



Max India Limited

**Investor Release
October 2005**



Max Telecom Ventures

Max Telecom Ventures Ltd. (MTVL), a subsidiary of Max India Ltd. to divest its entire 3.16% stake in Hutchison Essar Telecom to Essar Teleholdings Ltd. for an all cash deal aggregating Rs. 657 Crores at a sale price of Rs. 607 per share. MTVL has signed a MoU in this regard.

– Max India Ltd. holds 60.8% stake in MTVL while 39.2% is held by IL&FS Trust Company Ltd.

MAX NEW YORK LIFE INSURANCE

- ✍ **Capital base of Rs. 526 Crores as of Sep'05 end.**
– Rs. 95 Crores infused between Jan-Sep'05.

- ✍ **Cash Profit of Rs. 91 Crores earned for the period Jan-Sep'05, grows 205% year-on-year.**

- ✍ **Annualized First Year Premium (AFYP – new sales) value for the period Jan-Sep'05 is Rs. 263 Crores, grows 90% year-on-year.**

- ✍ **Gross premium income of Rs. 412 Crores for the period Jan-Sep'05, which represents 90% growth over previous year's Rs. 217 Crores for the same period.**

- ✍ **Unit Linked products contribute 38% of total sales of the Company for the period Jan-Sep'05.**
– Top quartile investment performance by MNYL's Unit Linked fund over the past 9 months.

MAX NEW YORK LIFE INSURANCE

- ✍ **508,105 individual policies in force. New policies sold during the period Jan-Sep'05 at 233,548, grows 62% year-on-year over 143,960 policies sold in the corresponding previous year period.**
- ✍ **Overall Persistency rate of 78.1% as of Sep'05 end against 82.9% as of Sep'04 end. Persistency rate is 81.2% for agency sales and 67.1% for sales through other distribution channels.**
- ✍ **Sum assured in force as at Sep'05 end is close to Rs. 200 billion (\$ 4.4 billion).**
- ✍ **Agency force as at Sep'05 end at 9,619 agents, grows 47% year-on-year. 2,711 net agents have been added in 2005 till Sep'05.**
- ✍ **MNYL maintains high agent productivity. Ranked No. 1 in annualized first year premium (AFYP) per agent per month and Case Rate per agent.**

MAX NEW YORK LIFE INSURANCE

- ✍ **Average case size per active agent at Rs. 15751 grows 36% over Rs. 11586 for the corresponding previous period.**
- ✍ **Average case rate per active agent per month is at 2.38 for the period Jan-Sep'05 against 2.99 for the corresponding previous year period.**
- ✍ **Geographic coverage increases to 45 offices from 33 offices in the previous year – Future plans to cover 55 offices.**
- ✍ **A landmark event and a significant step forward towards strengthening MNYL's presence in Alternate Channels**
 - MNYL appoints Amsure as its corporate agent. Amsure is a joint venture between Amway India and Hollard Life Insurance, South Africa. The channel will sell life insurance to the 350,000 strong Amway Distributors spread over 500 cities in India.*
- ✍ **Emerging bancassurance channel getting established – Partnership with 11 banks, current access covers 193 branches across 13 locations.**



MAX NEW YORK LIFE INSURANCE



Key Business Drivers	Unit	Quarter Ended		9 Months Ended	
		Sep-05	Sep-04	Sep-05	Sep-04
a) Sales Value (Annualized first year premium)	Rs. crore	113.08	52.04	262.96	138.18
b) Average case size per active agent	Rs.	13,410	10,848	15,751	11,586
c) Case rate per active agent per month	No.	3.39	3.69	2.38	2.99
d) Number of agents	No.	9,619	6,555	9,619	6,555
e) Net agents added	No.	1,026	532	2,711	1,485
f) Overall persistency rate	%	78.10	82.90	78.10	82.90
g) Gross written premium income	Rs. crore				
First year premium		52.83	45.48	191.73	119.53
Renewal premium		45.39	5.85	179.92	85.77
Single premium		8.57	37.73	40.06	11.62
Total		106.80	89.06	411.72	216.92
h) Number of Policies sold	No.	110,787	52,799	233,548	143,960
h) Sum insured in force (individual policies)	Rs. crore	19,917	13,217	19,917	13,217

MAX HEALTHCARE

- ✍ **Three tier hub and spoke model scales up the operations fast.**
 - *Revenue for six months ended Sep'05 at Rs. 56 Crores, grows 194% year-on-year.*

- ✍ **Occupancy improving at each of the healthcare facility**
 - *Max Tertiary Hospital, Saket – 52% (Facility launched in Jan'05)*
 - *Max Secondary Hospital, Patparganj – 54% (Facility launched in May'05)*
 - *Max Secondary Hospital, Pitampura – 56% (Post expansion)*
 - *Max Secondary Hospital, Noida – 61% (Post expansion)*
 - *Max Medcentre, Panchsheel – 89%*

- ✍ **All Secondary care hospitals expected to achieve EBITDA breakeven by Mar'06.**
 - *Max Medcentre at Panchsheel & Noida already EBITDA breakeven.*

MAX HEALTHCARE

- ✍ **Max Hospital Saket (East Block) – Commences operations in January 2005. Ramping up well**
 - *Surgeries/Procedures performed increase from 708 in the previous quarter to 967 in the current quarter.*
 - *The State of art facility has inpatient capacity of 250 beds including 52 ICU beds. The facility is equipped with 3 Operation Theaters and 2 Cathlabs with high end Radiology facilities.*
 - *Institute of Joint Replacement, a tower specialty of West Block, commenced operations from June'05.*

- ✍ **Max Hospital, Patparganj (East Delhi) – Commences operations in May 2005 – Facility scales up fast.**
 - *A 125 bed hospital; only one of its kind in East Delhi; comprehensive with full range of services with specializations in Non-invasive Cardiology, Mother & Child care, PHP, Dialysis, Blood Bank, Traumatology and Cardiac Catheterization Lab.*

MAX HEALTHCARE

- ✍ Registered patient base of over 235,000 patients, up from 160,000 patients as of Sep'04. Patient transactions per month approaches 50,000 patients mark.
- ✍ Network of doctors increases from 450 as of Sep'04 end to 600 currently. Number of physicians on rolls at 220 against 130 as of Sep'04 and network of visiting consultants at 380 against 220 as of Sep'04.
- ✍ Number of corporate clients increases from 270 as of Sep'04 to 360 currently.
- ✍ Number of employees, increases from 520 in Sep'04 to 1230 in Sep'05.
- ✍ Total targeted bed volume – 1000 to 1400 beds by 2008.

MAX HEALTHCARE

FY 06 will see further ramp up of facilities and newer initiatives

– Max Hospital Saket (West Block) – A 225 beds facility (including 70 critical care beds) with super specialties in Neuro Sciences, Joint Replacement & Orthopedics and Minimally Invasive Surgery is under construction and expected to commence operations by January 2006. Facility to include:

- 7 OT s, 20 Consult Chambers
- Tower Specialties – Ortho, Neuro, Women & Child and MIS
- Brain Lab (first in Asia) & intra operative MRI
- DSA Lab (for Neuro Sciences)
- Emergency Services

– Max Hospital Gurgaon – A 100 bed hospital with 4 OTs expected to be operational by October 2006 is under construction. Tower specialties to include Woman & Child (incl. Infertility), Health Checks, Nephrology & Urology, Plastic & Reconstructive Surgeries, 24-hour Chemist, General & Minimally Invasive surgeries.

– Ophthalmology & Dental Center, Panchsheel – to specialize in Lasik, OPD and Diagnostics. To include Dental facilities – 3 chambers, OPG and lab.

– Tertiary care hospitals at Saket to be scaled up to 500 beds.

– Patparganj hospital to add another 300 beds in adjoining land.

– Tie ups / management contracts in and outside NCR.

NEEMAN MEDICAL INTERNATIONAL

- ✍ **Working towards Preferred Service Provider status.**
 - *Through sustained positioning efforts, getting sponsor Pharma companies to direct CROs to work only with Neeman.*
 - *Re-working business mix: Towards direct sponsor company centric from CRO centric as of today.*

- ✍ **Moving up the value chain – Establishing a Database Management Centre in New Delhi by January 2006.**

- ✍ **Neeman Asia Aggressively expanding capacities – alliances with 9 hospitals across 9 cities for offering them as research sites. The most recent being**
 - *Sir Ganga Ram Hospital, Delhi (650 Beds; 390,000 OPDs p.a.)*

- ✍ **Favorable patent regulations to catalyze exponential growth.**

NEEMAN MEDICAL INTERNATIONAL

- ✍ **Sets impressive operating standards, 2 Successful FDA audits, first ever Indian sites to be inspected by the US FDA.**

- ✍ **Alliances in Latin American region – Foray beyond Costa Rica**
 - *strategic alliance with SineQuaNon, a Clinical Research Organisation for providing Clinical Trial services in Brazil, Argentina & Chile.*
 - *strategic partnership with Instituto Centroamericano De Investigaciones Clinicas (ICIC), an affiliate of UCEM University (Universidad Centroamericana de Ciencias Empresariales) of Nicaragua.*
 - *actively working on potential alliance in Guatemala.*

- ✍ **Several proposal in advanced stage of order finalisation**
 - *Order Book pipeline of over \$ 5 Million.*
 - *Strategic alliances in Europe & Switzerland for sourcing businesses into India.*

- ✍ **Currently active physicians on the network crosses 500 physicians.**

BOPP Business

- ✍ **Steady business – generates revenue of Rs. 65 Crores, grows 11% year-on-year and positive PBT of Rs. 5 Crores for first half of Sep'05.**
 - *MaxFoil achieves revenue growth of 45% year-on-year*
- ✍ **100% capacity utilization – installed capacity 8,800 tons per annum.**
- ✍ **Having niche products and exclusive customer base.**
- ✍ **High production yield.**
- ✍ **Highest return on net capital employed of Rs. 69 Crores – 20%, better than competitors.**



For any clarifications and queries, please contact:

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Thank You