



**Diagnósticos
da América**



Frischmann Aisengart Acquisition

July 2005

Overview

- ▶ Frischmann Aisengart (FA) is present in Curitiba (PR) since 1945. Today, the laboratory is the market leader in clinical analysis and clinical pathology;
- ▶ Services also include: Imaging Exams, Environmental Analysis, Toxicology and Genetically Modified Organisms Analysis (GMO);
- ▶ Services are provided through 16 patient service centers and 12 “small drawing centers” (VIPs), located within healthcare clinics and doctor’s offices;
- ▶ FA is accredited by the College of American Pathologists (CAP-USA), and it is also certified for INSHT (Spain), SBPC (Brazil) and ISO 9001.

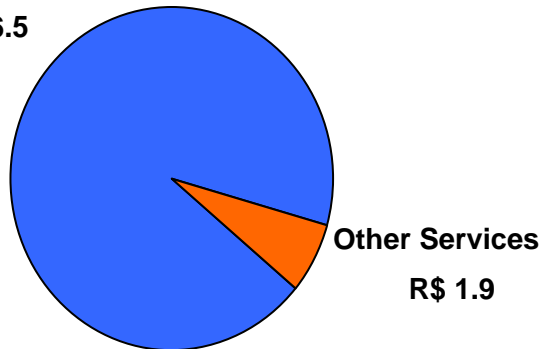
Acquired Company Highlights (as of 2004)

Gross Revenues (R\$ MM)	28.4
Adjusted EBITDA (R\$ MM)	3.2
Clinical Analysis EBITDA (R\$ million)	4.8
EBITDA Margin	12.3%
# of Patient Service Centers	16
Avg. # of requisitions per month	40,000

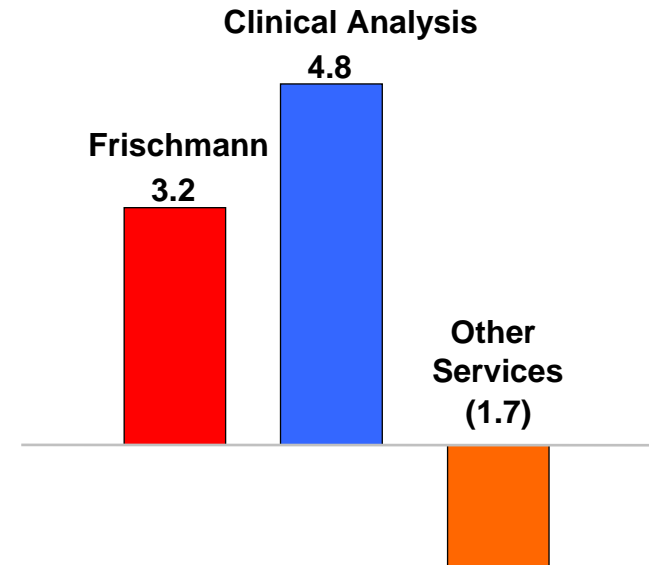


Gross Revenue per Service

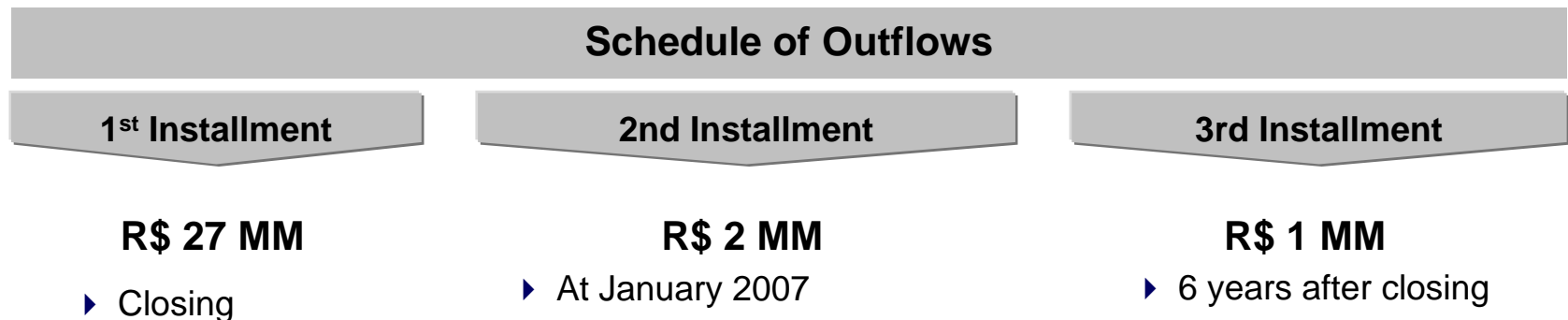
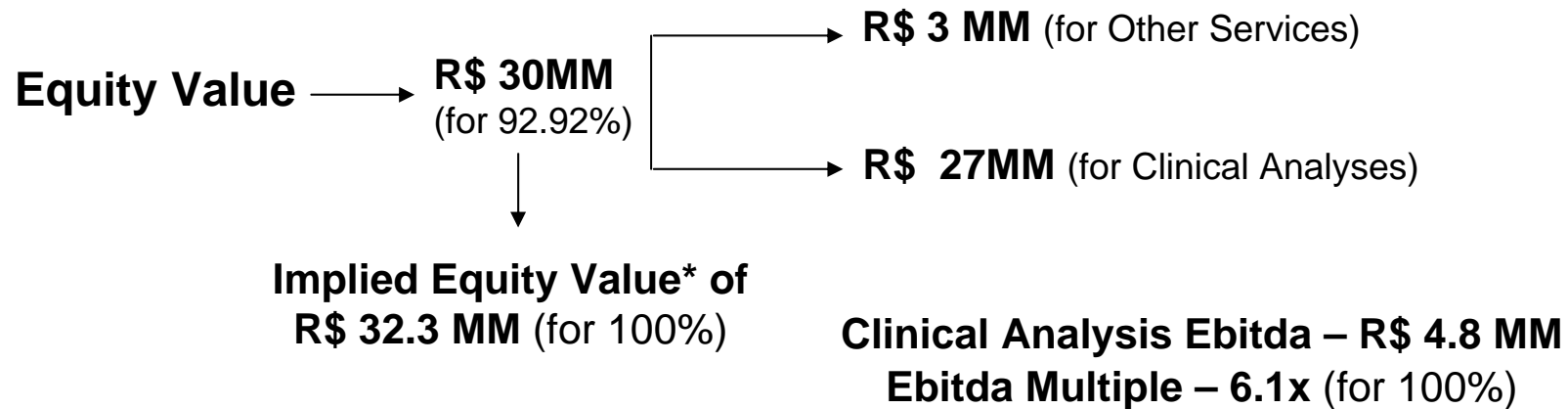
Clinical Analysis
R\$ 26.5



Ebitda per Service (R\$ Million)



Deal Highlights



(*) Net debt as of July 6th is zero.

Strategy and Opportunities

- ▶ FA is the leading Laboratory in the Curitiba area with a strong brand recognition in Paraná, which brings the possibility to expand to other cities within a 100km range - Paranaguá, Ponta Grossa and also in Joinville (SC);
- ▶ Three new patient service centers are projected to be opened in 2005, one of them already in conclusion stage to be opened during the next month;
- ▶ The acquisition of FA will increase DA's presence in Curitiba and also will speed up the segmentation strategy, combining two very strong and consolidated brands in town: Frischmann Aisengart and Curitiba Santa Casa;
- ▶ DA also plans to leverage on FA's strong brand recognition and trustworthiness to introduce imaging services in the patient service centers, including the opening of a new mega unit within the next 12 months;

Strategy and Opportunities

- ▶ Synergies are expected to occur on the production and SG&A costs;
- ▶ Production synergies will probably happen on a two step program, beginning processing both companies' clinical exams together, and with a further merge at the new Central Lab that is expected to be concluded by February 2006;
- ▶ The introduction of DA's platform and systems will allow for synergies on the SG&A level;
- ▶ The new product lines of Environmental Analysis and Genetically Modified Organisms Analysis have already been scanned by DA and represent a "brand extension" strategy into high potential growth business.

Controlling Structure

- ▶ Mr. James Aisengart will remain as a FA shareholder, with 7.08% of total shares.
- ▶ He filled four main suits against FA and its former shareholders, two of which have accessory suits which are dependent on the main one:
 - (a) civil suit 361/1995, in which Mr. James Aisengart pleaded the reversal of the cancellation of a donation of a stake in FA that had been done by his father in his behalf. This lawsuit has already been deemed groundless in a final and unappealable decision;
 - (b) civil suits 172/2003, 1540/2003 and 559/2004, in which Mr. James Aisengart is willing to cancel a partial spin-off of FA, when the former shareholders segregated the Real Estate of FA in a new company and transformed FA (which was then a limited liability partnership) into a corporation;
 - (c) civil suits 617/2002 and 1430/2002, in which Mr. James Aisengart joined the pleads of items (a) and (b) above; and
 - (d) civil suit 192/05, a preventive measure (protest) with a view to alert third parties that he is litigating with FA and its former shareholders.