

February 08, 2018

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 and Nine months ended December 31, 2017

Dear Sir/Madam,

Please find attached a copy of Company's Q3 9M FY18 Earnings Presentation, which the Company proposes to share with Analysts / Investors with respect to its Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Nine Months ended December 31, 2017.

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 Limited (DLPL)

Q3 & 9M FY18 Results Presentation

February 08, 2018

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Q3 FY18 Snapshot

26.6%



Revenues

INR **2,627** mn

Samples
Processed

~**8.69** mn

20.2%



EBITDA

INR **566** mn

Patients
Tested

~**3.82** mn

17.7%



PAT

INR **364** mn

Total
Employees

~**4326**

Pilot testing operations commenced at the Regional Reference Laboratory at Kolkata



Kolkata Reference Lab received final regulatory clearances and pilot testing operations have commenced.

The World-class Lab will cater the demand from Northeast as well as Eastern regions of India. It will also cater to neighboring international markets.

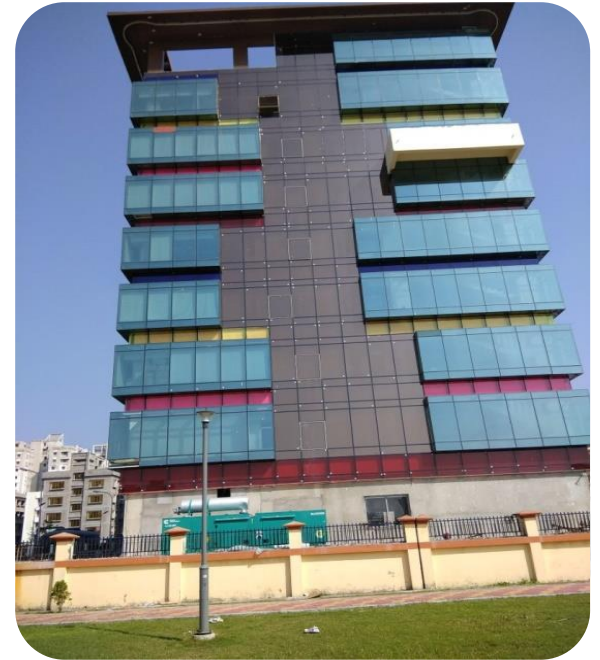


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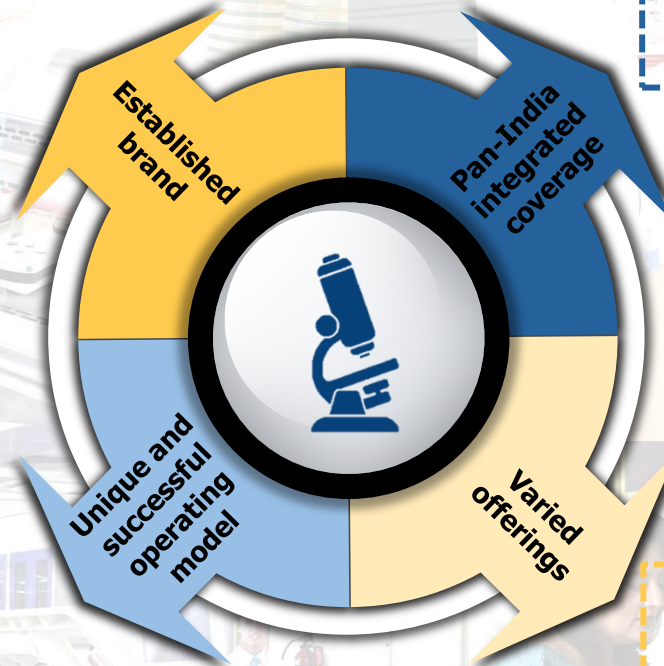


DISCLAIMER: This presentation may contain 'forward-looking' statements at places. The Company's business operations remain subject to undetermined contingencies and risks. Dr. Lal PathLabs Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit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

Overview of Dr. Lal PathLabs

Established consumer healthcare brand in diagnostic services

189 clinical labs (including National Reference Lab at Delhi), 1,759 Patient Service Centers (PSCs) and 5,021 Pick-up Points (PUPs)*



Scalable model integrated through centralised IT platform allows for network expansion

Catalogue of 1,110 test panels, 2,028 pathology tests and 1,561 radiology and cardiology tests*

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

*As on March 31, 2017

Key Performance Highlights

Strong volume momentum achieved in Q3 expected to continue; captures growth in patient volumes and tests per patient. Initiatives to mitigate impact from GST, market pricing pressures and wage corrections supporting margins

During Q3 FY18:

- Recorded revenues of Rs. 2,627 million in Q3 FY18, up 26.6% led by 26.1% volume growth
 - Base was lower in the previous year due to demonetisation
- Number of patients tested stood at 3.82 million in Q3
- Normalised EBITDA (after eliminating the impact of RSU and other stock based remuneration charges) stood at Rs. 595.9 million

Cash, FDs and Liquid Investments at Rs. 4,903 million as at December 31, 2017 from Rs. 4,330 million as at September 30, 2017

Completion of Kolkata RRL and natural accretion to available network across the country to drive expansion in East. Key features of performance will be:

- Traction in walk-ins expected to improve; online presence driving healthy uptake of services
- Additional streams to accrue from bundled tests rolled out nationally
- Disciplined approach to managing costs and driving margins

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

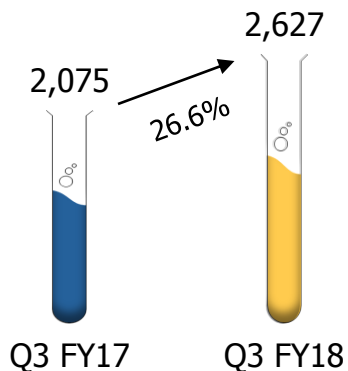
Particulars (Rs. mn)	Q3 FY18	Q3 FY17	Growth %	9M FY18	9M FY17	Growth %	FY17
Total Revenue	2,627.0	2,074.6	26.6%	7,900.6	6,924.7	14.1%	9,123.8
Total Expenditure	2,061.0	1,603.6		5,901.0	5,048.3		6,749.2
EBITDA	566.0	471.1	20.2%	1,999.6	1,876.4	6.6%	2,374.6
RSU and stock based remuneration charge	29.9	15.6		83.6	42.5		86.1
Normalised EBITDA excl RSU	595.9	486.6	22.5%	2,083.2	1,918.9	8.6%	2,460.7
<i>Normalised Margins</i>	<i>22.7%</i>	<i>23.5%</i>		<i>26.4%</i>	<i>27.7%</i>		<i>27.0%</i>
Other income incl interest	71.0	74.2	-4.3%	223.0	208.0	7.2%	275.2
PBT	555.0	472.0	17.6%	1,993.4	1,879.9	6.0%	2,367.3
<i>Margins</i>	<i>21.1%</i>	<i>22.7%</i>		<i>25.2%</i>	<i>27.1%</i>		<i>25.9%</i>
PAT	364.0	309.3	17.7%	1,319.5	1,237.0	6.7%	1,547.7
<i>Margins</i>	<i>13.9%</i>	<i>14.9%</i>		<i>16.7%</i>	<i>17.9%</i>		<i>17.0%</i>
EPS (Basic)	4.40	3.78	16.4%	16.01	15.13	5.8%	18.92
EPS (Diluted)	4.40	3.75	17.3%	16.00	15.03	6.5%	18.85

All figures as per Ind-AS except where stated

Financial Highlights

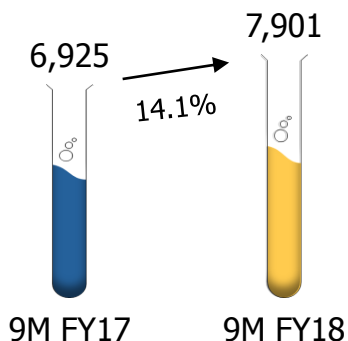
Revenues

All figures in Rs. mn



- Q3 showed strong growth in revenues at 26.6% to Rs. 2,627 million. Drivers during the quarter were:
 - Expansion in patient volumes which stood at 26.1%
- This maps to growth in the number of patients tested together with improvement in tests per patient metric

- Realisation per patient has stood stable at Rs. 688 owing to price rationalisations undertaken during the year in select geographies. This was partially offset by higher realisation from bundled tests

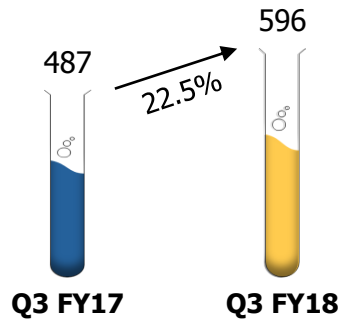


- Revenues in 9M came in at Rs. 7,900.6 million, rising 14.1% with healthy volume growth of 13.2%

Financial Highlights

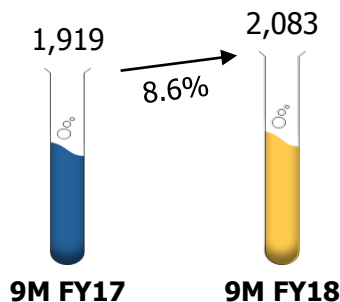
All figures in Rs. mn

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



- Q3 normalised EBITDA (after eliminating the impact of RSU and other stock based remuneration charges) showed 22.5% growth following:
 - Measures taken to enhance productivity
 - Better traction in cost management

- Pressures from GST, correction in minimum wages and market pricing for tests continue to impact to some extent
- Q3 Normalised EBITDA margin was at 22.7%



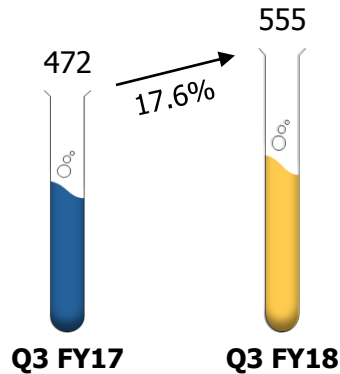
- 9M normalised EBITDA (after eliminating the impact of RSU and other stock based remuneration charges) showed growth of 8.6% to Rs. 2,083.2 million

- 9M normalised EBITDA margin stood at 26.4%

Financial Highlights

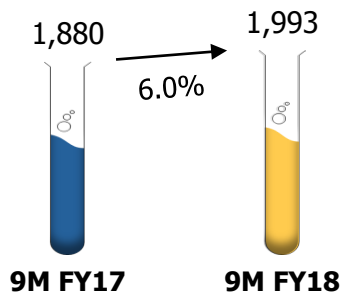
PBT

All figures in Rs. mn



- Q3 PBT stood at Rs. 555.0 million in vs. Rs. 472.0 million in same quarter last year

- Q3 PAT stood at Rs. 364.0 million vs Rs 309.3 million in Q3 previously

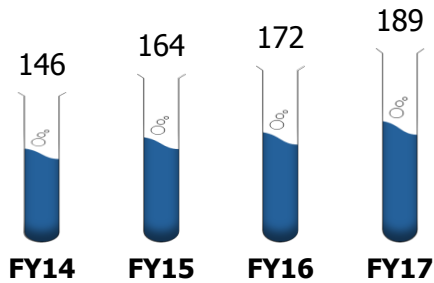


- 9M PBT rose 6% to Rs. 1,993.4 million from Rs. 1,879.9 million the year ago

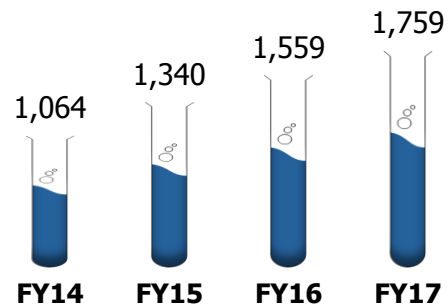
- 9M PAT increased 6.7% to Rs. 1,319.5 million from Rs 1,237.0 million in the previous period

Operating Highlights

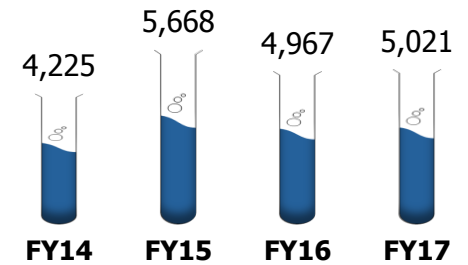
No. of Clinical Laboratories



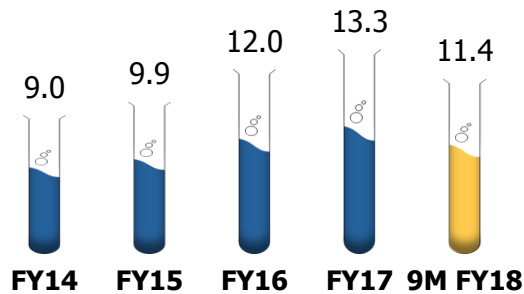
No. of PSCs



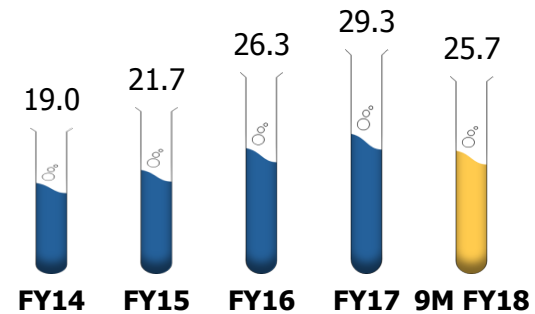
No. of PUPs



No. of patients (mn)



No. of samples (mn)

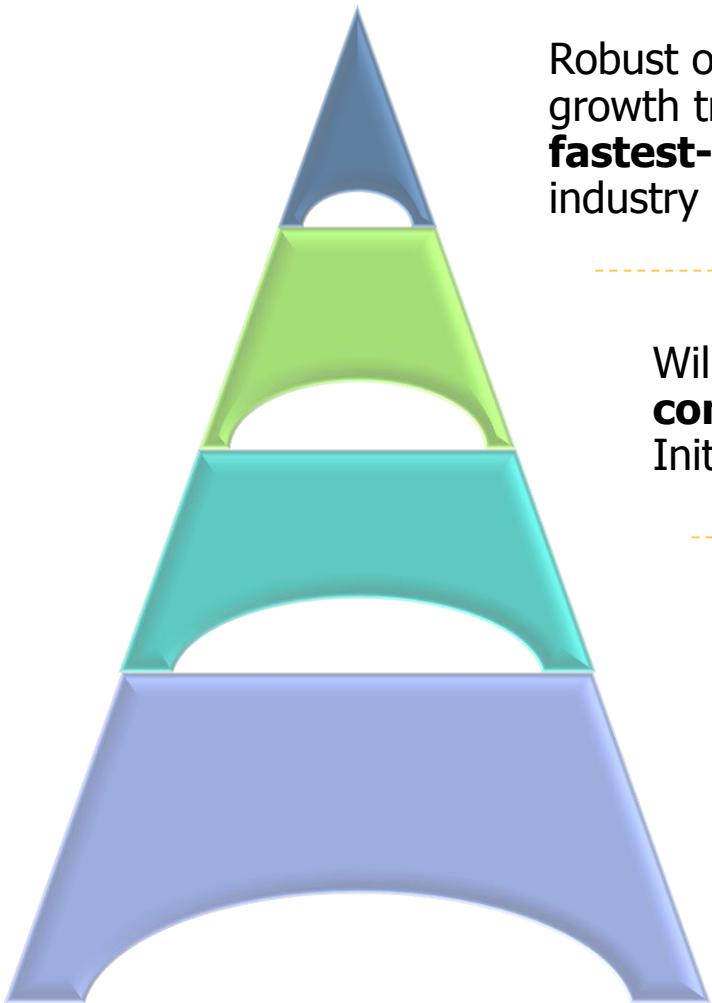


Commenting on the results announcement, Dr. Arvind Lal - Chairman and Managing Director said: "We have demonstrated a strong performance during the quarter backed by our focus on providing reliable and accurate diagnostic healthcare services to our customers through a robust network. With focus on quality and reliability of services combined with expanded product offerings, Dr. Lal is today one of India's leading consumer healthcare brand in diagnostic services. I am glad to share that we have commenced testing at the Regional Reference Laboratory at Kolkata and remain on track to do a market launch once the operations get stabilized."

Commenting on the results announcement, Dr. Om Manchanda, CEO - Dr. Lal PathLabs said: " We reported accelerated earnings growth during the quarter underlined by efforts on optimising costs as well as higher volumes recorded from gains in patient volumes and tests per patient.

We are mindfully managing the costs, optimising productivities and maintaining focus on what we have always believed in, through our disciplined approach. With the commissioning of the Kolkata Regional Reference Laboratory, we aim to realise the success of driving a hub and spoke set up in Eastern India and beyond in neighboring countries.

The outlook looks equally robust as our strategy to grow with the new Reference Lab fructifies and we are able to consolidate gains in the form of higher samples processed."



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

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

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

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



Dilip Bidani

Chief Financial Officer



Bharath Uppiliappan

Chief Operating Officer



Shankha Banerjee

Chief Growth Officer



Munender Soperna

Chief Information Officer



Dr. Neelum Tripathi

National Director Lab Operations



Manoj Garg

Chief Human Resources Officer



Ved Prakash Goel

Deputy CFO



Rajat Kalra

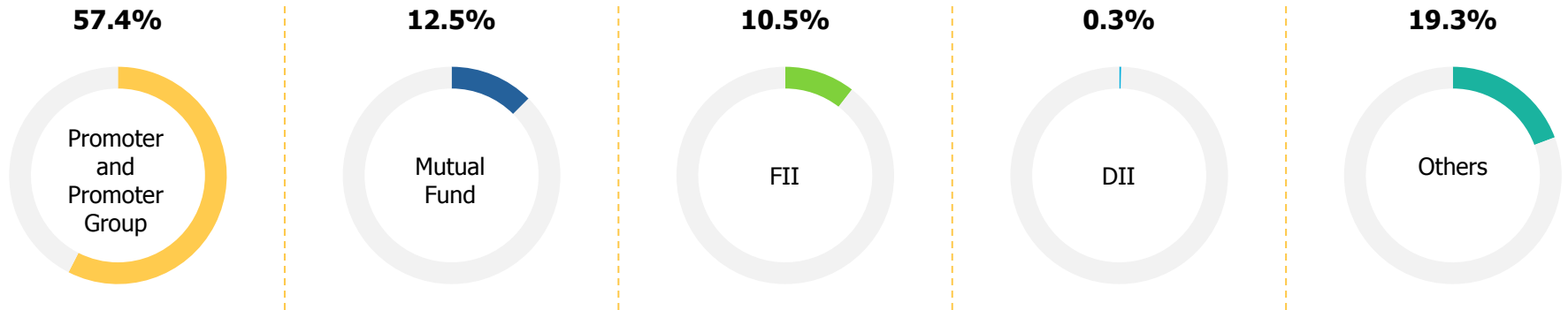
Company Secretary and Compliance Officer



Manoj Sahay

Chief Marketing and Strategy Officer

Shareholding as of 31st December, 2017



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 1,110 test panels, 2,028 pathology tests and 1,561 radiology and cardiology tests.

As on March 31, 2017 DLPL's has 189 clinical labs (including National Reference Lab at Delhi), 1,759 Patient Service Centers (PSCs) and 5,021 Pick-up Points (PUPs). In FY16 & FY17, DLPL collected and processed approximately 26.3 million samples and 29.3 million samples from approximately 12.0 million and 13.3 million patients, respectively.

Additional information on Dr Lal PathLabs Limited:

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

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