

Date of Submission: 02<sup>nd</sup> August 2017

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

Dear Sir/Madam,

**Sub: Investor Presentation for the quarter ended 30<sup>th</sup> June, 2017 and call invite.**

With reference to the captioned subject, please find enclosed Investor Presentation for the quarter ended 30<sup>th</sup> June, 2017 and call invite to discuss the Company's performance, on Friday August 04<sup>th</sup> 2017 at 3:30 pm IST.

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

Encl: A/A



 NH Narayana Health



# Quarterly Presentation - Q1 FY18

August 2017

No representation or warranty, express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the Company’s general business plans and strategy, its future financial condition and growth prospects, and future developments in its industry and its competitive and regulatory environment.

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.

This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any shares in the Company and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The Company may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. This presentation can not be copied and/or disseminated in any manner.



## Key highlights- Clinical and Operational

- A rare case of a 5 year old boy with fulminant hepatic failure was treated with an emergency liver transplant procedure at Mazumdar Shaw Medical Center, Bengaluru
- Narayana Superspecialty Hospital, Howrah, the leading oncology provider in the eastern region, continued to perform cutting-edge clinical work across multi-speciality domains with complex 'Arterial Switch' paediatric surgery being performed to treat life-threatening heart condition
- Shri Mata Vaishno Devi Narayana Superspecialty Hospital, Jammu celebrated its first anniversary and treated more than 1 lakh patients and performed ~1,800 surgeries within its first year of operations
- Extending advanced clinical programs beyond the metros, a minimal invasive surgery like TAVI was performed at Narayana Multispecialty Hospital, Mysore, first of its kind in the city
- NH commissioned 207 bedded SRCC Narayana Hospital at Haji Ali, Mumbai which is a premier one-of-its kind paediatric facility
- NH acquired a near-complete ~230 bedded hospital in Gurugram which is expected to be commissioned in next 7 months



## Awards and Honors

- NH won BW Business World Digital India Award for "Most Innovative Citizen Engagement through Technology" in May 2017
- NH featured in "India's Top 500 Companies 2017" list by Dun & Bradstreet in June 2017
- Narayana Multispecialty Hospital, Raipur was felicitated with an award for its participation in Raipur Smart City Summit



## Financial Performance

- Operating revenue of INR 5,211 mn, an increase of 15.3% YoY
- EBITDA of INR 556 mn, reflecting an EBITDA margin of 10.7%
- Net debt of INR 2,839 mn as on 30<sup>th</sup> June, 2017, reflecting net debt to equity ratio of 0.29

As on 1<sup>st</sup> July 2017



50 Healthcare Facilities	Operational beds
20 Owned / Operated Hospitals <sup>(1)</sup>	4,721 Beds
3 Managed Hospitals <sup>(2)</sup>	587 Beds
7 Heart Centres	376 Beds
19 Primary Healthcare Facilities <sup>(3)</sup>	10 Beds
1 Hospital in Cayman Islands	105 Beds



7,000 Capacity Beds
5,799 Operational Beds
2.8 mn <sup>(4)</sup> Average Effective Capital Cost per Operational Bed



30+ Specialities

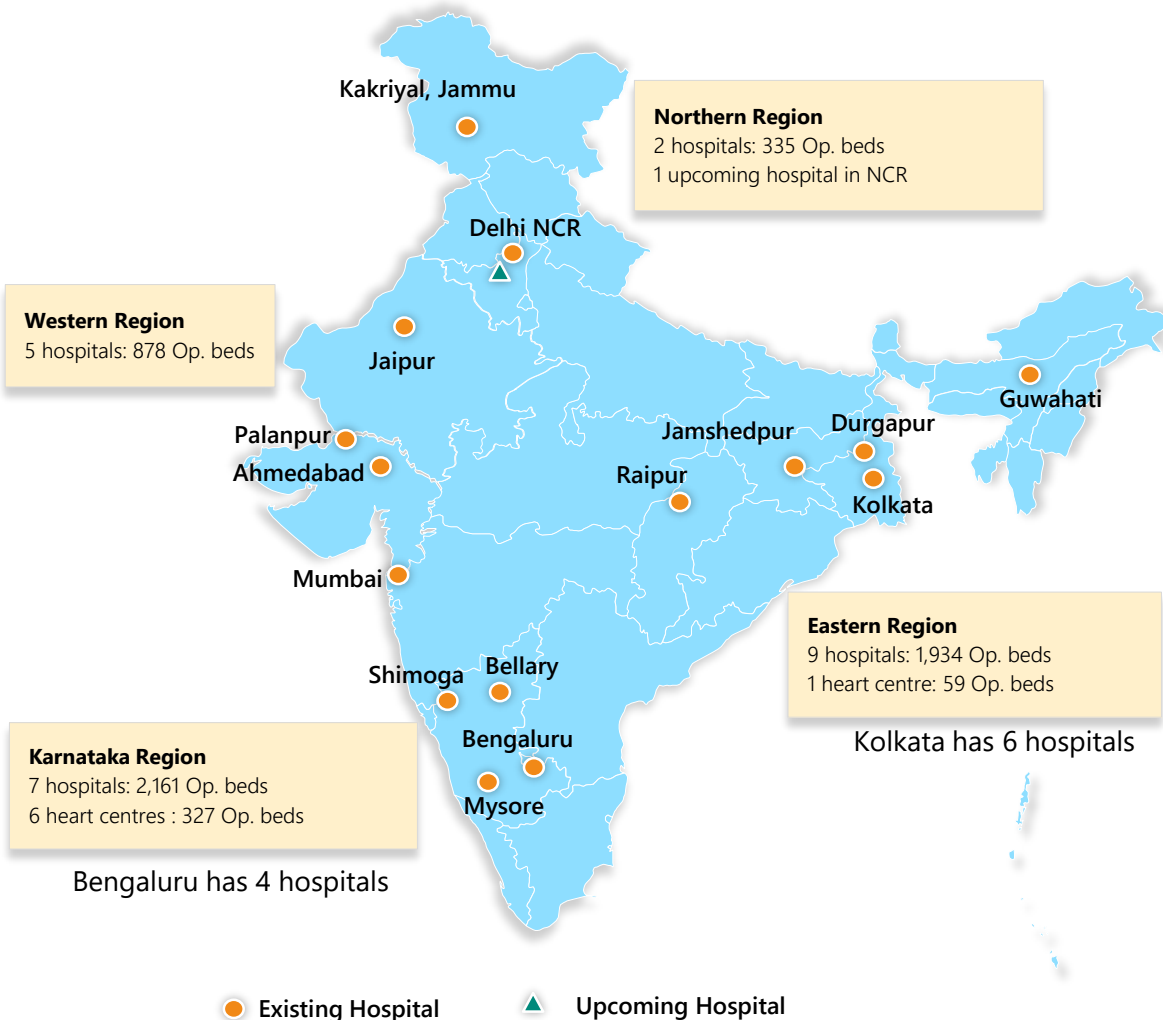


330<sup>(5)</sup> Daily Average Surgeries and Procedures



14,601 Full-time Employees and Associates including 3,083 doctors

## NH's footprint in India



(1) NH owns the P&L responsibility

(2) NH manages 3<sup>rd</sup> party hospitals for Management Fees

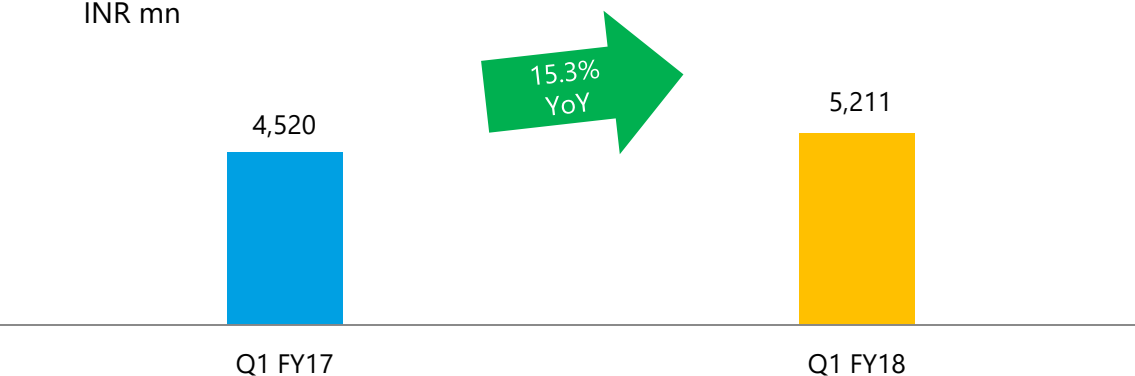
(3) Includes clinics, information centres, etc

(4) Based on (Gross Block for Fixed Assets (adjusted for non-cash government grant provision and non-cash lease provision) + Capital Work in Progress (CWIP, excluding New Rise)) / Number of operational beds as of 30th June 2017. excludes Managed Hospitals and Cayman facility

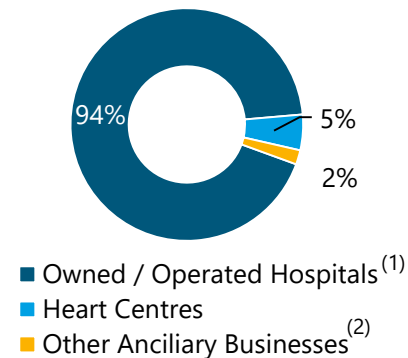
(5) Daily average calculated on a 91 days basis for Q1 FY18; excludes Vaishno Devi unit

## Operating Revenue

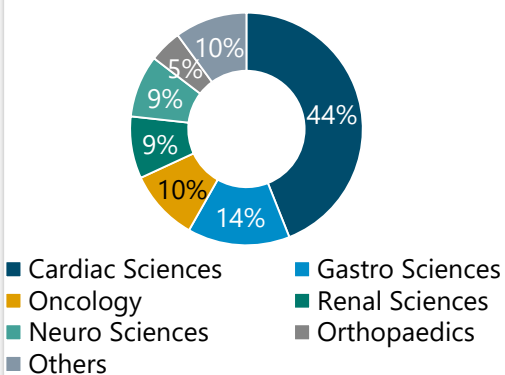
INR mn



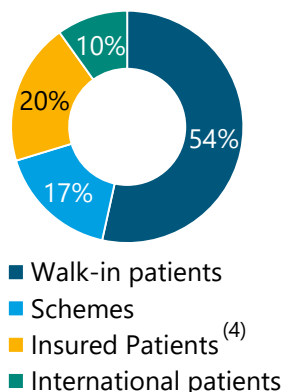
## Business Mix<sup>(8)</sup>



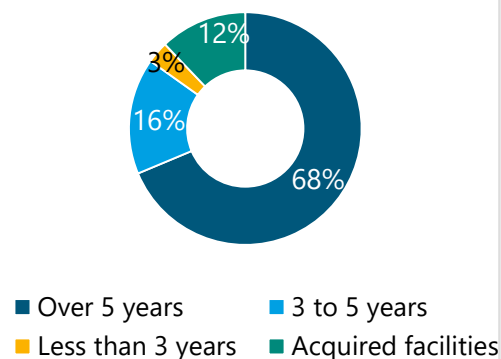
## Speciality-Profile<sup>(7,8)</sup>



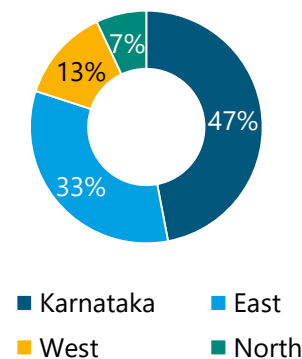
## Payee-Profile<sup>(3,8)</sup>



## Maturity-Wise<sup>(5,8)</sup>



## Cluster-Wise<sup>(5,6)</sup>



(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 excluding Dharamshila and clinics: Schemes include CGHS, ESIS, other state government schemes

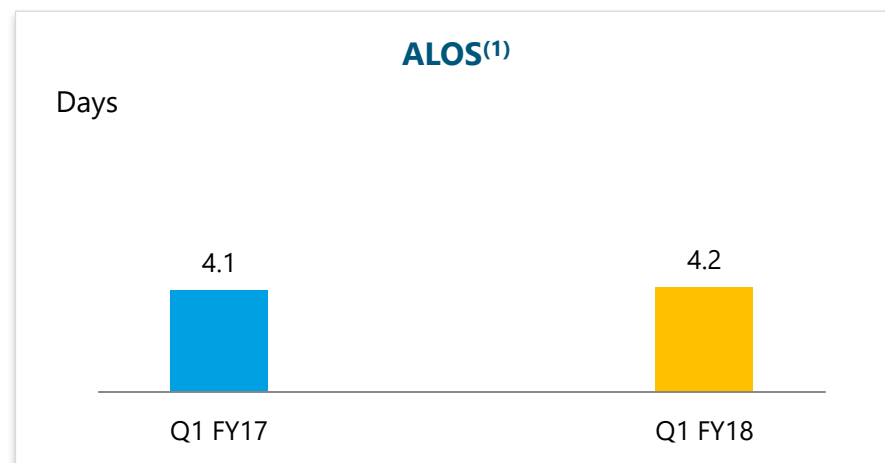
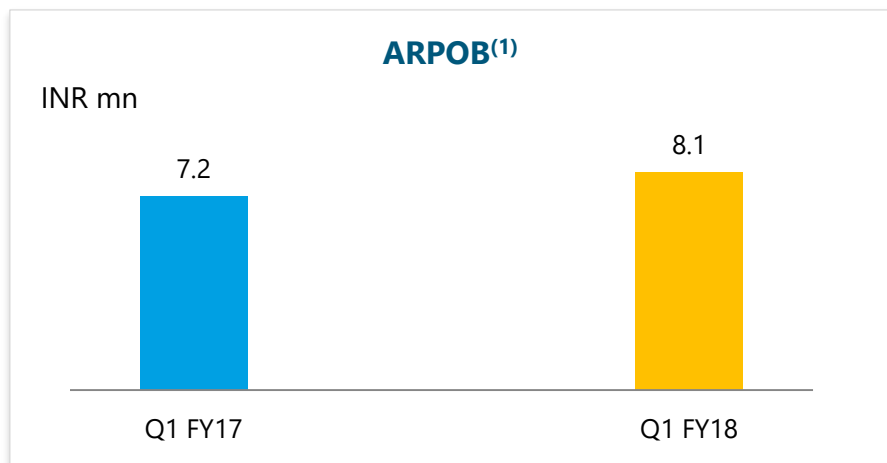
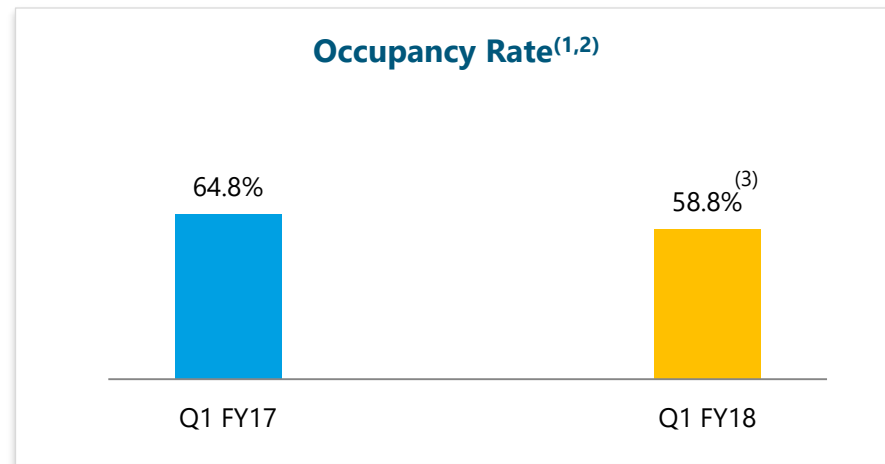
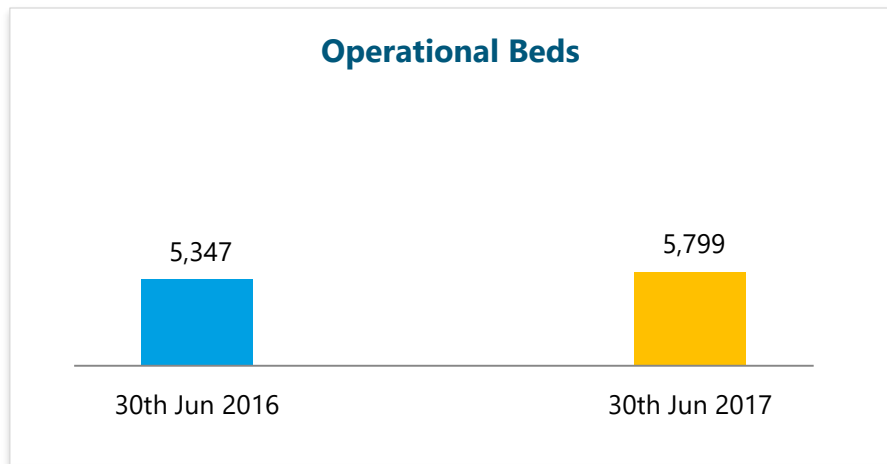
(4) Includes Insurance-covered patients, corporate patients (including public sector undertakings)

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

(6) Western cluster includes units at Ahmedabad, Jaipur, Raipur, Palanpur and Mumbai and Northern cluster includes units at Jammu and Delhi

(7) Calculated on IP revenue; 6 core specialities (cardiac sciences, renal sciences, oncology, neurosciences, gastroenterology and orthopaedics) account for ~90% of IP revenue in Q1 FY18, excludes Jammu and clinics data

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



(1) Excludes Managed Hospitals & Cayman facility

(2) Occupancy calculated on census beds

(3) Includes ~ 300 operational beds commissioned across our recently opened Delhi and Mumbai units

Region	Hospitals <sup>(1)</sup>	% of Hospital Operating Revenue <sup>(2)</sup>	YoY Growth	% of Hospital Operational Beds <sup>(1)</sup>	Operational Parameters <sup>(2)</sup>
					ARPOB (INR mn)      Occupancy
Karnataka Region	7 <sup>(3)</sup>	47%	↑ 15%	41%	8.6      61%
Eastern Region	9 <sup>(3)</sup>	33%	↑ 8%	36%	7.1      69%
Western Region	5 <sup>(3)</sup>	13%	↑ 8%	17%	7.4      54%
Northern Region	2	7%	↑ 288% <sup>(4)</sup>	6%	10.5      45%

(1) Includes Managed hospitals and excludes Cayman facility

(2) Excludes Managed hospitals and Cayman facility

(3) Karnataka, Eastern and Western clusters include 1 managed hospital each

(4) Dharamshila unit was not there in Q1 FY17

- Karnataka cluster includes NICS, MSMC, units at Shimoga, Mysore, HSR, Whitefield and Bellary
- Eastern cluster includes RTIICS, RNN, NSC, Barasat, Guwahati, 2 units of MMRHI, Jamshedpur and Durgapur
- Western cluster includes units at Ahmedabad, Jaipur, Raipur, Palanpur and Mumbai
- Northern cluster includes units at Jammu and Delhi



Maturity <sup>(1)</sup>	Hospitals <sup>(2)</sup>	% of Hospital Operating Revenue <sup>(3,6)</sup>	YoY Growth	% of Hospital Operational Beds <sup>(2)</sup>	Key Performance Indicators <sup>(3)</sup>		
					ARPOB (INR mn)	Occupancy <sup>(5)</sup>	EBITDAR Margin <sup>(4)</sup>
Over 5 years	8	68%	11%	53%	8.2	67%	23.9%
3 to 5 Years	6	16%	13%	18%	7.2	56%	8.6%
Less than 3 years	5	3%	90%	16%	7.9	42%	-42.9%
Acquired Operations	4	12%	62%	13%	7.8	52%	9.0%

(1) Maturity determined as on 31<sup>st</sup> March'17

(2) Includes Managed hospitals and excludes Cayman facility

(3) Excludes Managed hospitals and Cayman facility

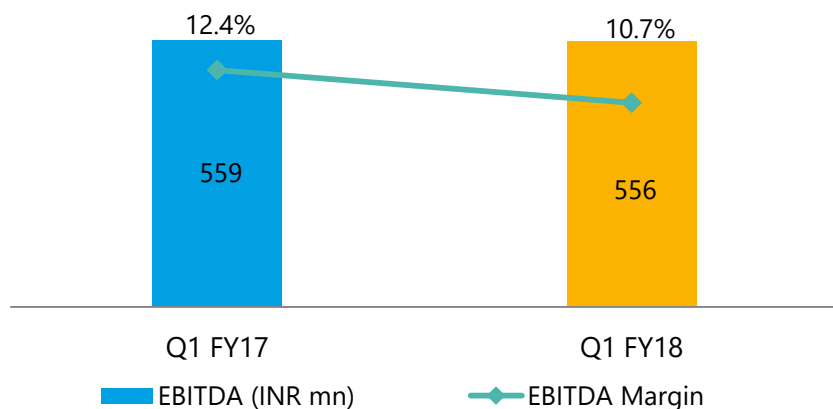
(4) EBITDA before rental/revenue share and before allocation of any corporate expenses

(5) Occupancy is calculated on Census beds

(6) Percentages in pie might not add up to 100% due to rounding off

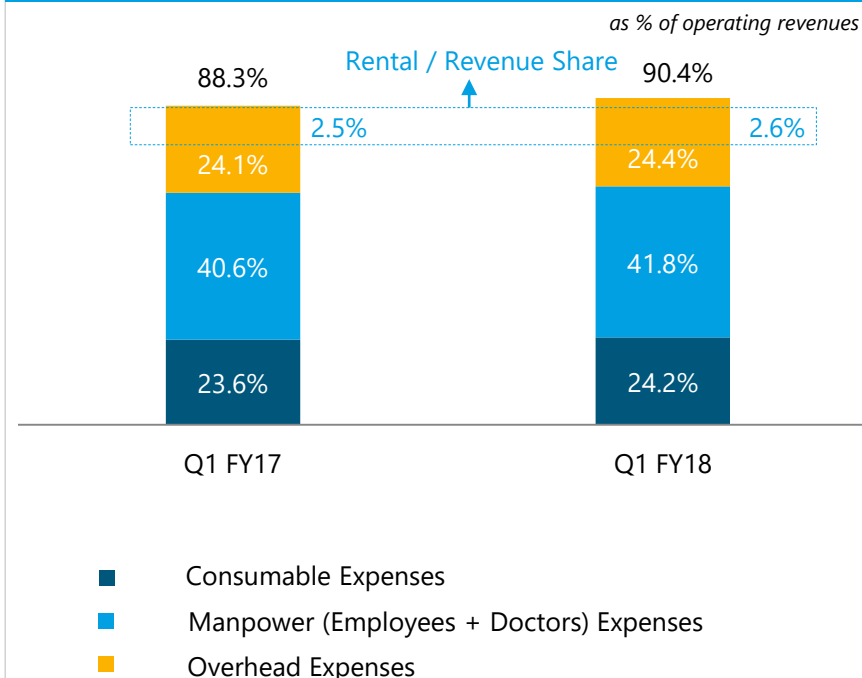
- Over 5 years include NICS,MSMC, RTIICS, units at Jaipur, Raipur, Jamshedpur and 2 other units at Kolkata viz. RTSC, RNN  
 - 3-5 years include units at, Ahmedabad, Mysore, Shimoga, HSR, Whitefield and Guwahati  
 - Less than 3 years include 3 managed hospitals and 2 units at Kakriyal and Mumbai  
 - Acquired facilities include 2 units of MMRHL, Kolkata, units at Barasat (Kolkata) and Dharamshila

## EBITDA and EBITDA Margin



- Heart Centres clocked an EBITDAR margin of 7.9%<sup>(1)</sup> in Q1 FY18
- Hospital at Cayman Islands achieved operating revenue of USD 9.7 mn and EBITDA of USD 0.7 mn in Q1 FY18

## Cost Structure<sup>(2)</sup>



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

(2) 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

## Profit and Loss Statement<sup>(1)</sup>

Particulars (INR mn)	Q1 FY18	Q1 FY17
<b>Total Operating Revenue</b>	<b>5,211</b>	<b>4,520</b>
Purchase of Medical Consumables, Drugs and Surgical Equipment	1,261	1,067
Employee (Excluding Doctors) Expenses	999	828
Doctors Expenses	1,178	1,007
Other Admin Expenses	1,269	1,089
<b>Total Expenses</b>	<b>4,707</b>	<b>3,991</b>
Other Income	52	31
<b>EBITDA</b>	<b>556</b>	<b>559</b>
Depreciation and Amortization	218	190
Finance Costs	103	55
<b>Profit before share of loss of equity accounted investees and income tax</b>	<b>235</b>	<b>315</b>
Share of loss of equity accounted investees (Share in loss of associates and MI)	25	24
<b>Profit before Tax</b>	<b>210</b>	<b>291</b>
Tax Expense	100	118
<b>PAT after MI and share of associate</b>	<b>109</b>	<b>172</b>
Total Comprehensive Income, net of tax	111	182

## Key Balance Sheet Items<sup>(1)</sup>

Particulars (INR mn)	30 <sup>th</sup> June 2017
<b>Shareholder Equity</b>	<b>9,759</b>
<b>Total Debt</b>	<b>3,197</b>
Long-Term Debt	2,767
Short-Term Debt	430
<b>Net Block</b>	<b>11,632<sup>(2)</sup></b>
Goodwill	581
Non-Current Investment	925
Net Receivables	1,760
<b>Cash and Cash Equivalents</b>	<b>357</b>

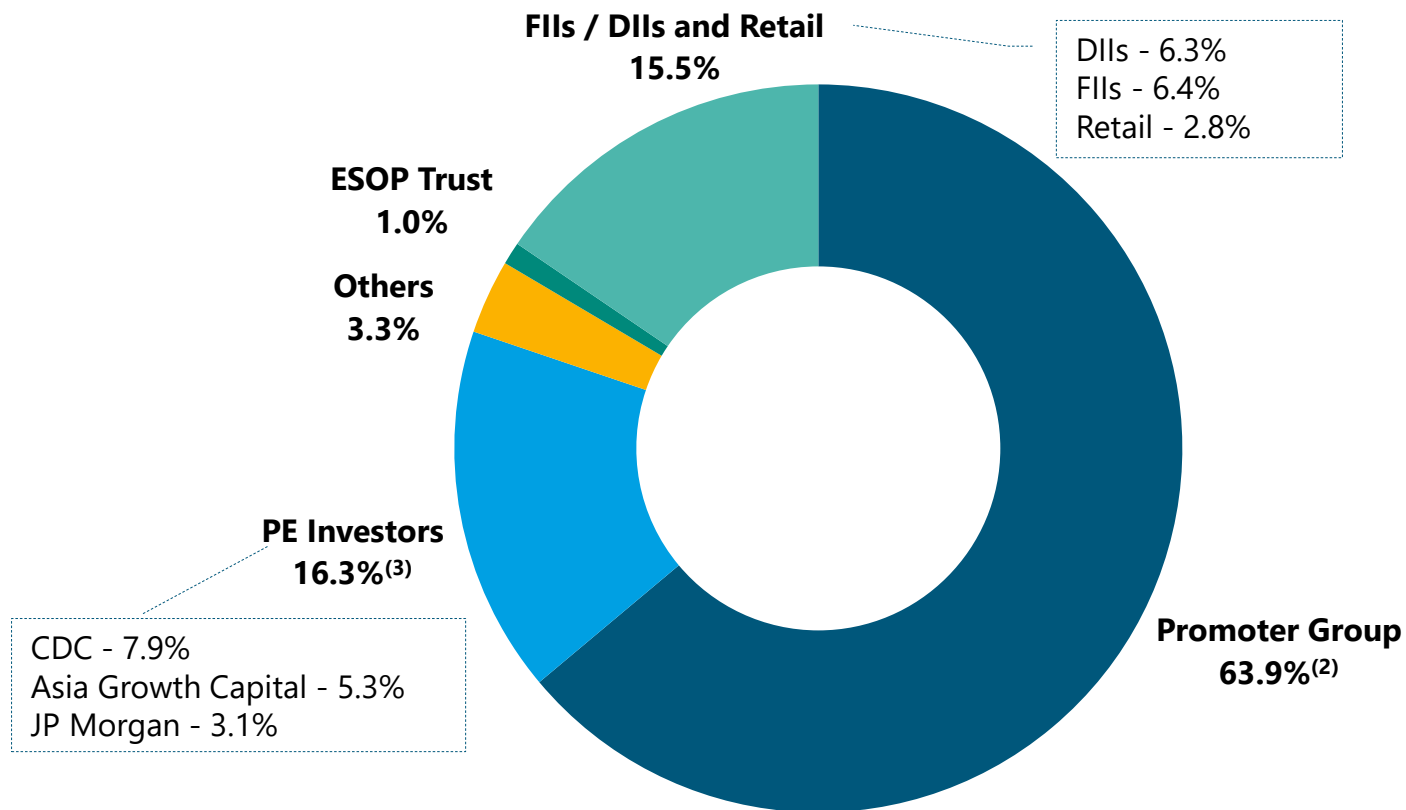
**As on 30th June 2017, the consolidated net debt was INR 2,839 mn, representing a net debt to equity ratio of 0.29**

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

(2) Net Block includes non-cash government grant provision of Rs 1,448 mn and non-cash lease provision of Rs 519 mn

**Total Number of Shares**  
**204,360,804**

**Shareholding as on 30<sup>th</sup> June 2017<sup>(1)</sup>**



<sup>(1)</sup> Percentages might not add up to 100% due to rounding off

<sup>(2)</sup> Includes 2.8% held by NHAPL (Narayana Health Academy Private Limited)

<sup>(3)</sup> PE investors have been shareholders prior to the IPO

## **Q1 FY18 Result Conference Call**

**At 3:30 PM, IST on August 4<sup>th</sup>, 2017**

**Following the announcement of the first quarter (Q1 FY18) ended June 30<sup>th</sup>, 2017 results on August 2<sup>nd</sup>, 2017, the management of Narayana Hrudayalaya Limited will host a conference call to discuss the Company's performance on August 4<sup>th</sup>, 2017 at 3:30 pm IST.**

Details of the conference call are as under:

<b>Date:</b>	Friday, August 4 <sup>th</sup> , 2017
<b>Time:</b>	3:30 pm IST
<b>Dial-in Numbers:</b>	
<b>Primary Number</b>	+91 22 3938 1009
<b>Local Access Number</b>	3940 3977 <sup>^</sup>
<b>International Toll Free Numbers</b>	USA - 1 866 746 2133 UK - 0 808 101 1573 Singapore - 800 101 2045 Hong Kong - 800 964 448
<b>Pre-Registration Facility</b>	<a href="#">Click here</a> to pre-register for the call and dial in directly without waiting for the operator.
<b>Transcript</b>	The transcript will be uploaded on our website <a href="http://www.narayanahealth.org">www.narayanahealth.org</a>

*<sup>^</sup>Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune. Accessible from all carriers.*

### **About Narayana Hrudayalaya Limited**

Founded in 2000 by Dr. Devi Prasad Shetty and headquartered in Bengaluru, Narayana Hrudayalaya Limited is one of the leading healthcare service providers in India, operating a chain of multispecialty, tertiary and primary healthcare facilities. The Company has a network of 23 hospitals and 7 heart centres across India and a single hospital overseas in Cayman Islands with close to 5,800 operational beds across all its centres and potential to reach a capacity of over 7,000 beds.