

Max India Limited

Investor Release January 2010

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(Rs. Cr.)

Details	Q3 FY10	Q3 FY09	Growth (%)	9M FY10	9M FY09	Growth (%)
Operating Revenue	1,442	1,134	27%	3,985	3,195	25%
Investment and Other Income	291	105	177%	1,914	289	562%
Total Revenue	1,733	1,239	40%	5,899	3,484	69%
Profit/(Loss) Before Tax	(94)	(94)	-	(180)	(350)	-

Particulars	31-Dec-09	31-Dec-08	Growth (%)
Net Worth	1,321	1,278	3%
Preference Shares	250	250	-
Loans Funds	449	359	25%
Fixed Assets (Net Block)	946	898	5%
Treasury Corpus (Debt Mutual Funds & Term Deposits)	458	390	17%
Life Insurance Investments (AUM)	8,950	4,827	85%

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

- **Gross premium income for the quarter ended Dec'09 at Rs. 1,272 Crore, grows 30% year-on-year.**
- **Individual First Year Premium adjusted for single pay (APE) for the quarter ended Dec'09 at Rs. 442 Crore, grows 16% year-on-year.**
 - *Unit Linked products contribute 68% to the new sales for the quarter.*
- **Assets Under Management around Rs. 9,000 Crore, grows 85% year-on-year.**
- **Life Insurance business capitalised at Rs. 1,784 Crore as at Dec' 31, 2009.**
- **Sum assured in force as at Dec'09 over Rs. 114,000 Crore (US\$ 25 billion), grows 22% year-on-year.**
- **2.9 million policies in force with 262k policies sold during the quarter.**
- **Conservation ratio* for the quarter ended Dec'09 at 82% against 80% for the quarter ended Dec'08.**

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

- Agency force as at Dec'09 end around 76,000 agents, grows 5% year-on-year.
- Average case size per agent for the quarter ended Dec'09 at Rs. 20,350, grows 16% year-on-year.
- Average case rate per agent per month for the quarter ended Dec'09 at 0.68 against 1.15 for the quarter ended Dec'08.
- Geographic coverage increases to 715 offices across 391 locations.
 - Includes 139 offices dedicated to rural business.

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Nine months Ended		Y-o-Y Growth
		Dec-09	Dec-08		Dec-09	Dec-08	
a) Gross written premium income	Rs. Crore						
First year premium (FYP)		460	377	22%	1,209	1,176	3%
Renewal premium		753	540	39%	2,109	1,333	58%
Single premium		59	61	-3%	155	194	-20%
Total		1,272	978	30%	3,473	2,703	28%
b) Adjusted Premium Equivalent (APE)*	Rs. Crore	442	381	16%	1,165	1,185	-2%
c) Conservation ratio**	%	82%	80%		84%	85%	
d) Average case size	Rs.	20,350	17,614	16%	20,402	19,438	5%
e) Case rate per agent per month	No.	0.68	1.15	-41%	0.57	1.15	-51%
f) Number of agents	No.				75,832	72,226	5%
g) Paid up Capital	Rs. Crore				1,784	1,782	0%
h) Individual Policies in force	No.				2,888,148	2,416,721	20%
i) Sum insured in force	Rs. Crore				114,341	93,576	22%

*Individual First Year Premium adjusted for 10% single pay

**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 Dec'09 at Rs. 140 Crore, grows 36% year-on-year.
- EBITDA for the quarter ended Dec'09 around Rs. 8 Crore with EBITDA margin at 5.6%.
- Average Occupancy* across all healthcare care facilities for the quarter at 79%
– *Average length of stay maintained at 3.4 days*
- Average Revenue per Occupied bed day** for the quarter ended Dec'09 over Rs. 20,000, grows 3% year-on-year
- Around 1,250 doctors and 3,350 employees in the network
– *Physicians on rolls over 650*
- Registered patient base of around 880,000 patients
– *Average patient transactions around 200,000 transactions a month*

*Occupancy has been calculated on average operational beds.

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

- **MHC launches host of new services:**
 - *Minimal Access Surgery*
 - *Oncology*
 - *Paediatric Cardiology and Cardiothoracic*
 - *Paediatric Orthopaedics*
 - *Laparoscopic Gynaecological surgeries*
 - *In Vitro Fertilisation (IVF)*
- **MHC receives recognition across categories**
 - *The Sunday Indian Mega Excellence Award for 'Best Hospital' awarded to Max Heart & Vascular Institute*
 - *FICCI Healthcare Excellence Award for 'Best Hospital' awarded to Max Super Speciality Hospital*
 - *Today's Traveller Award for 'Redesigning Healthcare Services in India*
 - *India International Achievers Award for 'Outstanding Contribution to Healthcare in the Country'*

Key Business Drivers	Unit	Quarter Ended		Growth (%)	Nine months Ended		Growth (%)
		Dec-09	Dec-08		Dec-09	Dec-08	
a) Revenue	Rs. Crore						
Inpatient Revenue		107.0	80.4	33%	296.5	245.4	21%
Outpatient Revenue		33.1	22.6	47%	90.1	68.7	31%
Total		140.1	103.0	36%	386.5	314.1	23%
b) Profitability							
Contribution Margin	Rs. Crore	80.7	59.5	36%	221.9	177.4	25%
Contribution (%)	%	57.6%	57.8%		57.4%	56.4%	
EBITDA	Rs. Crore	7.8	8.4	-8%	20.8	23.6	-12%
EBITDA (%)	%	5.6%	8.2%		5.4%	7.5%	
Cash Profit	Rs. Crore	(0.8)	1.7	-144%	(3.4)	1.8	-292%
c) Patient Transactions	No.						
Number of Procedures							
- Cardiac Care		2,098	1,593	32%	6,304	5,406	17%
- Orthopaedics		634	514	23%	1,880	1,619	16%
- Neurosciences		339	249	36%	817	662	23%
- Obstetrics & Gynaecology		1,353	1,230	10%	3,941	3,633	8%
- Oncology		176	2		413	8	
- General Surgery & MAS		996	685	45%	2,673	2,255	19%
- Others		1,814	1,602	13%	5,570	4,891	14%
Medical Admissions		8,000	6,616	21%	22,346	20,010	12%
Outpatient Registrations		577,244	444,344	30%	1,652,272	1,416,965	17%
d) Average Operational Beds	No.	744	714	4%	729	709	3%
e) Average Occupancy	%	78.5%	62.9%	25%	74.3%	65.8%	13%
f) Average Length of Stay	No.	3.4	3.3		3.4	3.3	
g) Average Revenue per Occupied Bed Day	Rs.	20,142	19,464	3%	19,886	19,119	4%

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

- Shareholders infuse initial capital of Rs. 151 Crore in Dec'09.
- Regulatory approval process in advanced stages
- Products under finalization
- Launch within 3 months
- People Strength 170 – to grow to over 400 by March 2010

- 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 FY11

Key Business Drivers	Unit	Quarter Ended		Growth (%)	Nine Months Ended		Growth (%)
		Dec-09	Dec-08		Dec-09	Dec-08	
a) Sales Quantity – BOPP	Tons	7,285	7,155	2%	22,021	20,988	5%
b) Revenue	Rs. Crore	83.0	80.2	3%	247.9	285.1	-13%
c) Profitability:							
Contribution Margin*	Rs. Crore	31.8	32.2	-1%	91.5	100.9	-9%
	%	38.3%	40.1%		36.9%	35.4%	
EBITDA	Rs. Crore	10.8	10.3	5%	31.6	38.2	-17%
	%	13.0%	12.8%		12.7%	13.4%	
PBT	Rs. Crore	5.1	3.5	47%	14.2	17.9	-21%
	%	6.1%	4.3%		5.7%	6.3%	

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

- Revenue for the nine months ended Dec'09 around Rs. 12.5 Crore, grows 25% year-on-year.
- Business reported a profit of Rs. 1.15 Crore for the nine month ended Dec'09 , grows 19% year-on-year.
- Order book of Rs. 32 Crore as at Dec'09 end.
 - *New orders of Rs. 16 Crore received during the nine months.*
 - *Business Development pipeline of around Rs. 80 Crore.*
- 8 new customers added during the current financial year.
 - *Client base increases to 56.*
- 87 studies being executed across 317 sites
- Database of over 1,000 principal investigators.



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