



Investor Presentation

January 2019

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the Company’s general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment.

Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the Company’s business, its competitive environment and political, economic, legal and social conditions in India.

This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any shares in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation can not be copied and/or disseminated in any manner.

As on 31st Dec 2018



50 Healthcare Facilities

Operational beds

21	Owned / Operated Hospitals ⁽¹⁾	5,243 Beds
2	Managed Hospitals ⁽²⁾	498 Beds
7	Heart Centres	371 Beds
19	Primary Healthcare Facilities ⁽³⁾	10 Beds
1	Hospital in Cayman Islands	106 Beds



7,146 Capacity Beds

6,228 Operational Beds

3.1 mn⁽⁴⁾ Average Effective Capital Cost per Operational Bed



30+

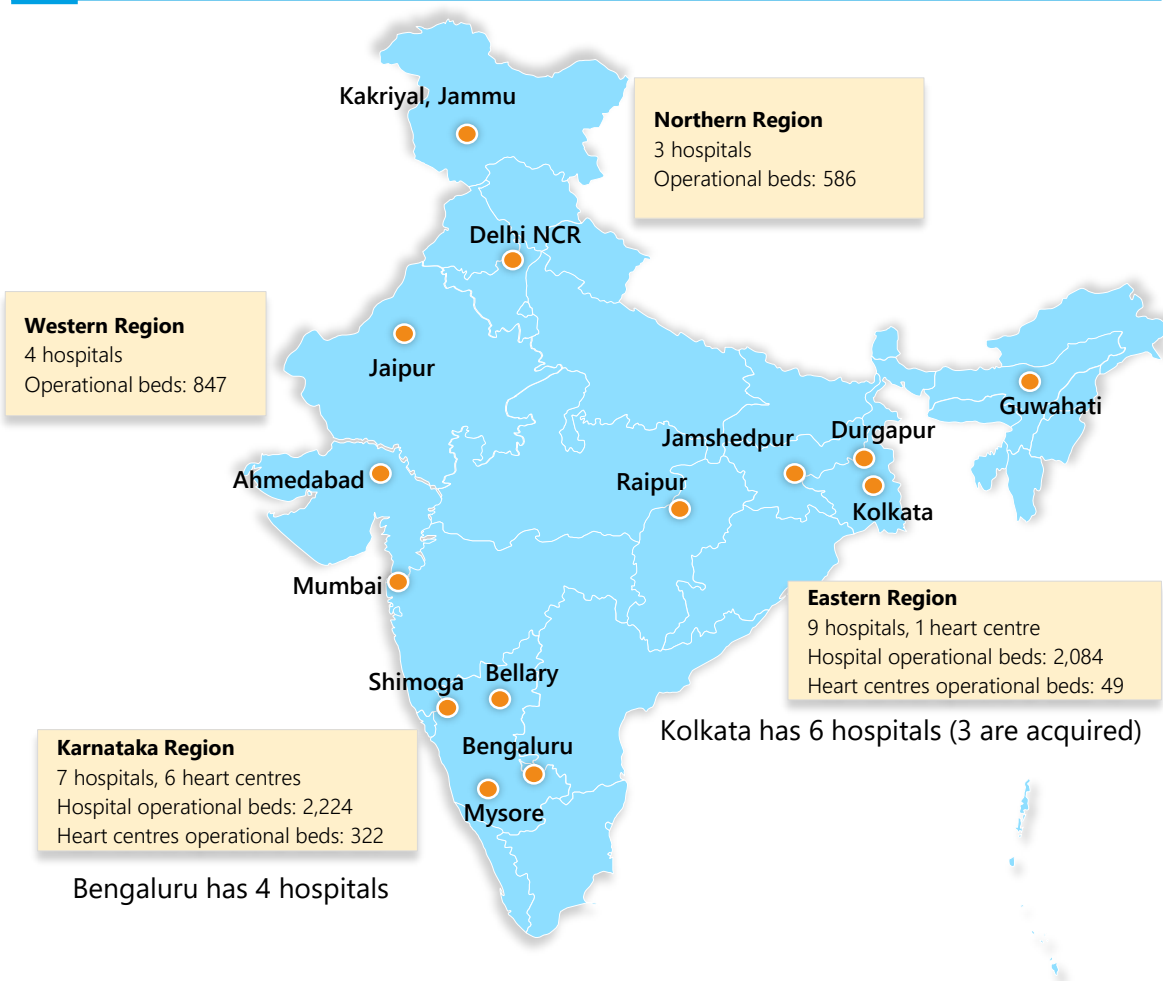
Specialities



17,175

Full-time Employees and Associates including 3,907 doctors

NH's footprint in India



(1) NH owns the P&L responsibility

(2) NH manages 3rd party hospitals for Management Fees

(3) Includes clinics, information centres, etc

(4) Based on (Gross Block for Fixed Assets (adjusted for non-cash government grant provision, non-cash financial lease for Dharamshila unit) + Capital Work in Progress (CWIP)) / Number of operational beds as of December 31st 2018 but excluding Managed Hospitals and Cayman facility



Clinical & Operational

- We performed over 140 bone marrow transplants, almost 500 kidney transplants, 15 heart and 12 liver transplants across our Indian network during 9 months ended December 2018
- Mazumdar Shaw Medical Center, Bengaluru, achieved the feat of completing 1,000 bone marrow transplants since its inception, thus becoming the first ever facility in Karnataka to have attained such distinction
- Narayana Multispeciality Hospital, Jaipur, achieved the distinction of performing 100 kidney transplants since its inception
- Deep Vein Thrombosis (DVT) was treated by performing IVC filter implantation at Narayana Superspeciality Hospital, Guwahati, the first such case in North-East region
- NH SRCC Children's Hospital, Mumbai successfully performed the first endoscopic spinal correction surgery in India



Awards and Honors



Dharamshila Narayana Superspecialty Hospital, Delhi – Multispecialty Hospital (Oncology), Nov'18



Ranked in Fortune India 500, Dec'18



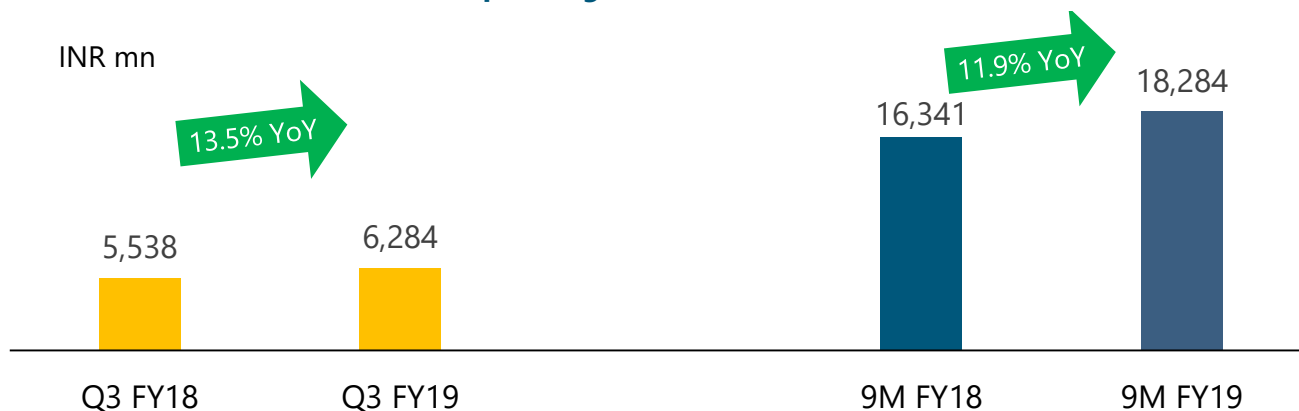
Awarded the Forbes India Leadership Award in Conscious Capitalist category, Dec'18



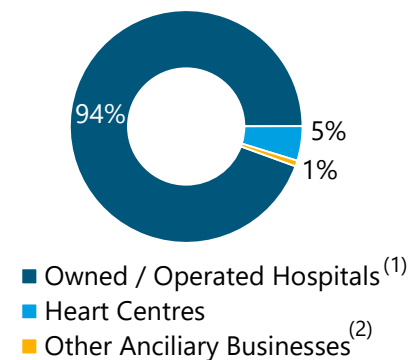
Financial Performance

- Consolidated operating revenues of INR 7,321 mn, translating into an increase of 32.2% YoY
- Consolidated EBITDA of INR 812 mn, reflecting an EBITDA margin of 11.1%
- Consolidated net debt of INR 7,234 mn as on 31st Dec, 2018, reflecting net debt to equity ratio of 0.68 (Out of which, debt worth US\$ 57.2 mn is foreign currency denominated).

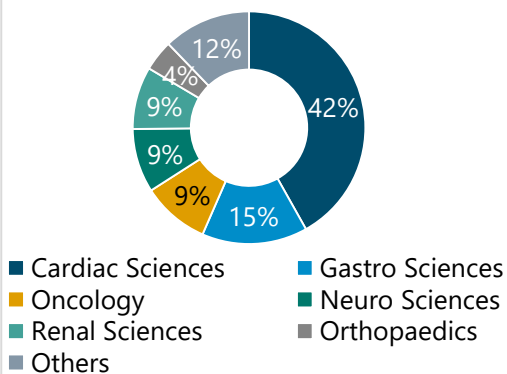
Operating Revenues



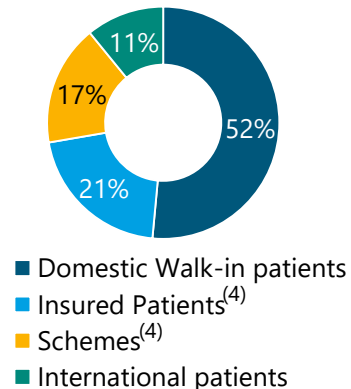
Business Mix



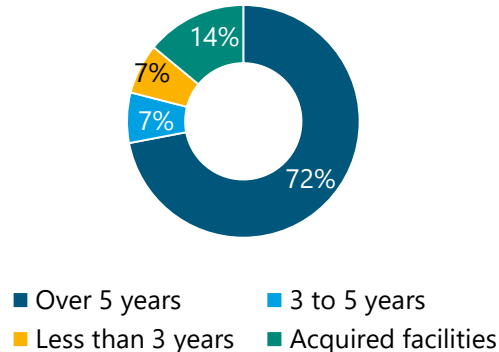
Speciality-Profile⁽⁷⁾



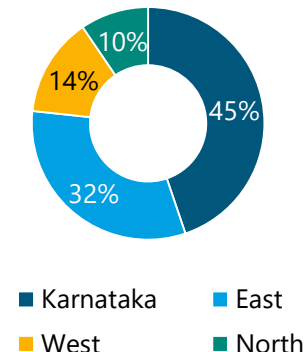
Payee-Profile^(3,8)



Maturity-Wise⁽⁵⁾



Cluster-Wise^(5,6,8)



(1) NH owns the P&L responsibility

(2) Includes managed hospitals, clinics, learning and development, teleradiology, etc

(3) As percentage of IP and OP revenue, excludes Jammu VGF, clinics, other ancillary business

(4) Insured Patients include Insurance-covered patients, corporate patients (including public sector undertakings); Schemes include CGHS, ESIS, other state government schemes

(5) Calculated on operating revenue of owned / operated hospitals

(6) Western cluster include units at Ahmedabad, Jaipur, Raipur and SRCC; and Northern cluster includes Jammu, Dharamshila and Gurugram

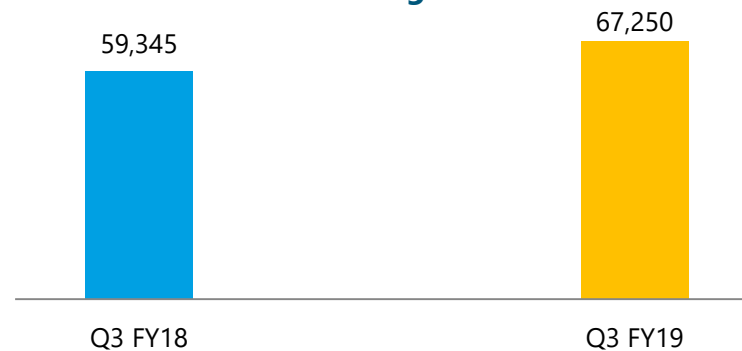
(7) Calculated on IP revenue; 6 core specialities (cardiac sciences, renal sciences, oncology, neurosciences, gastroenterology and orthopaedics) account for ~88% of IP revenue in Q3 FY19, excludes clinics data, Jammu VGF

(8) Figures might not add up to 100% due to rounding off

Operational Beds⁽¹⁾

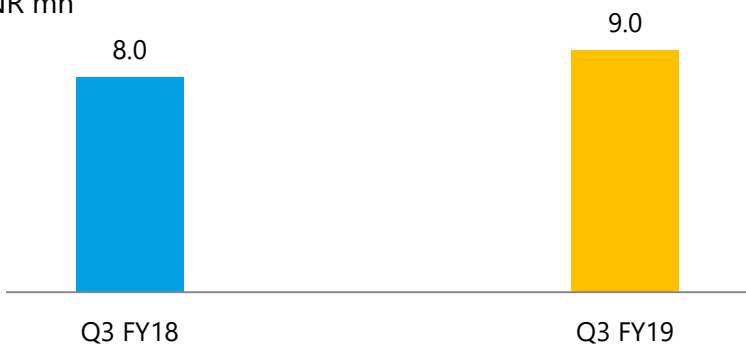


Discharges⁽²⁾



ARPOB⁽²⁾

INR mn



ALOS⁽²⁾

Days



(1) Includes Managed Hospitals

(2) Excludes Managed Hospitals

ARPOB

US\$ mn



Discharges⁽¹⁾



Operating Revenues

US\$ mn



Profitability

US\$ mn



(1) ALOS for the period Q3 FY 19 was 5.8 and 5.6 in Q3 FY 18

Region	Hospitals ⁽¹⁾	Hospital Operating Revenues ⁽¹⁾		% of Hospital Operational Beds ^(1,3)	Operational Parameters ⁽¹⁾	
		% of Total ⁽³⁾	YoY Growth		ARPOB (INR mn)	Occupancy
Karnataka Region	6	45%	10%	40%	9.8	58%
Eastern Region	8	32%	6%	32%	8.1	65%
Western Region	4	14%	31%	16%	7.8	59%
Northern Region	3	10%	52% ⁽²⁾	11%	10.7	48%

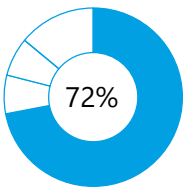
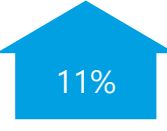
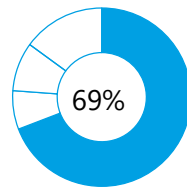
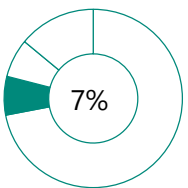

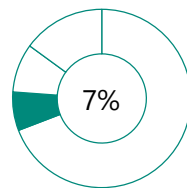
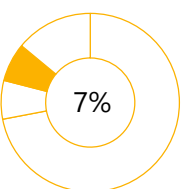
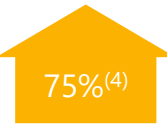
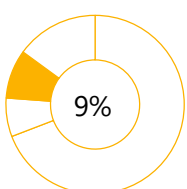
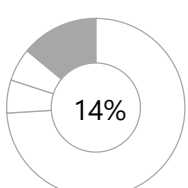
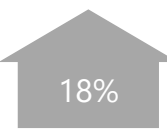
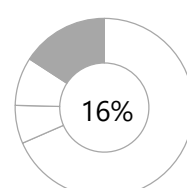
(1) Excludes Managed hospitals and Cayman facility

(2) Gurugram unit was not part of NH in Q3 FY18

(3) Figures might not add up to 100% due to rounding off

- Karnataka cluster includes NICS, MSMC, units at Shimoga, Mysore, HSR and Whitefield
- Eastern cluster includes RTIICS, RNN, RTSC, Barasat, Guwahati, 2 units of MMRHL and Jamshedpur
- Western cluster includes units at Ahmedabad, Jaipur, Raipur and Mumbai
- Northern cluster includes units at Jammu, Dharamshila, Delhi and Gurugram

As of 31st March 2018, for Q3 FY19

Maturity ⁽¹⁾	Hospitals (Exc. Managed Hospitals) ⁽²⁾	Hospital Operating Revenues ⁽²⁾	% of Hospital Operational Beds ^(2,5)	Key Performance Indicators ⁽²⁾		
		% of Total YoY Growth		ARPOB (INR mn)	Occupancy	EBITDAR Margin ⁽³⁾
Over 5 years	11	 72%  11%	 69%	9.0	61%	23.2%
3 to 5 Years	3	 7%  5%	 7%	10.4	51%	10.0%
Less than 3 years	3	 7%  75% ⁽⁴⁾	 9%	8.9	48%	-36.9%
Acquired Operations	4	 14%  18%	 16%	8.3	61%	9.1%

(1) Maturity determined as on 31st March '18

(2) Excludes Managed hospitals and Cayman facility

(3) EBITDA before rental/revenue share and before allocation of any corporate expenses

(4) Gurugram unit was not part of NH operations in Q3 FY18

(5) Figures might not add up to 100% due to rounding off

- Over 5 years include NICS, MSMC, RTIICS, Jaipur, Raipur, Jamshedpur, Ahmedabad, Mysore, Shimoga, RNN, RTSC

- 3-5 years include HSR, Whitefield and Guwahati

- Less than 3 years include Jammu, SRCC and Gurugram

- Acquired operations include 2 units of MMRHL, Kolkata, units at Barasat (Kolkata) and Dharamshila, Delhi

EBITDA and EBITDA Margin

INR mn

Movement across New Hospitals

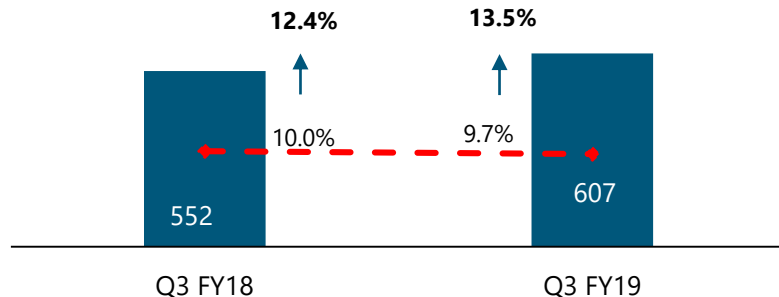
Q3 FY18

	Losses	Revenues
SRCC	69	56
Dharamshila	12	191
Gurugram	16	0
Jammu#	0	57
Total	97	304

Q3 FY19

	Losses	Revenues
SRCC	71	113
Dharamshila	17	264
Gurugram	87	106
Jammu#	0	13
Total	176	496

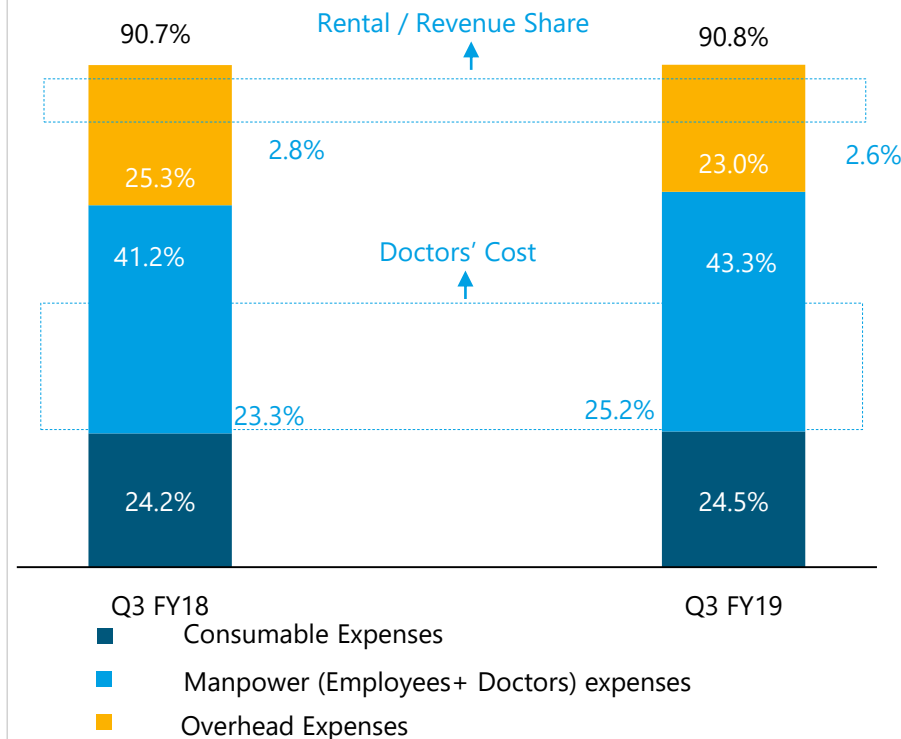
With the above, the adjusted EBITDA margins are as follows



- Heart Centres clocked an EBITDAR margin of 11.7%⁽¹⁾ in Q3 FY19

Cost Structure

% of Operating Revenues



(1) EBITDA before rental/revenue share and before allocation of any corporate expenses

* indicates incremental revenues over the corresponding period last year

Categories have been calculated as

Consumable Expenses = Purchase of medical consumables, drugs and surgical equipment net of changes in inventories of medical consumables, drugs and surgical equipment;

Manpower (Employees and Doctors) expenses = Employee benefits + Professional fees to doctors;

Overhead expenses = all other expenses

Figures in INR mn, unless stated otherwise

Profit and Loss Statement⁽¹⁾

Particulars (INR mn)	Q3 FY19	9M FY19
Total Operating Revenue	7,321	20,957
Purchase of Medical Consumables, Drugs and Surgical Equipment	1,760	5,020
Doctors Expenses	1,729	5,000
Employee (Excluding Doctors) Expenses	1,376	4,031
Other Admin Expenses	1,677	4,924
Total Expenses	6,542	18,974
Other Income	33	94
EBITDA	812	2,077
Depreciation and Amortization	348	1,014
Finance Costs	184	539
Exceptional Items	-	-
Profit before share of loss of equity accounted investees and income tax	280	524
Share of loss of equity accounted investees	23	60
Profit Before Tax	257	463
Tax Expense	130	242
PAT for the period	127	221
Total Comprehensive Income, net of tax	8 ⁽⁴⁾	311

Key Balance Sheet Items⁽¹⁾

Particulars	31 st December 2018
Shareholder Equity	10,568
Total Debt	8,225
Long-Term Debt	8,174
Short-Term Debt	51
Net Block	17,177⁽²⁾
CWIP	613
Goodwill	660
Non-Current Investment	37
Net Receivables	3,048
Cash and Cash Equivalents	991⁽³⁾

As on December 31st, 2018, the consolidated net debt was Rs 7,234 mn, representing a net debt to equity ratio of 0.68 (Out of which, debt worth US\$ 57.2 mn is foreign currency denominated).

(1) Figures might not equal the reported numbers due to rounding off

(2) Net Block includes non-cash government grant provision of Rs 1,273 mn and lease provision of Rs 993 mn

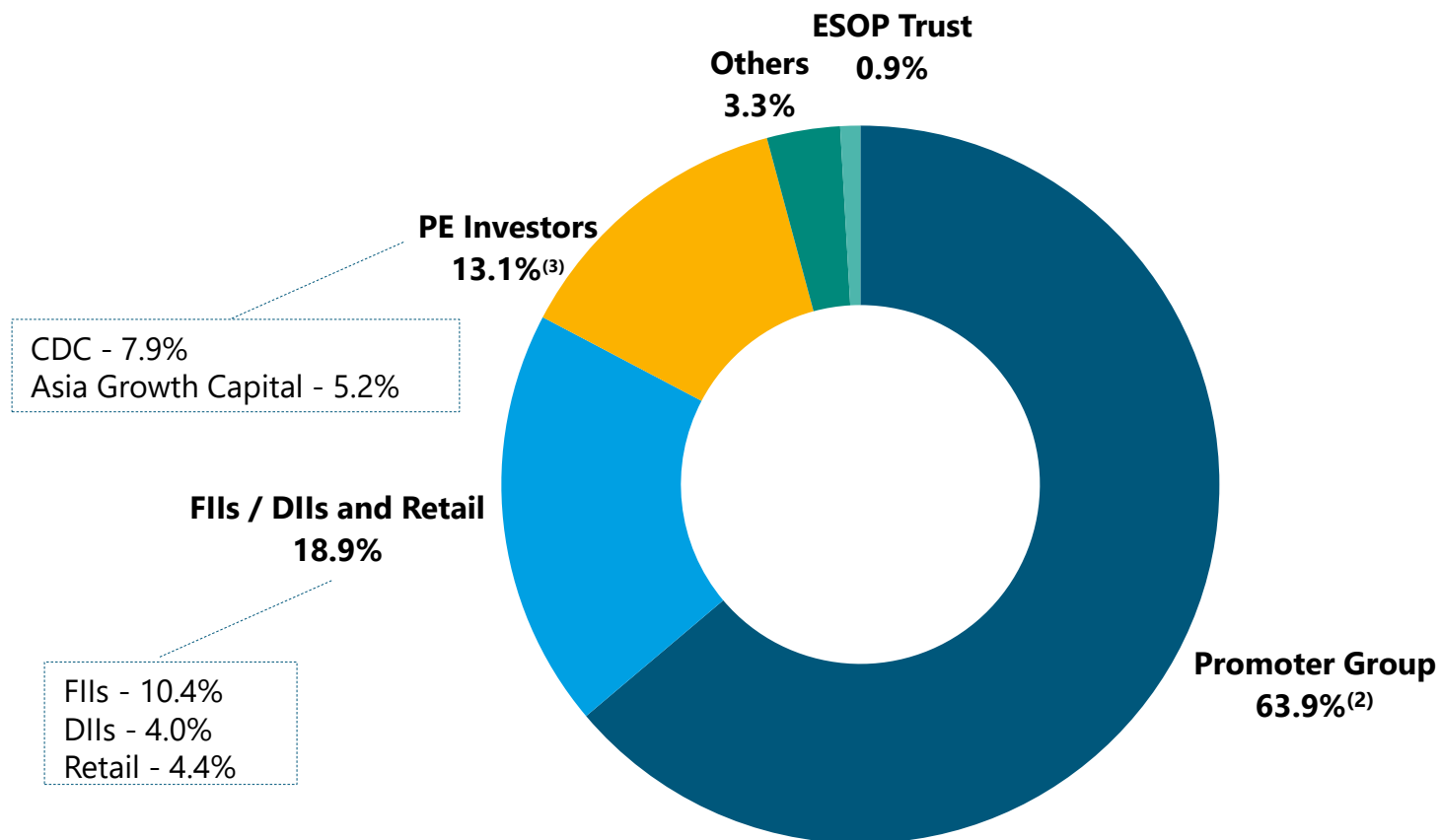
(3) Robust cash accruals from Cayman operations and redemption of short-term investment

(4) As compared to Q2 FY19, there is an adverse movement in other comprehensive income on account of exchange rate fluctuation in translating the financial statement of foreign operations (Cayman Islands)

Shareholding as on 31st December 2018⁽¹⁾

Total Number of Shares

204,360,804



(1) Percentages might not add up to 100% due to rounding off

(2) Includes 2.8% held by NHAPL (Narayana Health Academy Private Limited)

(3) PE investors have been shareholders prior to the IPO