

Max India Limited

Investor Release January 2008

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HIGHLIGHTS – Q3'FY08

- Consolidated revenue for the quarter at Rs. 1,226 Crore, grows 103% Y-o-Y.
 - Life insurance premiums for the quarter at Rs. 764 Crore, up 69% Y-o-Y.
 - Healthcare revenue for the quarter at Rs. 98 Crore, up 48% Y-o-Y.
 - Healthcare business generates positive EBITDA of Rs. 5 Crore during the quarter against negative Rs. 3 Crore in the corresponding previous quarter.
 - Max Speciality Products revenue for the quarter at Rs. 84 Crore, up 96% Y-o-Y.
 - Operating Cash Profit at Rs. 422 Crore, grows 83% Y-o-Y.
 - Assets under Management for life insurance business at Rs. 3,326 Crore, grows 125% Y-o-Y.
 - Treasury corpus at Rs. 1,300 Crore.
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- Max Healthcare acquires 1 hectare land in North-west Delhi for Rs. 43 Crore.
 - Service Profile: Tertiary Care / Multi-Speciality.
 - Potential Bed Capacity – Around 300 beds.
 - Expected launch by 2011.

CONSOLIDATED FINANCIAL SNAPSHOT

(Rs. Crore)

Details	9M FY08	9M FY07	Growth %	FY 2006-07	FY 2005-06*	Growth %
Operating Revenue	2,142.87	1,211.48	77%	1,818.90	1,008.21	80%
Investment and Other Income	628.86	146.08	330%	174.63	102.94	70%
Total Revenue	2,771.73	1,357.56	104%	1,993.53	1,111.15	79%
Net Income Before Tax	(55.07)	(50.30)		(55.49)	(92.37)	
Operating Cash Profit	854.28	417.37	105%	685.36	271.70	152%
Group Investments (Assets under management)	4,626.62	1,821.19	154%	2,123.49	1,372.56	55%

* Figures for FY 2005-06 do not include profit of Rs. 427.63 crore on the sale of stake in Hutchison Essar Ltd.

Website: www.maxindia.com BSE Scrip Code: 500271, NSE Ticker: Max, Bloomberg: Max IN

MAX NEW YORK LIFE INSURANCE

- **Gross premium income of Rs. 764 Crore for the quarter ended Dec'07, grows 69% year-on-year.**
- **Annualized First Year Premium (new sales) of Rs. 478 Crore for the quarter ended Dec'07, grows 60% year-on-year.**
 - *Unit Linked products contribute around 79% to the sales.*
- **Life Insurance business capitalised at Rs. 907 Crore.**
 - *The shareholders infused Rs. 100 Crore as fresh capital in the quarter.*
- **Sum assured in force as at Dec'07 end around US\$ 16 billion (Rs. 626 billion), grows 69% year-on-year.**
- **Over 2 million policies sold since inception with 235,000 policies sold during the quarter.**

MAX NEW YORK LIFE INSURANCE

- **Conservation ratio*** for the quarter ended Dec'07 at 80% against 77% for the quarter ended Dec'06.
- **Agency force** as at Dec'07 end at 29,904 agents, grows 42% year-on-year.
- **Average case size per agent** at Rs. 23,230 for the quarter ended Dec'07 against Rs. 25,665 for the quarter ended Dec'06.
- **Average case rate per agent per month** at 1.70 for the quarter ended Dec'07 against 1.68 for the quarter ended Dec'06.
- **Geographic coverage** increases from 137 offices across 87 locations in Dec'06 to 233 offices across 155 locations in Dec'07.
– *58 offices added in the current quarter.*

Key Business Drivers	Unit	Quarter Ended		Q-o-Q Growth	Nine Months Ended		Y-o-Y Growth
		Dec-07	Dec-06		Dec-07	Dec-06	
a) Sales Value (Annualized first year premium)	Rs. Crore	478	298	60%	1,103	655	69%
b) Average case size	Rs.	23,230	25,665	-9%	22,427	21,305	5%
c) Case rate per agent per month	No.	1.70	1.68	1%	1.44	1.65	-13%
d) Number of agents	No.				29,904	20,987	42%
e) Net agents added	No.	1,330	2,205		4,856	5,702	
f) Conservation ratio*	%	80%	77%		82%	79%	
g) Gross written premium income	Rs. Crore						
First year premium		354	225	57%	848	496	71%
Renewal premium		318	169	87%	726	387	88%
Single premium		92	57	63%	189	104	82%
Total		764	452	69%	1,763	987	79%
h) Paid up Capital	Rs. Crore				907	657	38%
i) Individual Policies in force	No.				1,500,589	958,229	57%
j) Sum insured in force	Rs. Crore				62,600	36,969	69%

* Conservation Ratio = Renewal Premium for the current year/(First Year+Renewal Premium for the previous year)

MAX HEALTHCARE

- Revenue across network of hospitals at Rs. 98 Crore for the quarter ended Dec'07, grows 48% year-on-year.
- Max Healthcare acquires land to build a Tertiary Care / Multi-Speciality hospital with around 300 beds in North-west Delhi for Rs. 43 Crore. The hospital is expected to be launched by 2011.
- Average Occupancy across all healthcare care facilities at 68% – Occupancy* for the quarter ended Dec'07...
 - Max Heart & Vascular Institute, Saket – 64%
 - Max Super Specialty Hospital, Saket – 66%
 - Max Secondary Hospital, Patparganj – 81%
- Over 1,250 doctors in the network.
 - Physicians on rolls increase from 354 in Dec'06 to 576 in Dec'07.
- Number of employees, excluding physicians, increases from over 2,100 in Dec'06 to around 2,600 in Dec'07.
- Registered patient base of over 530,000 patients.
 - Average patient transactions for the quarter at around 140,000 transactions a month.

* Occupancy has been calculated on average operational beds.

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Nine Months Ended		Y-o-Y Growth
		Dec-07	Dec-06		Dec-07	Dec-06	
a) Revenue	Rs. Crores						
Inpatient Revenue		80.2	53.7	49%	220.7	141.2	56%
Outpatient Revenue		17.8	12.6	42%	51.4	34.4	49%
Total		98.0	66.3	48%	272.0	175.6	55%
b) Profitability							
Contribution Margin	Rs. Crores	50.6	33.9	49%	143.5	90.6	58%
Contribution (%)	%	51.6%	51.1%		52.7%	51.6%	
EBITDA	Rs. Crores	5.2	(2.9)		13.0	(15.0)	
EBITDA (%)	%	5.3%			4.8%		
c) Patient Transactions	No.						
Number of Procedures							
- Cardiac Care		1,911	1,357	41%	5,583	4,067	37%
- Orthopaedics		476	382	25%	1,513	1,200	26%
- Neurosciences		187	138	36%	552	350	58%
- Obstetrics & Gynaecology		1,095	917	19%	3,118	2,211	41%
- Others		2,098	1,560	34%	6,095	4,181	46%
Medical Admissions		6,385	5,908	8%	17,713	15,174	17%
Outpatient Registrations		407,397	281,648	45%	1,169,734	795,469	47%
d) Average Operational Beds	No.	674	616	9%	657	526	25%
e) Average Occupancy	%	67.9%	64.3%		66.0%	64.4%	
f) Average Length of Stay	No.	3.5	3.6		3.4	3.4	
g) Average Revenue per Occupied Bed Day	Rs.	19,034	14,740	29%	18,503	15,150	22%

MAX SPECIALITY PRODUCTS

- **Current capacity utilization of new BOPP line of 20,000 TPA at over 95%.
– Existing lines with capacity of 9,000 TPA continue to run at 100% capacity.**
- **Revenue for the quarter ended Dec'07 at Rs. 84 Crore, grows 96% year-on-year.**
- **PBT for the quarter ended Dec'07 at Rs. 7 Crore, grows 129% year-on-year.**
- **Return on Capital Employed at 18%.**

Key Business Drivers	Unit	Quarter Ended		Q-o-Q Growth	Nine Months Ended		Y-o-Y Growth
		Dec-07	Dec-06		Dec-07	Dec-06	
a) Sales Quantity - BOPP	Tons	6,076	2,534	140%	15,258	7,523	103%
b) Revenue	Rs. Crore	84.0	42.8	96%	214.4	119.6	79%
c) Profitability:							
Contribution Margin	Rs. Crore	32.3	15.4	110%	82.7	44.3	87%
	%	38.5%	36.0%		38.6%	37.0%	
EBITDA	Rs. Crore	13.4	5.3	153%	32.8	14.8	122%
	%	16.0%	12.4%		15.3%	12.4%	

CLINICAL RESEARCH

- **Confirmed order book of US\$ 5 Mn and BD pipeline of US\$ 18 million.**
 - *78 site management studies.*
 - *27 data management studies.*
 - *9 monitoring studies.*
- **2 new customers added during the quarter.**
 - *Client base increases to 39.*
- **Neeman furthers its business development efforts – Secures first order from Europe.**

HEALTHCARE STAFFING

- **Over 750 nurses in the different stages of pipeline, includes 215 nurses in the immigration process.**
- **MHS is in the process of identifying geographies beyond US.**
 - *Discussions in advanced stage to conclude training and placement alliances in Singapore and Middle East.*

For any clarifications and queries, please contact:

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Thank You