

June 2, 2017

The National Stock Exchange of India Limited
Exchange Plaza,
Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

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

Subject: Disclosure of information under Regulation 30 of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015

Dear Sir/Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Regulations"), please find attached herewith Corporate Presentation of the Company, which the Company proposes to share with analysts/investors.

The aforesaid presentation is also available on the Company's website - www.lalpathlabs.com

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



Corporate Presentation

May 2017

Table of Contents

- 1 Our Evolution**
- 2 Dr Lal PathLabs at a glance**
- 3 Experienced Management team**
- 4 Investment Highlights**
- 5 Key Q4 & FY17 Highlights**
- 6 Q4 & FY17 Financial Performance**
- 7 LPL Strategy for future growth**
- 8 Annexures**

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.

Our Evolution

1949 – 2005

Foundation

- **1949:** Founded by Dr. Major S. K. Lal
- **1995:** Company incorporated as Dr. Lal PathLabs Private Ltd.
- **2000:** Three clinical labs receive NABL¹ accreditation
- **2001:** Received ISO 9001:2008 certification
- **2002:** Received 'International Accreditation' from CAP²

2005 – 2010

Building capabilities for scale up

- **2005:** onwards: Investment by WestBridge Capital
- **2008:** Acquisition of Paliwal Medicare Private Limited and Paliwal Diagnostics Private Limited
- **2010:** National Reference Lab set up in Delhi

2010 – 2017

Strong position in North India, building network in other geographies

- Investment by TA Associates
- Clinical laboratories expansion in North region
- Growing the business in East region
- Entry into the South and West regions
- Multiple acquisitions to scale network
- Successful listing in Dec 2015
- Initiated process to set up new Regional Reference Lab in Kolkata

1. NABL: National Accreditation Board for Calibration and Testing Laboratories.
2. CAP: College of American Pathologists.

Dr. Lal PathLabs at a glance

Established **consumer healthcare brand in diagnostic services**

Pan-India integrated coverage with **189** clinical labs (including National Reference Lab¹ at Delhi), **1,759** Patient Service Centers (PSCs) and **5,021** Pick-up Points (PUPs)²

Catalogue of **1,110** test panels, **2,028** pathology tests and **1,561** radiology and cardiology tests²

Collected and processed **~29.3 mn** samples from **~13.3 mn** patients in FY17; **~26.3mn** samples from **~12.0mn** patients in FY16;

Customers include individual patients, corporates and institutions, healthcare providers as well as hospital and clinical labs (lab management)

~4,265 employees including full time consultants, pathologists, phlebotomists and radiologists²

FY17: Revenue: **INR 9,124mn**; EBITDA: **INR 2,465mn**³ (Margin: **27.0%**); PAT: **INR 1,552mn** (Margin: **17.0%**)

Test Menu

Routine testing

- Bio-chemistry
- Hematology
- Clinical pathology
- Microbiology
- Basic radiology

Specialized testing

- Molecular diagnostics
- Flowcytometry
- Genetics / Cytogenetics
- Histopathology

Accreditations



NABL

27 Labs



ISO15189:2007
ISO9001:2008
ISO27001:2013

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

COO (Strategic Business Unit 1)



Shankha Banerjee

COO – Strategic Business Unit II



Munender Soperna

Chief Information Officer



Dr. Neelum Tripathi

National Director Lab Operations



Manoj Garg

Chief Human Resources Officer



Ved Prakash Goel

Vice President Finance



Rajat Kalra

Company Secretary and Compliance Officer



Manoj Sahay

Chief Marketing and Strategy Officer

Investment Highlights

1

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

2

Established consumer healthcare brand in diagnostic services

3

Scalable model integrated through centralized IT platform allows for network expansion

4

Attractive operating metrics and multiple levers in place to drive next phase of growth

5

Robust financial performance and return on invested capital

Indian Healthcare Services is a large growth opportunity

1

1.42 bn
India's expected population in 2026

7.6%
GDP growth in FY16¹

INR 4.2 trillion
FY14 India healthcare expenditure

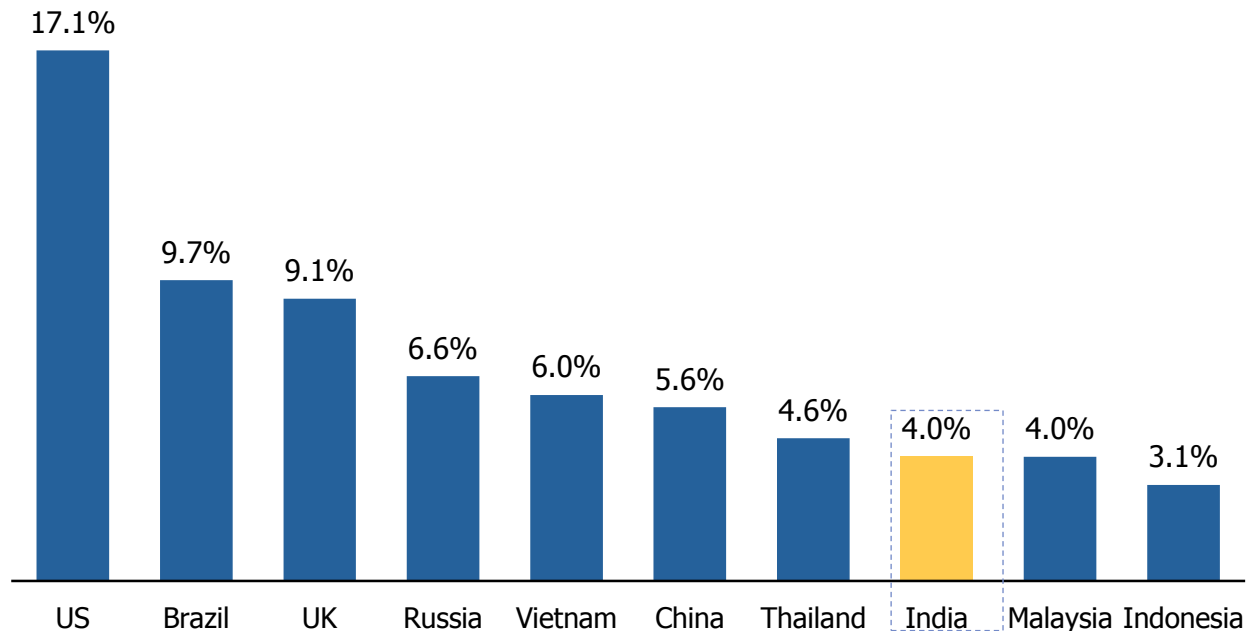
~68%
Private expenditure on healthcare in 2013

12% CAGR
Expected healthcare delivery market growth over the next 5 years

INR 175 bn
Health insurance premium market²
– growing rapidly given low insurance coverage

India, highly underpenetrated market

Total Healthcare Expenditure as % of GDP (2013)

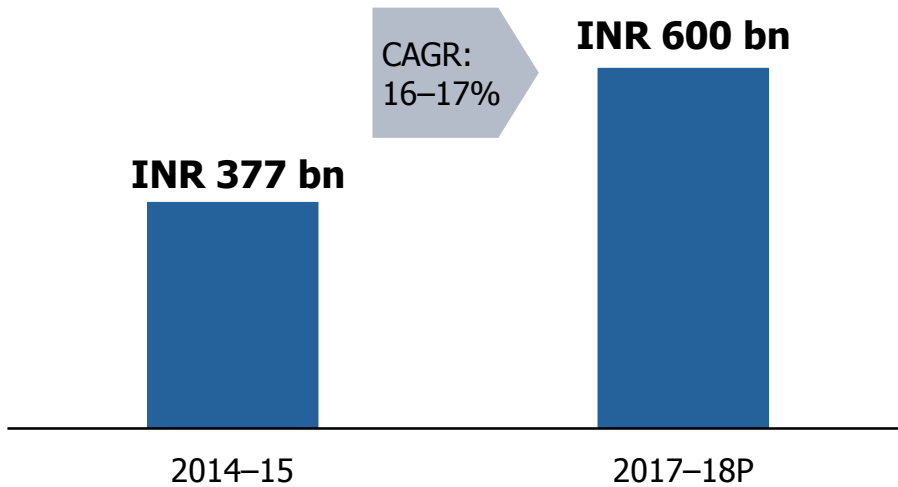


Source: CRISIL Report titled "Assessment of Diagnostics Industry in India".

1. Financial Year ending March 31st.

2. Source: Report of the Insurance Regulatory and Development Authority ("IRDA")

Diagnostic Services Industry Size

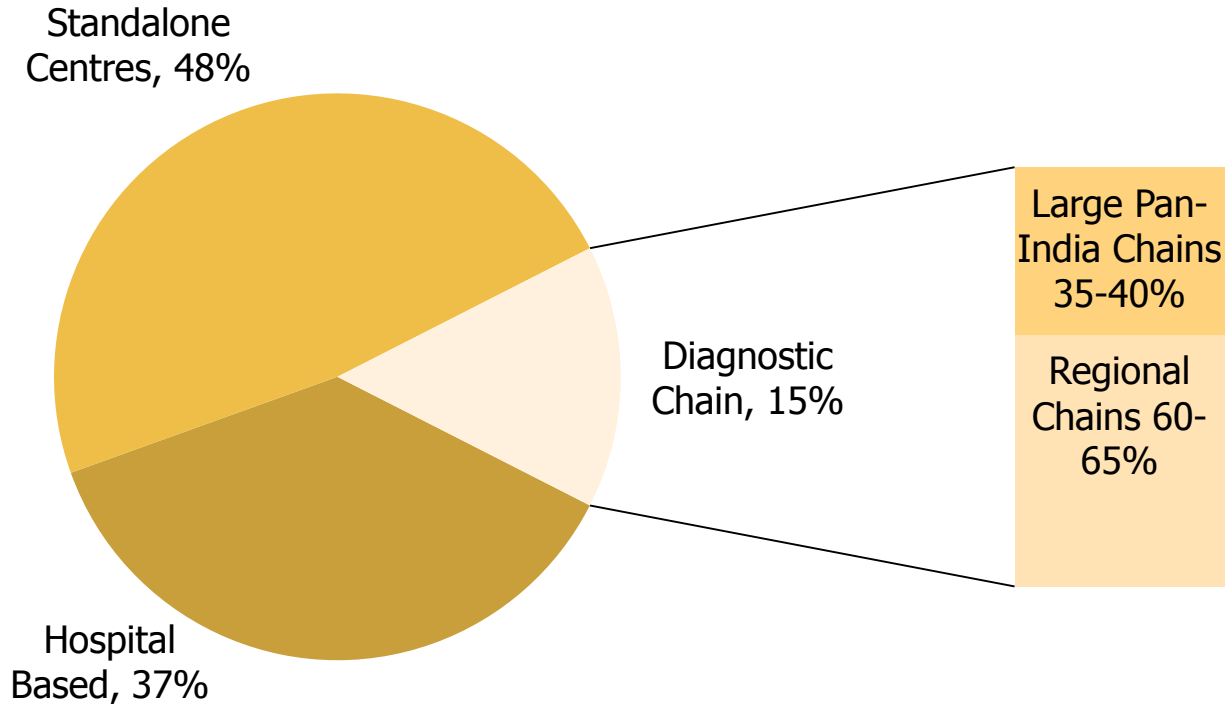


Screening, early detection, and monitoring reduce downstream costs

Growth Drivers

- 1 Increase in evidence-based treatments**
- 2 Demand for lifestyle diseases-related services to grow**
- 3 Focus on preventive diseases and wellness**

Highly Fragmented Industry



Largely fragmented and unorganized

Source: CRISIL Report titled "Assessment of Diagnostics Industry in India".

Pillars of a Strong Brand

Accreditations

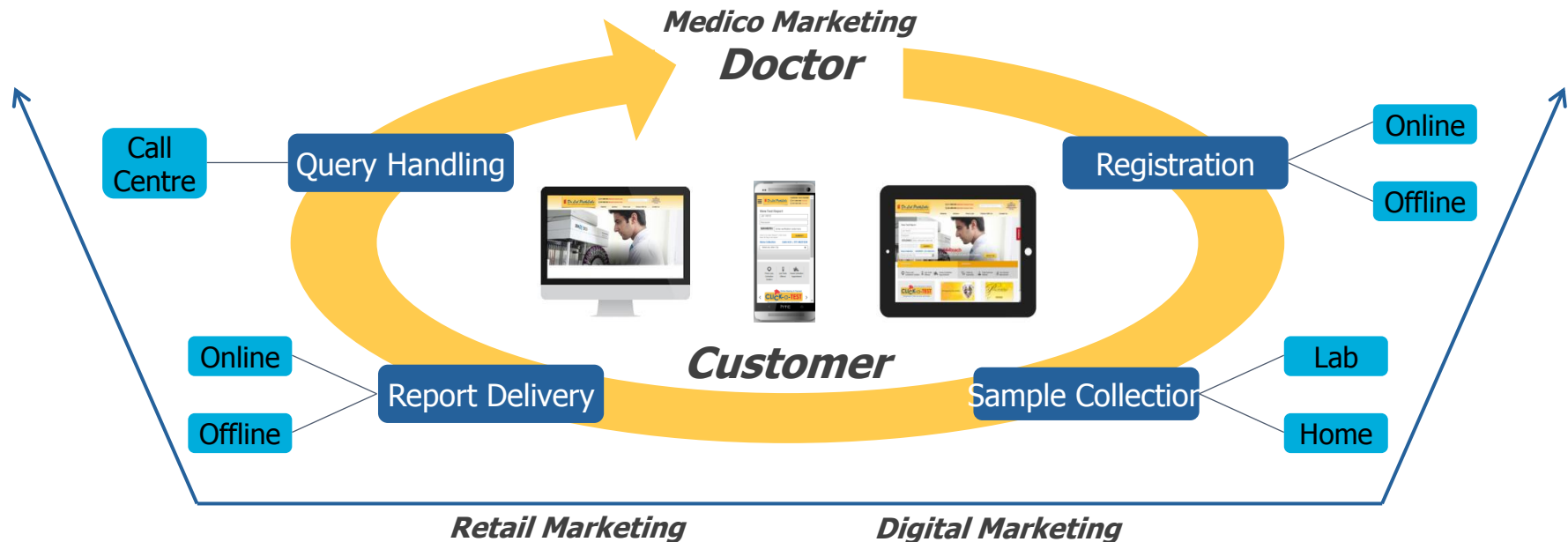
- Accreditations from CAP, NABL and ISO
- Centrally administered surveillance programs

Nationwide Network

- Coverage in metros, Tier 1 and Tier 2 cities
- Wide reach through PSCs and PUPs

Fast Turnaround Time

- 24x7 access including online access and home collection
- Dedicated logistics team

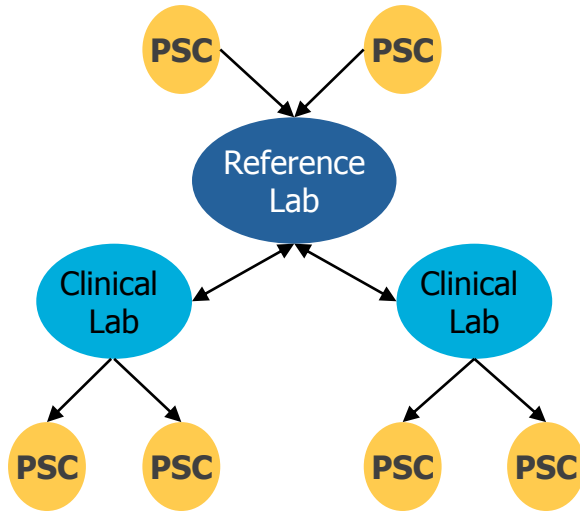


- Single brand pulls patients

- Walk-in customers account for highest share of revenues

- Diverse and large customer pool

Hub and Spoke Model

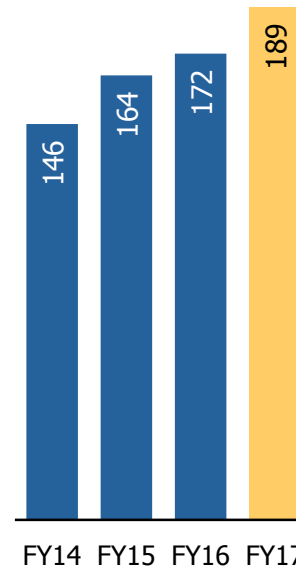


- Centralized diagnostic testing provides greater economies of scale
- PSCs and PUPs facilitate penetration within region and expand reach

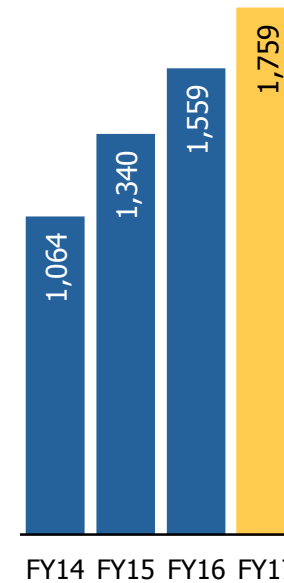
1. Includes National Reference Laboratory.

Network Expansion

No. of Clinical Laboratories



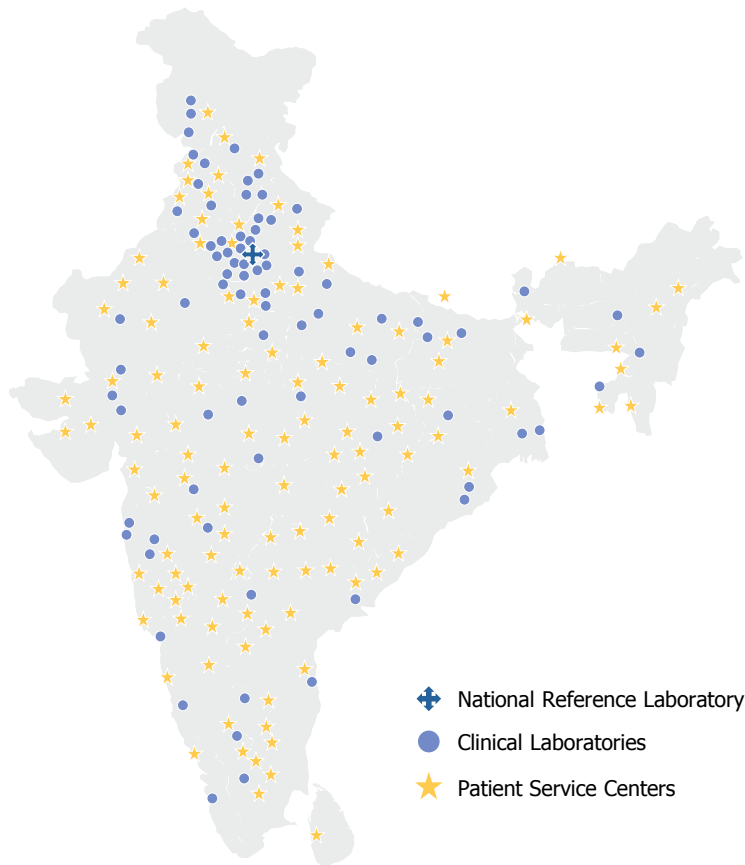
No. of PSCs



No. of PUPs



Integrated National Network...



...backed by Centralized IT platform which fully integrated network

Enterprise Resource Planning (ERP) System

- Payables, receivables, inventory, ledgers etc.
- Scalability and connectivity – web-based

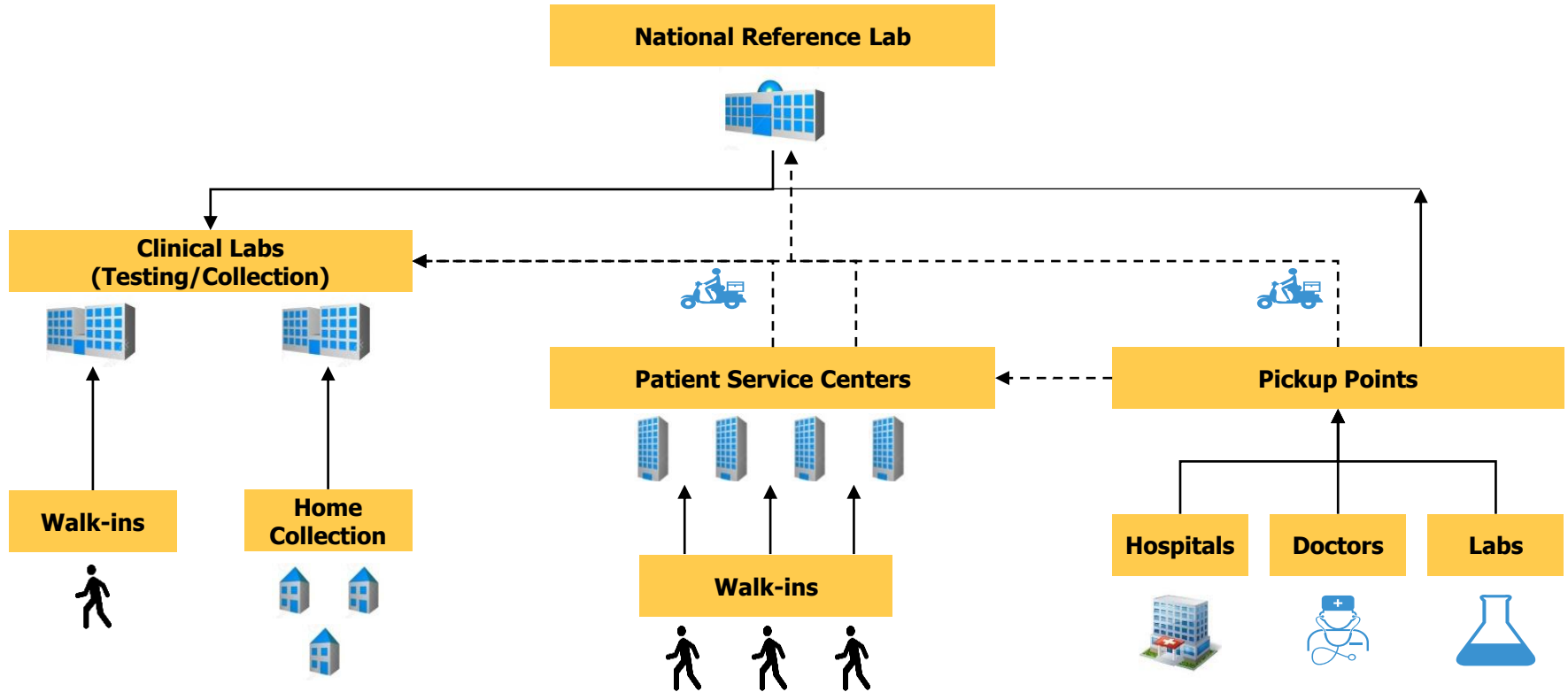
Laboratory Information Management System

- Bi-directional interface; tracks specimen collection, shipping and testing in real time
- Assigns unique ID / barcode for each sample

Data Collection and Analytics

- Improve diagnostic services via data analyses
- Demand for tests are analyzed using past data

LPL's scalable business model provides strategic advantage for expansion and consolidation



- Single brand pulls patients

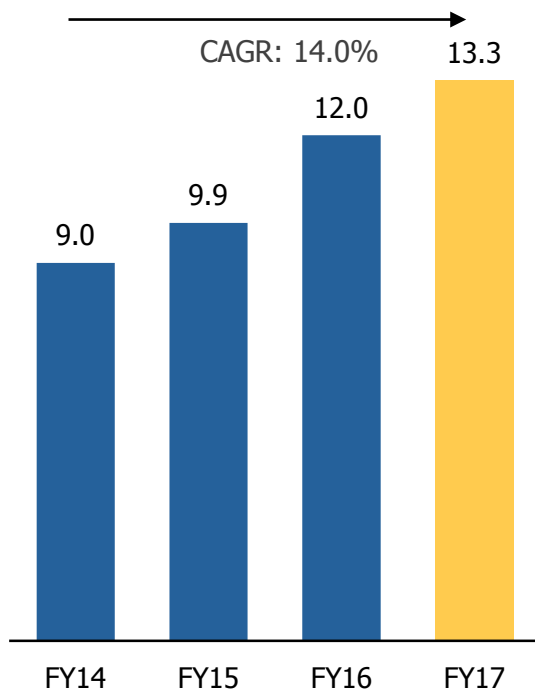
- Walk-in customers account for highest share of revenues

- Diverse, large customer pool offers monetization opportunities

No. of patients

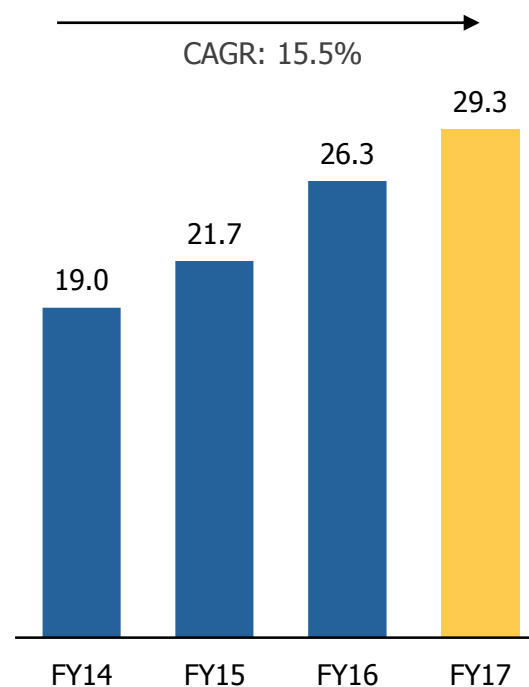
(Mn)

- Consumer brand and network expansion driving patient volumes

**No. of samples**

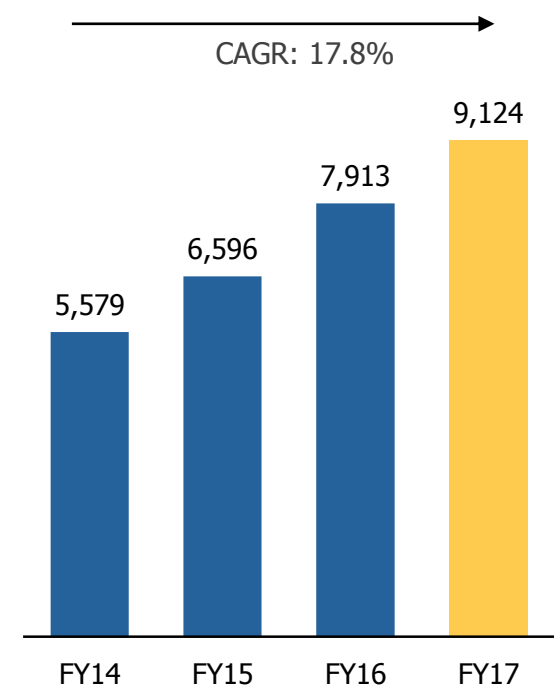
(Mn)

- Increase in samples with patient volumes growth

**Total Revenue**

(INR mn)

- Higher revenue realization per patient on account of:
 - Growth in walk-in customers
 - Higher no. of tests per patient
 - Demand for "higher-end" tests



Multiple levers in place to drive next phase of growth

4

Expand presence in existing markets

- Cluster and focused geography approach
 - Deepen presence in North India by developing additional reference labs (such as in Lucknow)
 - Scale up in East India by developing ecosystems via Kolkata reference lab
 - Targeted expansion in South and West India (focused city approach)

Expand through strategic acquisitions and partnerships

- M&A provides growth kicker
- Leverage prior track record
 - Completed several acquisitions since 2008
- Acquisition opportunities in select new geographies

Focus on hospital-based clinical labs

- Increase existing tie-ups
- Leverage scale and efficiency
- Provide lab management and specialized lab testing services to polyclinics

Increase breadth of diagnostic healthcare testing and services platform



Continuous focus on providing quality healthcare services

North India

East India

**South and
West India**

*Focus on
retail
network and
home
collection*

Commitment to **quality
and reliability** of
services

Online report;
data analytics

**Preventive healthcare
screening** and chronic
/ lifestyle disease
management services

*Focus on
hospital lab
management*

Provide both **lab
management** and
specialized lab testing to
polyclinics

Increase existing tie-ups
in hospital lab management –
leverage scale and efficiency
of network

*Focus on
corporate
customers*

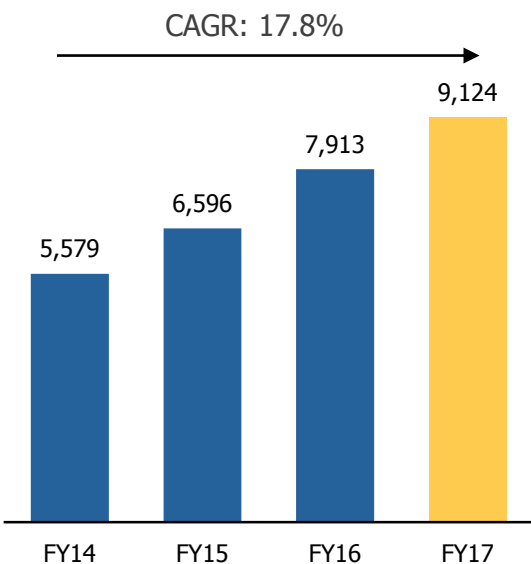
**Marketing to HR
departments** and other
decision makers

Healthcare packages
across test types

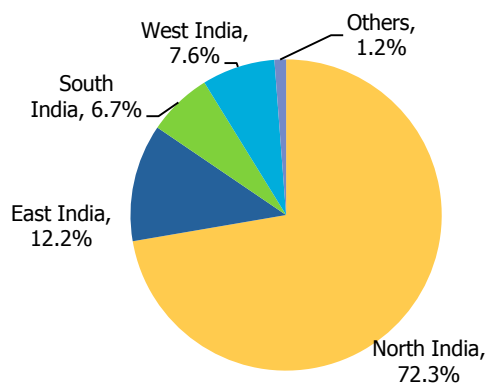
Robust financial performance

5

Total Revenue INR (Mn)

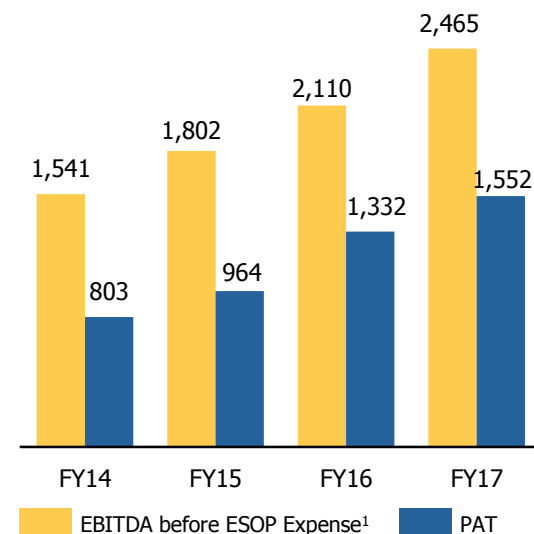
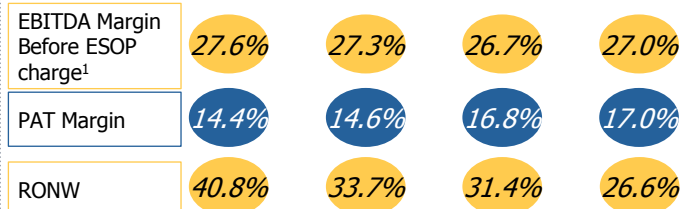


Revenue by Geography (FY17) (%)



Geography	FY14-17 CAGR (%)
North India	17.3%
East India	18.3%
South India	28.0%
West India	13.5%
Others	24.9%

EBITDA¹, PAT and Return on Net Worth (INR mn / %)

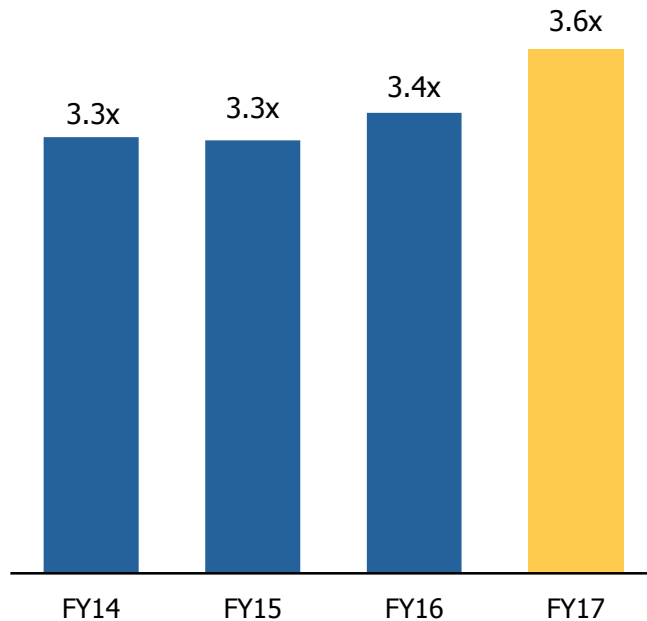


- Growth driven primarily by increasing patient volumes, samples and higher revenue realization per patient
- Increase in operating margin due to economies of scale

1. During FY14, LPL had reassessed the ESOP scheme as cash settled basis as against equity settled basis treated in earlier years' financial statements. As a result, LPL accounted for additional compensation cost of INR 155 mn in FY14, INR 242 mn in FY15, INR 8.9 mn in FY16. ESOP/RSU/ESPS charge of INR 80.5 mn in FY17 is also excluded. FY16 & FY17 also excluded the impact of CSR Expense of INR 3.8 mn and INR 18.7 mn respectively for ease of comparison. Also, FY14 PAT is based on restated figures as disclosed in our prospectus.

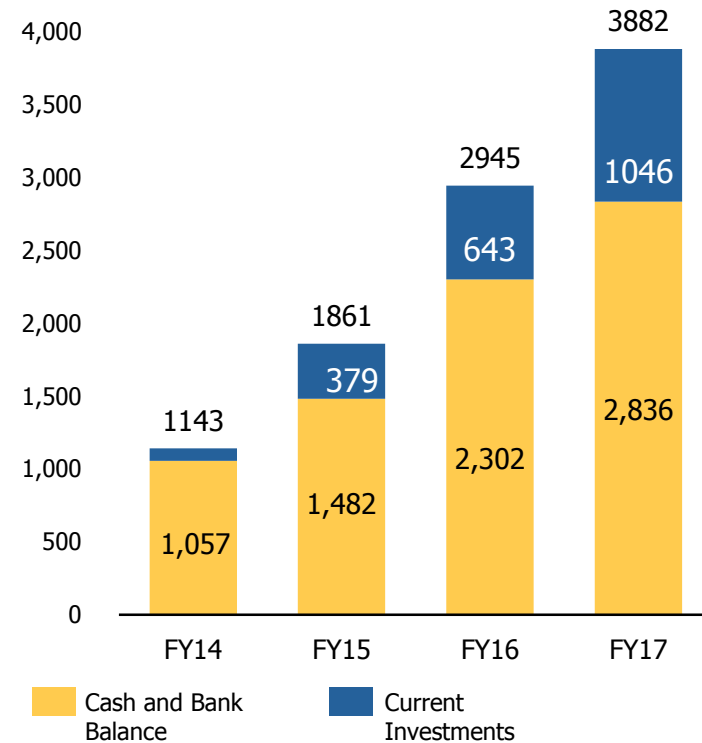
Fixed Asset Turnover¹

(Times)



Cash and Cash Equivalents

(INR mn)



- Self funded growth on account of strong cash flow generation
- Attractive fixed asset turnover ratio given asset-light model
- Current net cash position and internal accruals expected to fund next phase of growth

1. Fixed Asset Turnover = Total Revenue / Gross Fixed Assets

Key Q4 & FY17 Highlights

- ❑ Growth is gradually normalising post demonetisation with volume trajectory showing improvement QoQ
- ❑ During Q4 FY17 :
 - Revenues showed 11.3% increase at Rs. 2199 million with underlying volume growth of 7.7% in Q4
 - Normalised EBITDA (after eliminating the impact of ESOP/other stock based remuneration charges and CSR expenses) reported muted growth of 1.8% at Rs. 538.2 million on the back of higher spends on promotions, new satellite lab infrastructure, senior hires and higher provisioning for doubtful debts
- ❑ For FY17 :
 - Revenues showed 15.3% increase at Rs. 9124 million with underlying volume growth of 10.5%
 - Normalised EBITDA (after eliminating the impact of ESOP/other stock based remuneration charges and CSR expenses) reported sustained growth of 16.8% at Rs. 2465 million
 - EPS grew 16.1% at Rs 18.55 per share of Rs 10 each
- ❑ Cash, FDs and Liquid Investments at Rs. 3882 million as at March 31, 2017 from Rs. 2946 million as at March 31, 2016
- ❑ Company has also further built senior management bench strength during the year
- ❑ Business is poised to deliver sustained performance in line with market growth on the back of brand salience, expanding network and robust backend infrastructure
 - New regional reference laboratory at Kolkata nearing completion. Operations expected to commence as planned in Q3 FY18
- ❑ The Board has recommended a final dividend of Rs 1.70 per share of Rs 10 each in addition to Rs 1.30 interim dividend.

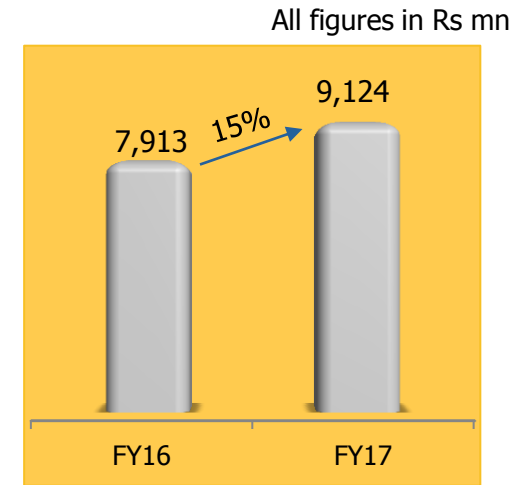
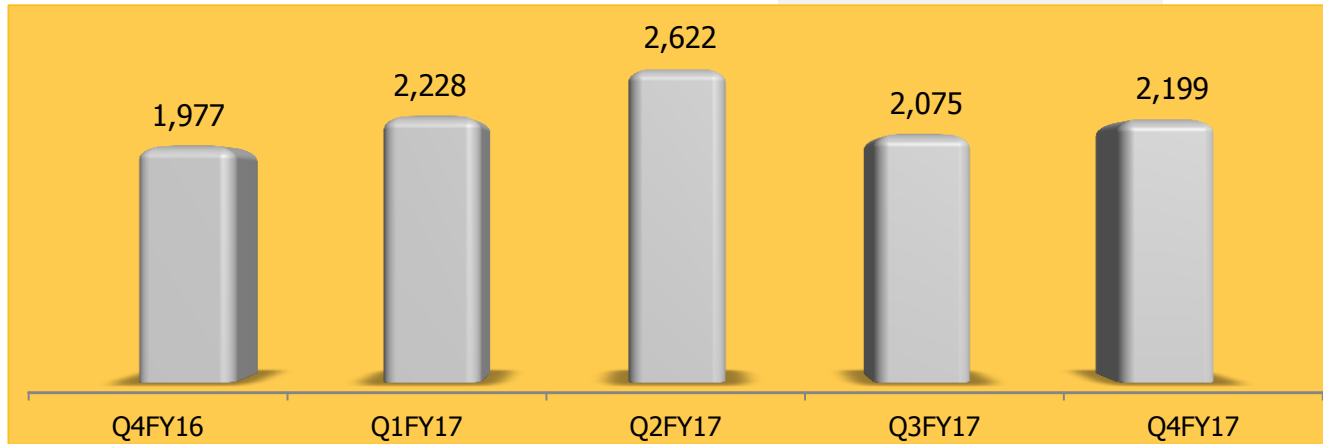
Note: Financial results of the Company are best monitored on a year to date basis, as there is a certain level of seasonality in business and specific quarter performance may be influenced by certain occurrences in that quarter. All figures in the presentation pertain to the consolidated results

Q4 & FY17 Financial Performance

Particulars (Rs. mn)	Q4 FY17	Q4FY16	Growth %	FY17	FY16	Growth %
Revenues	2,199.0	1,977.1	11.2%	9,123.8	7,913.2	15.3%
Total Expenditure	1,705.5	1,435.8	18.8%	6,758.4	5,816.0	16.2%
EBITDA	493.5	541.3	(8.8)%	2365.4	2097.2	12.8%
ESOP/ ESPS/ RSU charges	26.0	(15.4)	-	80.5	8.9	-
CSR Expense	18.7	2.8	-	18.7	3.8	-
Normalised EBITDA excl stock based cost and CSR	538.2	528.7	1.8%	2,464.7	2,109.9	16.8%
Normalised Margins	24.5%	26.7%	(220) bps	27.0%	26.7%	30 bps
Other income incl interest	61.4	61.7	(0.5)%	251.3	197.7	27.1%
PBT	474.6	527.7	(10.1)%	2,332.9	2,007.2	16.2%
Margins	21.6%	26.7%	(510) bps	25.6%	25.4%	20 bps
PAT	311.6	346.5	(10.1)%	1,551.9	1,332.3	16.5%
Margins	14.2%	17.5%	(330) bps	17.0%	16.8%	20 bps
EPS (Diluted)	3.72	4.14	(10.1)%	18.55	15.98	16.1%

Financial Highlights

Revenues

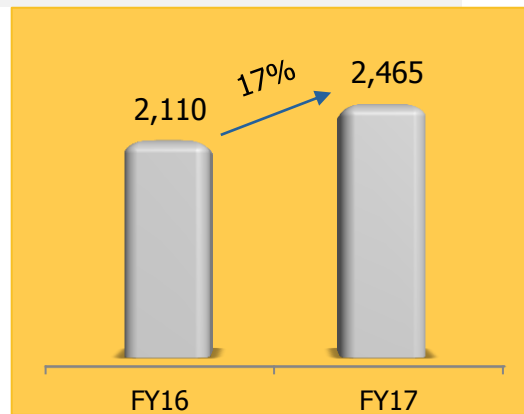
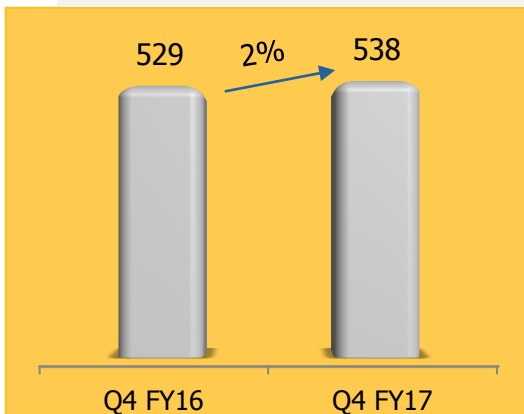


- ❑ Q4 FY17 revenues reported 11.3% growth on the back of expansion in volumes by 7.7% YoY. Improvement in business momentum QoQ indicates:
 - Increased footprint of network resulting in expansion in patient base and sample collection
 - Broader offering in terms of tests
- ❑ Effect of demonetisation has waned off – the annualised impact is estimated at 2-3% on the revenues of FY17
- ❑ Higher competitive intensity in the B2B and pick-up component of the operations resulted in impact on pricing
- ❑ FY17 revenues grew 15.3% with underlying patient volume growth of 10.5% and better realisation & mix by 4.4%
 - Annualised growth in realisation per patient has shown expansion from Rs. 660 in FY16 to Rs. 688 during FY17

Financial Highlights

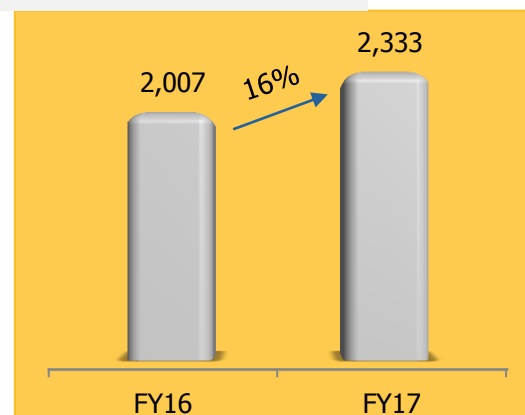
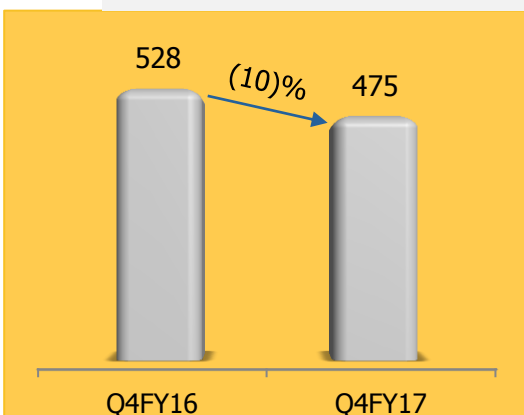
All figures in Rs mn

Normalised EBITDA excl stock based cost and CSR expense



- During Q4FY17 the growth in normalised EBITDA (after eliminating the impact of stock based cost and CSR expenses) stood moderated at 1.8% on account of;
 - ✓ Higher investments in A&P given higher competitive intensity and extension of network presence
 - ✓ Expenditure related to new infrastructure i.e satellite labs
 - ✓ Rise in personnel cost led by senior management hires
 - ✓ Enhanced provisioning for doubtful debts
 - ✓ Correspondingly for FY17, normalised EBITDA growth stood at 16.8% with margins of 27%; Q4 FY17 margins were at 24.5%

PBT



- FY17 PBT growth was at 16.2% at Rs. 2,332.9 million; PBT during Q4 was at Rs. 474.6 million
- Similarly full-year expansion in PAT was recorded at 16.5% at Rs 1552 mn. PAT margin stood improved at 17% from 16.8% in the previous year

LPL Strategy for future growth

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

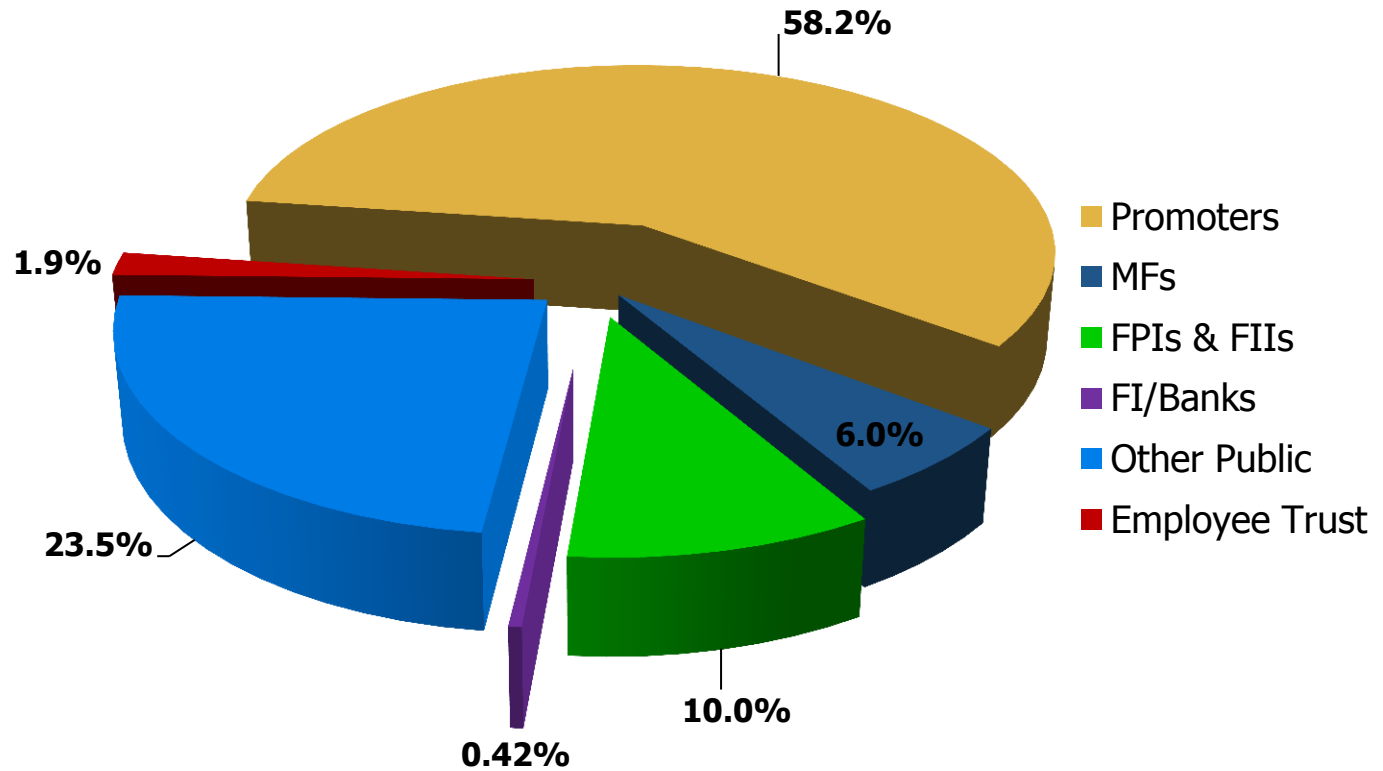
Annexures

- **IPO transaction**
- **Present Shareholding**

IPO transaction

Issuer	<ul style="list-style-type: none"> • Dr. Lal PathLabs Limited (“LPL” or “the Company”)
Transaction Type	<ul style="list-style-type: none"> • Initial public offering of up to 11,600,000 shares (Face Value Rs.10 each)
Issue Open and Close Dates	<ul style="list-style-type: none"> • December 8, 2015 – December 10, 2015
Type of Offering	<ul style="list-style-type: none"> • Offer for Sale by existing shareholders
Total Offer Size	<ul style="list-style-type: none"> • INR 6,203 – 6,319 million (implied equity valuation of INR 44.63 – 45.45 bn)
Price Band	<ul style="list-style-type: none"> • INR 540 – 550 per share. Issued at INR 550 per share
Retail Discount	<ul style="list-style-type: none"> • INR 15
Total Offer Size as % of Post Issue Capital	<ul style="list-style-type: none"> • ~14%
Percentage of Offer Size Available for Allocation	<ul style="list-style-type: none"> • QIB Tranche: 50% of the Offer Size (5,800,000 shares) <ul style="list-style-type: none"> • QIB Anchor Investors: Can be allocated up to 60% of the QIB Tranche (3,480,000 shares) • Non-Institutional Investor Tranche: Minimum 15% of the Offer Size (1,740,000 shares) • Retail Individual Investor Tranche: Minimum 35% of the Offer Size (4,060,000 shares)
Distribution	<ul style="list-style-type: none"> • Reg S and Rule 144A
Use of Proceeds	<ul style="list-style-type: none"> • Not applicable

Shareholding as on March 31, 2017



Contact us

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 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.

Corporate Identification No: L74899DL1995PLC065388

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

For further information please contact:

Dilip Bidani

Dr Lal PathLabs Limited

Tel: +91 124 301 6500

Fax: +91 124 423 4468

E-mail: dilip.bidani@lalpathlabs.com

Siddharth Rangnekar / Urvashi Butani

CDR,India

Tel: +91 22 66451209 / 1219

Fax: +91 22 66451213

Email: siddharth@cdr-india.com

urvashi@cdr-india.com