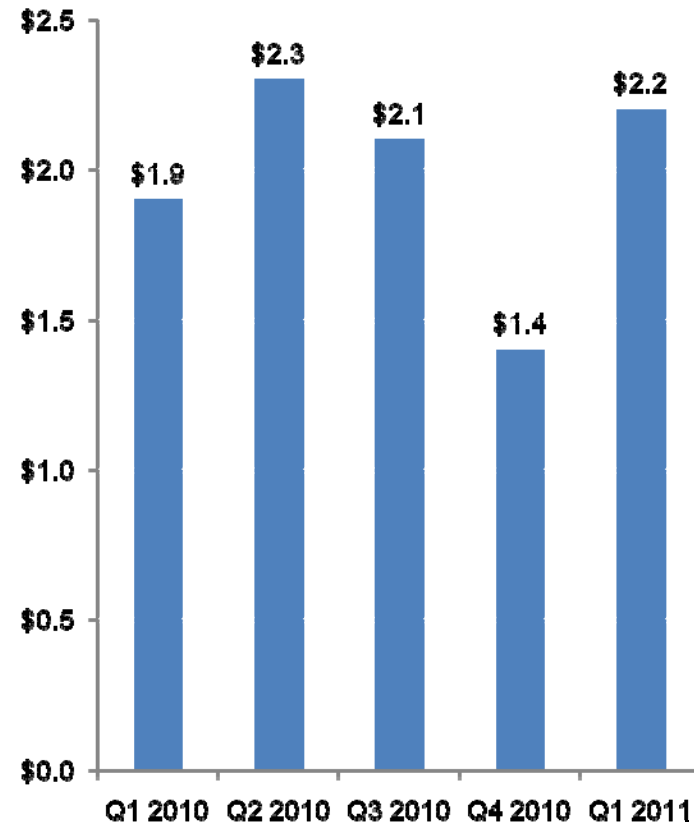
- Non-cash charge to Income Statement of \$6.5m
  - Change in fair value of contingent consideration payable in shares and warrants of the Company on its business acquisitions
- Liability of \$22.6m
  - Payable in shares and warrants of the Company
  - Once shares are issued, or released from escrow, liability will be recognized as equity
  - CGAAP - not measured and recognized until paid
- Expensed \$947k in transaction costs related to M&A activity
  - Under Canadian GAAP deferred and recognized as part of the purchase price of the acquisition

# Centric Health Corporate Revenues & EBITDA (in millions)

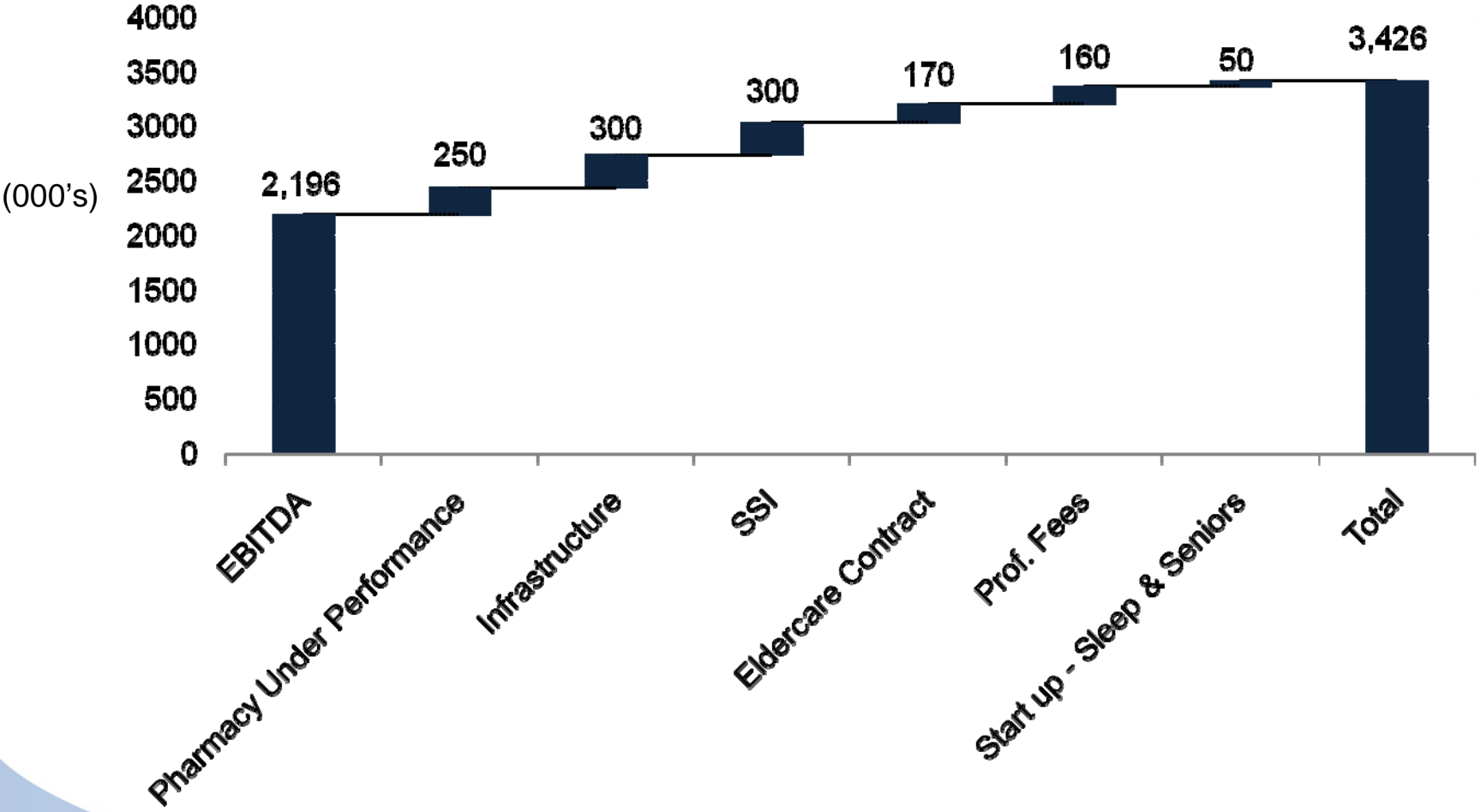
## Revenue



## Adjusted EBITDA



# Comparative EBITDA Performance



## Centric Health Q1 2011 Financial Information (IFRS)

	Q1 2010 (\$'000)	Q1 2011 (\$'000)	% Change
Revenue	13,775	23,035	67%
Gross Profit	5,303	8,928	68%
% of revenue	38.5%	38.8%	NM
Operating Margin	2,679	3,740	40%
% of revenue	19%	16%	NM
Adjusted EBITDA	1,848	2,196	19%
Adjusted EBITDA/share	\$0.030	\$0.028	(7%)
EPS (basic)	\$0.014	(\$0.092)	NM

NM – not meaningful

# Salient Financial Information (June 9, 2011)

Debt	~\$145m <sup>1</sup>
Basic Shares Outstanding	140m shares
Stock Options	8m
Warrants	22m <sup>2</sup>
Convertible Note	5m
	Proceeds: ~\$21.3m
Fully Diluted shares	175m shares
Market Capitalization (Basic)	\$407m

Shareholding Analysis	Current	Post LifeMark**	Post LifeMark (Fully Diluted)***
GHIS*	34.0%	22.6%	33.3%
Management & Insiders	21.9%	40.0%	36.5%
Institutional	21.4%	14.3%	11.7%
Retail	22.7%	23.1%	18.5%

<sup>1</sup> Following close of LifeMark acquisition

<sup>2</sup> Excludes outperformance warrants related to selected acquisitions

\* GHIS and entities controlled by shareholders of GHIS

\*\* Assumes issuance of \$60 million of Performance Shares (See PR:May6,2011)

\*\*\* Assumes all Options, Warrants & Convertible Notes exercised

# GHIS Fees

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	PREVIOUS	NEW
Market Capitalization Fee	1%	GONE
Monthly	\$20 K	\$100 K
Success Fee	1.5%	0.5%

# Future Focus & Summary



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# Corporate Focus

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- IFRS/Internal Audit
- Expand Board of Directors
- Form Risk and Ethics Subcommittees
- Establish an Advisory Board
- Review GHIS Advisory Contract
- Unwind AHP warrant structure

# Operational Focus

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- Synergies/Rationalization/Economies of Scale
- Establish New Business Development Unit
- Central Purchasing Department
- Implement New Management/Divisional Structures
- Further Key Appointments
- Balanced Scorecard Incentive Program

# Strategic Focus Areas

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- Pharmacy and Home Medical Equipment Division
- Medical/Surgical Centres
- Senior Wellness/Frail Elderly Programs
- Prospectus for Healthcare Professionals

# Favorable Industry Dynamics

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- Longevity + Technology + Pharma = Spiraling HC costs
- Healthcare spend > GDP growth > 250%
- Govt. committed to budget of \$192bn (5.2% p.a. ↑)
- Pvt. Delivers \$110bn -> \$130bn
- 1.5m more seniors by 2016 (or Popn. ↑ 7.5m)
- <65:< 65 years spend \$10,742:\$2,097 (5x)
- Global tendency favoring Pvt. Sector
  - Pressure on Govt. to deliver
  - Competitive pricing
  - ↑ move to outsourcing
  - Growing corporate health plans

# The Attraction to Canada

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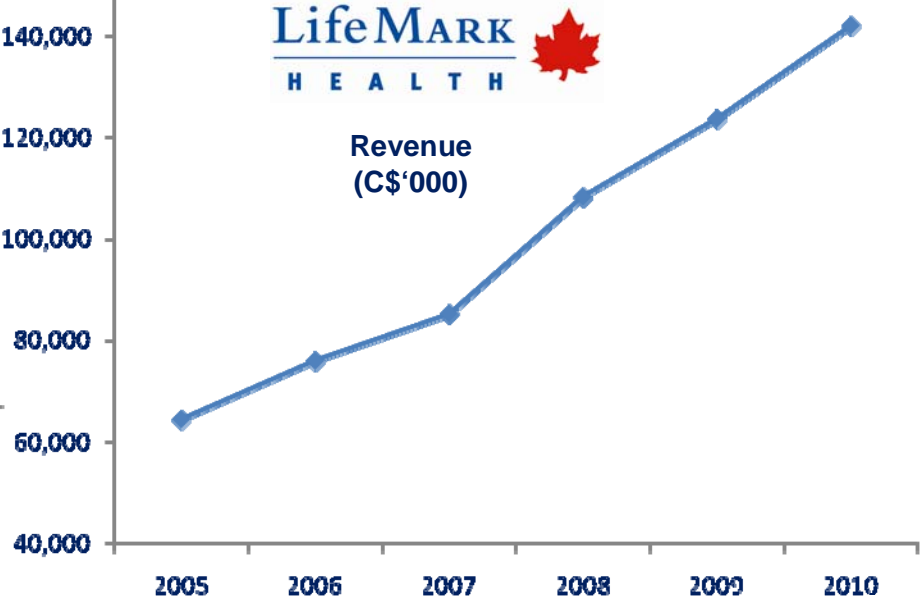
- Committed Single Payor (70%) & Health Insurance (18%)
- 60% of C\$192b delivered privately (Will ↑ to 70%)
- Virtually no litigation
- Low admin costs without hassle – No HMOs
- Relative undersupply of Physicians
- Large increase in utilization – aging / rationing
- Scarcity of Capital → limited new \$ → more PPP
- Technological lag with ↑ demand
- Necessity for innovation & change

# Experienced Management Teams

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- Proven track record of executing roll up strategy
- >14 years public market experience
- Success of numerous M&A transactions (3 Continents)
- Expertise across multiple healthcare sectors
- Solid understanding of healthcare economics, synergies & integration
- Entrepreneurs with a track record to create Canada's largest service provider
- Founders are healthcare professionals
- Management heavily invested and incentivized (>\$100m)

# Track Record of Delivery



## CAGR's (EBITDA)

<b>Netcare</b>	(1996–2005)	34.8%
<b>Centric Health</b>	(2002–2010)	75.5%
<b>LifeMark Health</b>	(2005–2010)	21.8%

# Industry Leader – Integrated Healthcare Services

- More than 670 locations across Canada
- Significant opportunities to leverage off platform
  - Cross sell range of products
  - Offer multi vendor bundled services
  - Introduce range of branded products
  - Broad Preferred Provider Network (PPN) to Corporates & Govt.
- Scale will provide margin expansion, comfort and security
- Good organic growth with synergies

# Summary

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- Canada's largest Healthcare service provider diversified by province and business sector
- Strong cash flows underpinned by low CapEx requirements
- Long term contracts
- High quality growth story with focused acquisition strategy
- Experienced management with proven track record
- No Healthcare services companies in TSX index
- Favorable industry dynamics



# Supplemental Information



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# Eldercare Division

## Eldercare Overview, Services & Customers

### Overview

- Centric Health and LifeMark combined service over 21,000 Canadian long-term care beds
- Together, provide services to over 23,000 retirement home beds

### Services

- Active Health Network provides elder care services including rehabilitation and physiotherapy to residents in over 290 retirement, assisted-living and long-term care homes in Ontario. LifeMark provides similar services to residents in over 122 facilities in Ontario and British Columbia

### Customers

- Ministry of Health, veterans affairs, private insurance and discretionary pay



# Assessment Division

## Assessments Overview, Services & Customers

### Overview

- Combined, Centric Health and LifeMark performed over 55,000 independent assessments in 2010

### Services

- Medical assessment, vocational assessment and with rehabilitation, disability management and return to work services for those suffering work-related or motor vehicle injuries. Also assess individuals with short or long-term disabilities that affect their ability to function and work
- Work-simulated facilities to promote return to work, as well as catastrophic injury assessment

### Customers

- Ministry of Health, workers compensation, veterans affairs, employer direct, private insurance and discretionary pay



# Rehabilitation/Disability Management

## Rehab/Disability Management Overview, Services & Customers

### Overview

- Combined, over 171 rehabilitation clinics in 7 provinces

### Services

- Specialized rehabilitation services to individuals disabled as a result of work-related or motor vehicle injuries, as well as injuries, disabilities or chronic diseases that affect their ability to function and work.
- Services include counseling, physiotherapy, occupational therapy, cognitive behavioral therapy, and kinesiology

### Customers

- Ministry of Health, workers compensation, veterans affairs, employer direct, private insurance and discretionary pay



# Surgery Division

## Surgery Overview, Services & Customers

### Don Mills Surgical Unit (Toronto)

- One of only three private hospital licenses in Ontario - 20 overnight beds, 2 ORs, 1 procedure room and 15 surgeons
- ~1,200 procedures including Ophthalmology / Orthopedic / Plastic and reconstructive

### False Creek (Vancouver)

- Multi-specialty surgical centre (25,000-square-foot facility) - 4 ORs, 10 Recovery beds, 10 Overnight stay rooms, 5 bed emergency room, diagnostic ultrasound, 3.0 Tesla MRI, Doppler ultrasound, ECG, emergency laboratory medicine, 64 sliced CT scanner, stress echo, CCTA, virtual colonography, executive wellness medicine, private family practice, wide range of other surgical services covering all surgical disciplines
- MOH / Private insurance and discretionary pay

### Maples (Winnipeg)

- Plastic surgery, orthopaedic surgery, cataract surgery, pain management, pediatric dentistry - 3 ORs, 6 recovery beds, 3 short stay rooms

### Canadian Surgery Solutions (Calgary)

- Acquired November 2010
- Inpatient orthopaedic procedures (such as arthroplasties, lumbar laminectomies and spinal fusions) as well as over 1200 annual day-stay procedures including knee repairs, hernia treatment, rotator cuff repairs and assorted hand, wrist, foot and ankle therapies. Private insurance, discretionary pay and WCIB.



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# MEDChair

## Overview, Products, Services & Customers

### Overview

- Since 1985, MEDChair has been a major supplier to long term care and residential facilities, funding agencies and retail customers
- 71 retail locations: 19 in BC, 7 in Alberta, 4 in Saskatchewan, 6 in Manitoba, 29 in Ontario, 5 in Atlantic Canada and 1 in the Yukon

### Products and Services

- Offers a comprehensive line of Home Medical Equipment products designed to enhance the quality of life for people experiencing disabilities, injuries, surgeries, and aging
- Products include wheelchairs, scooters, lift chairs, bedroom and bathroom safety products, home and vehicle accessibility solutions, and soft/disposable personal health care products such as incontinence supplies, wound care, compression, and bracing

### Customers

- Revenue by Payor – 60% Governmental Agencies/40% Private Pay



# Centric Pharmacy

## Centric Pharmacy Overview, Services & Customers

### Overview

- Two full service pharmacies located at Southlake Regional Health Centre

### Services

- Pharmaceutical , Consumables and Over the Counter (OTC) sales Counseling, Medscheck

### Customers (Serving Southlake Regional Health Centre and the Town of Newmarket)

- Outpatients
- Staff
- Public
- Healthcare Professionals



# Home Care

## Home Care Overview, Services & Customers

### Overview

- Specializing in the delivery of occupational therapy, physiotherapy, social work and dietitian services to adults and children in their homes and schools
- More than 80 service providers with clinical expertise in:
  - Occupational & physiotherapy
  - Social work
  - Dietician services

### Level 4 Volume Pre-Qualification in Ontario's Community Care Access Centre RFP Process

- Services
- Physiotherapy
- Mobility/wheelchair assessments
- Restoration of functional ability
- Counseling for illness, loss and disability

### Customers

- Over 7,000 clients of CAR in 2010



# Accreditations

Accreditation	Business Area
<p><b>Commission on Accreditation of Rehabilitation Facilities (CARF);</b></p>	<ul style="list-style-type: none"> <li>• 3 Year Accreditations across 4 provinces for 52 LifeMark Clinics, 4 Work Able Centres &amp; 10 Active Clinics - Occupational Rehabilitation Programs</li> <li>• Active Eldercare - 1<sup>st</sup> provider in Canada with CARF Home &amp; Community Services Accreditation</li> </ul>
<p><b>Canadian Physiotherapy Association Accreditation</b></p>	<ul style="list-style-type: none"> <li>• 4 Years with Commendation – 46 Clinics in 6 Provinces</li> <li>• LifeMark Eldercare is the only provider in Ontario with CPA Accreditation</li> </ul>
<p><b>Canadian Association for Accreditation of Ambulatory Surgery Facilities</b></p>	<ul style="list-style-type: none"> <li>• Don Mills Surgical Unit</li> </ul>
<p><b>College of Physicians &amp; Surgeons of British Columbia Accreditation; Diagnostic Accreditation Program of British Columbia; Canadian Council on Health Services Accreditation</b></p>	<ul style="list-style-type: none"> <li>• False Creek Surgical and Advanced Diagnostics Centre accredited as a Non-Hospital Medical/Surgical Facility and for Diagnostic Radiology, Ultrasound, Echocardiography, Computed Tomography and Magnetic Resonance Imaging</li> </ul>
<p><b>The College of Physicians and Surgeons Of Manitoba Accreditation</b></p>	<ul style="list-style-type: none"> <li>• Maples Surgical Centre accredited as a Non-Hospital Medical/Surgical Facility as well as Diagnostic Imaging and Radiation Oncology Facility</li> </ul>
<p><b>College of Physicians and Surgeons of Alberta Accreditation</b></p>	<ul style="list-style-type: none"> <li>• Canadian Surgery Solutions accredited as a Non-Hospital Surgical Facility for day surgery and extended stay procedures (Princess Grace)</li> </ul>
<p><b>Ministry of Health</b></p>	<ul style="list-style-type: none"> <li>• MEDIchair is licensed as a Medical Device Establishment</li> </ul>

# Combined Management & Directors

Management	Directors	Advisory Services
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**Daniel Carriere**  
President, CEO

**Peter Walkey**  
Chief Financial Officer

**Kathy Badali**  
Exec VP, Business Development

**Craig Gattinger**  
CEO, LifeMark

**Ron Lowe**  
President, LifeMark

Extensive industry relationships  
Excellent industry credibility  
Solid healthcare services experience

**Dr. Jack Shevel, Chairman**  
Founder & Former CEO, Netcare

**Daniel Carriere**  
CEO, Centric Health

**Ingrid Davis**  
GHIS, former Netcare Executive

**Paul Gamble** <sup>(1, 2, 3)</sup>  
Michener Institute for Applied Health Sciences

**Craig Gattinger**  
CEO, LifeMark

**Tom Magyarody** <sup>(1, 2, 3)</sup>  
Ontario Dental Association, Institute for Clinical and Evaluative Services

**Bob Wardell** <sup>(1)</sup>  
Victory Nickel, Deloitte & Touche

**Darren Youngleson** <sup>(2, 3)</sup>  
GHIS, former Netcare Executive

**Global Healthcare Investments & Solutions (GHIS)**

**Dr. Jack Shevel**  
Founder & Former CEO, Netcare

- Vision and strategy
- Motivation
- HC professional partnerships

**Ingrid Davis**  
Former Netcare Executive

- Operations
- NHS/PPP's
- Pharma

**Darren Youngleson**  
Former Netcare Executive

- Mergers and acquisitions
- Corporate finance
- Investor relations

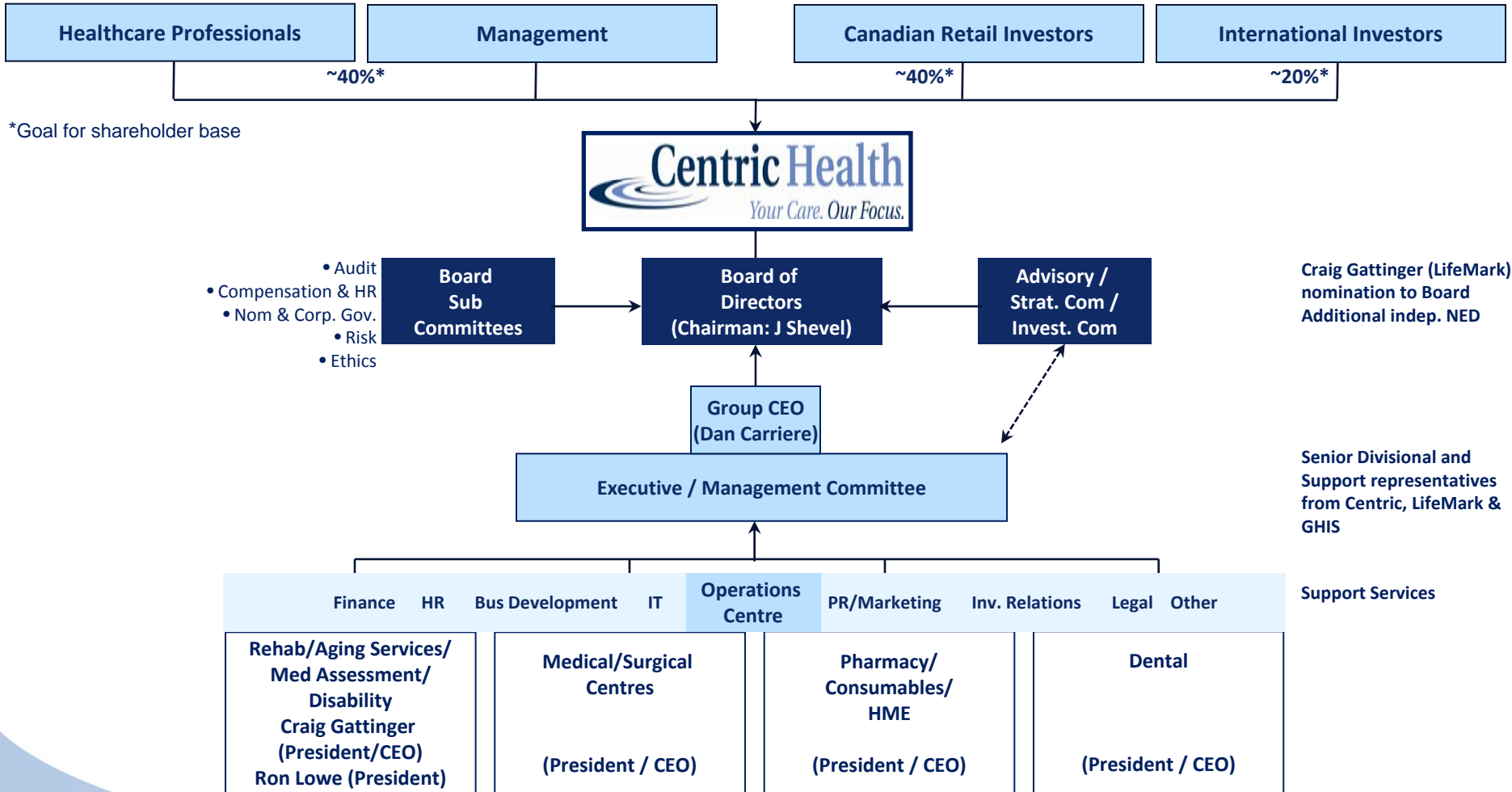
1 Audit Committee  
2 Compensation Committee  
3 Governance Committee

# LifeMark Management Team



<b>Craig Gattinger, CEO</b>	<ul style="list-style-type: none"> <li>• Physiotherapist, 30+ years industry experience</li> </ul>
<b>Ron Lowe, President</b>	<ul style="list-style-type: none"> <li>• Physiotherapist, 30+ years industry experience</li> </ul>
<b>Dan McCrimmon, CFO</b>	<ul style="list-style-type: none"> <li>• Chartered Accountant, 8+ years international and domestic tax expertise</li> </ul>
<b>Shari Cohen, Exec VP- Business Development</b>	<ul style="list-style-type: none"> <li>• Acquisitions specialist, 25 years Canadian &amp; US health care experience</li> </ul>
<b>Jan Nighswander, Exec VP - Human Resources</b>	<ul style="list-style-type: none"> <li>• Organization Development specialist, 30 years Human Resources experience</li> </ul>
<b>David MacDonald, COO- Assessment Division</b>	<ul style="list-style-type: none"> <li>• Physiotherapist, MBA, 25+ years industry experience</li> </ul>
<b>Peter Stymiest, COO -Rehab Division</b>	<ul style="list-style-type: none"> <li>• Physiotherapist, MBA, 25+ years industry experience</li> </ul>

# Organizational Structure





**3<sup>RD</sup> LARGEST**  
HEALTHCARE SERVICES  
GROUP IN THE WORLD

**\$40m**

1996 MARKET CAP

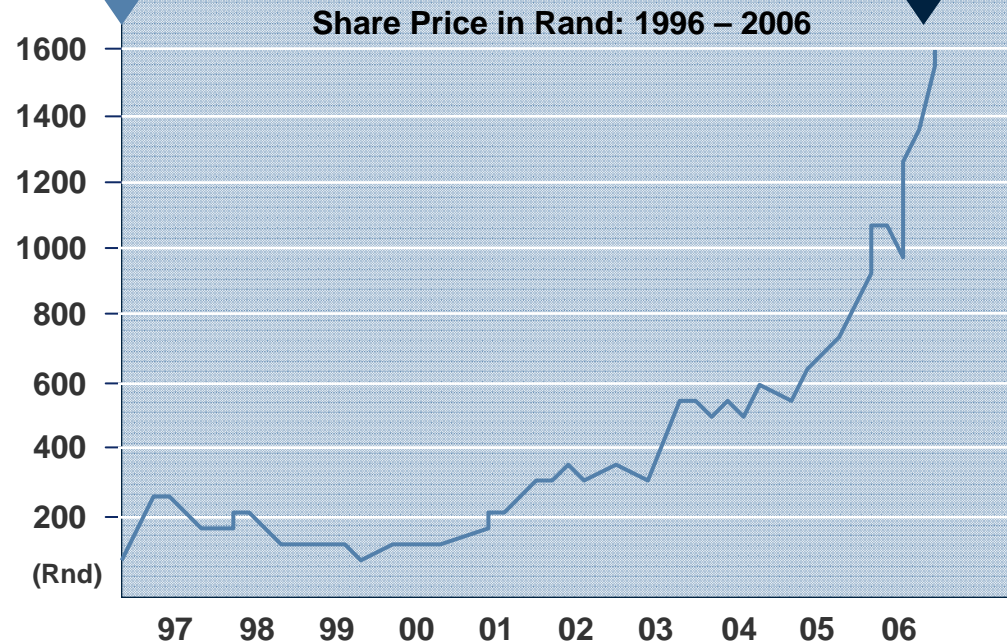
**\$3.5b**  
2006 MARKET CAP

## 1996-2005 CAGRs

HEADLINE EARNINGS	61.4%
E.B.I.T.D.A.	34.8%
CASH GENERATION	33.6%
FULLY DILUTED HEPS	32.7%
REVENUE	30.3%

## DIVIDENDS

\$0.62 from 1995 - 2005  
62% return on IPO price



# Netcare: Experience Across Multiple Sectors



# Transaction Overview: Terms - LifeMark Vendors

<b>Purchaser</b>	<ul style="list-style-type: none"> <li>▪ Centric Health Corporation</li> </ul>
<b>Purchased Interests</b>	<ul style="list-style-type: none"> <li>▪ 100% of units in LifeMark Health Partnership or LHMI</li> <li>▪ All related Intellectual Property</li> <li>▪ Purchase of LHMI / Intellectual Property</li> <li>▪ Plan of Arrangement</li> </ul>
<b>Purchase Price</b> (subject to usual and customary closing adjustments)	<ul style="list-style-type: none"> <li>▪ Based on Enterprise Value calculated using EBITDA to June 30 2012</li> <li>▪ Existing Business and Acquisitions in Progress</li> </ul>
<b>Overall Valuation Formula Settlement:</b> <ul style="list-style-type: none"> <li>• Cash on Closing</li> <li>• Earn-out Shares</li> </ul>	<ul style="list-style-type: none"> <li>▪ Valuation Formula Factors             <ul style="list-style-type: none"> <li>▪ Warranted EBITDA ~\$33m</li> <li>▪ Alaris Settlement ~\$65m</li> <li>▪ Total Existing Debt ~\$50m (AIP: +\$20m)</li> <li>▪ Acquisitions in Progress (AIP)</li> <li>▪ Working Capital</li> <li>▪ Settlement:                 <ul style="list-style-type: none"> <li>▪ Vendors: ~\$18m Cash on Closing</li> <li>▪ Vendors: Up to \$60m subject to Overall Valuation Formula and Purchase Price Adjustment, by the issue of Centric shares at ~\$1.28 per share, subject to TSX rules</li> </ul> </li> <li>▪ Outperformance Bonus Plan: Next \$10m based on Formula</li> </ul> </li> </ul>

# Transaction Overview: Terms - Alaris

<b>Purchased Interests</b>	<ul style="list-style-type: none"> <li>▪ Redemption of:             <ul style="list-style-type: none"> <li>▪ Alaris Class A Preferred Units and</li> <li>▪ Alaris Class B Preferred Units</li> </ul> </li> <li>▪ 100% of the MEDIChair interests and the intellectual property and licenses</li> </ul>
<b>Purchase Price</b>	<ul style="list-style-type: none"> <li>▪ C\$65 million, settled in cash on LifeMark Closing</li> </ul>
<b>Remaining Interest</b>	<ul style="list-style-type: none"> <li>▪ \$65.5 million Class C Preferred Units</li> <li>▪ No redemption first 2 years (thereafter increases at 4%)</li> </ul>
<b>Preferred Distributions</b>	<ul style="list-style-type: none"> <li>▪ 2011 - \$6.75 million</li> <li>▪ Increase at 4% p.a.</li> </ul>
<b>Conditions Precedent</b>	<ul style="list-style-type: none"> <li>▪ Requisite board of director, shareholder &amp; regulatory approvals</li> <li>▪ Plan of Arrangement</li> <li>▪ Closing of Definitive Agreements</li> </ul>

# Transaction Overview: Terms – Banks



<b>Borrower</b>	Centric Health Corporation (“CHC” or the “Company”)
<b>Co-Lead Arranger &amp; Joint Bookrunners</b>	Canadian Imperial Bank of Commerce (“CIBC”) & National Bank Financial (“NBF”) (“Co-Lead Arrangers”)
<b>Administrative Agent</b>	CIBC
<b>Syndication Agent</b>	NBF
<b>Lenders</b>	CIBC & National Bank of Canada (“NBC”) and a group of financial institutions (6)
<b>Facilities 4 Years</b>	<ul style="list-style-type: none"> <li>A) \$35m Revolver</li> <li>B) \$110m Non-amortizing</li> <li>C) \$50m Amortizing</li> <li>D) \$40m Accordion</li> </ul>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>A) To fund general operating requirements and Permitted Acquisitions</li> <li>B) To refinance existing debt of the Borrower</li> <li>C) To fund a portion of the purchase price of LifeMark Health Management Inc. and for Permitted Acquisitions</li> <li>D) For general operating requirements and Permitted Acquisitions</li> </ul>
<b>Drawdown</b>	A) ~\$140m available in a single drawn at closing and ~\$20m available for a period of 90 days following closing, with any amount not advanced to be cancelled

# IFRS - Recognition of Contingent Consideration

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- Business acquisitions recorded at Closing date.
- Centric shares issued as consideration subject to performance recognized as:
  - Equity (not subject to any adjustment / performance)
  - Liability (subject to adjustment / performance)
- Liability adjusted for fair value assessment at each subsequent reporting date until final determination of profit performance.
- Due to variability IFRS requires recording as financial liability irrespective of fact that liability will be settled on a non-cash basis through the issuance, or release from escrow, of shares and warrants.
- Factors affecting non cash adjustment to income statement:
  - Estimated probability of achieving the earnings targets X number of contingent Centric shares or balance due
  - Market share price at each reporting period
  - Outperformance Warrants based on Black Scholes
- Requires management judgment on performance of acquisition

