



# Advan Insights on DVA – *A Buysider Theme*

Prepared for Advan Clients

Date: 7.1.2025

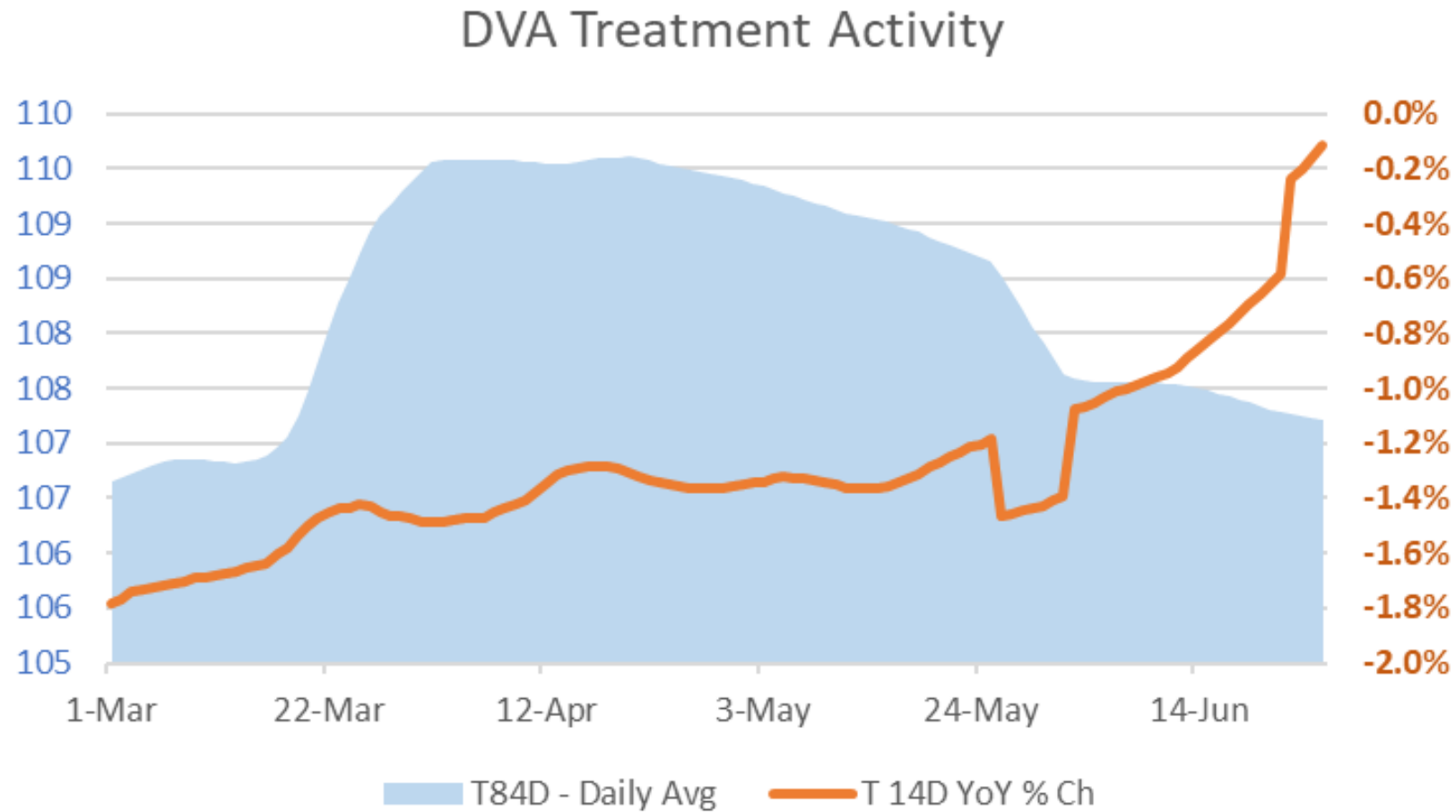


PRESENTED BY

**Thomas Paulson**

Head of Market Insights

# Use-case description and our conclusions





# Advan Insights on DVA – *A Buysider Theme*

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Date: 6.2.2025



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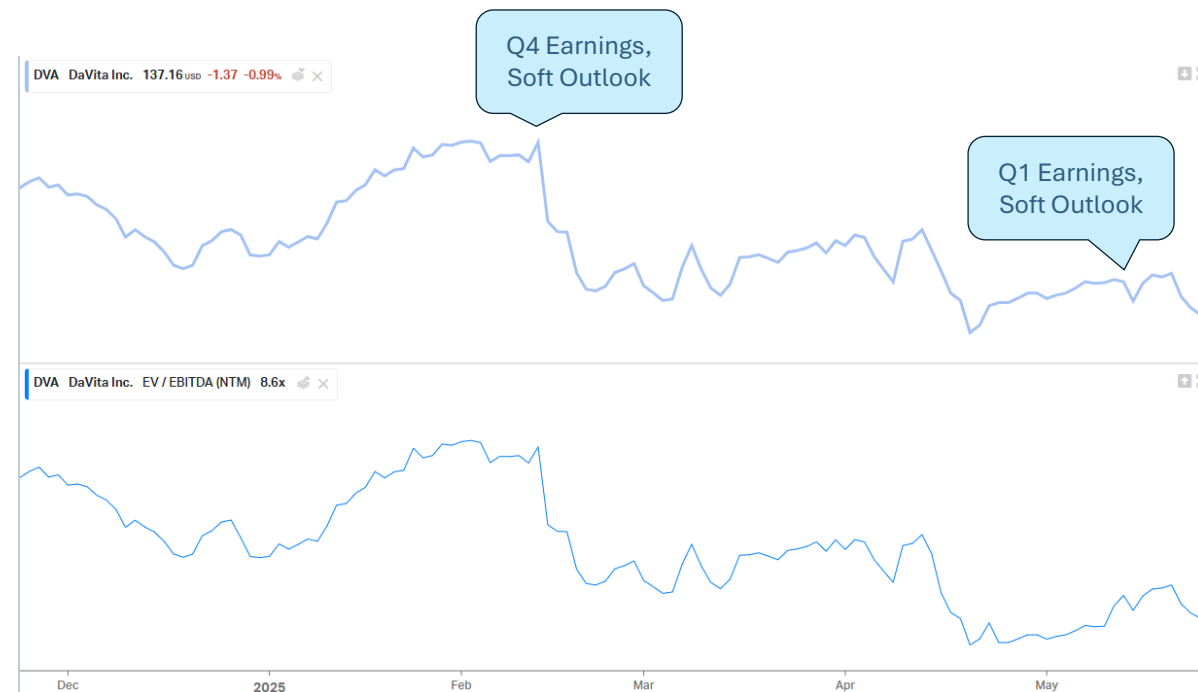
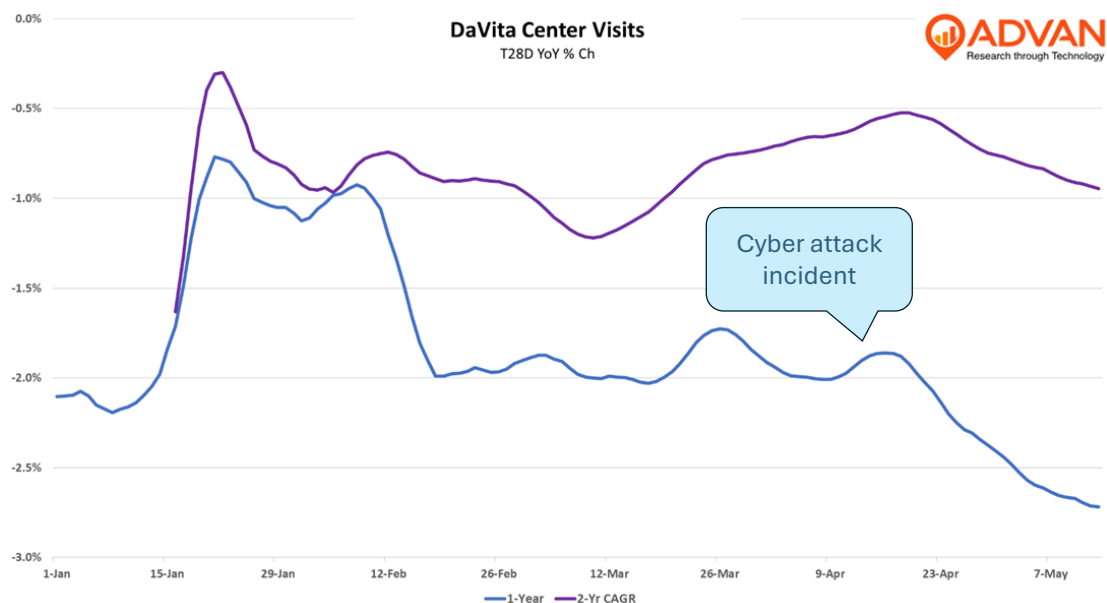
# Use-case description and our conclusions

1. DaVita (DVA) is the leading dialysis (ESKD) provider in the US, with 2.7K centers in the US, that serve 201K patients annually (out of a total market size of 554K). These centers made up 80% of treatments, hospital-based is 16%, and home-based, the remaining 4%. DVA's revenue mix is 63% / 27% government / private. From 2012 to 2022, the market grew at a 3.3% CAGR.
2. DVA's growth algo is +0.5-1.5% rev / treatment, +LSD volume, 3-7% EBIT, and 8-14% EPS. Net Debt-to-EBITDA is 3.5X.
3. DVA reports (1) dialysis patient service revenues, (2) revenue per treatment, (3) US treatments, and (4) treatments per day both on a total- and non-acquired-basis.
4. Advan has 2.3K geofenced and YoY and QoQ % changes to visits align with DVA's daily-treatment volumes.

## 1H'25 Observations

- Visits were unusually volatile due to disruption by the weather as was seen in visitation.
- Pharmacy trips were being driven by and unusually aggressive flu season
- Visits dropped following April cyber attack.

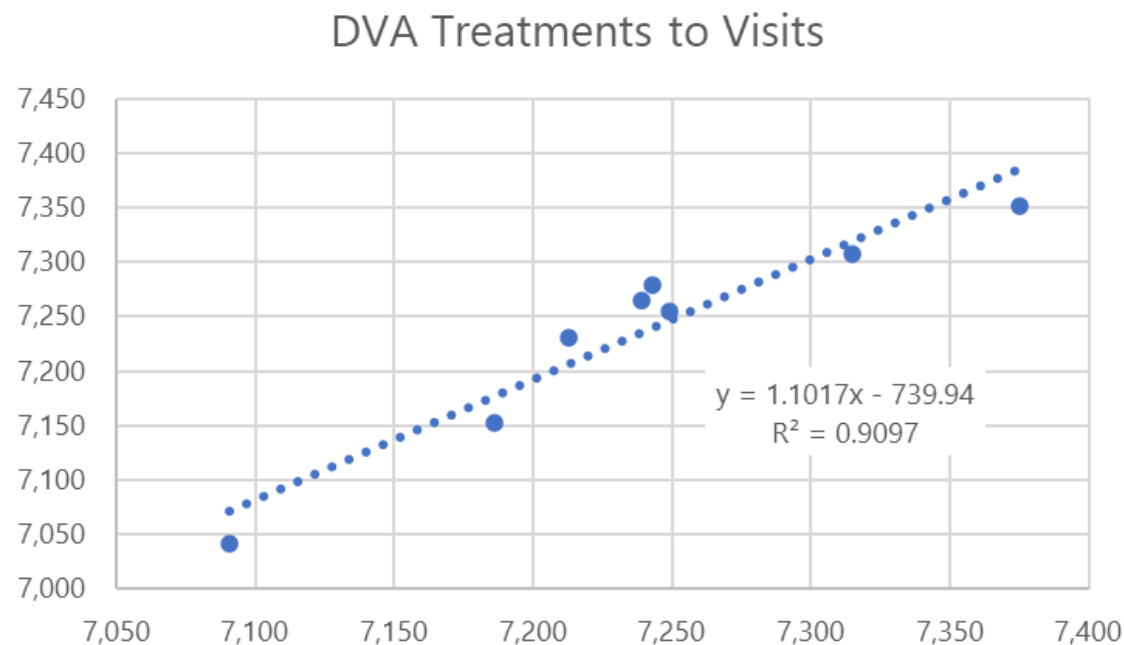
# Visits Well Aligned w/ Treatments



Soft Q1 as volume declined -0.6%, which was below management's plan due to a number of external impacts. The KPI also decelerated QoQ by -30 bps, which compares to visits (Advan) slowing by -40 bps on a days-adjusted basis. Dynamics impacting Q1 were a harsh flu season and disruptive weather in Jan / Feb which resulted in missed treatments. The harsh flu season also resulted in more flu deaths, which will be a headwind to volume for the remainder of the year. However, as shown in the chart below, Q2 has started worse and that stems from a cyber-attack on April 12<sup>th</sup> which disrupted business operations and volume. While most of its operational systems are back up and running, not all. Based upon all of these factors, management lowered its guidance on US annual volume to roughly a -0.5% YoY decline.

# Visits Well Aligned w/ Treatments

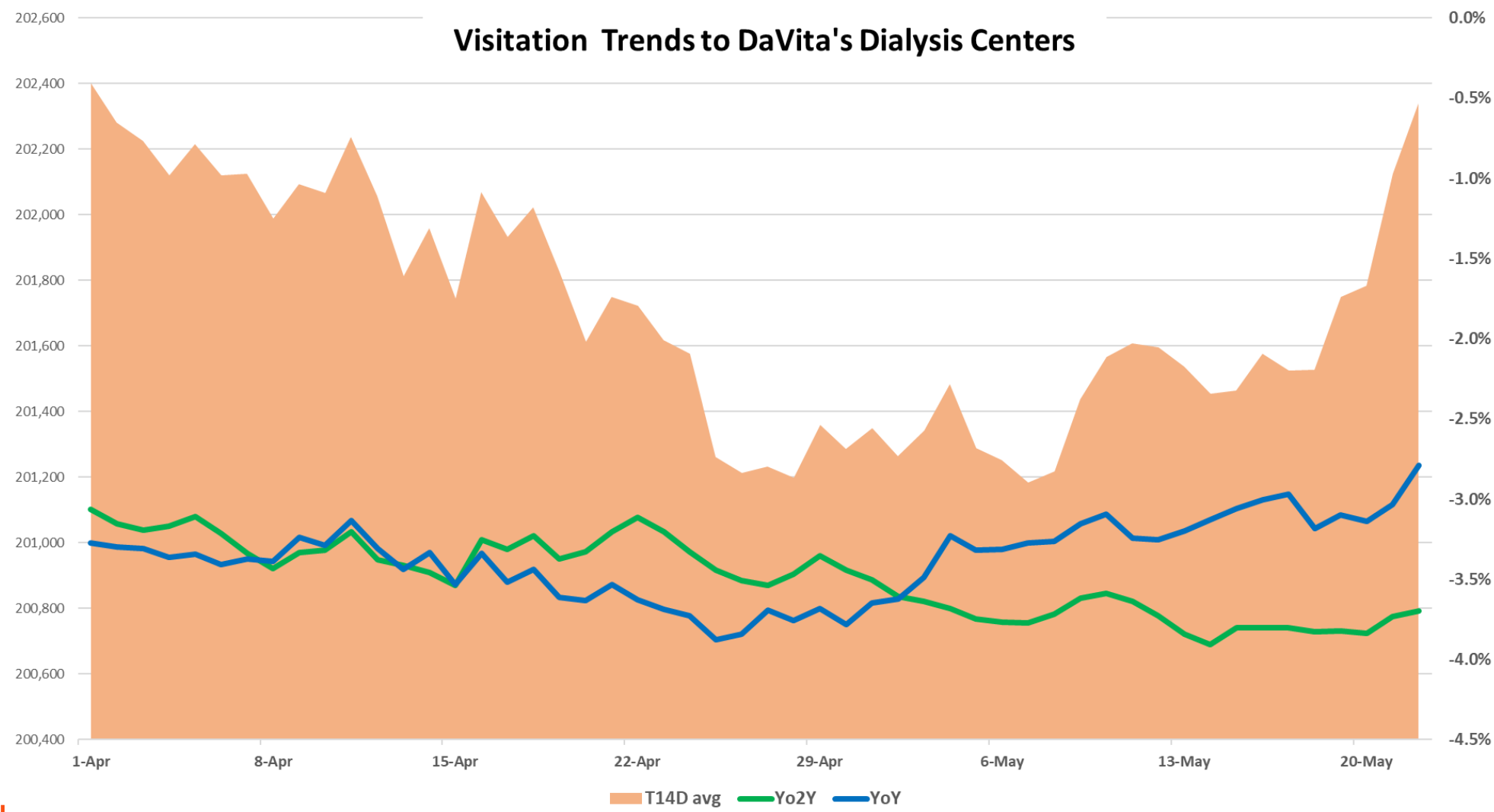
	Visits			Treatments					
	<i>thousands</i>	YoY % Ch	QoQ	<i>millions</i>	YoY % Ch	QoQ	Avg / day	YoY % Ch	QoQ
Q1'24	6,519	1.2%		7.15	0.5%		92,159	0.4%	
Q2'24	6,659	0.3%	-91 bps	7.27	0.5%	-1 bps	93,147	0.4%	0 bps
Q3'24	6,537	0.3%	0 bps	7.35	0.6%	13 bps	93,048	-0.2%	-60 bps
Q4'24	6,353	-1.2%	-152 bps	7.28	0.0%	-60 bps	91,756	-0.3%	-10 bps
Q1'25	6,341	-2.7%	-300 bps	7.04	-1.6%	-215 bps	91,793	-0.6%	-40 bps



Maiden Century Model – MAPE\* 0.4%

# Data Pointing To Slight Miss Again

Q2 Treatments: Est 7041K vs. cons 7251K, assuming:  
78 treatment days, and  
-100 bps from divestitures



## Advan Features Used

- ❑ FIT using C01 data for visitation

## Other Things To Investigate

- ❑ Dwell time
- ❑ Workers shifts

**Reach out to your CSM to book time with Thomas**



**Thomas Paulson**  
**Head of Market Insights, Advan Research**

Thomas has been Head of Market Insights since January 2025. Previously, he served as Director of Research and Business Development at Placer.ai, where he was instrumental in providing actionable insights derived from location analytics and the path for expansion into new verticals. His extensive background also includes two decades as a Wall Street analyst and portfolio manager in asset management at AllianceBernstein, Cornerstone, and others

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