

Date of Submission: 24th May 2019

To, The Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 Scrip Code - 539551	To, The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai – 400 050 Stock Code- NH
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Dear Sir/Madam,

Sub: Investor Presentation for FY 2018-19

With reference to the subject, please find enclosed Investor Presentation for the FY 2018-19.

Kindly take the above said information on record as per the requirement of Listing Regulations.

Thanking You,

Yours faithfully,

For Narayana Hrudayalaya Limited



Sridhar S

Group Company Secretary, Legal and Compliance Officer



Investor Presentation

May 2019

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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.

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As on 1st May 2019



50 Healthcare Facilities Operational beds

21	Owned / Operated Hospitals ⁽¹⁾	5,294 Beds
2	Managed Hospitals ⁽²⁾	498 Beds
7	Heart Centres	371 Beds
19	Primary Healthcare Facilities ⁽³⁾	10 Beds
1	Hospital in Cayman Islands	110 Beds



7,155 Capacity Beds

6,283 Operational Beds

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

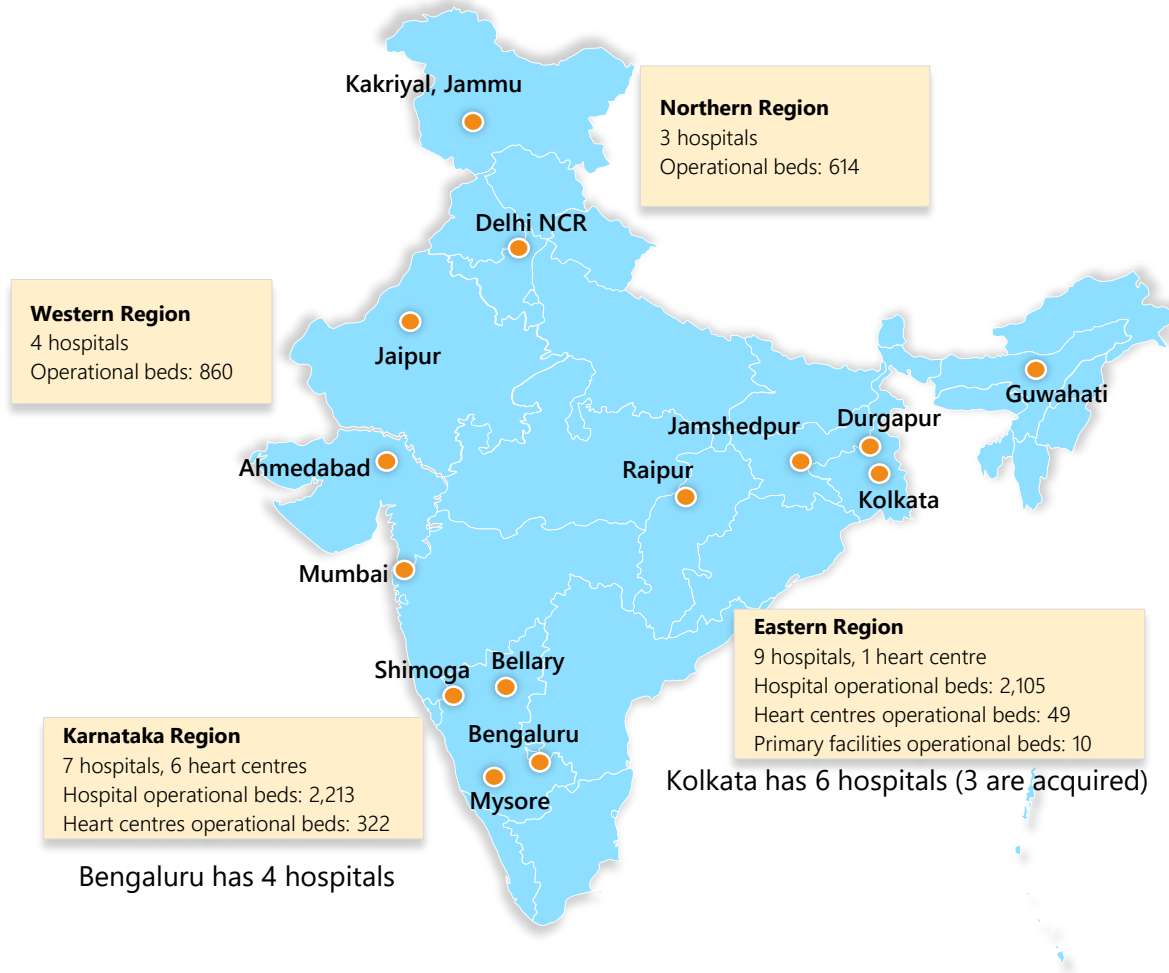


30+ Specialities



16,690 Full-time Employees and Associates including 3,644 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 March 31st 2019 but excluding Managed Hospitals and Cayman facility



Clinical & Operational

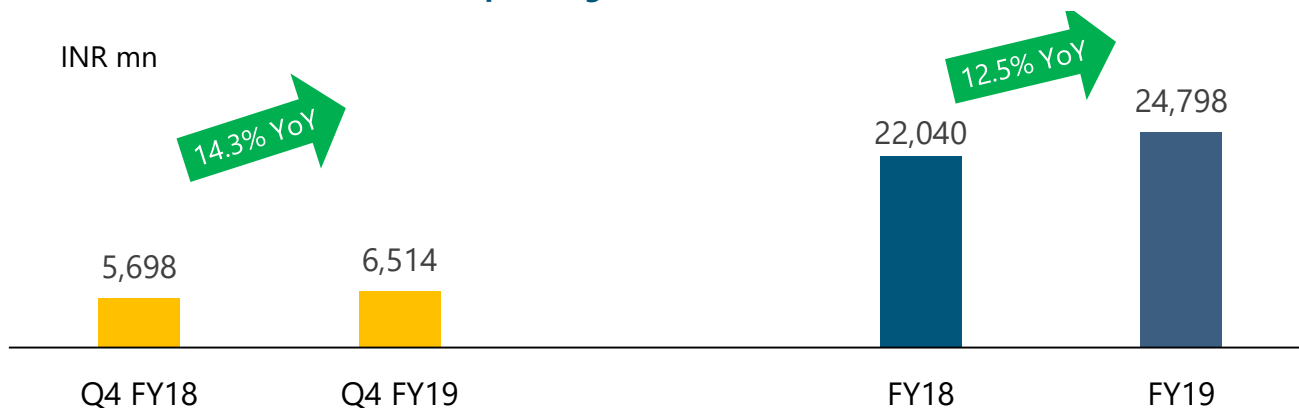
- Narayana Institute of Cardiac Sciences, Bengaluru performed India's first Interventional Fontan Completion, a hybrid treatment modality that reduces the number of surgeries required from 3 to 1 to treat congenital heart diseases
- SRCC, Mumbai now runs the 2nd largest paediatric cardiac surgery program in Maharashtra state
- NH completed its first year of liver transplant program and performed 18 such transplants across RTIICS at Kolkata, MSMC, MSRNH at Bengaluru and NSH at Gurugram
- Rabindranath Tagore International Institute of Cardiac Sciences, Kolkata, achieved the rare distinction of performing dual kidney transplant on a patient. It was the first ever such transplant in Eastern India
- Narayana Multispeciality Hospital, Jamshedpur removed 3 kg cancerous tumour from a patient, this is second largest parotid gland tumour removal in India



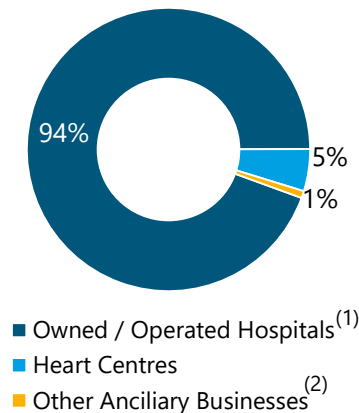
Financial Performance

- Consolidated operating revenues of INR 7,652 mn in Q4 FY19, an increase of 18.3% YoY translating into INR 28,609 mn in FY19, an increase of 25.4% YoY
- Consolidated EBITDA of INR 968 mn in Q4 FY19, reflecting a YoY growth of 71.1%, thus translating into EBITDA of INR 3,045 mn in FY19 i.e. an EBITDA margin of 10.6%
- Consolidated net debt of INR 7,127 mn as on 31st Mar, 2019, reflecting net debt to equity ratio of 0.66 (Out of which, debt worth US\$ 54.3 mn is foreign currency denominated)

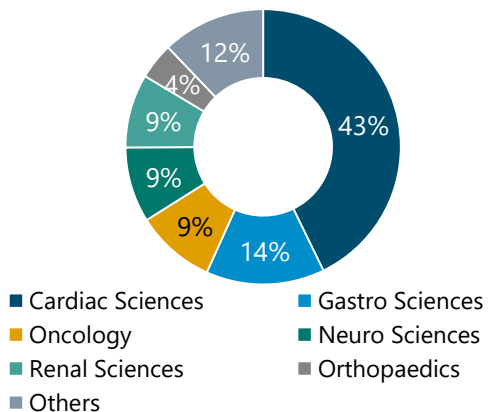
Operating Revenues



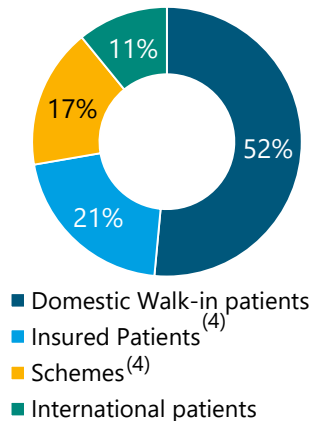
Business Mix



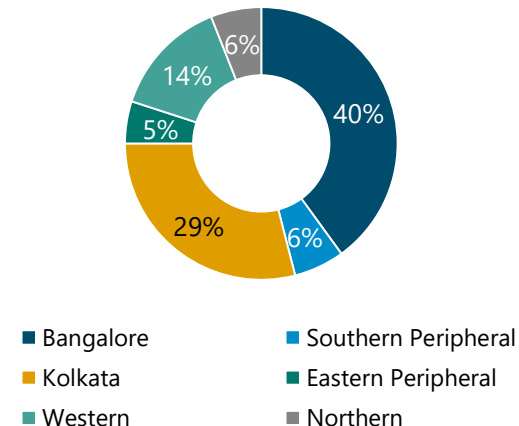
Speciality-Profile⁽⁶⁾



Payee-Profile^(3,7)



Cluster-Wise⁽⁵⁾



(1) NH owns the P&L responsibility

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

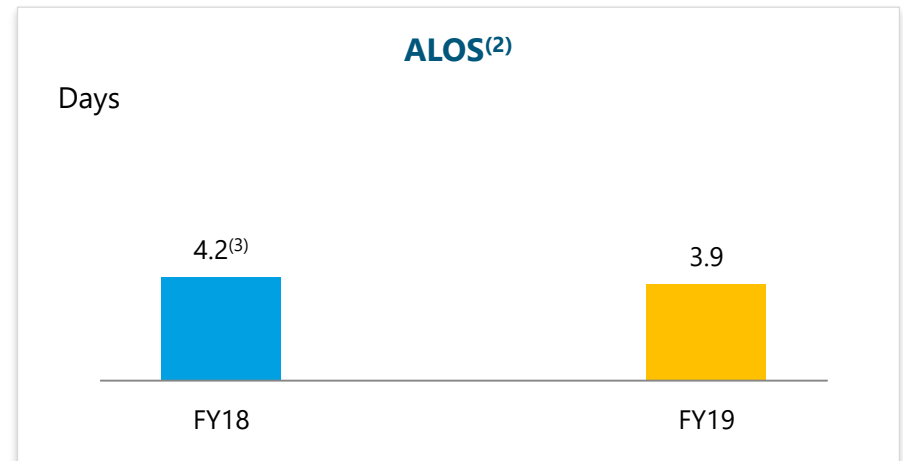
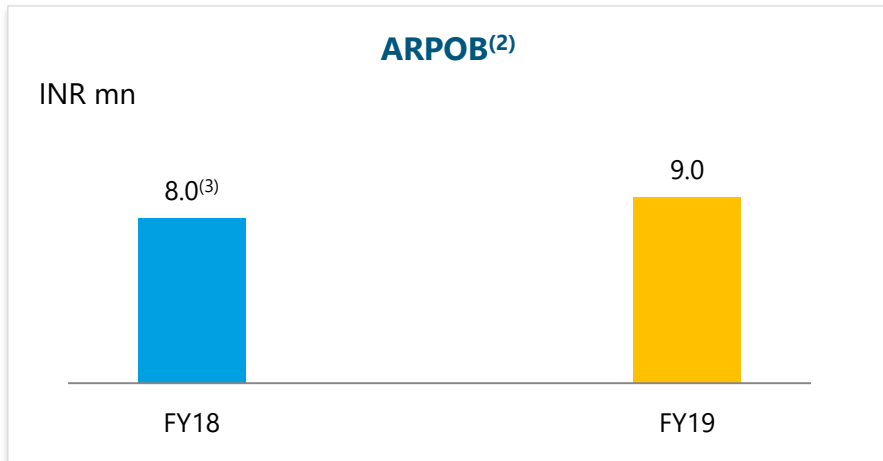
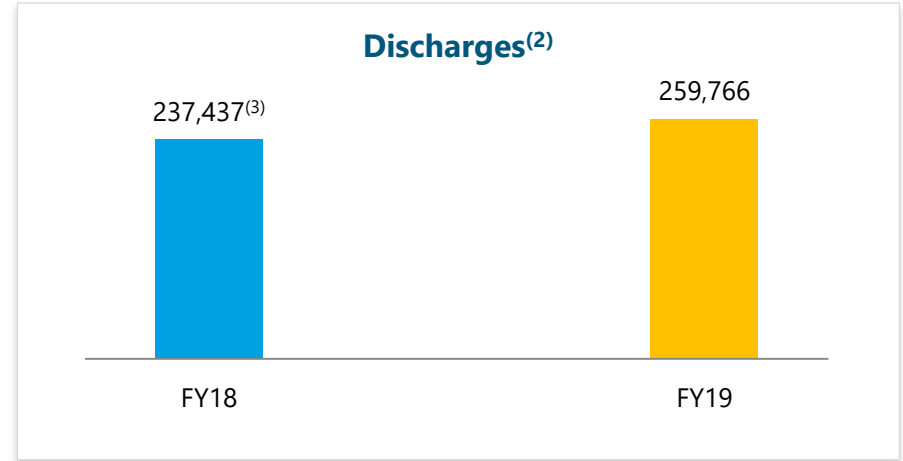
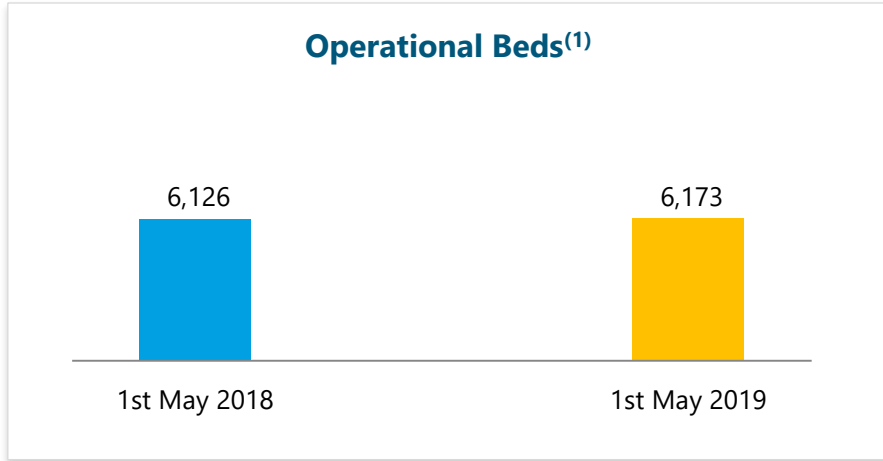
(3) As percentage of IP and OP revenue, excludes Jammu VGF, clinics, other ancillary business

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

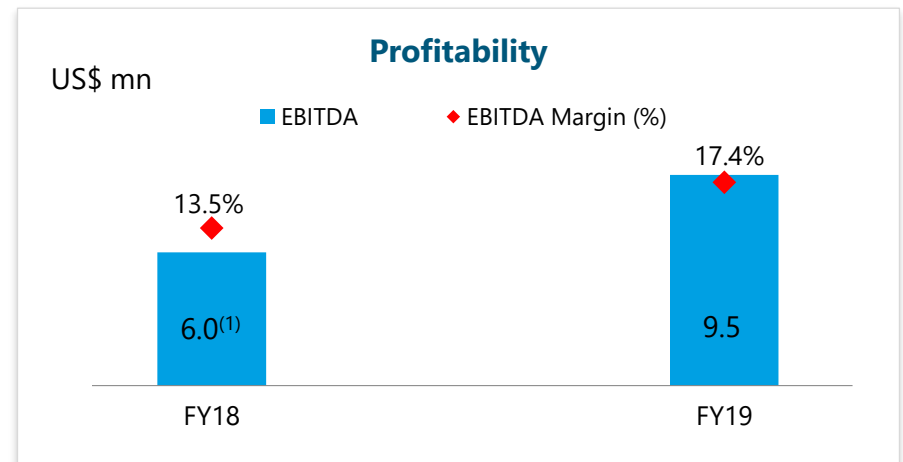
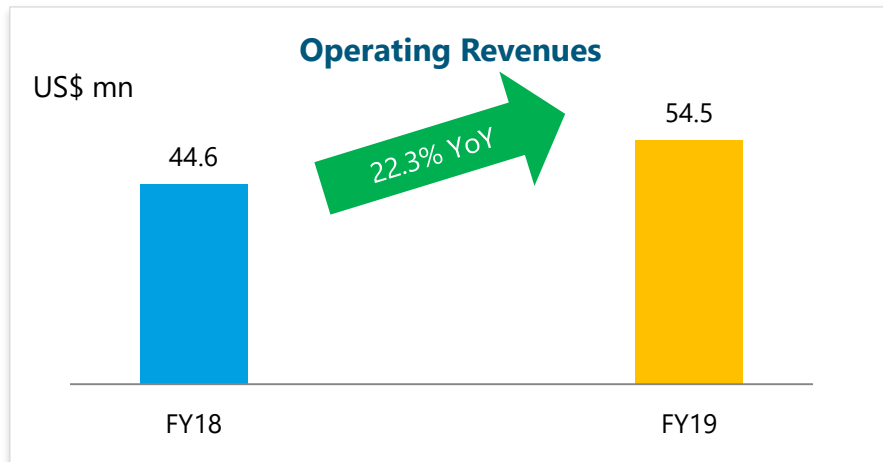
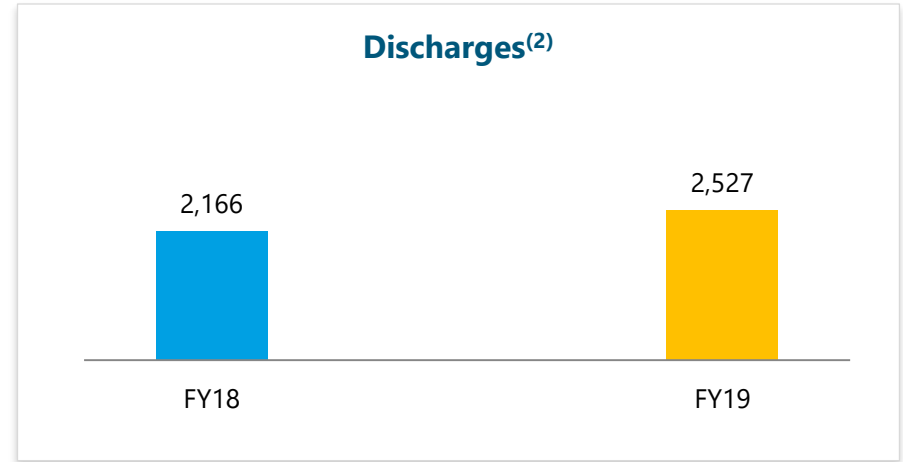
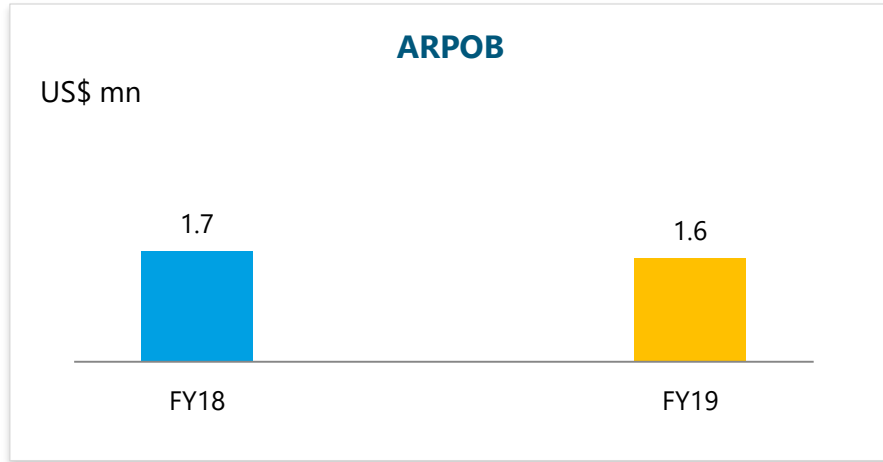
(5) Calculated on operating revenue of owned / operated hospitals

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

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



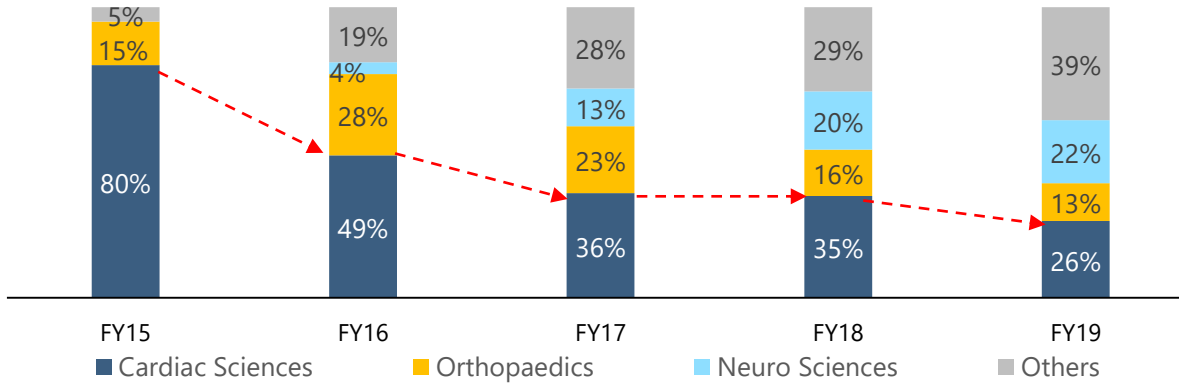
(1) Includes Managed Hospitals
 (2) Excludes Managed Hospitals
 (3) Excludes Gurugram



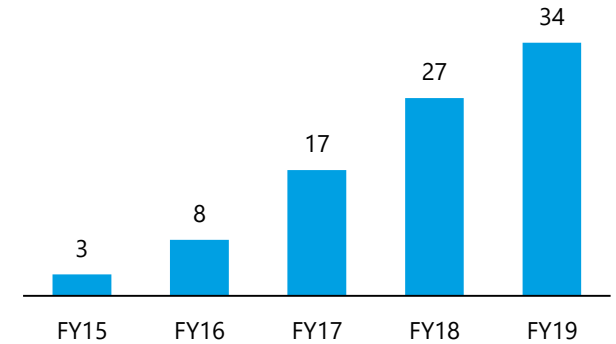
(1) Adjusted for one-time transaction cost of US\$ 0.96 Mn

(2) ALOS for the period FY19 was 4.9 days and 4.5 days for FY18

Evolving as a Multispecialty Healthcare Provider

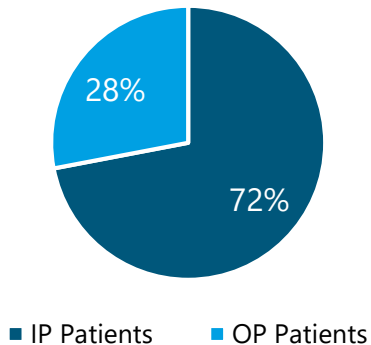


Steady Ramp-up in Occupied Beds



Revenue Mix - FY18

IP/OP Split



Payee-Profile



(1) Includes private insurance, corporates, employers

(2) Includes government departments, government insurance companies, foundations

Regions	Bangalore	Southern Peripheral	Kolkata	Eastern Peripheral	Western	Delhi NCR
% of Hospital Operating Revenues						
YoY Revenue Growth						
% of Hospital Operational Beds						
ARPOB (INR mn)	10.7	6.5	8.4	6.1	7.9	12.5
EBITDAR Margin	29.0%	15.4%	20.8%	3.8%	0.0%	-30.2%

Bangalore - NICS, MSMC, HSR, Whitefield
 Southern Peripheral - Mysore, Shimoga
 Kolkata - RTIICS, Barasat, MMRHL, RNN, NSC
 Eastern Peripheral - Jamshedpur, Guwahati
 Western - Mumbai, Ahmedabad, Jaipur, Raipur
 Delhi NCR - Gurugram, Delhi
 * Gurugram unit was not part of NH operations for whole of FY18

This considers owned/operated hospitals in India (excl. Jammu)

Maturity	Hospitals (Exc. Managed Hospitals & Jammu) ⁽¹⁾	Hospital Operating Revenues ⁽¹⁾		% of Hospital Operational Beds ⁽¹⁾	Key Performance Indicators ⁽¹⁾		
		% of Total	YoY Growth		ARPOB (INR mn)	Occupancy	EBITDAR Margin ⁽²⁾
Existing	17	92%	9%	90%	8.8	60.8%	21.5%
New	3	8%	92% ⁽³⁾	10%	10.9	45.8%	-36.6%

New: Mumbai, Delhi and Gurugram

(1) Excludes Managed hospitals and Cayman facility

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

(3) Gurugram unit was not part of NH operations for whole of FY18

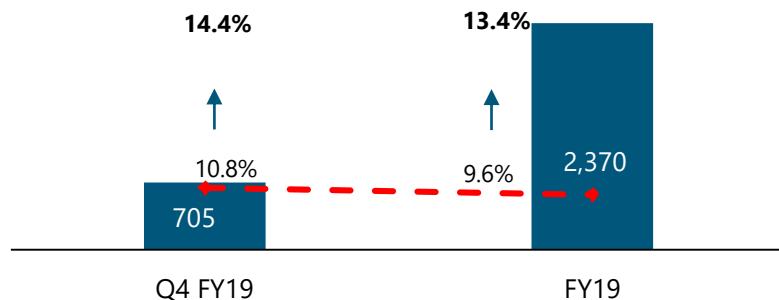
EBITDA and EBITDA Margin

INR mn

Movement across New Hospitals

	Q4 FY19		FY19	
	Losses	Revenues	Losses	Revenues
SRCC	59	127	259	453
Dharamshila	33	262	96	1,003
Gurugram	67	133	348	375
Total	159	521	703	1,831

With the above, the adjusted EBITDA margins are as follows

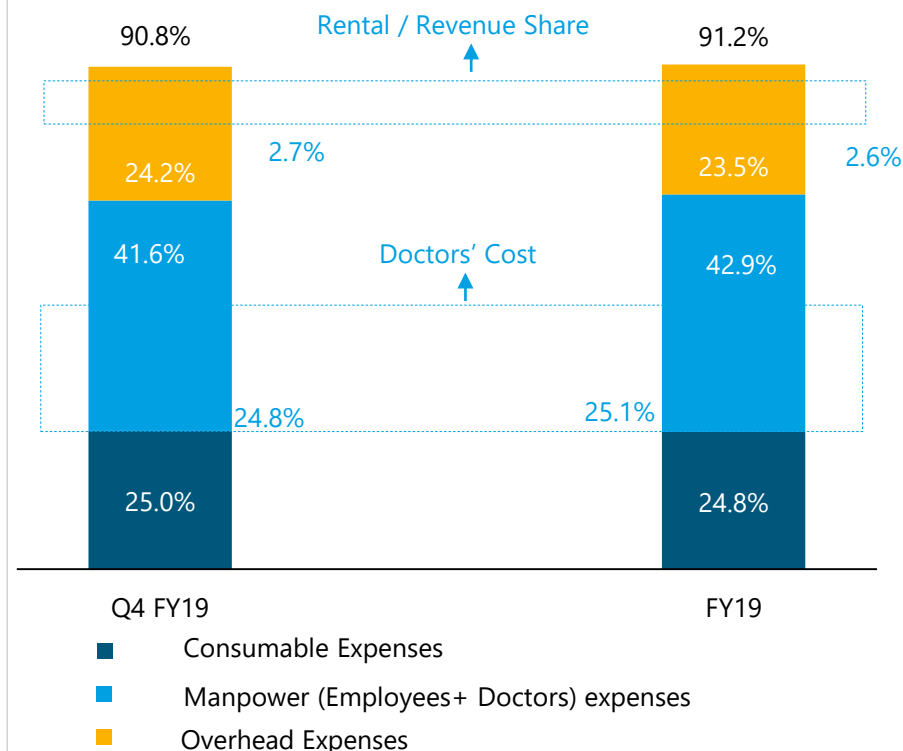


- Heart Centres clocked an EBITDAR margin of 3.5%⁽¹⁾ in Q4 FY19 translating into an EBITDAR margin of 9.9%⁽¹⁾ for FY19

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

Cost Structure

% of Operating Revenues



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)	Q4 FY19	FY19
Total Operating Revenue	7,652	28,609
Purchase of Medical Consumables, Drugs and Surgical Equipment	1,856	6,875
Doctors Expenses	1,762	6,762
Employee (Excluding Doctors) Expenses	1,346	5,377
Other Admin Expenses	1,793	6,717
Total Expenses	6,757	25,731
Other Income	72	167
EBITDA	968	3,045
Depreciation and Amortization	359	1,374
Finance Costs	175	714
Exceptional Items	-	-
Profit before share of loss of equity accounted investees and income tax	434	957
Share of (loss)/ profit of equity accounted investees	37	(23)
Profit Before Tax	471	934
Tax Expense	99	341
PAT for the period	372	593
Total Comprehensive Income, net of tax	277	589

Key Balance Sheet Items⁽¹⁾

Particulars	31 st March 2019
Shareholder Equity	10,811
Total Debt	8,135
Long-Term Debt	8,019
Short-Term Debt	115
Net Block	17,124⁽²⁾
CWIP	362
Goodwill	660
Non-Current Investment	29
Net Receivables	2,664
Cash and Cash Equivalents	1,007

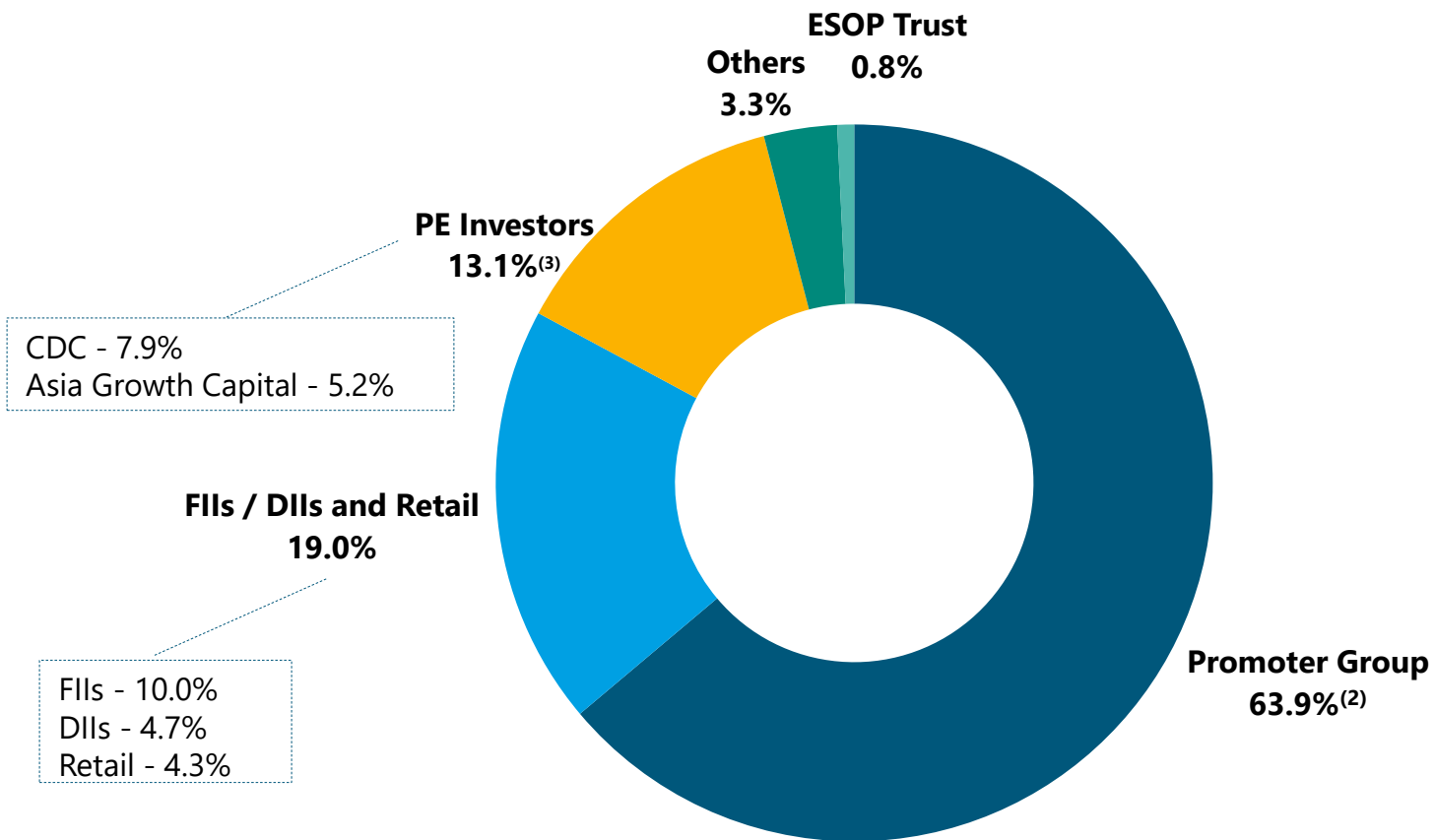
As on March 31st, 2019, the consolidated net debt was Rs 7,127 mn, representing a net debt to equity ratio of 0.66 (Out of which, debt worth US\$ 54.3 mn is foreign currency denominated).

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

(2) Net Block includes non-cash government grant provision of Rs 1,265 mn and lease provision of Rs 1,016 mn

Shareholding as on 31st March 2019⁽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