

February 8, 2019

The National Stock Exchange of India Limited  
Exchange Plaza  
Bandra Kurla Complex, Bandra (E)  
Mumbai - 400051

The Bombay Stock Exchange Limited  
Phiroze Jeejeeboy Towers  
Dalal Street,  
Mumbai – 400001

**Subject: Investors Presentation on Unaudited Financial Results (Standalone and Consolidated) for the Quarter ended December 31, 2018.**

Dear Sir/Madam,

Please find attached herewith a copy of Company's Q3 FY19 Earnings Presentation, which the Company proposes to share with Analysts / Investors with respect to its Unaudited Financial Results (Standalone and Consolidated) for the Quarter ended December 31, 2018.

We request you to please take the same on record.

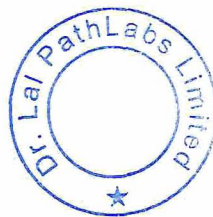
Thanking You,

Yours Faithfully,

For **Dr. Lal PathLabs Limited**



**Rajat Kalra**  
**Company Secretary & Legal Head**



Encl: As above



 *Dr Lal PathLabs*

# Dr. Lal PathLabs Limited (DLPL)

## Q3 & 9M FY19 Results Presentation

February 08, 2019

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# Q3 FY19 Snapshot

11.3%



Revenues

INR **2,925 mn**

Samples  
Processed

~**10.2 mn**

16.3%



Normalised  
EBITDA

INR **706 mn**

Patients  
Tested

~**4.28 mn**

27%



PAT

INR **461 mn**

Total  
Employees\*

~**4,316**

\*As on March 31, 2018,



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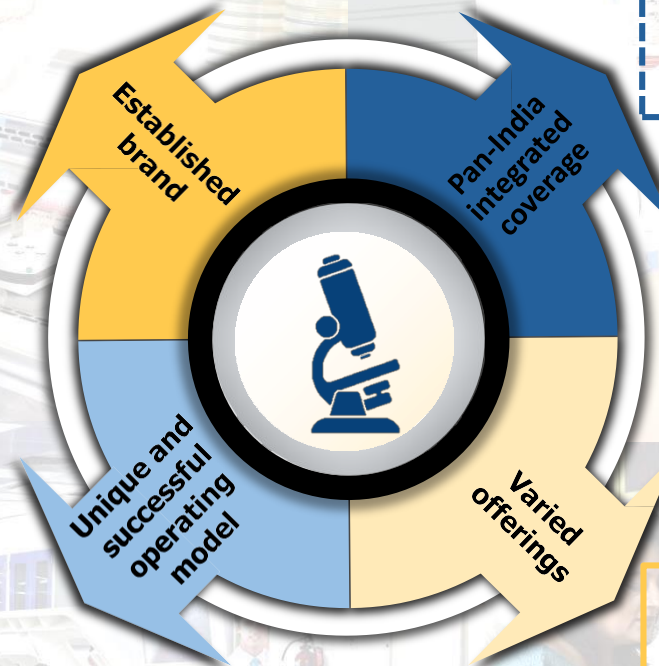


**DISCLAIMER:** This presentation may contain 'forward-looking' statements at places. The Company's business operations remain subject to undetermined contingencies and risks. Dr. Lal PathLabs Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

# Overview of Dr. Lal PathLabs

**Established consumer healthcare brand in diagnostic services**

**193 clinical labs (including National Reference Lab at Delhi and Regional Ref lab at Kolkata), 2,153 Patient Service Centers (PSCs) and 5,624 Pick-up Points (PUPs)\***



**Scalable model integrated through centralised IT platform allows for network expansion**

**Catalogue of 478 test panels, 2,425 pathology tests and 1,772 radiology and cardiology tests\*\***

Well-positioned in one of the fastest-growing segments of the Indian healthcare industry

\*As on March 31, 2018

\*\*As on December 31, 2018

# Key Performance Highlights

**Consistent growth in patient and samples volumes for Q3 at 12.1% and 17.3% respectively driving revenue growth for the quarter**

## **During Q3 FY19:**

- Revenues gained 11.3% YoY to Rs 2,925 million following 12.1% increase in patient volumes
- Number of patients tested stood at 4.3 million in Q3
- Normalised EBITDA (after eliminating the impact of stock based remuneration and CSR) was at Rs 706 million, a growth of 16.3%
- PAT for Q3 stood at Rs 461 million which is a growth of 27% over Q3FY18

**Cash, FDs and Liquid Investments at Rs 6,537 million as at December 31, 2018 from Rs. 6,332 million as at September 30, 2018**

**Company continues to deliver volume growth through heightened brand interaction and introduction of new high-end tests.**

- Introduced high end tests under the brand name Neuro pro & Onco pro
- Received good response to the marketing campaign on Diabetes in Q3FY19
- Interaction with customers through both digital and offline mediums driving higher walk-ins

Note: Financial results of the Company are best monitored on a year to date basis, as there is a certain level of seasonality in business and specific quarter performance may be influenced by certain occurrences in that quarter. All figures in the presentation pertain to the consolidated results in Ind-AS format.

## Financial Table

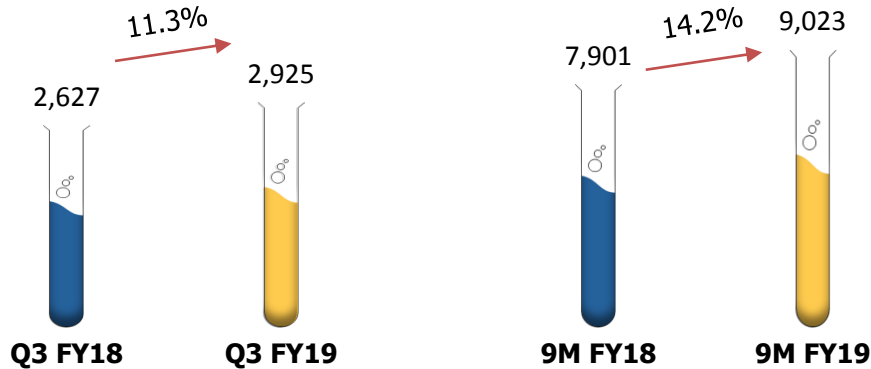
Particulars (Rs. mn)	Q3 FY19	Q3 FY18	Growth %	9M FY19	9M FY18	Growth %
<b>Total Revenue</b>	<b>2,925</b>	<b>2,627</b>	<b>11.3%</b>	<b>9,023</b>	<b>7,901</b>	<b>14.2%</b>
Total Expenditure	2,269	2,061		6,749	5,901	
<b>EBITDA</b>	<b>656</b>	<b>566</b>	<b>15.9%</b>	<b>2,274</b>	<b>2,000</b>	<b>13.7%</b>
Adj for stock based comp. & CSR Cost	50	41		130	95	
<b>Normalised operating EBITDA</b>	<b>706</b>	<b>607</b>	<b>16.3%</b>	<b>2,404</b>	<b>2,095</b>	<b>14.7%</b>
<i>Normalised Margins</i>	<i>24.1%</i>	<i>23.1%</i>		<i>26.6%</i>	<i>26.5%</i>	
Other income incl interest	122	71		325	223	
<b>PBT</b>	<b>679</b>	<b>555</b>	<b>22.3%</b>	<b>2,314</b>	<b>1,993</b>	<b>16.1%</b>
<i>Margins</i>	<i>23.2%</i>	<i>21.1%</i>		<i>25.6%</i>	<i>25.2%</i>	
<b>PAT</b>	<b>461</b>	<b>363</b>	<b>27%</b>	<b>1,531</b>	<b>1,315</b>	<b>16.4 %</b>
<i>Margins</i>	<i>15.8%</i>	<i>13.8%</i>		<i>17%</i>	<i>16.6%</i>	
<b>EPS (Basic)</b>	<b>5.56</b>	<b>4.39</b>	<b>26.7%</b>	<b>18.48</b>	<b>15.97</b>	<b>15.7%</b>
<b>EPS (Diluted)</b>	<b>5.55</b>	<b>4.39</b>	<b>26.4%</b>	<b>18.45</b>	<b>15.95</b>	<b>15.7%</b>



# Financial Highlights

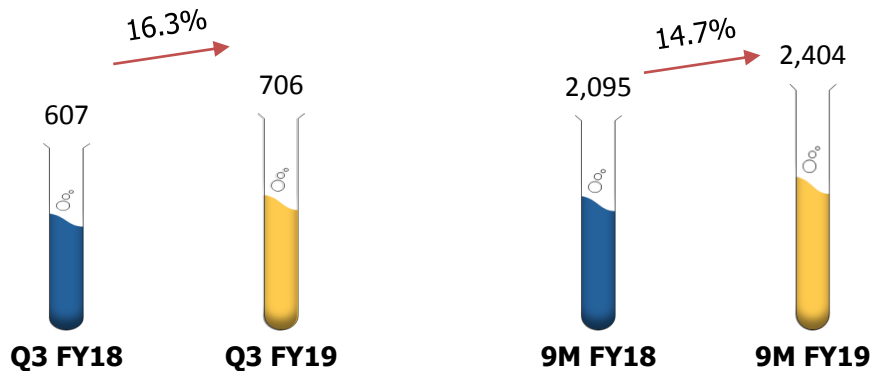
## Revenues

All figures in Rs. mn



- Q3 saw 11.3% improvement in revenues at Rs. 2,925 million. This was the result of:
  - Consistent momentum in volumes with 12.1 % growth
  - Gains in tests per patient from 2.28 to 2.38
- Q3FY19 realisation per patient stood at Rs. 683 as against Rs. 688 in Q3FY18
- 9M revenues delivered 14.2% increase on the back of 16.3 % rise in volumes

## Normalised EBITDA (after eliminating the impact of RSU and other stock based remuneration charges)

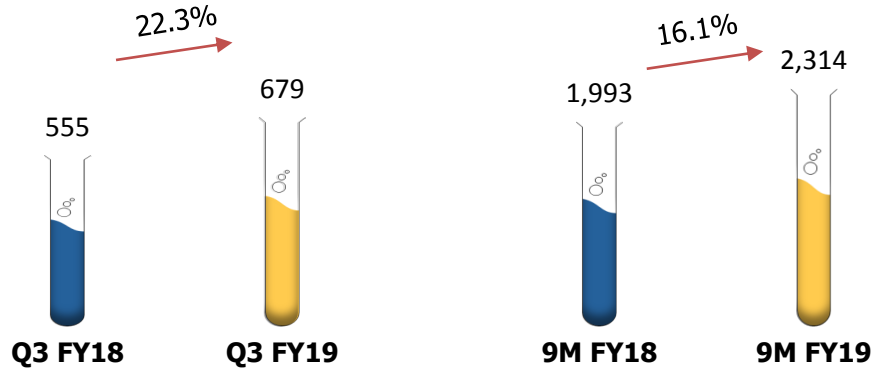


- Q3 normalised operating EBITDA (after eliminating the impact of stock based remuneration charges and CSR cost) grew 16.3%, due to:
  - Targeted efforts to enhance productivity & efficiency
  - Continuous cost optimization
- Q3 Normalised EBITDA margin was at 24.1% as compared to 23.1% last year
- 9M normalised operating EBITDA (after eliminating the impact of stock based remuneration charges and CSR cost) increased 14.7%. Margins stood at 26.6%

# Financial Highlights

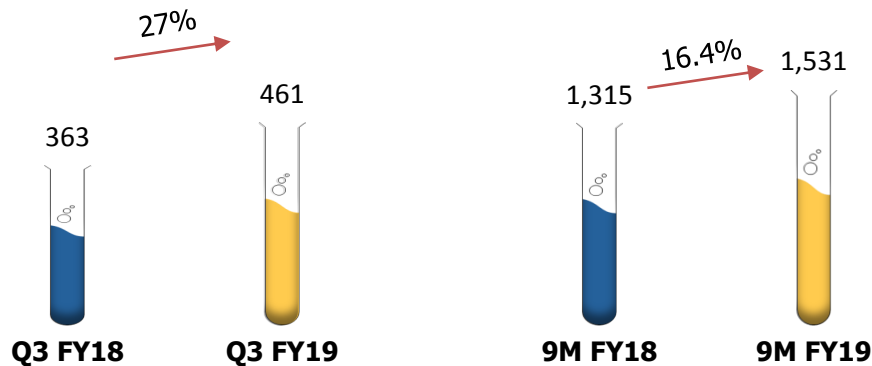
## PBT

All figures in Rs. mn



- Q3 PBT was at Rs. 679 million vs. Rs. 555 million last year
- Q3 PBT margin was at 23.2% from 21.1% last year
- 9M PBT came in at Rs. 2,314 million with margins of 25.6%

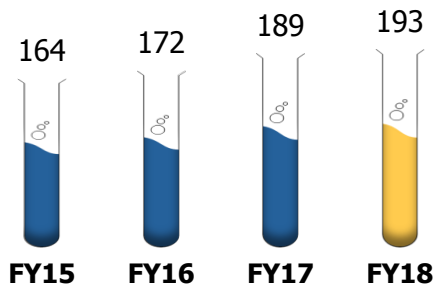
## PAT



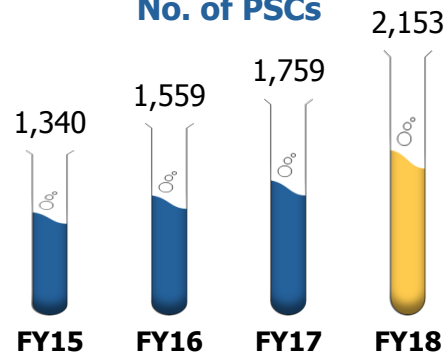
- Q3 PAT came in at Rs. 461 million from Rs. 363 million, an increase of 27%
- Q3 PAT margin stood at 15.8%
- 9M PAT at Rs. 1,531 million, higher by 16.4%. Margins at 17%

# Operating Highlights

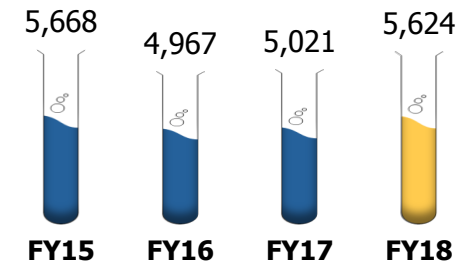
## No. of Clinical Laboratories



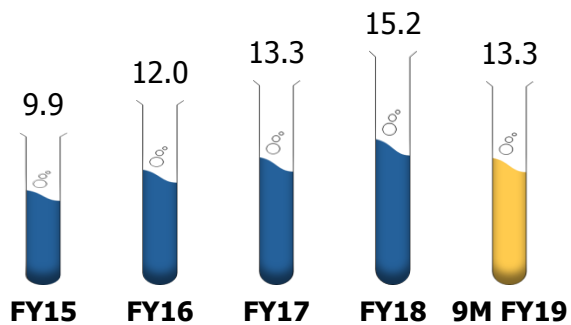
## No. of PSCs



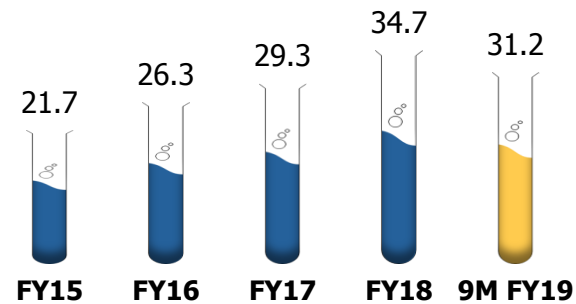
## No. of PUPs



## No. of patients (mn)



## No. of samples (mn)



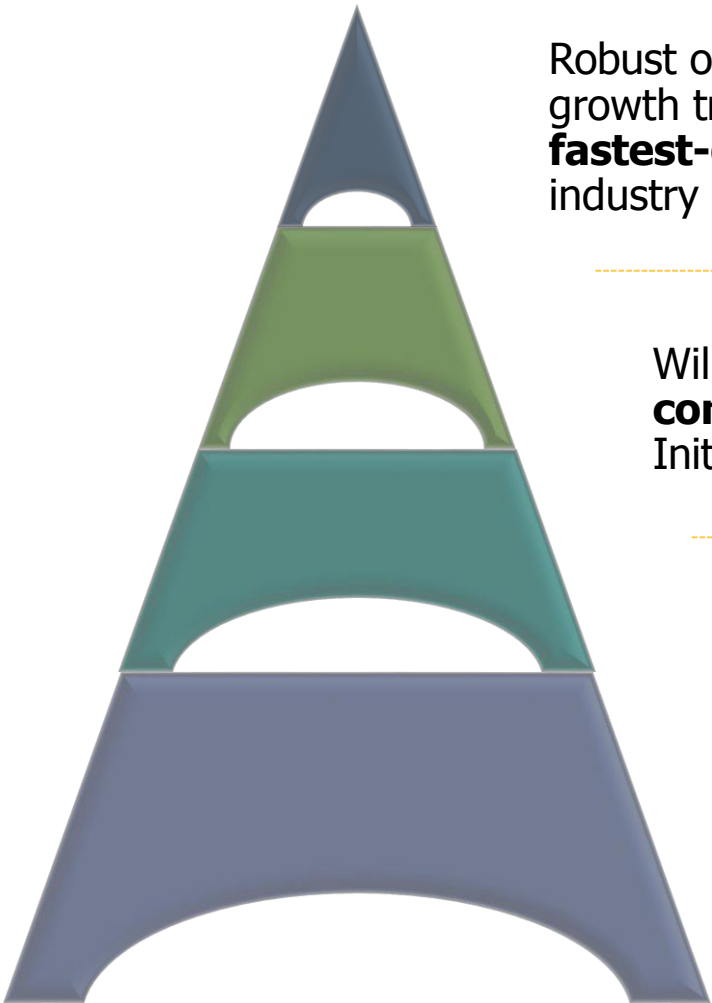
### **Commenting on the results announcement, Dr. Arvind Lal - Chairman and Managing Director said;**

*"I am pleased with the direction of progress that the DLPL brand is taking. As a premier healthcare services brand, our focus is to drive quality initiatives and services to the patient community. Investments made towards strengthening our operations are drawing in higher volumes through direct walk-in and online channels. As we look to venture our next leg of expansion, a consistent service delivery, enhanced network footprint and patient engagement will play an essential role."*

### **Commenting on the results announcement, Dr. Om Manchanda, CEO - Dr. Lal PathLabs said;**

*"We reported robust earnings growth during the quarter supported by higher volumes and tests per patient coupled with our efforts on optimising costs and bringing in operational efficiency."*

*We have improved our EBITDA margins despite inflation in certain costs. The East region has performed much better than the other markets, while West Bengal and North East have scope for further improvement. Our 'Swasthfit' initiative has proven to be a fruitful endeavor as it has resulted in higher samples per patient."*



Robust operating model best-positioned to capitalize on growth trends in diagnostic services -**one of the fastest-growing segments** of the Indian healthcare industry

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Will leverage established position of a **strong consumer healthcare brand** in diagnostic services  
Initiatives to improve brand connect to continue

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To grow model with **holistic approach with emphasis** on scalability of reach and IT processes

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**Driving profitable growth** while continuously strengthening our balance sheet



## Corporate Overview

- **DLPL Strategy for future growth**
- **Experienced Management team**



1) Strengthen Existing Operations



2) Expansion in Offering



3) Expand management of hospital based and clinical laboratories



4) Geographic expansion



## 1 Strengthen Existing Operations

Boosting quality & reliability standards

Improving turnaround times for testing

Grow basic radiology practice

Online initiatives and data analytics

Investment in branding

## 2 Expansion in Offering

Improve breadth of diagnostic testing

Cutting edge technology

Preventive healthcare screening

Chronic & Lifestyle disease mgmt. services

Expand reach in corporate segment

## 3 Expand management of hospital based and clinical laboratories

Tap incremental contracts for in sourcing test of hospitals and other clinical laboratories

Tap polyclinics

## 4 Geographic expansion

Focus city approach

Set up more clinical laboratories

Set up Regional Reference Laboratories

Consider alliances and acquisitions

# Experienced Management team



**(Hony.) Brig. Dr. Arvind Lal**

*Chairman and Managing Director*



**Dr. Om Manchanda**

*Whole-time Director and Chief Executive Officer*



**Dr. Vandana Lal**

*Whole-time Director*



**Ved Prakash Goel**

*Chief Financial Officer*



**Bharath Uppiliappan**

*CEO India Business*



**Shankha Banerjee**

*Chief Growth Officer*



**Munender Soperna**

*Chief Information Officer*



**Dr. Neelum Tripathi**

*National Director Lab Operations*



**Manoj Garg**

*Chief Human Resources Officer*



**Rajat Kalra**

*Company Secretary and Compliance Officer*



**Manoj Sahay**

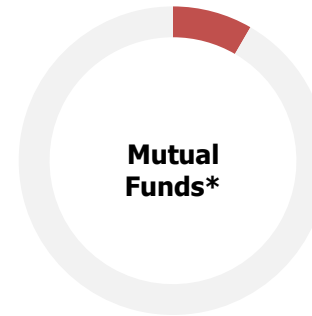
*Chief Marketing and Strategy Officer*

# Shareholding as of 31st December, 2018

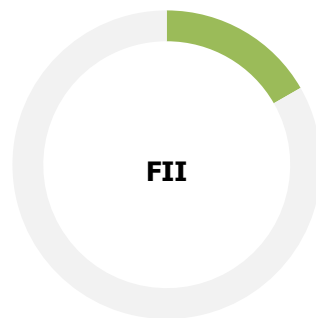
**56.9%**



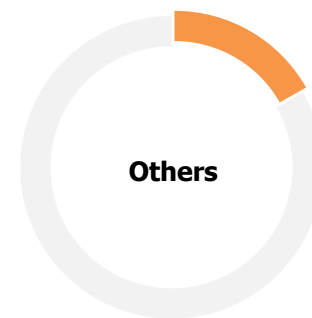
**8.4%**



**16.7%**



**18.0%**



\*Mutual Funds includes Alternate Investment Funds as well



### About Dr Lal PathLabs Limited (DLPL)

Dr Lal PathLabs Limited is one of India's leading consumer healthcare brand in diagnostic services.

It has an integrated nationwide network, where patients and healthcare providers are offered a broad range of diagnostic and related healthcare tests and services for use in: core testing, patient diagnosis and the prevention, monitoring and treatment of disease and other health conditions. The services of DLPL are aimed at individual patients, hospitals and other healthcare providers and corporates. The catalogue of services\* includes 478 test panels, 2,425 pathology tests and 1,772 radiology and cardiology tests.

As on March 31, 2018 DLPL's has 193 clinical labs (including National Reference Lab at Delhi), 2153 Patient Service Centers (PSCs) and 5624 Pick-up Points (PUPs). In FY17 & FY18, DLPL collected and processed approximately 29.3 million samples and 34.7 million samples from approximately 13.3 million and 15.2 million patients, respectively.

#### **Additional information on Dr Lal PathLabs Limited:**

Corporate Identification No: L74899DL1995PLC065388

Website: <https://www.lalpathlabs.com>

\*As on 31 December, 2018

### For further information please contact:

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