



RELIANT RENAL CARE



Mission

Our mission is to provide the highest quality of renal care to our patients while providing superior service to our hospital and physician partners and creating an environment of trust and empowerment among our employees.

Reliant Renal Care, Inc. (RRC)

- The only investor-owned dialysis center company led by clinicians
- Acquires, develops and manages dialysis centers in partnership with hospitals and physicians
- Provides solutions and assistance in resolving financial, regulatory, contracting and management issues



RRC is backed by a \$40MM commitment from an investor group led by Ferrer Freeman & Company, LLC (FFC). FFC is a private equity firm located in Greenwich, CT that invests exclusively in healthcare and healthcare-related companies. FFC has over \$900 million under management and have decades of experience investing in, advising, acquiring and selling healthcare companies. They seek to add value to their portfolio companies by bringing to bear their experience and networks. Their website is www.ffandco.com.



DW Healthcare Partners (DWHP) is a healthcare focused private equity firm that partners with owners of mid-to late-stage companies, providing capital and strategic resources to accelerate growth and increase shareholder value.

We seek to partner with strong management teams capable of growing their existing companies to \$100 million in annual sales over a three- to five-year period. Our ideal partners are platform companies - profitable businesses poised for growth - in which we will invest up to \$15 million of equity capital to facilitate both organic and acquisition-enhanced growth. DWHP's website is www.dwhp.com.

McLAREN

HEALTH CARE

Member Hospitals, Subsidiaries,
Home Care and Health Plans

McLaren Health Care Corporation is one of the top 25 integrated health care systems in the United States. Their reach embraces 29 counties with eight regional hospitals--McLaren Regional Medical Center (Flint); Lapeer Regional Medical Center (Lapeer); Ingham Regional Medical Center and Ingham Regional Orthopedic Hospital (Lansing); Bay Regional Medical Center and Bay Special Care Hospital (Bay City); Mt. Clemens Regional Medical Center (Mt. Clemens); and POH Regional Medical Center (Pontiac). McLaren's website is

<http://www.mclarenhealthcare.org/default.cfm>

Senior Management Team

Barbara A. Bednar, MHA, RN, CNN, CEO

- **35 years in Nephrology**
- **Co-Founder and COO Physicians Dialysis**
- **COO Renal Treatment Centers, Inc.**

Dennis Fitzpatrick, CFO

- **17 years experience in Healthcare**
- **CFO Physiotherapy Associates, Inc.**
- **CFO Benchmark Medical, Inc.**
- **Executive Vice President of Reimbursement, NovaCare, Inc.**
- **Senior Auditor Ernst and Young**

Senior Management Team

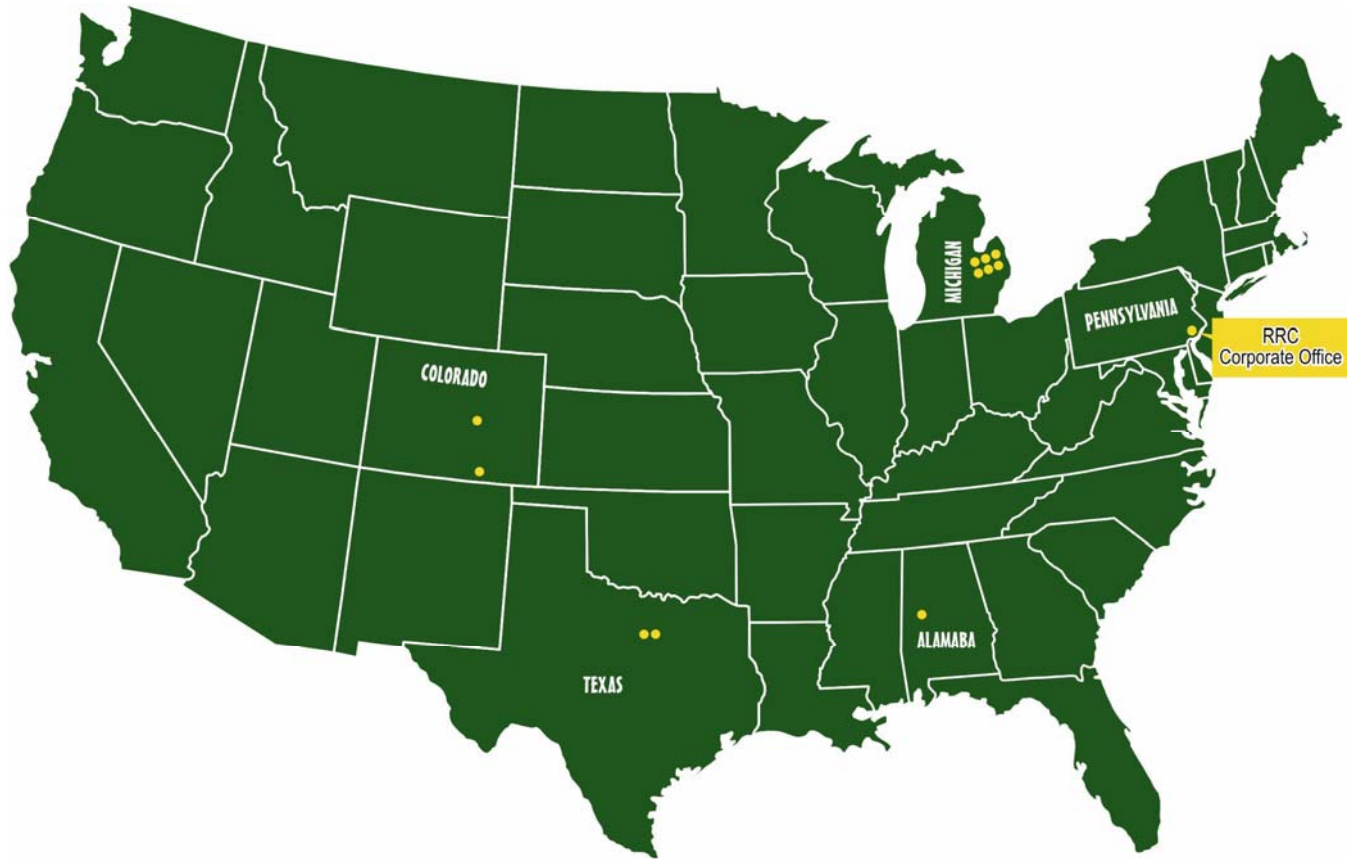
Nola M. McMullen, RN, CNN, COO

- **20 years experience in Nephrology**
- **Director of Operations for DaVita**
- **Director of Dialysis Services for Renal Treatment Centers, Inc.**

Larry C. Nail, SVP, Business Development

- **20 years experience in Healthcare**
- **VP Business Development U.S. Renal Care, Inc.**
- **VP Business Development National Surgical Care, Inc.**
- **VP Acquisitions and Development Physician's Surgical Care, Inc.**
- **VP Mergers and Acquisitions Renal Care Group, Inc. (NYSE:RCI)**

Our Centers



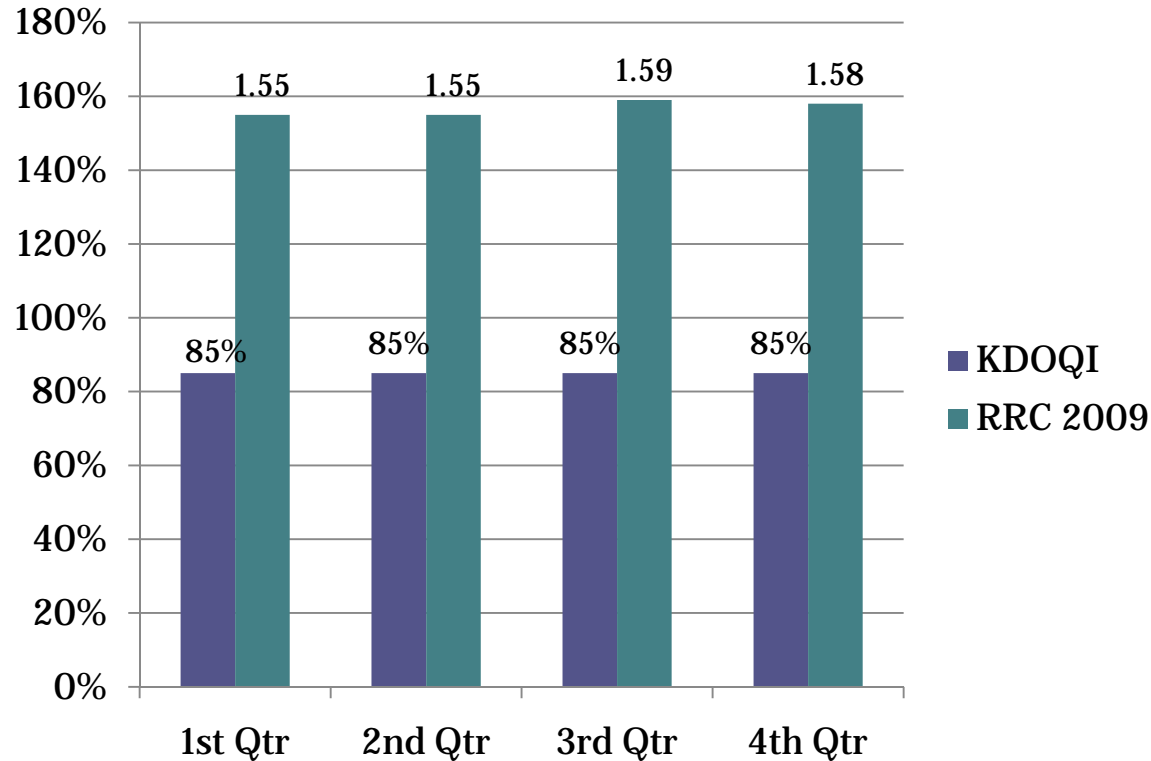
Physicians Dialysis/Renal Treatment Centers

- Physicians Dialysis was purchased in 2004 by DaVita and had 24 centers and sold for \$150MM.
- Renal Treatment Centers was purchased in 1997 by TRC (now DaVita) and had 168 centers and sold for \$1.1 Billion.
- Each group began as a start-up and the operations were managed by the CEO of RRC as well as other RRC employees.

ESRD Growth Drivers

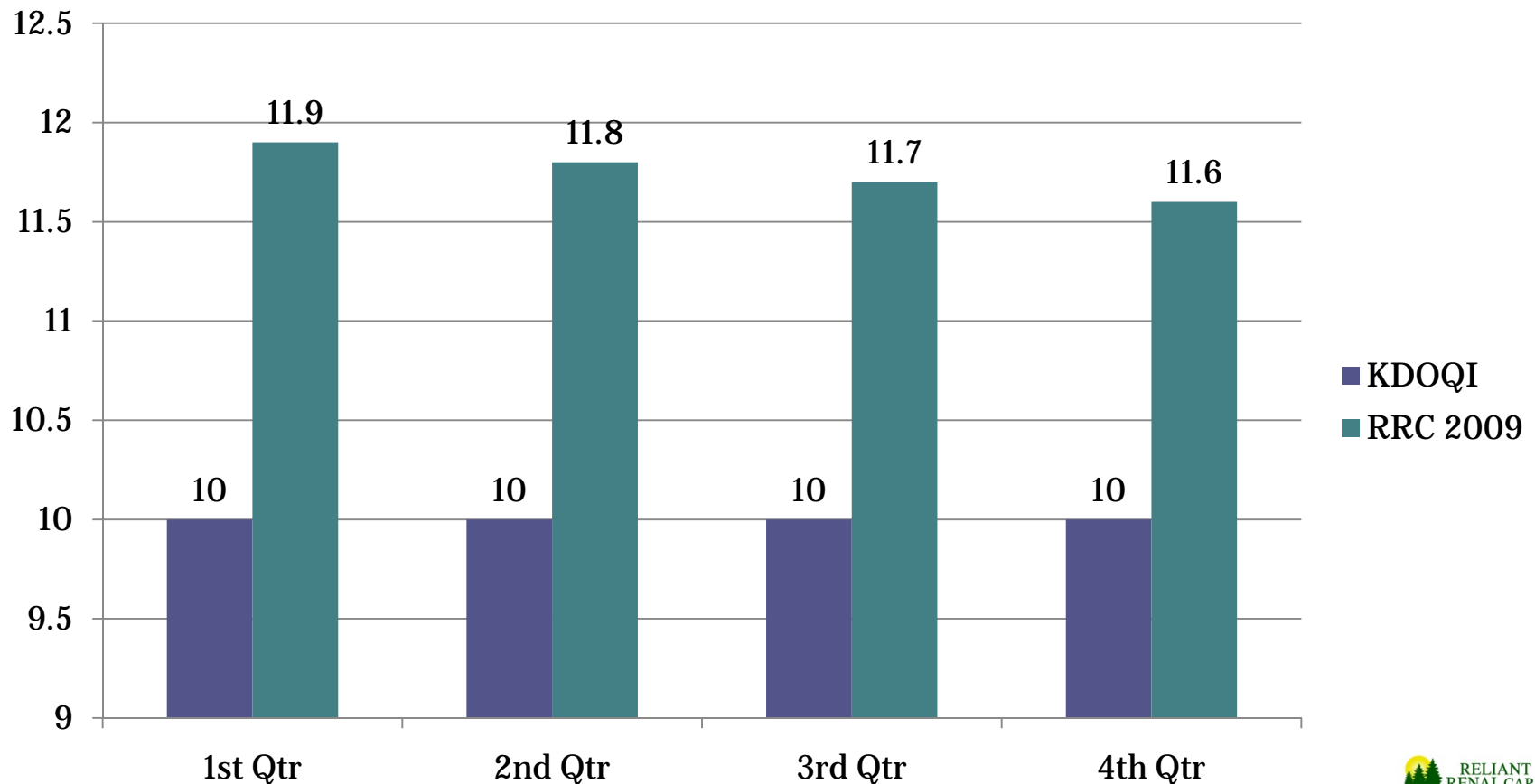
- ESRD Patient Growth continues to be 5-6%/year.
- Diabetes
 - 110,000 patients on HD
 - 8,500 patients on PD
- Hypertension
 - 73,100 patients on HD
 - 5,300 patients on PD
- Aging Population & Obesity
- 20 - 25 Million Americans have Stage 1-4 CKD

2009 Average Clearance Time Kt/V



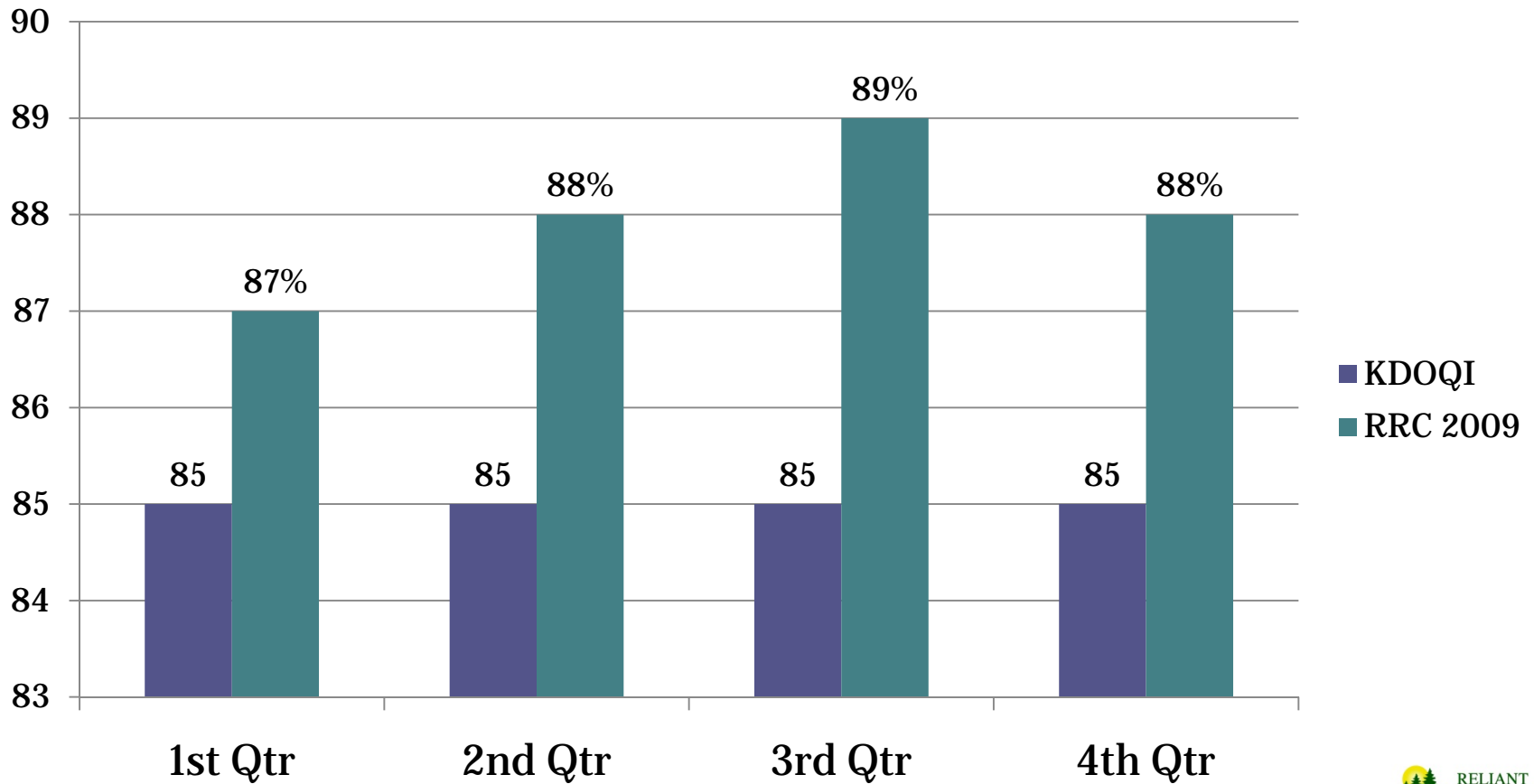
Company Standards 85.5% \geq 1.20

2009 Average Hemoglobin (HGB)



NKF KDOQI Guideline : =>10g/dl

2009 Average Urea Reduction Ratio



Company Standards 85% \geq 65%

Industry Risk

- CMS changes in Medicare Reimbursement to a Bundled Rate in 2011
- Possible changes in Medicaid
- Reimbursement changes in drugs to ASP

Operating Philosophy

- Provide tools/assistance to centers in local markets through a decentralized structure
- Manage “The Business” while physicians retain complete medical autonomy
- Continually improve each center’s performance through innovation and cost control
- Work closely with physician partners to enhance the value of their centers

Business Opportunity

- Favorable & Stable Reimbursement
- Fragmented market
- Young Doctors looking for a payday
- Older Doctors discontent with Chains
- Hospitals looking to partner with experienced dialysis providers
- Market Poised to Grow
- Favorable Demographics - Aging Population
- Asset Platform creates growth opportunities
- Exit Strategy favorable for a Sale or IPO

Business Strategy

- **Business Plan**

- **Location**

- Markets to avoid

- States with multiple regulatory requirements

- Lower Payer Markets

- **Disciplined approach**

- **Early emphasis on de novo**

- **Market niche**

- Patient centric care

- Physician as partners

Typical Structure - Acquisition or DeNovo

- RRC purchases 60% to 75% interest in center(s) or RRC puts up 60% of working capital in DeNovo
- Purchase price derived by applying multiple to purchased earnings stream. In DeNovo, the majority partner has a “drag along” right and the minority partner has a “tag along” right assuming a full acquisition of the company
- Center enters into long term management agreement with RRC

Marketing

- Credible and well connected management team
- Web site presenting CQI outcomes, JV opportunities, and publications in journals
- Professional meeting attendance with exhibit booth
- Advertisements and referrals from MDs

Conclusion

- Experienced partner with strong financial backing
- Management team with over 100 years in the industry
- Proven track record in improving center performance and in building successful dialysis companies

Opportunity

**“The Best Way to Predict the Future is to
Create it”.....**

Peter Drucker