

PRESS RELEASE

Q3 FY18 Consolidated operating income at Rs 5,538 mn (y-o-y of 21.7%) with EBITDA of Rs 552 mn

9M FY18 Consolidated operating income at Rs 16,341 mn (y-o-y of 17.2%) with EBITDA of Rs 1,746 mn

Bengaluru, India, January 31st, 2017 – Narayana Hrudayalaya Limited, a leading healthcare service provider in India, today announced its financial results for the third quarter (Q3 FY18) and nine months (9M FY18) ended December 31st, 2017.

Financial Highlights for the Quarter (Q3 FY18) - Prepared in accordance with Ind AS ('Indian Accounting Standards')

- Consolidated total operating income was Rs 5,538 mn for Q3 FY18 as compared to Rs 4,553 mn in the corresponding period of the previous year, reflecting an increase of 21.7%
- Consolidated EBITDA stood at Rs 552 mn, reflecting a margin of 10.0% as against Rs 565 mn in Q3 FY17
- PAT after minority interest and share of loss in associates stood at Rs 141 mn as compared to Rs 166 mn in Q3 FY17

Financial Highlights for the Nine Months (9M FY18)

- Consolidated total operating income was Rs 16,341 mn for 9M FY18 as compared to Rs 13,946 mn in the corresponding period of the previous year, reflecting an increase of 17.2%
- Consolidated EBITDA stood at Rs 1,746 mn, reflecting a margin of 10.7% as against Rs 1,805 mn in 9M FY17
- PAT after minority interest and share of loss in associates stood at Rs 416 mn as compared to Rs 607 mn in 9M FY17

As on December 31st, 2017, the consolidated net debt was Rs 3,100 mn representing a net debt to equity ratio of 0.31.

As on January 3rd, 2018, the consolidated net debt was Rs 6,973 mn (out of which, debt worth INR 3,648 mn is USD denominated) after the Cayman Islands' transaction representing a net debt to equity ratio of 0.69.

Other Highlights during the Quarter

- Successfully consummated the acquisition of the partner's entire stake in Cayman Islands Hospital, making it a wholly owned subsidiary of NH and thereby creating value for all our stakeholders
- Mazumdar Shaw Medical Centre (MSMC), Bengaluru successfully separated conjoined twins. This medical problem is a rare event, occurring once in 100,000 births and the survival rate is also very low
- SMVDNSH, Jammu performed the first case of Endovascular Aortic Repair. This is the first case of its kind performed in the region. This establishes our pre-eminence in performing cutting edge cardio-vascular procedures
- MSMC, Bengaluru treated a rare cancer called Alveolar Soft Part Sarcoma of Pelvic Bone. The affected part of the pelvic bone was removed and replanted after sterilizing it via radiation through a technique called Extra Corporeal Radiotherapy
- NH won "The Health Brand of the Year in Healthcare" at the India Health & Wellness Awards in December 2017
- NSH, Howrah won "The Best Superspeciality Hospital of the Year Award in Oncology" at International Healthcare Summit and Awards in December 2017

Management Comment

Commenting on the performance, **Dr. Ashutosh Raghuvanshi, Vice Chairman, Managing Director and Group CEO, Narayana Hrudayalaya Limited**, said *"The third quarter delivered an impressive 21.7% YoY growth in revenues on the back of a stellar growth in volumes across our network amidst the challenging regulatory environment. The results in this quarter are very inspiring for us considering that the third quarter is usually a seasonally moderate quarter as it marks the onset of festival season which affects the patients' footfall and thus the overall business.*

We are very pleased to successfully consummate the acquisition of entire partner stake in our Cayman Islands hospital. We remain confident that this shall provide significant boost to our Group's profitability and thereby augment its cashflows. We believe the resilience of our operations against the regulatory headwinds, which we foresee to continue over the near to medium term, is a testament to the sheer success of our business model and holds us in good stead to deliver affordable, quality healthcare to the masses."

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 single hospital overseas at Cayman Islands with nearly 5,900 operational beds across all its centres and potential to reach a capacity of over 6,800 beds.

For further details, please contact us at investorrelations@narayanahealth.org