PRESS RELEASE

Q3 FY17 Consolidated operating income at Rs. 4,553 mn (y-o-y of 13.9%) with EBITDA of Rs. 565 mn (y-o-y of 21.9%)

9M FY17 Consolidated operating income at Rs. 13,946 mn (y-o-y of 17.6%) with EBITDA of Rs. 1,805 mn (y-o-y of 32.8%)

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 FY17) and nine months (9M FY17) ended December 31st, 2016.

Financial Highlights for the Quarter (Q3 FY17) - Prepared in accordance with Ind AS (‘Indian Accounting Standards’)  
- Consolidated total operating income was Rs. 4,553 mn as against Rs. 3,997 mn in Q3 FY16, reflecting an increase of 13.9%  
- Consolidated EBITDA stood at Rs. 565 mn as compared to Rs. 463 mn in Q3 FY16, reflecting an increase of 21.9%  
- Consolidated EBITDA Margin was at 12.4% as against 11.6% in Q3 FY16, showing an improvement by 82 basis points (bps)  
- PAT after minority interest and share of loss in associates stood at Rs. 170 mn as compared to Rs. 58 mn in Q3 FY16

Financial Highlights for the Nine Months (9M FY17)  
- Consolidated total operating income was Rs. 13,946 mn as against Rs. 11,863 mn in 9M FY16, reflecting an increase of 17.6%  
- Consolidated EBITDA stood at Rs. 1,805 mn as compared to Rs. 1,359 mn in 9M FY16, reflecting an increase of 32.8%  
- Consolidated EBITDA Margin was at 12.9% as compared to 11.5% in 9M FY16, showing an improvement by 148 bps  
- PAT after minority interest and share of loss in associates stood at Rs. 608 mn as compared to Rs. 162 mn in 9M FY16

As on December 31st, 2016, the consolidated net debt was Rs. 1,818 mn representing a net debt to equity ratio of 0.19.

Other Highlights during the Quarter  
- Mazumdar Shaw Medical Centre, Bengaluru (MSMC) harvested Bone marrow from an 8 month old infant to donate it to his sister. Harvesting of Bone marrow from such a young patient was done for the first time ever in India  
- Our hospital in Mysore performed a rare complete hip replacement surgery on a 12 year old boy to treat TB of hip  
- The Blood Bank at our hospital in Guwahati got accredited by NABH, making it the first ever in the country to achieve this within 18 months of commissioning  
- MSMC achieved the distinction of performing 150 Bone Marrow Transplants (BMT) during 9 months ended December 2016  
- NH won the Healthcare Leadership Award, presented by ABP News, under the category “Best use of Social Media & Digital Marketing” in Nov’16 and also won “Community Health Organisation of the Year” award at India Health & Wellness Awards 2016 presented by AMUL in Dec’16

Management Comment  
Commenting on the performance, Dr. Ashutosh Raghuvanshi, Vice Chairman, Managing Director and Group CEO, Narayana Hrudayalaya Limited, said “We are pleased to register a steady performance for the quarter despite Q3 being a seasonally moderate quarter for our industry. The Government’s demonetization drive also had an impact on our walk-ins which constitute ~60% of our revenue. However, we believe the headwinds due to the same are temporary and we expect normalcy to return to our business over the short to medium term with the predicted ease in the cash crunch situation. Overall, we see our business being well-poised which coupled with the myriad opportunities in the healthcare space, sets us up nicely on an exciting growth trajectory to deliver affordable quality healthcare to all sections of the society.”

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 22 hospitals and 7 heart centres across India and single hospital overseas at Cayman Islands with over 5,500 operational beds across all its centres and potential to reach a capacity of over 6,600 beds.

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