



Investor Presentation

August 2018

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As on 30th June 2018



50 Healthcare Facilities

Operational beds

21	Owned / Operated Hospitals ⁽¹⁾	5,158 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



7,170 Capacity Beds

6,143 Operational Beds

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



30+

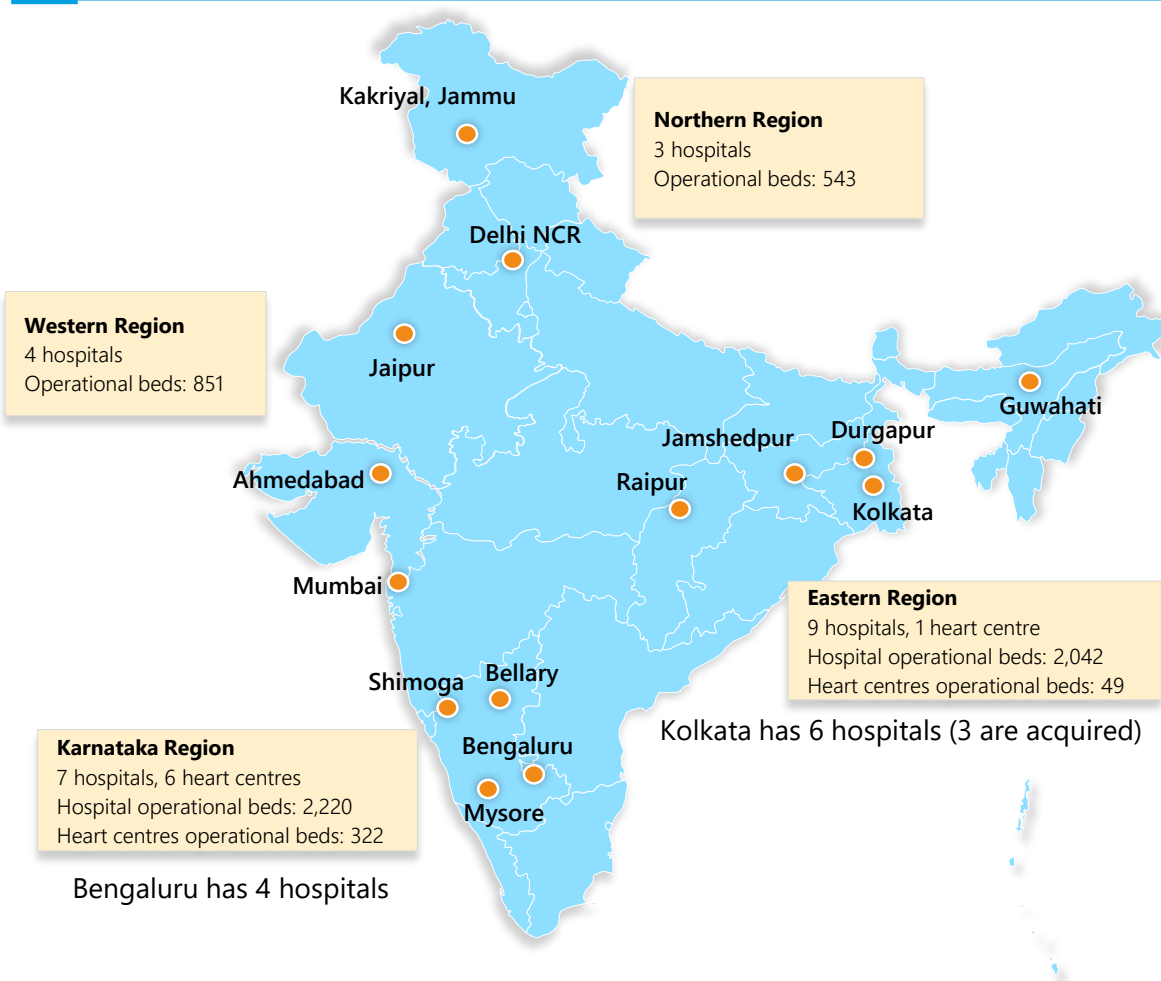
Specialities



16,620

Full-time Employees and Associates including 3,581 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 June 30th 2018 but excluding Managed Hospitals and Cayman facility



Clinical

- Mazumdar Shaw Medical Centre, Bengaluru operated a case of Naso Orbital Solitary Fibrous tumor using trans-nasal endo-orbital approach. Only 30 such cases have been reported in the world with this being the 2nd case operated by endoscopic approach
- Narayana Institute of Cardiac Sciences, Bengaluru performed a double lung transplant. With novel techniques like these, the facility has emerged as the prime centre for organ transplants
- A one of its kind knee replacement surgery in the city was performed at Narayana Multispeciality Hospital, Jaipur in which special type of implants were used as the patient was allergic to metal
- Mazumdar Shaw Medical Centre, Bengaluru performed postaural approach, Robotic Neck Dissection. This approach does not lead to visible scars in the neck and the incision is hidden in the hairline



Awards and Honors

HCCI won an award in the “Direct Care Provider Category” at Health Value Awards



THE TIMES OF INDIA

RTIICS, Kolkata ranked 2nd in Eastern Region in Hospitals Ranking Survey 2018



Federation of Karnataka
Chambers of Commerce and Industry

NH won “CSR Excellence in Healthcare Category” award



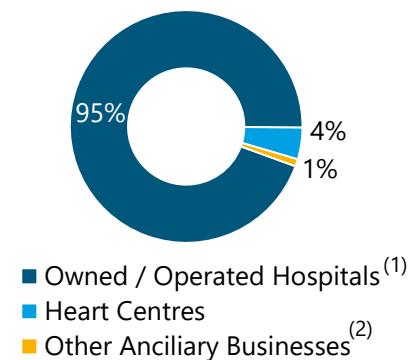
Financial Performance

- Consolidated operating revenues of INR 6,523 mn, translating into an increase of 25.2% YoY
- Consolidated EBITDA of INR 504 mn, reflecting an EBITDA margin of 7.7%
- Consolidated net debt of INR 7,943 mn as on 30th June, 2018, reflecting net debt to equity ratio of 0.76 (Out of which, debt worth US\$ 57.8 mn is foreign currency denominated).

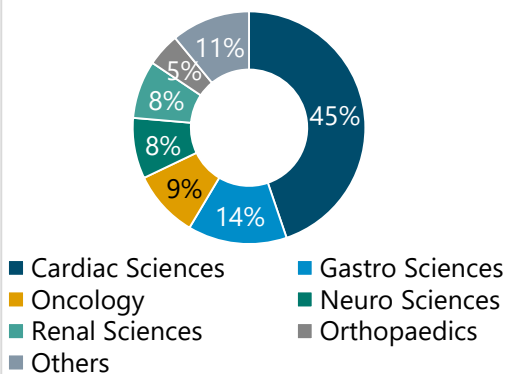
Operating Revenues



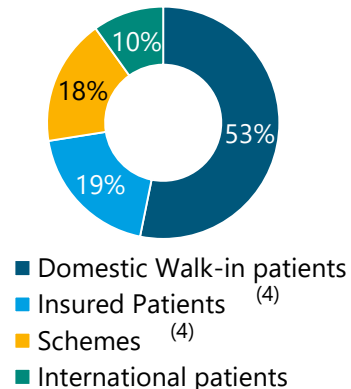
Business Mix



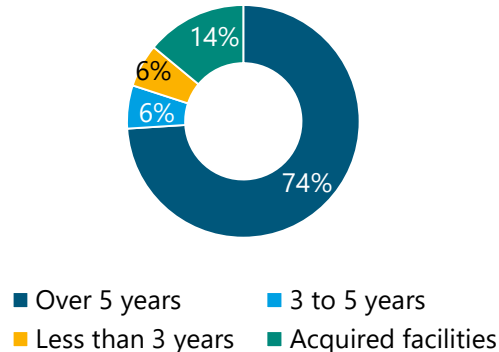
Speciality-Profile⁽⁷⁾



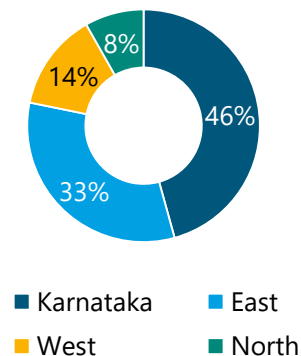
Payee-Profile⁽³⁾



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

(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

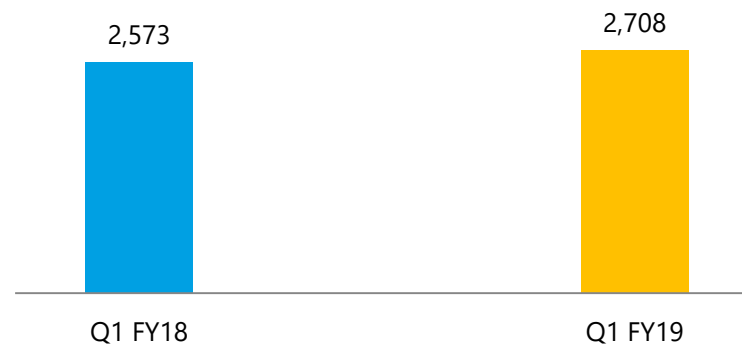
(7) Calculated on IP revenue; 6 core specialities (cardiac sciences, renal sciences, oncology, neurosciences, gastroenterology and orthopaedics) account for ~89% of IP revenue in Q1 FY19, excludes clinics data, Jammu VGF

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

Operational Beds⁽¹⁾

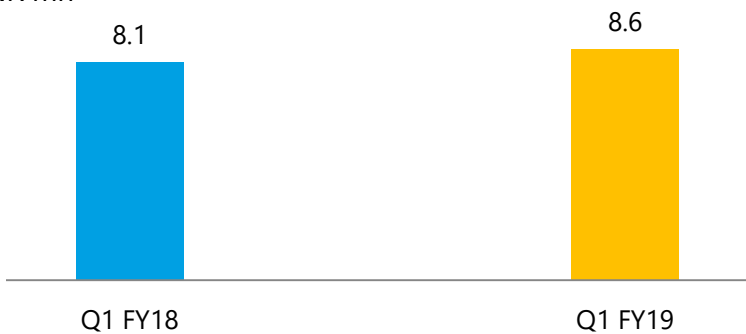


Occupied Bed Count⁽²⁾



ARPOB⁽²⁾

INR mn



ALOS⁽²⁾

Days



(1) Includes Cayman Islands Hospital and Managed Hospitals

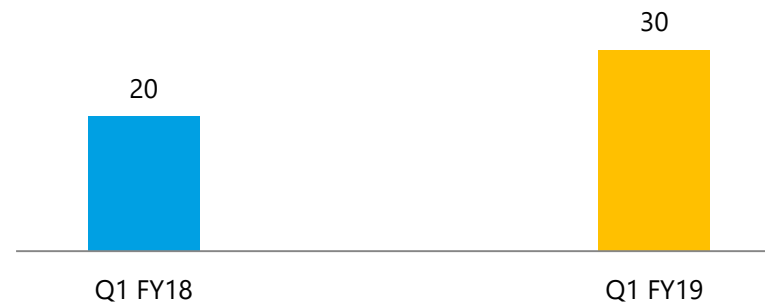
(2) Excludes Managed Hospitals, Cayman facility

ARPOB

US\$ mn



Occupied Bed Count



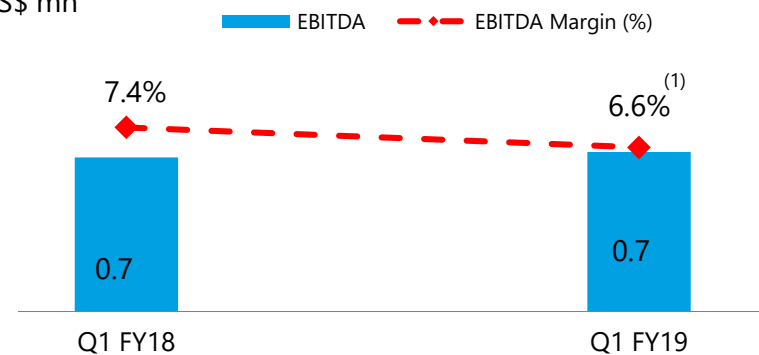
Operating Revenues

US\$ mn



Profitability

US\$ mn



(1) Investment in human resources and few one-off expenses

As of 31st March 2018, for the period FY18

Region	Hospitals ⁽¹⁾	Hospital Operating Revenues ⁽¹⁾		% of Hospital Operational Beds ⁽¹⁾	Operational Parameters ⁽¹⁾	
		% of Total ⁽³⁾	YoY Growth		ARPOB (INR mn)	Occupancy
Karnataka Region	6	46%	8%	41%	9.2	59%
Eastern Region	8	33%	10%	32%	7.4	69%
Western Region	4	14%	19%	16%	7.9	55%
Northern Region	3	8%	36% ⁽²⁾	11%	9.8	43%

(1) Exclude Managed hospitals and Cayman facility

(2) Gurugram was not part of NH in Q1 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

Maturity ⁽¹⁾	Hospitals (Exc. Managed Hospitals) ⁽²⁾	Hospital Operating Revenues ⁽²⁾	% of Hospital Operational Beds ⁽²⁾	Key Performance Indicators ⁽²⁾		
		% of Total YoY Growth		ARPOB (INR mn)	Occupancy ⁽⁴⁾	EBITDAR Margin ⁽³⁾
Over 5 years	11	74% 7%	69%	8.4	63%	21.8%
3 to 5 Years	3	6% -2%	7%	10.2	50%	2.3%
Less than 3 years	3	6% 99% ⁽⁵⁾	9%	8.4	40%	-52.3%
Acquired Operations	4	14% 28%	15%	7.7	63%	5.7%

(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) Occupancy is calculated on census beds

(5) Gurugram was not part of NH operations in Q1 FY18

- 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

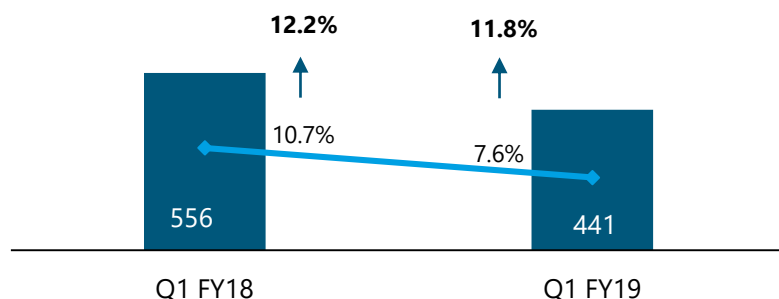
EBITDA and EBITDA Margin

INR mn

Movement across New Hospitals

Q1 FY18			Q1 FY19		
	Losses	Revenues		Losses	Revenues
SRCC	70	13	SRCC	63	99
Dharamshila	-20	181	Dharamshila	25	224
Gurugram	0	0	Gurugram	107	43
Jammu [#]	0	64	Jammu [#]	0	31
Total	50	258	Total	195	397

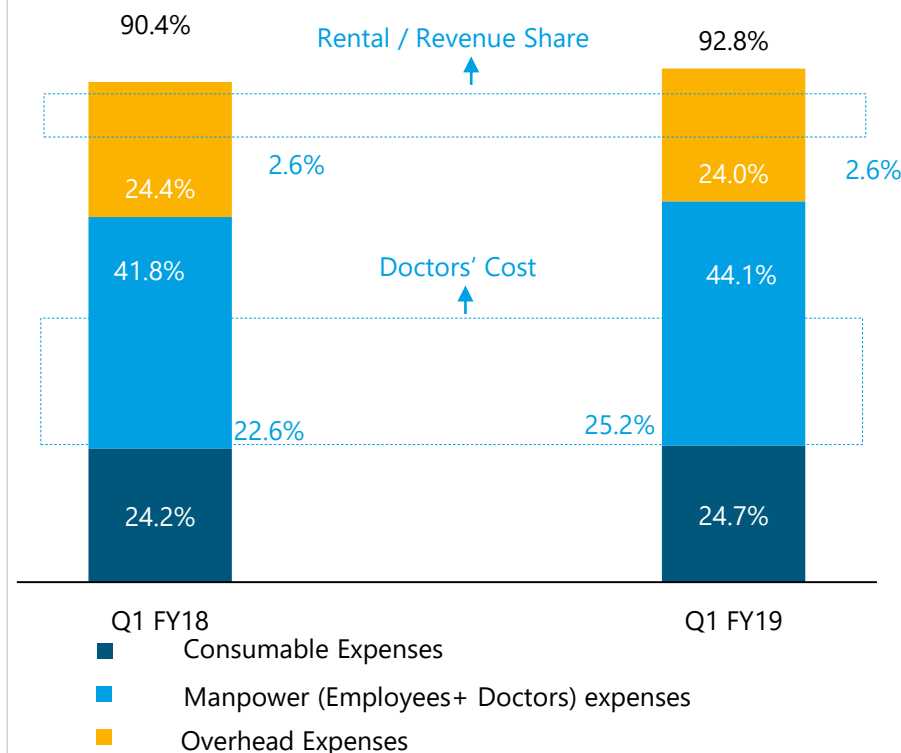
With the above, the adjusted EBITDA margins are as follows



- Heart Centres clocked an EBITDAR margin of 9.2%⁽¹⁾ in Q1 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)	Q1 FY18	Q1 FY19
Total Operating Revenue	5,211	6,523
Purchase of Medical Consumables, Drugs and Surgical Equipment	1,261	1,563
Doctors Expenses	1,178	1,457
Employee (Excluding Doctors) Expenses	999	1,421
Other Admin Expenses	1,269	1,608
Total Expenses	4,707	6,049
Other Income	52	30
EBITDA	556	504
Depreciation and Amortization	218	326
Finance Costs	103	172
Exceptional Items	-	-
Profit before share of loss of equity accounted investees and income tax	235	6
Share of loss of equity accounted investees	25	18
Profit Before Tax	210	(11)
Tax Expense	100	30
PAT for the period	109	(41)
Total Comprehensive Income, net of tax	111	47

Key Balance Sheet Items⁽¹⁾

Particulars	30 th June 2018
Shareholder Equity	10,413
Total Debt	8,347
Long-Term Debt	7,890
Short-Term Debt	457
Net Block	17,236⁽²⁾
CWIP	464
Goodwill	660
Non-Current Investment	39
Net Receivables	2,923
Cash and Cash Equivalents	404

As on June 30th, 2018, the consolidated net debt was Rs 7,943 mn, representing a net debt to equity ratio of 0.76 (Out of which, debt worth US\$ 57.8 mn is foreign currency denominated).

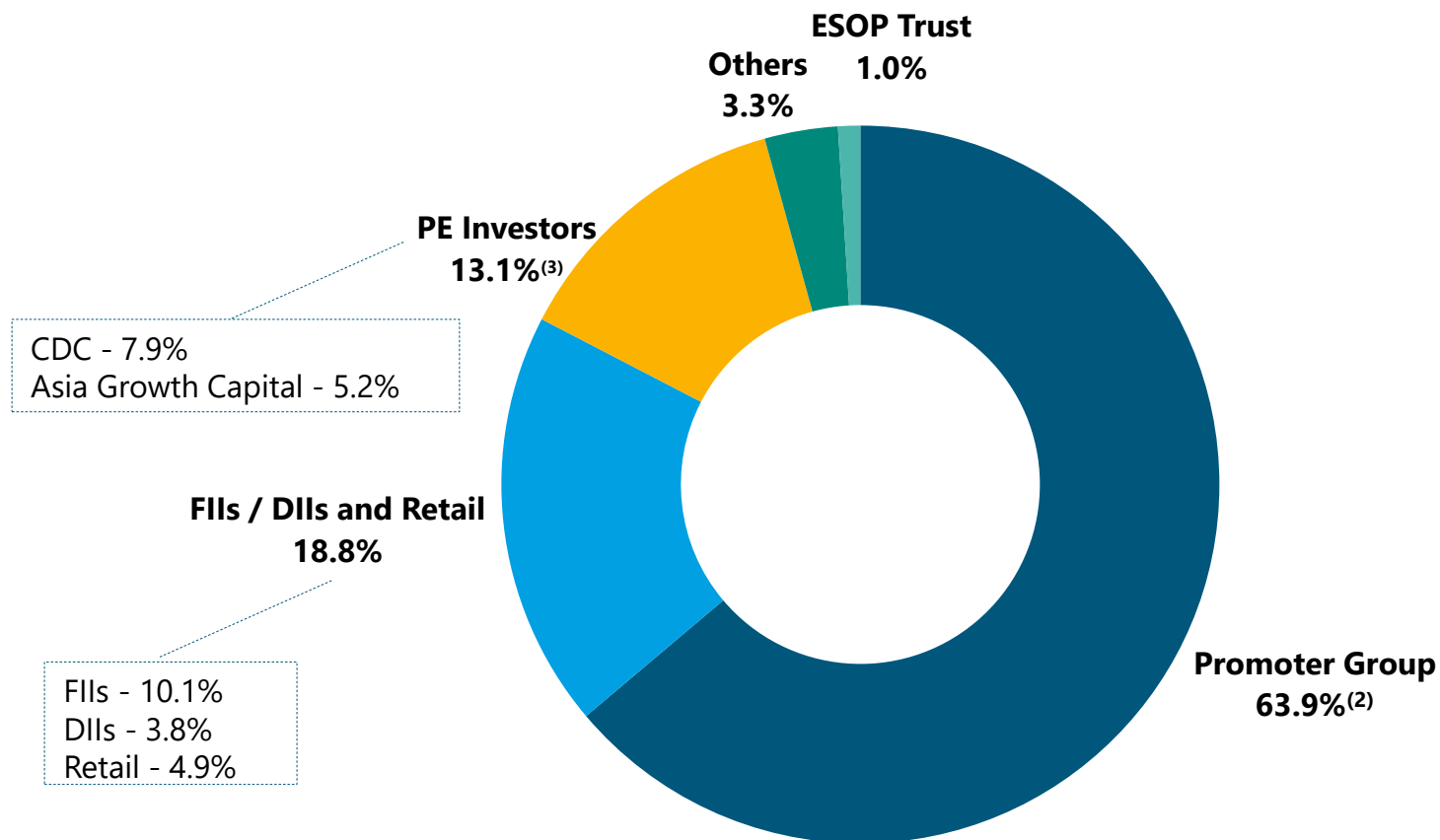
(1) Figures might not equal the reported numbers due to rounding off

(2) Net Block includes non-cash government grant provision of Rs 1,291 mn and non-cash lease provision of Rs 1,009 mn

Shareholding as on 30th June 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