



August 10, 2018

The Manager  
Department of Corporate Services  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 021.

The Manager  
National Stock Exchange of India Ltd.  
Exchange Plaza  
Bandra -Kurla Complex  
Bandra (E),  
Mumbai 400 051

**Scrip Code : 539981**

**Name of Scrip : MAXINDIA**

Dear Sir/Madam,

**Sub: Disclosure under Listing Regulations – Investor Release being issued by the Company**

Pursuant to the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, please find enclosed an Investor release being issued by the Company in respect of the financial results for quarter ended June 30, 2018.

You are requested to take the aforesaid on record.

Thanking you,

Yours faithfully  
For **Max India Limited**

A handwritten signature in blue ink, appearing to read "V. Krishnan", is written over a horizontal line.

**V. Krishnan**  
**Company Secretary & Compliance Officer**

# Max India Limited

## Investor Release

*Quarter ended June 30, 2018*

### *Disclaimer*

*This release is a compilation of financial and other information all of which has not been subjected to audit and is not a statutory release. This may also contain statements that are forward looking. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially from our expectations and assumptions. We do not undertake any responsibility to update any forward looking statements nor should this be constituted as a guidance of future performance.*



# Max India – Key Highlights (Q1FY19)

1

**Max Healthcare** : Net revenue grows 3% sequentially q-o-q to Rs 641 Cr

2

**Max Healthcare** : EBITDA for Q1 at Rs. 30 Cr, down 8% sequentially primarily due to Noida facility under infra revamp. Noida will be converted into Onco Daycare Center & will be operational by Q4

3

**Max Bupa**: Gross Premium grows 17% to Rs 186 Cr in Q1; Net loss at Rs 12 Cr vs. marginal profit of Rs 0.3 Cr in PY

4

**Max Bupa**: Signed new partnerships with Karur Vysya bank and HDFC bank; launched business with HDFC branch banking segment in June end

5

**Antara**: Dehradun community commenced operations in Apr'17; 97 units sold and 62 residents have moved in the community

# MHC Network\* (Financial Snapshot – Q1FY19)

## Revenue

- Net revenue grows 3% sequentially to Rs. 641 Cr
- Revenue enhancement initiatives have been rolled out:
  - ✓ Walk-In/TPA: engagement with neighborhood localities; reactivation of inactive customers and digital campaign to improve volumes
  - ✓ Identified upcountry locations : Patna & Ranchi to be operational by Q2
  - ✓ O&M at hospital/ specialty level: Ludhiana O&M to be operational by Q2
  - ✓ Identified new partner offices in Ethiopia and Nepal to be operational by Q2
  - ✓ Reviewing relationships in institutional channel
- Onco, Ortho & Neuro specialities grows by 15%, 12% & 8% sequentially

## Profitability

- EBITDA for Q1 bottoms at Rs. 30 Cr, down 8% sequentially primarily due to Noida facility under infra revamp. Noida will be converted into Onco Daycare Center & will be operational by Q4
- Performance recoup measures as discussed previously have been rolled out in Jun/Jul'18, recovery will be visible from Q2 onwards
- Good momentum built in Q1 on driving structured cost reduction – Initiatives with realizable savings of Rs. 68 Cr implemented

# MHC Network\* – Performance Dashboard (Q1FY19)

Rs Cr

Key Business Drivers	Quarter Ended			Growth (%)	
	Jun-18	Mar-18	Jun-17	Q-o-Q	Y-o-Y
<b>a) Financial Performance</b>					
<b>Revenue (Gross)</b>	<b>694</b>	<b>670</b>	<b>702</b>	<b>3%</b>	<b>-1%</b>
Revenue (Net)	641	621	666	3%	-4%
<b>Direct Costs</b>					
Material Cost	167	160	167	4%	0%
Clinician Payout	112	108	117	4%	-4%
<b>Contribution</b>	<b>362</b>	<b>353</b>	<b>382</b>	<b>3%</b>	<b>-5%</b>
<i>Contribution Margin<sup>^</sup></i>	56.5%	56.8%	57.3%	(36) bps	(91) bps
<b>Indirect Costs</b>					
Personnel Cost	185	177	166	4%	11%
Other Indirect overheads	114	106	116	8%	-2%
HO Costs	34	37	36	-10%	-7%
<b>EBITDA</b>	<b>30</b>	<b>32</b>	<b>64</b>	<b>-8%</b>	<b>-53%</b>
<i>EBITDA Margin<sup>^</sup></i>	4.6%	5.2%	9.6%	(57) bps	(517) bps
Finance Cost	28	30	32	-8%	-13%
<b>Cash Profit</b>	<b>2</b>	<b>2</b>	<b>32</b>	<b>-9%</b>	<b>-94%</b>
Depreciation	38	36	33	4%	14%
<b>Profit /(loss) before tax</b>	<b>(36)</b>	<b>(34)</b>	<b>(1)</b>	<b>-5%</b>	<b>&lt; -100%</b>
Tax	1	1	2	32%	-23%
<b>Profit /(loss) after tax</b>	<b>(37)</b>	<b>(35)</b>	<b>(3)</b>	<b>-5%</b>	<b>&lt; -100%</b>
<b>b) Financial Position</b>					
Net Worth	1,039	1,076	1,120	-3%	-7%
Net Debt	1,222	1,227	1,108	0%	10%
Fixed Assets - Gross Block	2,188	2,131	2,038	3%	7%

\*The above results are for MHC Network of hospitals and includes results for Max Super Specialty Hospital, Saket, unit of Devki Devi Foundation, Max Super Speciality Hospital, Patparganj, unit of Balaji Medical and Diagnostic Research Centre ; Saket City Hospital unit of Gujarmal Modi Hospital & Research Centre & Max Multi Speciality Hospital Greater Noida unit of Four Season Foundation

<sup>^</sup> on the basis of net revenue

# MHC Network\* – Performance Dashboard (Q1FY19)

Key Business Drivers	Quarter Ended			Growth (%)	
	Jun-18	Mar-18	Jun-17	Q-o-Q	Y-o-Y
a) Patient Transactions (Nos. in lacs)					
Inpatient Procedures	0.47	0.44	0.52	7%	-9%
Day care Procedures	0.11	0.10	0.13	9%	-14%
Outpatient Registrations	17.20	16.47	17.25	4%	0%
<b>Total</b>	<b>17.78</b>	<b>17.02</b>	<b>17.90</b>	<b>5%</b>	<b>-1%</b>
b) Average Inpatient Operational Beds	2,376	2,372	2,356	0%	1%
c) Average Inpatient Occupancy	70.9%	71.7%	72.9%	(76) bps	(198) bps
d) Average Length of Stay (days)	3.25	3.45	3.01	6%	-8%
e) Average Revenue/Occupied Bed Day (Rs)	44,045	43,810	44,940	1%	-2%
f) Other Operational Data					
Physicians	2,968	2,882	2,847	3%	4%
Employees	9,388	9,605	8,884	-2%	6%
Customer Base (in lacs)	42.3	42.3	37.3	0%	13%

\*The above results are for MHC Network of hospitals, includes results for Max Super Specialty Hospital, Saket, unit of Devki Devi Foundation, Max Super Speciality Hospital, Patparganj, unit of Balaji Medical and Diagnostic Research Centre; Saket City Hospital unit of Gujarmal Modi Hospital & Research Centre and Max Multi Speciality Hospital Greater Noida unit of Four Season Foundation

# MHC Network Hospitals (Saket\* & East Delhi^ Complex)

## – Performance Dashboard (Q1FY19)

Key Business Drivers	Unit	Quarter Ended			Growth (%)		Rs Cr
		Jun-18	Mar-18	Jun-17	Q-o-Q	Y-o-Y	
<b>Saket Complex</b>							
a) Financial Performance							
Revenue(Net)	Rs. Cr	242	245	255	-1%	-5%	
EBITDA	Rs. Cr	20	31	32	-35%	-37%	
EBITDA Margin	%	8.4%	12.8%	12.7%	(438) bps	(427) bps	
b) Average Inpatient Operational Beds	No.	769	763	735	1%	5%	
c) Average Inpatient Occupancy	%	71.8%	76.9%	75.5%	(508) bps	(368) bps	
d) Average Revenue/Occupied Bed Day	Rs.	52,297	49,800	52,893	5%	-1%	
e) Average Length of Stay	(days)	3.61	3.87	3.22	7%	-12%	
<b>East Delhi Complex</b>							
a) Financial Performance							
Revenue(Net)		166	161	163	3%	2%	
EBITDA	Rs. Cr	12	11	20	14%	-40%	
EBITDA Margin	%	7.3%	6.6%	12.4%	68 bps	(515) bps	
b) Average Inpatient Operational Beds	No.	691	695	676	-1%	2%	
c) Average Inpatient Occupancy	%	77.6%	76.2%	77.1%	138 bps	48 bps	
d) Avg. Revenue/Occupied Bed Day	Rs.	37,841	37,502	37,594	1%	1%	
e) Average Length of Stay	(days)	3.24	3.49	3.02	7%	-7%	

\*Saket Complex includes Saket West Block, Saket East Block (unit of Devki Devi Foundation) & Max Smart (unit of Smart Hospital & Research Centre) hospital

^East Delhi Complex includes Max Patparganj (unit of Balaji Medical and Diagnostic Research Centre) & Max Vaishali hospital

# Max Bupa (Financial Snapshot – Q1FY19)

## Revenue

- Gross Written Premium (GWP) for Q1FY19 grows 17% to Rs. 186 Cr. driven by 21% growth in renewals and 10% growth in new sales. Growth for the quarter impacted by sales uptick in the Q1FY18 preceding a significant price increase
- Average premium realisation (B2C segment) for Q1FY19 at Rs 8,452 grows 8% y-o-y
- Urban lives-in-force crosses 1.8 million, ~ 412K lives covered in Q1FY19
- Conservation ratio (B2C) for Q1FY19 at 84%, improved by 43 bps over PY
- Signed new partnerships with Karur Vysya bank and HDFC bank; launched business with HDFC branch banking segment in June end

## Profitability / Others

- Net loss at Rs 12 Cr in Q1FY19 vs marginal profit of Rs 0.3 Cr in PY. Loss in line with previous year normalising for reinsurance impact
- B2C claims ratio for the quarter at 53%, improved by 230 bps over PY

## Award and Accolades

- Received Health Insurance 'Product of the Year 2018' award for GoActive
- Won the 'Most Innovative Digital/Technology Initiative of the Year' for ATH at the India Insurance Awards 2018



# Max Bupa – Performance Dashboard (Q1FY19)

Key Business Drivers	UOM	Quarter Ended		Y-o-Y Growth
		Jun-18	Jun-17	
a) Gross written premium income				
First year premium	Rs Cr	59	54	10%
Renewal premium	Rs Cr	126	105	21%
<b>Total</b>	<b>Rs Cr</b>	<b>186</b>	<b>159</b>	<b>17%</b>
b) Net Earned Premium*	Rs Cr	162	133	22%
<b>c) Cash Profit /(Loss)</b>	<b>Rs Cr</b>	<b>(8)</b>	<b>4</b>	<b>&lt; -100%</b>
d) Pre tax Profit /(Loss)	Rs Cr	(12)	0.3	< -100%
<b>e) Claim Ratio (B2C Segment, normalized)</b>	<b>%</b>	<b>53%</b>	<b>55%</b>	<b>230 bps</b>
f) Avg. premium realization per life (B2C)	Rs	8,452	7,844	8%
g) Conservation ratio (B2C Segment)	%	84%	83%	43 bps
h) Lives In force (including RSBY)	in millions	2.9	2.5	18%
i) Number of agents	nos.	26,504	21,468	23%
j) Paid up Capital	Rs Cr	926	926	-

# Disclaimer

This presentation has been prepared by Max India Limited (the “Company”). No representation or warranty, express or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in the presentation. The past performance is not indicative of future results. Neither the Company nor any of its affiliates, advisers or representatives accepts liability whatsoever for any loss howsoever arising from any information presented or contained in the presentation. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed.

The presentation may also contain statements that are forward looking. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially from our expectations and assumptions. We do not undertake any responsibility to update any forward looking statements nor should this be constituted as a guidance of future performance.

This presentation does not constitute a prospectus or offering memorandum or an offer to acquire any securities and is not intended to provide the basis for evaluation of the securities. Neither this presentation nor any other documentation or information (or any part thereof) delivered or supplied under or in relation to the securities shall be deemed to constitute an offer of or an invitation.

No person is authorised to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company any of its affiliates, advisers or representatives.

The Company’s Securities have not been and are not intended to be registered under the United States Securities Act of 1993, as amended (the “Securities Act”), or any State Securities Law and unless so registered may not be offered or sold within the United States or to, or for the benefit of, U.S. Persons (as defined in Regulations S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable State Securities Laws.

This presentation is highly confidential, and is solely for your information and may not be copied, reproduced or distributed to any other person in any manner. Unauthorized copying, reproduction, or distribution of any of the presentation into the U.S. or to any “U.S. persons” (as defined in Regulation S under the Securities Act) or other third parties ( including journalists) could prejudice, any potential future offering of shares by the Company. You agree to keep the contents of this presentation and these materials confidential.

**MAX INDIA LTD.**

**Max House, Okhla, New Delhi – 110 020**

**Phone: +91 11 26933601-10 Fax: +91 11 26933619**

**Website: [www.maxindia.com](http://www.maxindia.com)**