

Max India Limited

Investor Release October 2009

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(Rs. Cr.)

| Details | Q2 FY10 | Q2 FY09 | Growth (%) | H1 FY10 | H1 FY09 | Growth (%) |
|-----------------------------|---------|---------|------------|---------|---------|------------|
| Operating Revenue | 1,259 | 1,038 | 21% | 2,543 | 2,060 | 23% |
| Investment and Other Income | 610 | 85 | 618% | 1,623 | 185 | 777% |
| Total Revenue | 1,869 | 1,123 | 66% | 4,166 | 2,245 | 86% |
| Profit/(Loss) After Tax | (10) | (225) | - | (87) | (268) | - |

| Particulars | 30-Sep-09 | 30-Sep-08 | Growth (%) |
|-----------------------------------------------------|-----------|-----------|------------|
| Net Worth | 1,398 | 1,364 | 3% |
| Preference Shares | 250 | 250 | - |
| Loans Funds | 448 | 376 | 19% |
| Fixed Assets (Net Block) | 926 | 834 | 11% |
| Treasury Corpus (Debt Mutual Funds & Term Deposits) | 502 | 741 | -32% |
| Life Insurance Investments (AUM) | 8,006 | 4,387 | 82% |

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

- **MNYL outperforms private players growth for the period Apr-Sep'09 – Market Share improved from 6.6% in Apr-Sep'08 to 7.0% in Apr-Sep'09.**
- **Gross premium income of Rs. 1,082 Crore for the quarter ended Sep'09, grows 26% year-on-year.**
- **Individual First Year Premium adjusted for single pay (APE) for the quarter ended Sep'09 at Rs. 338 Crore, down 10% year-on-year.**
- **Annualized First Year Premium (new sales) of Rs. 374 Crore for the quarter ended Sep'09, down 24% year-on-year.**
– Unit Linked products contribute 71% to the new sales for the quarter.
- **Assets Under Management over Rs. 8,000 Crore, grows 82% year-on-year.**
- **Life Insurance business capitalised at Rs. 1,782 Crore.**
- **Sum assured in force as at Sep'09 over Rs. 108,000 Crore (US\$ 23 billion), grows 27% year-on-year.**

- **2.7 million policies in force with 219k policies sold during the quarter.**
- **Agency force as at Sep'09 end around 91,500 agents, grows 56% year-on-year.**
- **Conservation ratio* for the quarter ended Sep'09 at 85% against 87% for the quarter ended Sep'08.**
- **Average case size per agent for the quarter ended Sep'09 at Rs. 18,375 against Rs. 19,431 in the corresponding previous quarter.**
- **Average case rate per agent per month for the quarter ended Sep'09 at 0.50 against 1.15 for the quarter ended Sep'08.**
- **Geographic coverage increases to 712 offices across 389 locations. – Includes 137 offices dedicated to rural business.**
- **MNYL appoints Amitabh Bachchan as its Brand Ambassador for Max Vijay.**

| Key Business Drivers | Unit | Quarter Ended | | Y-o-Y Growth | Half Year Ended | | Y-o-Y Growth |
|-------------------------------------------------------|------------------|---------------|------------|--------------|-----------------|--------------|--------------|
| | | Sep-09 | Sep-08 | | Sep-09 | Sep-08 | |
| a) Gross written premium income | Rs. Crore | | | | | | |
| First year premium | | 359 | 375 | -4% | 749 | 800 | -6% |
| Renewal premium | | 678 | 424 | 60% | 1,356 | 793 | 71% |
| Single premium | | 45 | 62 | -27% | 95 | 133 | -29% |
| Total | | 1,082 | 861 | 26% | 2,200 | 1,726 | 27% |
| b) Sales Value (Annualized first year premium) | Rs. Crore | 374 | 490 | -24% | 816 | 1,032 | -21% |
| c) Conservation ratio* | % | 85% | 87% | | 85% | 88% | |
| d) Average case size | Rs. | 18,375 | 19,431 | -5% | 20,433 | 20,703 | -1% |
| e) Case rate per agent per month | No. | 0.50 | 1.15 | -57% | 0.51 | 1.11 | -54% |
| f) Number of agents | No. | | | | 91,454 | 58,581 | 56% |
| g) Paid up Capital | Rs. Crore | 1,782 | 1,432 | 24% | 1,782 | 1,432 | 24% |
| h) Individual Policies in force | No. | | | | 2,737,983 | 2,182,943 | 25% |
| i) Sum insured in force | Rs. Crore | | | | 108,238 | 85,368 | 27% |

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

- Revenue across network of hospitals for the quarter ended Sep'09 at Rs. 129 Crore , grows 15% year-on-year
- EBITDA for the quarter ended Sep'09 at Rs. 6.6 Crore with EBITDA margin at 5.2%.
- Average Occupancy* across all healthcare care facilities for the quarter at 75%
– *Average length of stay maintained at 3.4 days*
- Average Revenue per Occupied bed day** for the quarter ended Sep'09 around Rs. 20,000, grows 8% year-on-year
- Around 1,200 doctors and 3,200 employees in the network
– *Physicians on rolls around 650*
- Registered patient base of around 840,000 patients
– *Average patient transactions over 190,000 transactions a month*
- MHC launches host of new services such as Oncology, Paediatric Cardiology and Cardiothoracic, Paediatric Orthopaedics, Laparoscopic Gynaecological surgeries and In Vitro Fertilisation (IVF).

*Occupancy has been calculated on average operational beds.

** Average Revenue per Occupied Bed Day = Inpatient Revenue/ Occupied Bed Days

| Key Business Drivers | Unit | Quarter Ended | | Growth (%) | Half Year Ended | | Growth (%) |
|------------------------------------------------|------------------|---------------|---------|------------|-----------------|---------|------------|
| | | Sep-09 | Sep-08 | | Sep-09 | Sep-08 | |
| a) Revenue | Rs. Crore | | | | | | |
| Inpatient Revenue | | 98.2 | 86.9 | 13% | 189.4 | 165.0 | 15% |
| Outpatient Revenue | | 30.5 | 24.8 | 23% | 57.1 | 46.2 | 24% |
| Total | | 128.7 | 111.7 | 15% | 246.5 | 211.2 | 17% |
| b) Profitability | | | | | | | |
| Contribution Margin | Rs. Crore | 74.2 | 63.3 | 17% | 141.1 | 117.8 | 20% |
| Contribution (%) | % | 57.6% | 56.6% | | 57.3% | 55.8% | |
| EBITDA | Rs. Crore | 6.6 | 10.1 | -34% | 13.1 | 15.2 | -14% |
| EBITDA (%) | % | 5.2% | 9.0% | | 5.3% | 7.2% | |
| Cash Profit | Rs. Crore | (1.5) | 2.8 | 154% | (2.6) | 0.1 | - |
| c) Patient Transactions | No. | | | | | | |
| Number of Procedures | | | | | | | |
| - Cardiac Care | | 2,082 | 1,947 | 7% | 4,206 | 3,813 | 10% |
| - Orthopaedics | | 661 | 544 | 22% | 1,246 | 1,105 | 13% |
| - Neurosciences | | 239 | 209 | 14% | 478 | 413 | 16% |
| - Obstetrics & Gynaecology | | 1,283 | 1,301 | -1% | 2,588 | 2,403 | 8% |
| - Oncology | | 165 | - | - | 230 | - | - |
| - Others | | 2,603 | 2,394 | 9% | 5,440 | 4,865 | 12% |
| Medical Admissions | | 7,542 | 7,525 | - | 14,270 | 13,394 | 7% |
| Outpatient Registrations | | 561,847 | 512,758 | 10% | 1,075,104 | 972,621 | 11% |
| d) Average Operational Beds | No. | 725 | 714 | 2% | 726 | 707 | 3% |
| e) Average Occupancy | % | 75.0% | 72.9% | | 72.2% | 67.3% | |
| f) Average Length of Stay | No. | 3.4 | 3.4 | | 3.4 | 3.3 | |
| g) Average Revenue per Occupied Bed Day | Rs. | 19,625 | 18,159 | 8% | 19,726 | 18,956 | 4% |

Note: The results presented above are for Max Healthcare's network of hospitals

- All BOPP lines running at 100% capacity utilization
- To add another 20,000 TPA capacity, taking total capacity to 49,000 TPA, operational by end of 2010

| Key Business Drivers | Unit | Quarter Ended | | Growth (%) | Half Year Ended | | Growth (%) |
|--------------------------|-----------|---------------|--------|------------|-----------------|--------|------------|
| | | Sep-09 | Sep-08 | | Sep-09 | Sep-08 | |
| a) Sales Quantity – BOPP | Tons | 7,706 | 7,024 | 10% | 14,736 | 13,833 | 7% |
| b) Revenue | Rs. Crore | 85.2 | 107.6 | -21% | 164.9 | 205.4 | -20% |
| c) Profitability: | | | | | | | |
| Contribution Margin* | Rs. Crore | 29.0 | 34.8 | -17% | 59.6 | 69.2 | -14% |
| | % | 34.0% | 32.3% | | 36.1% | 33.7% | |
| EBITDA | Rs. Crore | 10.0 | 14.1 | -29% | 20.7 | 28.0 | -26% |
| | % | 11.8% | 13.1% | | 12.6% | 13.6% | |
| PBT | Rs. Crore | 4.3 | 7.3 | -41% | 9.1 | 14.4 | -37% |
| | % | 5.1% | 6.7% | | 5.5% | 7.0% | |

* Contribution Margin is calculated as revenue less raw material consumption.

- Revenue for the quarter ended Sep'09 around Rs. 4.7 Crore, grows 39% year-on-year.
 - Revenue for the half-year ended Sep'09 at Rs. 8.3 Crore, grows 24% year-on-year
- Business reported a profit of Rs. 1.1 Crore for the quarter ended Sep'09, grows 191% year-on-year.
 - PBT for the half-year ended Sep'09 at Rs. 1.3 Crore, grows 56% year-on-year
- Order book of Rs. 41 Crore as at Sep'09 end.
 - New orders of Rs. 7 Crore received during the quarter.
 - Business Development pipeline of around Rs. 86 Crore.
- 6 new customers added during the current financial year.
 - Client base increases to 54.
- 83 studies being executed across 280 sites
- Database of around 1,000 principal investigators.



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