

Date of Submission: 9th August 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 the First Quarter ended 30th June 2019

With reference to the subject, please find enclosed Investor Presentation for the First Quarter ended 30th June 2019.

Kindly take the above information on record.

Yours faithfully,

For NARAYANA HRUDAYALAYA LIMITED


Sridhar S
Group Company Secretary, Legal and Compliance Officer



 **NH** Narayana Health



Investor Presentation

August 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 30th June 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

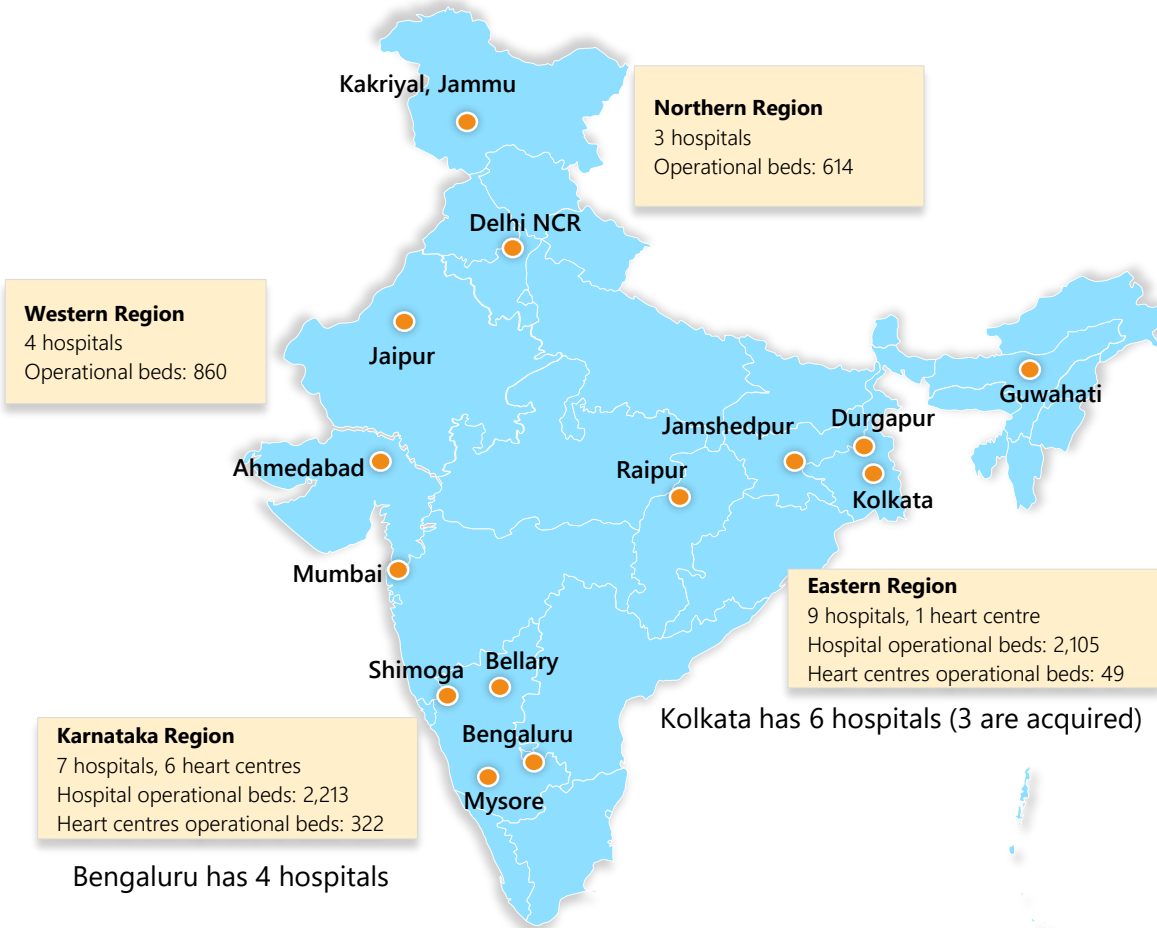


30+ Specialities



16,762 Full-time Employees and Associates including 3,638 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 and right to use asset per IND AS 116) + Capital Work in Progress (CWIP)) / Number of operational beds as of June 30th 2019 but excluding Managed Hospitals and Cayman facility



Clinical & Operational

- Narayana Institute of Cardiac Sciences, Bengaluru successfully performed the world's first Patent Ductus Arteriosus (PDA) stenting and southern region's first thoracopagus surgery on a conjoined-twin with a single heart
- In a rare case, a 70-year-old patient suffering from a condition called medial sided knee degeneration was treated through unicondylar knee replacement at Narayana Superspecialty Hospital, Gurugram
- Continuing our impressive track record in harnessing a robust organ transplant program, SRCC Children's Hospital, Mumbai performed 9 Bone Marrow Transplants (BMT) and Narayana Superspecialty Hospital, Gurugram successfully performed 8 liver transplants during the quarter
- A sickle cell patient having atrophic muscles, fixed joints in a contracted position and thus being bed-ridden for 11 years was successfully treated at Dharamshila Narayana Superspecialty Hospital, Delhi
- Mazumdar Shaw Medical Centre, Bengaluru successfully performed 7 adult liver transplants during the quarter, the highest number ever achieved by the unit in a quarter



Financial Performance

- Consolidated operating revenues of INR 7,774 mn in Q1 FY20, an increase of 19.2% YoY
- Consolidated EBITDA of INR 1,076⁽¹⁾ mn in Q1 FY20, reflecting a YoY growth of 113.5% i.e. an EBITDA margin of 13.8%
- Consolidated net debt of INR 6,691 mn as on 30th June, 2019, reflecting net debt to equity ratio of 0.62 (Out of which, debt worth US\$ 52.8 mn is foreign currency denominated)

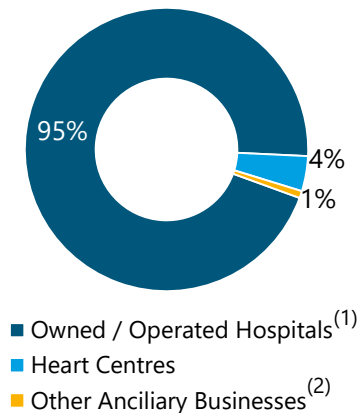
(1) As per the new accounting treatment for leases per IND AS 116 effective 1st April which resulted in INR 82.3 mn increase in EBITDA and decrease of INR 19.9 mn in PAT for Q1 FY 20 on a like-to-like basis (pre IND AS 116).

Operating Revenues

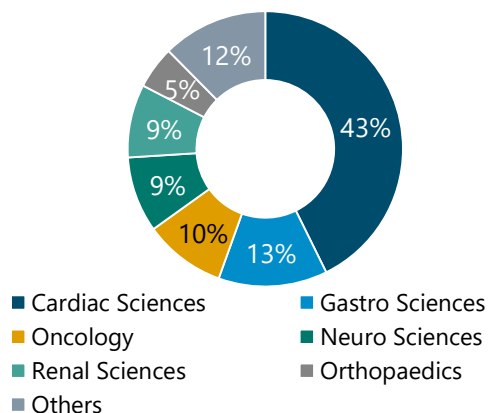
INR mn



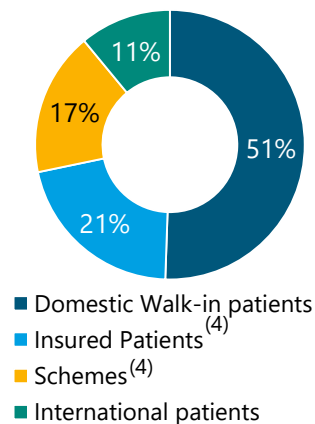
Business Mix



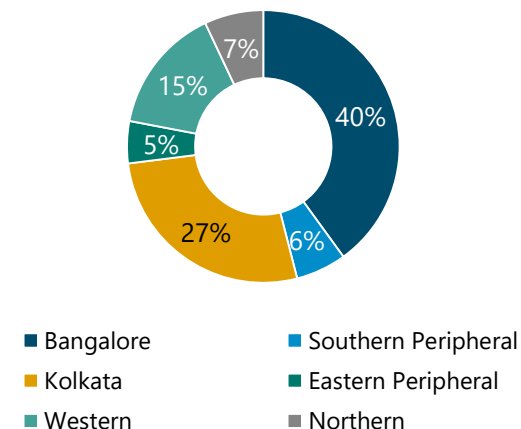
Speciality-Profile^(6,7)



Payee-Profile⁽³⁾



Cluster-Wise⁽⁵⁾



(1) NH owns the P&L responsibility

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

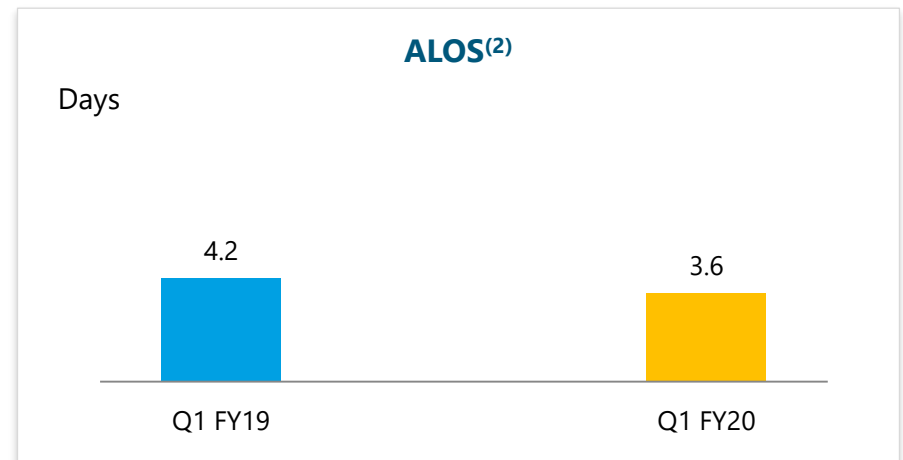
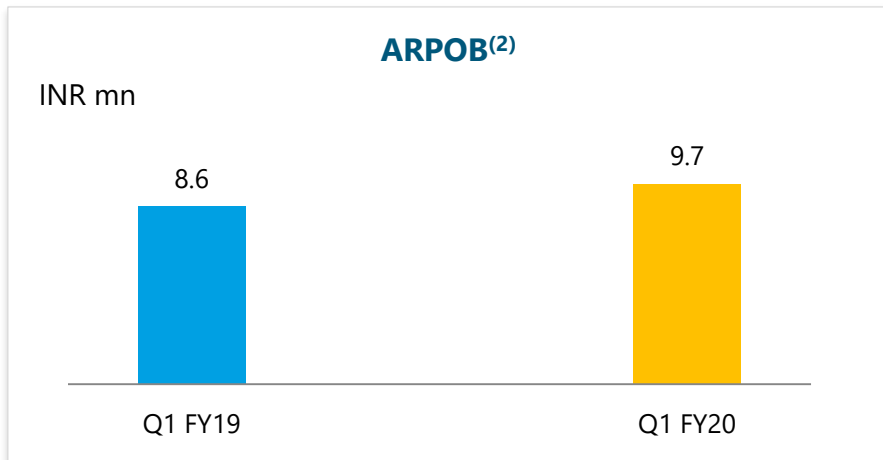
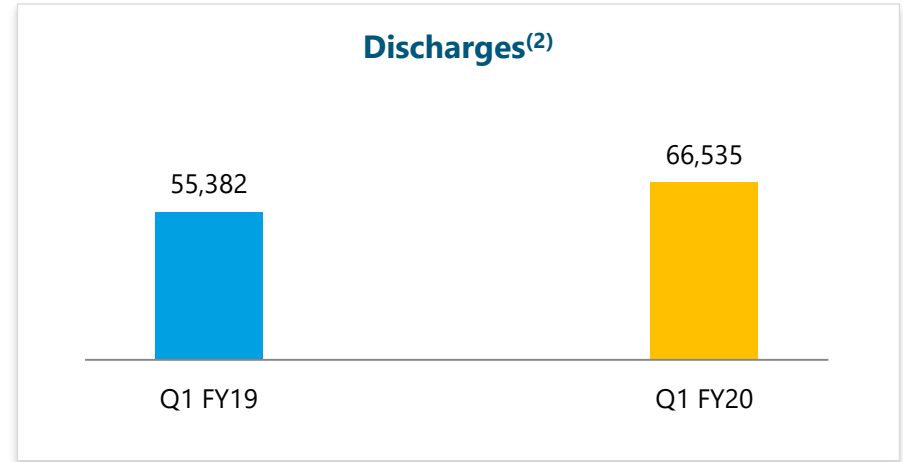
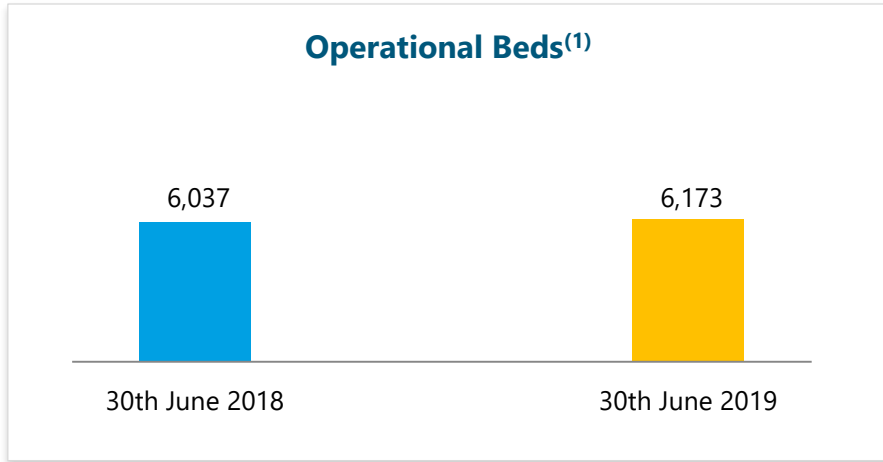
(3) As percentage of IP and OP revenue, excludes Jammu VGF, clinics, other ancillary business

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

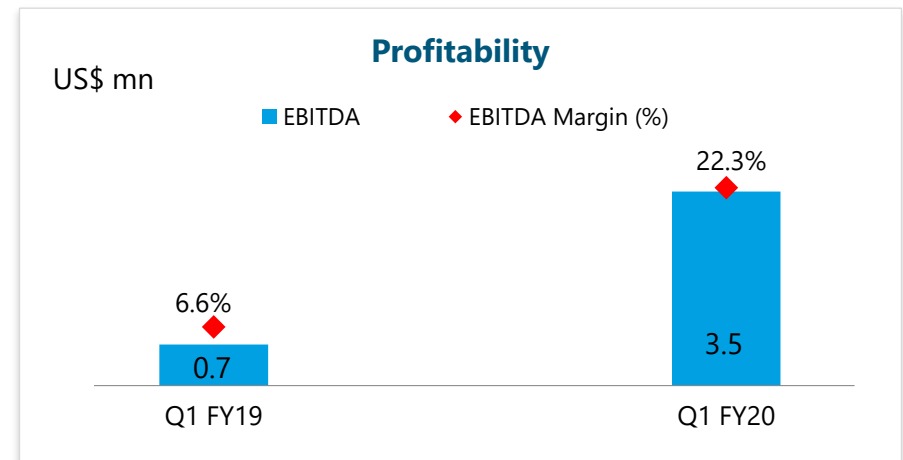
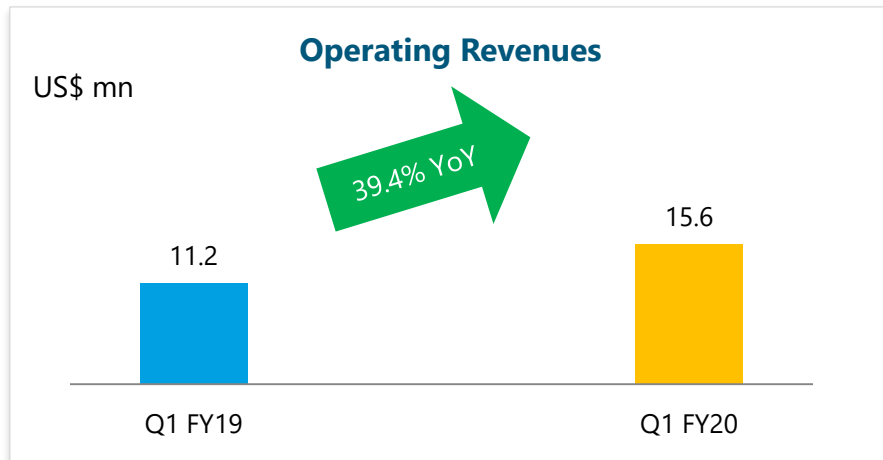
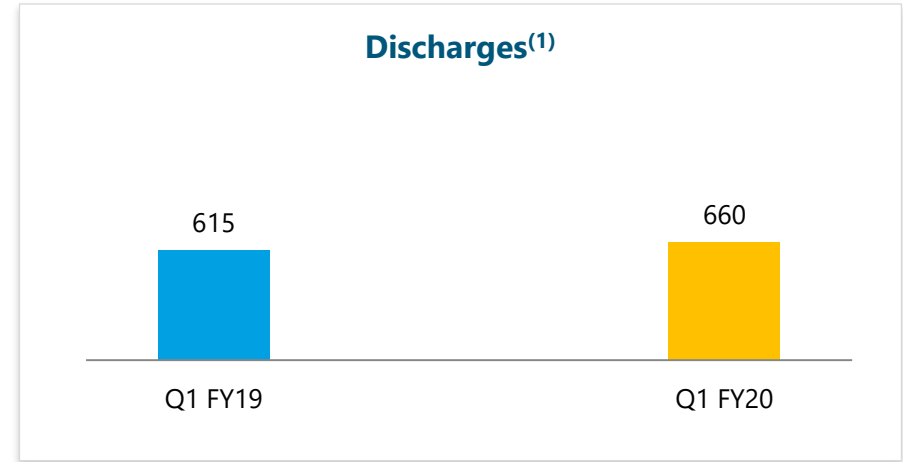
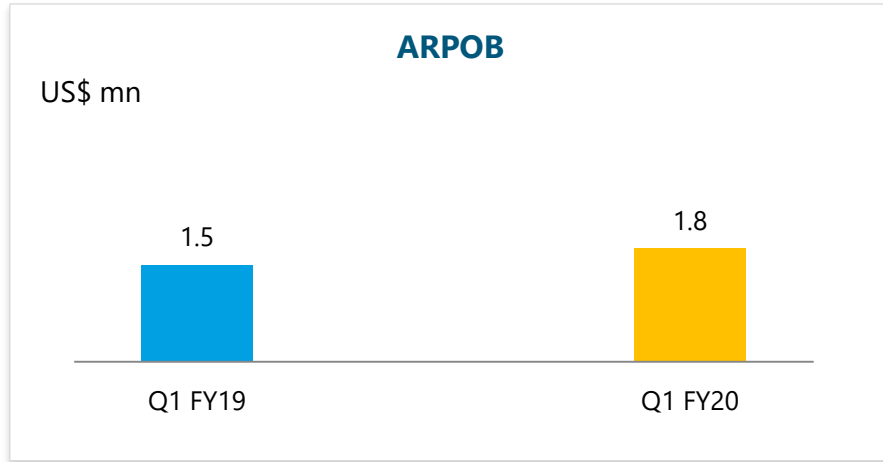
(5) Calculated on operating revenue of owned / operated hospitals

(6) Calculated on IP revenue; 6 core specialities (cardiac sciences, renal sciences, oncology, neurosciences, gastroenterology and orthopaedics) account for ~88% of IP revenue in Q1 FY20, excludes clinics data, Jammu VGF

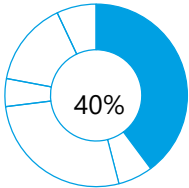
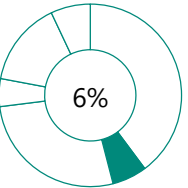
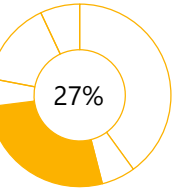
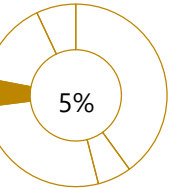
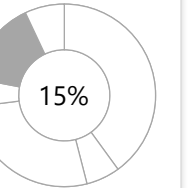
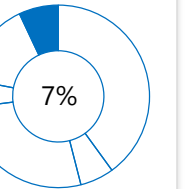
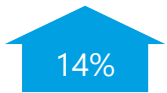
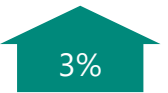


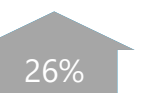
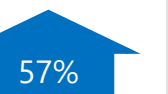
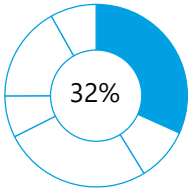
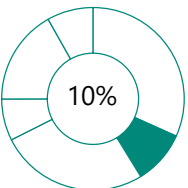
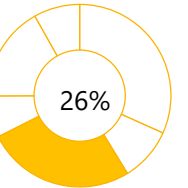
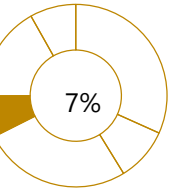
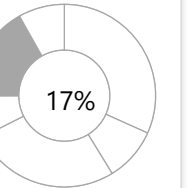
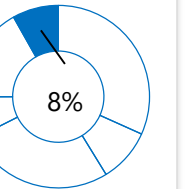












(7) Figures might not add up to 100% due to rounding off



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



(1) ALOS for the period Q1 FY19 was 4.4 days and 4.9 days for Q1 FY20

Regions	Bangalore	Southern Peripheral	Kolkata	Eastern Peripheral	Western	Delhi NCR
% of Hospital Operating Revenues						
YoY Revenue Growth						
% of Hospital Operational Beds						
ARPOB (INR mn)						
EBITDAR Margin						

Bangalore - NICS, MSMC, HSR, Whitefield
 Southern Peripheral - Mysore, Shimoga
 Kolkata - RTIICS, Barasat, NMH & NSH (Howrah), RNN, NSC
 Eastern Peripheral - Jamshedpur, Guwahati
 Western - Mumbai, Ahmedabad, Jaipur, Raipur
 Delhi NCR - Gurugram, New Delhi

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)	Discharges ⁽²⁾	EBITDAR Margin ⁽¹⁾
Existing	17	91%	14%	90%	9.4	57,098	23.3%
New	3	9%	57%	10%	12.4	7,098	-26.5%

New: Mumbai, Delhi and Gurugram

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

(2) ALOS of matured set is 3.8 days and new units is 2.4 days

EBITDA and EBITDA Margin

INR mn

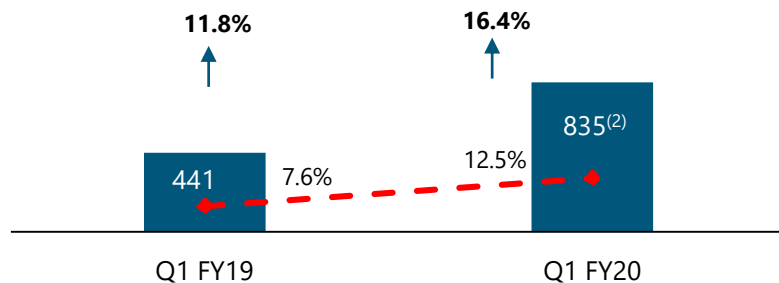
Movement across 3 New Hospitals

Q1 FY19

Q1 FY20

	Losses	Revenues		Losses	Revenues
Total	196	366	Total	167	574

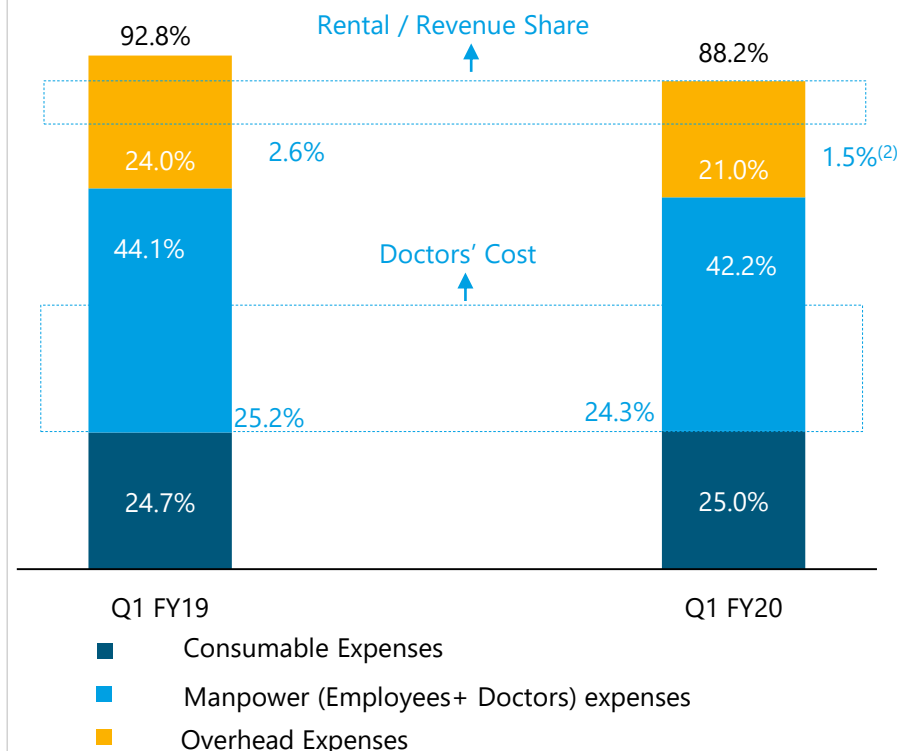
With the above, the adjusted EBITDA margins are as follows



- Heart Centres clocked an EBITDAR margin of 15.6%⁽¹⁾ in Q1 FY20

Cost Structure

% of Operating Revenues



(1) EBITDA before rental/revenue share and before allocation of any corporate expenses
 (2) As per the new accounting treatment for leases per IND AS 116 effective 1st April which resulted in INR 82.3 mn decrease in rental expenses on a like-to-like basis (pre IND AS 116).

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^(1,3)

Particulars (INR mn)	Q1 FY19	Q1 FY20
Total Operating Revenue	6,523	7,774
Purchase of Medical Consumables, Drugs and Surgical Equipment	1,563	1,903
Doctors Expenses	1,457	1,762
Employee (Excluding Doctors) Expenses	1,421	1,446
Other Admin Expenses	1,608	1,634
Total Expenses	6,049	6,746
Other Income	30	48
EBITDA	504	1,076
Depreciation and Amortization	326	414
Finance Costs	172	222
Exceptional Items	-	-
Profit before share of loss of equity accounted investees and income tax	6	440
Share of loss of equity accounted investees	18	7
Profit Before Tax	(11)	433
Tax Expense	30	130
PAT for the period	(41)	302
Total Comprehensive Income, net of tax	47	244

Key Balance Sheet Items^(1,4)

Particulars	30 th June 2019
Shareholder Equity	10,879
Total Debt	7,825
Long-Term Debt	7,818
Short-Term Debt	7
Net Block	17,151⁽²⁾
CWIP	150
Goodwill	660
Non-Current Investment	28
Net Receivables	3,126
Current Investment	595
Cash and Bank Balance	1,134

As on June 30th, 2019, the consolidated net debt was Rs 6,691 mn, representing a net debt to equity ratio of 0.62 (Out of which, debt worth US\$ 52.8 mn is foreign currency denominated).

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

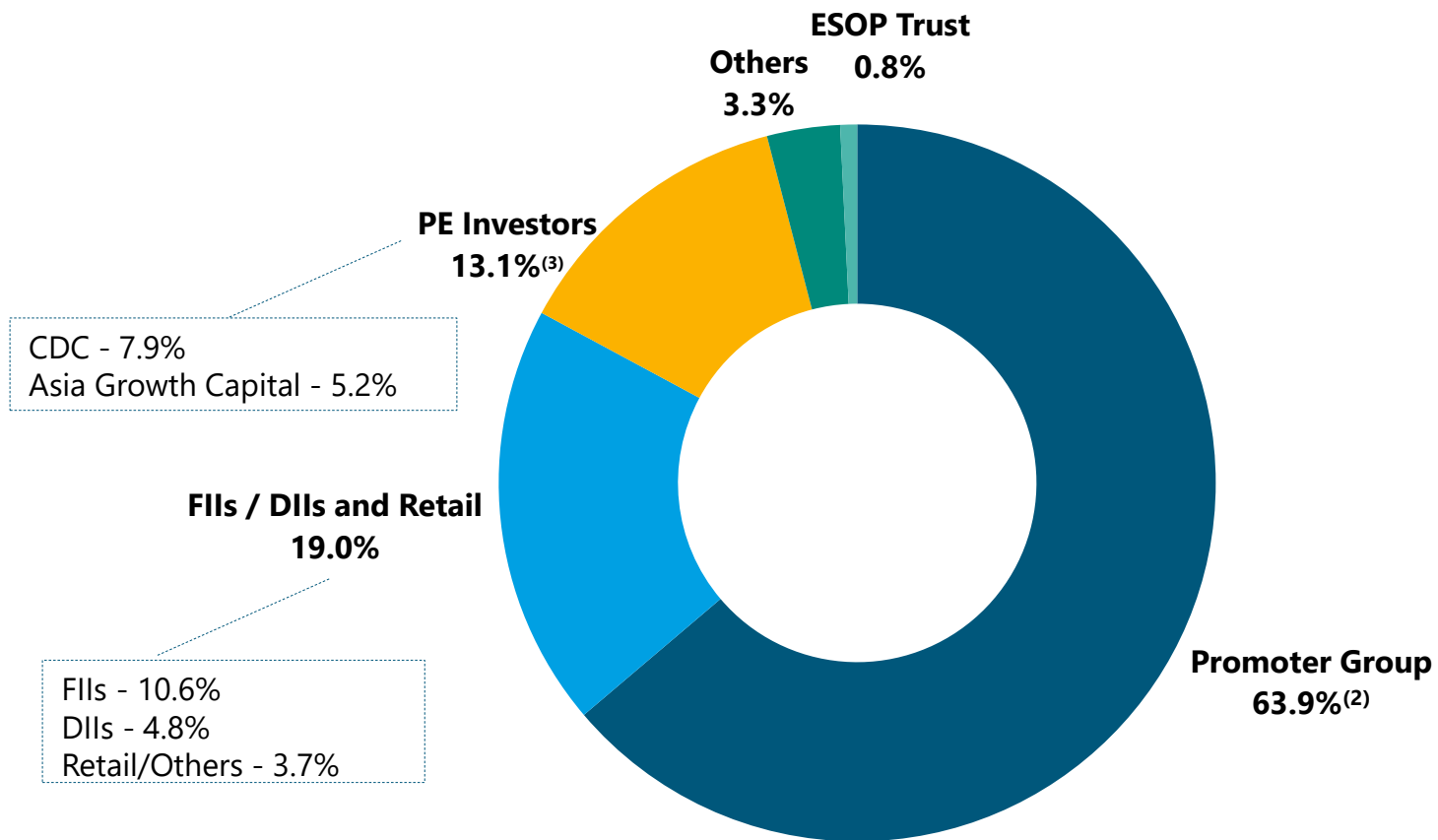
(2) Net Block includes non-cash government grant provision of Rs 1,255 mn and lease provision of Rs 1,032 mn

(3) As per the new accounting treatment for leases per IND AS 116 effective 1st April which resulted in INR 69 mn increase in depreciation, INR 41 mn increase in finance cost for Q1 FY 20 on a like-to-like basis (pre IND AS 116)

(4) As per the new accounting treatment for leases per IND AS 116 effective 1st April which has resulted in INR 1,589 mn increase in Balance Sheet with creation of Right to use asset net of decrease in Prepaid Rent in the Assets side being matched by corresponding creation of Lease liability net of decrease in Retained Earnings etc on the Liabilities side

Shareholding as on 30th June 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