



Q3 FY 2017 Earnings Update

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The Company on a quarterly basis adopts and publishes Standalone financial results as per the stock exchange listing agreement requirements. The consolidated financial results provided for the Quarter are unaudited and for information purposes only.

Previous year figures have been reworked/regrouped /rearranged and reclassified wherever necessary to conform to the requirement of revised Schedule VI format

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HIGHLIGHTS

Financial Performance

- YTD Dec 16 Consolidated Revenues of ₹ 54,218 mio (up 17.4% yoy)
- YTD Dec 16 Consolidated EBITDA of ₹ 5,866 mio (up 9.6% yoy)
 - New Hospitals reported a positive EBITDA of ₹ 154 mio in YTD Dec 16
 - AHLL reported an EBITDA loss of ₹ 777 mio in YTD Dec 16
- YTD Dec 16 Consolidated EBITDA margin at 10.8% as compared to 11.6% in YTD Dec 15
 - Consolidated Healthcare services EBITDA Margin at 18.5% in YTD Dec 16
 - SAP EBITDA margin at 4.4% in YTD Dec 16
- Consolidated PAT of ₹ 1,595 mio in YTD Dec 16
 - Includes AHLL PAT loss of ₹ 994 mio

Key Operational Highlights

- Chennai cluster revenues grew by 4% in YTD Dec 16 to ₹ 11,078 mio as compared to ₹ 10,605 mio in YTD Dec 15.
- Hyderabad Revenues grew by 12% in YTD Dec 16 to ₹ 4,752 mio as compared to ₹ 4,226 mio in YTD Dec 15. ARPOB registered a healthy 17% growth due to case mix improvement and reduction in low yielding cases.
- New Hospitals displayed good growth. Revenues grew from ₹ 2,759 mio in YTD Dec 15 to ₹ 4,209 in YTD Dec 16, growth of 53%.
- Bangalore Region including Mysore witnessed an overall revenue growth of 20%.
- Stand Alone Pharmacies (SAP) reported Revenues of ₹ 21,312 mio, growth of 24%. SAP EBITDA at ₹ 929 mio (4.4% margin) in YTD Dec 16.
- Apollo Munich achieved a Gross Written Premium of ₹ 7,423 mio in YTD Dec 16 against ₹ 6,406 mio achieved during the same period in the previous year representing a growth of 16%.

Capacity

- 71 hospitals with total bed capacity of 10,143 beds as on Dec 31, 2016
 - 43 owned hospitals including JVs/ Subsidiaries and Associates with 8,362 beds
 - 11 Day care/ short surgical stay centres with 238 beds and 9 Cradles with 184 beds
 - 8 Managed hospitals with 1,359 beds.
- Of the 8,362 owned hospital beds capacity, 6,956 beds were operational and had an occupancy of 64%.
- The total number of pharmacies as on Dec 31, 2016 was 2,506. Gross additions of 228 stores with 48 stores closures thereby adding 180 stores on a net basis in YTD Dec 16.

Medical Initiatives Accomplishments

- Apollo Hospitals, Bhubaneshwar successfully implanted a subcutaneous Implantable Cardiac Defibrillator – only the 6th ever in the country and for the first time in a non-metro centre. This has set a new milestone in the field of cardiology in the State of Odisha.
- Apollo Gleneagles, Kolkata created history as it became part of the first Green Corridor of Eastern India for the transfer of organs.
- Apollo Hospitals, Navi Mumbai set a new benchmark by starting treatment of an acute brain stroke patient in just 42 mins surpassing the international standard of 60 mins.
- Apollo Hospitals, Navi Mumbai successfully performed India's 1st ever complex hernia surgery on a 101 year-old patient who has recovered well and will now lead a better quality of life.

Other Key Developments

- The International Finance Corporation, an arm of the World Bank, has invested Rs 450 crore to acquire a 29% stake in Apollo Health and Lifestyle Ltd (AHLL). AHLL will use the proceeds to expand its network of clinics, cradles and diagnostics centres across India
- The Apollo Hospitals Group won as many as 15 of the 20 nominations for the British Medical Journal South Asia Awards 2015. The categories include healthcare quality, medical education, technological innovation and research and clinical excellence.
- In the WEEK-Nielsen Best Hospital Survey, 2016 three facilities (Chennai, Delhi and Hyderabad) of the group were included among the top 20 Hospitals in India – the most by any healthcare group in the country. Hospitals at Chennai, Kolkata and Ahmedabad were also selected as the top facilities in their respective cities while Bangalore, Delhi, Hyderabad and Bhubaneshwar were also rated highly.
- Dr Pratap C Reddy, Chairman of Apollo Hospitals, was conferred with the title of 'Icon of Emergency medicine in India' at the 18th annual conference of the Society for Emergency Medicine in India (SEMI)

STANDALONE FINANCIAL PERFORMANCE

Standalone Financial Performance – Total

(₹ mio)

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	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Revenue	14,250	16,806	17.9%	41,405	47,801	15.4%
Operative Expenses	7,347	8,892	21.0%	21,347	24,941	16.8%
Employee Expenses	2,197	2,471	12.5%	6,127	6,935	13.2%
Administrative & Other Expenses	2,849	3,502	22.9%	8,311	9,886	18.9%
Total Expenses	12,393	14,865	19.9%	35,785	41,762	16.7%
EBITDA	1,857	1,941	4.5%	5,620	6,039	7.5%
margin (%)	13.0% ⁽¹⁾	11.5% ⁽¹⁾	-148 bps	13.6% ⁽¹⁾	12.6% ⁽¹⁾	-94 bps
Depreciation	538	618	14.8%	1,520	1,778	17.0%
EBIT	1,319	1,323	0.3%	4,100	4,262	3.9%
margin (%)	9.3%	7.9%	-138 bps	9.9%	8.9%	-99 bps
Financial Expenses	320	513	60.2%	898	1,426	58.9%
Other Income/ Exceptional item *	-63	31		-24	168	
Profit Before Tax	936	841	-10.2%	3,178	3,003	-5.5%
Profit After Tax (excluding one-off gain)*	756	728	-3.6%	2,526	2,370	-6.2%
margin (%)	5.3%	4.3%	-97 bps	6.1%	5.0%	-114 bps
Profit After Tax (including one off gain)	1,223	728	-40.5%	2,994	2,370	-20.8%
ROCE (Annualized) ⁽²⁾				11.4%	9.9%	
Capital Employed				48,022	57,343	

Key Highlights

YTD Dec 16 Revenues of ₹ 47,801 mio, 15.4% yoy growth

YTD Dec 16 EBITDA at ₹ 6,039 mio, 7.5% yoy growth

YTD Dec 16 EBIT at ₹ 4,262 mio, 3.9% yoy growth

YTD Dec 16 PAT at ₹ 2,370 mio.

* Other Income of Q3FY16 & YTD Dec 15 excludes ₹ 468 mio of profit on sale of Investments held by the company in Alliance Dental Care Limited and Apollo Dialysis Private Limited to AHLL.



⁽¹⁾ Healthcare services Revenues under Ind AS have been grossed up for Fixed fee Doctors & considered separately as operating cost. This was earlier being netted off from Revenues under Indian GAAP. This results in an optical compression of EBITDA margins of Healthcare services by 130 – 140 bps. SAP Revenues under Ind AS has been adjusted for the unredeemed discount points in the loyalty program, which impacts EBITDA margins of SAP by 25-30 bps. The impact at the company level is 70 - 80 bps

⁽²⁾ Capital employed for the calculation of ROCE does not include Capital Work in progress on new hospital expansion projects of ₹ 3,587 mio for YTD Dec 16 and ₹ 8,702 mio for YTD Dec 15 & investments in mutual funds and associates.

YTD Dec 16 figures have been presented on the basis of Ind AS. YTD Dec 15 have been restated for comparative purposes as required under the Listing guidelines.

Standalone Financial Performance – Existing & New Breakup

(₹ mio)

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	Healthcare Services (Existing)	New Hospitals	Healthcare Services (Total)	SAP	Standalone	
YTD Dec 16	Revenue	22,280	4,209	26,489	21,312	47,801
	EBITDAR	5,390	426	5,816	1,591	7,407
	margin (%)	24.2%	10.1%	22.0%	7.5%	15.5%
	EBITDA	4,957	154	5,111	929	6,039
	margin (%)	22.2%*	3.7%	19.3%*	4.4%#	12.6%
	EBIT	3,882	-355	3,528	734	4,262
	margin (%)	17.4%		13.3%	3.4%	8.9%
YTD Dec 15	Revenue	21,518	2,759	24,277	17,128	41,405
	EBITDAR	5,408	205	5,613	1,162	6,775
	margin (%)	25.1%	7.4%	23.1%	6.8%	16.4%
	EBITDA	5,014	6	5,020	600	5,620
	margin (%)	23.3%*	0.2%	20.7%*	3.5%#	13.6%
	EBIT	3,981	-323	3,658	442	4,100
	margin (%)	18.5%		15.1%	2.6%	9.9%
YOY Growth						
Revenue Growth	3.5%	52.6%	9.1%	24.4%	15.4%	
EBITDAR Growth	-0.3%	108.0%	3.6%	36.9%	9.3%	
EBITDA Growth	-1.1%		1.8%	54.8%	7.5%	
EBIT Growth	-2.5%		-3.6%	66.0%	3.9%	

Key Highlights

- Health Care Services revenue growth at 9.1% from ₹ 24,277 mio in YTD Dec 15 to ₹ 26,489 mio in YTD Dec 16
- New Hospitals revenues grew 52.6% from ₹ 2,759 mio in YTD Dec 15 to ₹ 4,209 mio in YTD Dec 16
- New Hospitals EBITDA increased from ₹ 6 mio in YTD Dec 15 to EBITDA of ₹ 154 mio in YTD Dec 16
- FY13 Hospitals – Vanagaram & Jayanagar reported an EBITDA of ₹ 237 mio in YTD Dec 16 compared to ₹ 141 mio in YTD Dec 15
- FY14/FY15/FY16/FY17 hospitals - Trichy, Nashik, Women & Child - OMR, Nellore, Perungudi, Women & Child – SMR, Vizag new, Malleswaram & Navi Mumbai have an EBITDA loss of ₹ 84 mio.

* Healthcare services Revenues under Ind AS have been grossed up for Fixed fee Doctors & considered separately as operating cost. This was earlier being netted off from Revenues under Indian GAAP. This results in an optical compression of EBITDA margins of Healthcare services by 130 – 140 bps.

#SAP Revenues under Ind AS has been adjusted for the unredeemed discount points in the loyalty program, which impacts EBITDA margins of SAP by 25-30 bps.

Standalone Financial Performance – Segment Reporting

(₹ mio)

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	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Revenues from each segment						
Healthcare Services*	8,137	8,919	9.6%	24,280	26,493	9.1%
Stand-alone Pharmacy	6,114	7,888	29.0%	17,128	21,312	24.4%
Other Income	662	31	-95.3%	700	168	-76.1%
Total	14,913	16,838	12.9%	42,108	47,973	13.9%
Less: Intersegmental Revenue	1	1		3	4	
Net Revenues (incl. other income)	14,912	16,837	12.9%	42,105	47,969	13.9%
Profit before Tax & Interest (EBIT)						
Healthcare Services*	1,141	1,017	-10.9%	3,658	3,528	-3.6%
Stand-alone Pharmacy	178	306	71.8%	442	734	66.0%
Other Income	662	31	-95.3%	700	168	-76.1%
Total EBIT (incl. other income)	1,981	1,354	-31.7%	4,800	4,429	-7.7%
Profit before Tax & Interest (EBIT) margins						
Healthcare Services*	14.0%	11.4%	-262 bps	15.1%	13.3%	-175 bps
Stand-alone Pharmacy	2.9%	3.9%	97 bps	2.6%	3.4%	86 bps
Total EBIT margin (incl. other income)	13.3%	8.0%	-524 bps	11.4%	9.2%	-217 bps
Capital Employed Healthcare services ⁽¹⁾				42,190	50,701	
Healthcare services - ROCE (Annualized)				11.6%	9.3%	

Key Highlights

Q3 FY 17 Healthcare services Revenues at ₹ 8,919 mio, growth of 9.6%

Q3 FY 17 Standalone pharmacies Revenues at ₹ 7,888 mio, growth of 29.0%.

11 New Hospitals (Vanagaram, Jayanagar, Trichy, Nasik, Women & Child - OMR, Nellore, Perungudi, Women & Child - SMR, Vizag new, Malleswaram & Navi Mumbai) having capital employed of ₹ 15,976 mio yet to contribute to ROCE.

Excluding the New Hospitals and Investment in Group companies and AHLL, ROCE of existing Healthcare Services is at 16.8% as on 31st Dec 2016.

* Healthcare Services consists of Hospitals, Hospital Based Pharmacies and Consulting

⁽¹⁾ Capital employed for the calculation of ROCE does not include Capital Work in progress on new hospital expansion projects of ₹ 3,587 mio for YTD Dec 16 and ₹ 8,702 mio for YTD Dec 15 & investments in mutual funds and associates.

YTD Dec 16 figures have been presented on the basis of Ind AS. YTD Dec 15 have been restated for comparative purposes as required under the Listing guidelines

CONSOLIDATED FINANCIAL PERFORMANCE

Consolidated Financial Performance - Total (Unaudited Management estimates)

(₹ mio)

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	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Total Revenues	15,982	19,115	19.6%	46,184	54,218	17.4%
EBITDA	1,688	1,876	11.2%	5,350	5,866	9.6%
margin (%)	10.6%	9.8%	-75 bps	11.6%	10.8%	-77 bps
EBIT	1,000	1,072	7.2%	3,390	3,559	5.0%
margin (%)	6.3%	5.6%	-65 bps	7.3%	6.6%	-77 bps
Profit After Tax	493	454	-7.9%	2,135	1,595	-25.3%
Total Debt					31,522	
Cash & Cash equivalents (includes investment in liquid funds)					6,590	
Standalone financials						
Total Debt					27,236	
Cash & Cash equivalents (includes investment in liquid funds)					3,537	

Key Highlights

- Revenue growth of 19.6% from ₹ 15,982 mio in Q3 FY 16 to ₹ 19,115 mio in Q3 FY 17
- Q3 FY 17 Consolidated EBITDA grew by 11.2%
- Q3 FY 17 Consolidated EBIT grew by 7.2%
- Consolidated PAT at ₹ 454 mio in Q3 FY 17

Note

- Apollo Gleneagles Kolkata which was being pro-rata consolidated to the extent of 50% of our holding on Revenues, EBITDA and PAT under Indian GAAP has not been consolidated under Ind AS. JVs are accounted using Equity method of consolidation under Ind AS
Apollo Gleneagles has Revenues of ₹ 1,156 mio (16% growth) and EBITDA of ₹ 232 mio (6% growth) in Q3 FY 17.
- Apollo Health & Lifestyle Ltd, our retail health and clinic subsidiary has a 49% subsidiary which has Cradles and short stay surgery centres (Apollo Spectra) with 51% being held by promoters and other Investors. This has been consolidated at 100% on Revenues, EBITDA and PAT using the principle of Management control under Ind AS.

Basis of consolidation in the Appendix (page 23)

YTD Dec 16 figures have been presented on the basis of Ind AS. YTD Dec 15 have been restated for comparative purposes as required under the Listing guidelines

Consolidated Financial Performance – Existing & New Breakup – Total

(₹ mio)

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		Healthcare Serv Group (Existing)	Healthcare Serv Group (New & Others)	Healthcare Serv Group (Total)	SAP	AHLL * (incl Cradle)	Consol
YTD Dec 16	Revenue	25,478	5,414	30,892	21,312	2,014	54,218
	EBITDAR	6,002	479	6,481	1,591	-251	7,821
	margin (%)	23.6%	8.8%	21.0%	7.5%		14.4%
	EBITDA	5,547	168	5,714	929	-777	5,866
	margin (%)	21.8%	3.1%	18.5%	4.4%		10.8%
	EBIT	4,278	-392	3,886	734	-1060	3,559
	margin (%)	16.8%		12.6%	3.4%		6.6%
YTD Dec 15	Revenue	24,562	3,029	27,592	17,128	1,465	46,184
	EBITDAR	6,009	110	6,119	1,162	-327	6,954
	margin (%)	24.5%	3.6%	22.2%	6.8%		15.1%
	EBITDA	5,592	-96	5,496	600	-746	5,350
	margin (%)	22.8%		19.9%	3.5%		11.6%
	EBIT	4,383	-450	3,933	442	-986	3,390
	margin (%)	17.8%		14.3%	2.6%		7.3%
YOY Growth							
Revenue Growth		3.7%	78.7%	12.0%	24.4%	37.5%	17.4%
EBITDAR Growth		-0.1%	336.8%	5.9%	36.9%		12.5%
EBITDA Growth		-0.8%		4.0%	54.8%		9.6%
EBIT Growth		-2.4%		-1.2%	66.0%		5.0%

Key Highlights

Healthcare services (New) EBITDA improved from loss of ₹ 96 mio in YTD Dec 15 to positive EBITDA of ₹ 168 mio in YTD Dec 16

SAP EBITDA of ₹ 929 mio (4.4% margin) in YTD Dec 16 as compared to ₹ 600 mio (3.5% margin) in YTD Dec 15

AHLL – Cradle & Clinics reported an EBITDA loss of ₹ 777 mio as compared to loss of ₹ 746 mio in YTD Dec 15

* 100% consolidation under Ind AS now of even its 49% subsidiary which has Cradle & short stay surgery (Apollo Spectra), which consolidation was not required under Indian GAAP.

OPERATIONAL PERFORMANCE HOSPITALS

Operational Performance – Hospitals

(₹ mio)

Particulars	AHEL Standalone Hospitals														
	Total ⁽⁵⁾			Chennai cluster			Hyderabad cluster			Others ⁽¹⁾			Significant subs/JVs/associates ⁽²⁾		
	YTD Dec 15	YTD Dec 16	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
No. of Operating beds	6,454	6,956		1,521	1,531		930	839		1,822	2,135		2,181	2,451	
Inpatient volume	2,82,179	3,05,180	8.2%	67,063	68,003	1.4%	38,415	38,810	1.0%	73,016	80,737	10.6%	1,03,685	1,17,630	13.4%
Outpatient volume ⁽³⁾	9,77,416	10,58,276	8.3%	2,90,980	2,92,445	0.5%	1,24,134	1,25,261	0.9%	2,09,961	2,34,017	11.5%	3,52,341	4,06,553	15.4%
Inpatient ALOS (days)	4.14	4.04		3.97	3.66		4.02	3.81		4.33	4.30		4.15	4.15	
Bed Occupancy Rate (%)	66%	64%		64%	59%		60%	64%		63%	59%		72%	72%	
Inpatient revenue (₹ mio)	NA	NA		7,997	8,327	4.1%	3,482	3,934	13.0%	5,123	5,953	16.2%	11,441	12,439	8.7%
Outpatient revenue (₹ mio)	NA	NA		2,608	2,751	5.5%	744	818	10.0%	820	965	17.7%	2,142	2,804	30.9%
ARPOB (₹ /day) ⁽⁴⁾	29,654	31,111	4.9%	39,815	44,460	11.7%	27,341	32,101	17.4%	18,789	19,931	6.1%	31,538	31,197	-1.1%
Total Net Revenue (₹ mio) ⁽⁴⁾	NA	NA		10,605	11,078	4.5%	4,226	4,752	12.5%	5,943	6,918	16.4%	13,583	15,243	12.2%

Notes:

(1) Others include Madurai, Karur, Karaikudi, Trichy, Nellore, Mysore, Vizag, Karimnagar, Bilaspur, Bhubaneswar, Jayanagar, Nashik, Vizag new, Malleswaram & Navi Mumbai.

(2) Significant Hospital JVs/Subs/Associates are – Ahmedabad, Bangalore, Kolkata, Kakinada, Delhi, Indore & Assam (full revenues shown in table above).

(3) Outpatient volume represents New Registrations only.

(4) Revenues under Ind AS have been grossed up for Fixed fee Doctors & considered separately as operating cost. This was earlier being netted off from Revenues under Indian GAAP.

(5) Revenues under the head “Total” have not been provided as Consolidated actual results will differ from total due to proportionate consolidation.

* Inpatient volumes are based on discharges.

YTD Dec 16 figures have been presented on the basis of Ind AS. YTD Dec 15 have been restated for comparative purposes as required under the Listing guidelines

OPERATIONAL PERFORMANCE STANDALONE PHARMACY

Operational Performance – Standalone Pharmacy

(₹ mio)

Batch	Particulars	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Upto FY 10 Batch	No of Stores	778	767		778	767	
	Revenue/store	3.66	4.25	16.2%	10.60	11.83	11.6%
	EBITDA /store	0.21	0.30	38.0%	0.61	0.80	30.4%
	EBITDA Margin %	5.8%	7.0%	110 bps	5.8%	6.7%	97 bps
FY 11 Batch	No of Stores	158	154		158	154	
	Revenue/store	2.94	3.58	21.6%	8.47	9.88	16.6%
	EBITDA /store	0.16	0.25	55.2%	0.42	0.65	55.8%
	EBITDA Margin %	5.4%	7.0%	151 bps	4.9%	6.6%	166 bps
FY 12 Batch	No of Stores	225	218		225	218	
	Revenue / Store	2.74	3.21	17.4%	7.86	8.93	13.6%
	EBITDA /store	0.11	0.17	63.2%	0.28	0.46	60.7%
	EBITDA Margin %	3.9%	5.4%	150 bps	3.6%	5.1%	149 bps
SAP (Excluding Hetero)	Total Revenues	5,780	7,448	28.8%	16,326	20,120	23.2%
	EBITDA	236	355	50.6%	629	930	47.8%
	EBITDA Margin %	4.1%	4.8%	69 bps	3.9%	4.6%	77 bps
Hetero	No of Stores	295	261		295	261	
	Revenue/store	1.14	1.69	48.3%	2.72	4.57	68.1%
	EBITDA /store	-0.04	0.03		-0.10	-0.01	
	EBITDA Margin %	-3.9%	1.5%		-3.7%	-0.1%	
Total	No. Of Store	2,263	2,506		2,263	2,506	
	Revenue / Store	2.70	3.15	16.5%	7.57	8.50	12.4%
	EBITDA / Store	0.10	0.14	47.3%	0.27	0.37	39.8%
	EBITDA Margin %	3.6%	4.6%	96 bps	3.5%	4.4%	86 bps
	Total Revenues	6,114	7,888	29.0%	17,128	21,312	24.4%
	EBITDA	223	362	62.4%	600	929	54.8%
	EBITDA Margin %	3.6%	4.6%	94 bps	3.5%	4.4%	86 bps
Capex (₹ Mio)		70	105		239	309	
Capital Employed (₹ Mio)		5,832	6,642		5,832	6,642	
Total ROCE %		12.2%	18.4%	621 bps	10.1%	14.7%	462 bps
Total No. of Employees					13,819	16,343	18.3%

Key Highlights

- Revenues at ₹ 7,888 mio, growth of 29.0%
- EBITDA of ₹ 362 mio in Q3 FY 17 as compared to ₹ 223 mio in Q3 FY 16, growth of 62.4%
- EBITDA margins of 4.6% in Q3 FY 17 as compared to 3.6% in Q3 FY 16
- Excluding the Hetero network of stores, Revenue growth was 28.8% and EBITDA growth was 50.6%, EBITDA margin of 4.8% in Q3 FY 17
- LFL (Like-for-like) Revenue per store growth for pre FY2008 batch of stores in Q3 FY 17 is 16.6% (yoy) and EBITDA per store growth is 36.7% (yoy). EBITDA margin of 7.7% in Q3 FY 17 as compared to 6.5% in Q3 FY 16
- ROCE in Q3 FY 17 at 18.4% as compared to 12.2% in Q3 FY 16
- Gross addition of 228 stores and closed 48 stores in YTD Dec 16. Net addition of 180 stores.
- No. of stores as on 31st Dec 2016 is 2,506

SAP Revenues under Ind AS has been adjusted for the unredeemed discount points in the loyalty program, which impacts EBITDA margins of SAP by 25-30 bps.

UPDATE ON PROJECTS

Key Hospital Expansion Plan & Update on Execution

(₹ mio)

Location	CoD*	Type of Hospital	No. Of Beds	Total Estimated Project Cost (INR mio)
Addition in FY 17				
Indore (expansion)	FY17	Super Specialty	65	280
Sub Total			65	280
Addition in FY 19				
South Chennai (incl Proton)	FY19	Super Specialty	200	7,500
Byculla, Mumbai	FY19	Super Specialty	300	1,400
Sub Total			500	8,900
Total			565	9,180

Key Highlights

- We are in the final stages of our current expansion plans
- 2,430 beds in 13 locations commissioned in the last 36 months – Vanagaram 260, Jayanagar 140, Trichy 200, Nashik 120, Women and Child - OMR 60, Indore 120, Nellore 190, Perungudi 150, Women & Child - SMR 50, Vizag new 247, Malleswaram 190, Assam 220, Navi Mumbai 480.
- To add 65 beds in Indore in FY17.
- To add another 500 beds in FY19 - South Chennai 200, South Mumbai 300.
- Focus now is on operationalising the new capacity and growing and consolidating our leadership position in these markets in the next 18 – 24 months

The total CAPEX estimated for this expansion plan is ₹ 9,180 mio. Of this Investment of ₹ 2,980 mio already made. Balance will be invested by a mix of internal accruals and debt

* Expected date of completion

UPDATE ON OTHER JVs FINANCIALS

Financials of JVs which were being pro rata consolidated under Indian GAAP, not being done so under Ind AS

Update on other JV Financials

(₹ mio)

Apollo Gleneagles Kolkata						
Particulars	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Revenue	995	1,156	16.2%	2,967	3,416	15.1%
EBITDA	219	232	6.2%	652	696	6.8%
margin (%)	22.0%	20.1%	-190 bps	22.0%	20.4%	-160 bps
Profit after Tax	80	88	10.1%	256	279	8.7%
margin (%)	8.1%	7.6%	-42 bps	8.6%	8.2%	-48 bps
No. of Operating beds	600	650		600	650	
Bed Occupancy Rate (%)	78%	81%		78%	80%	
ARPOB (₹ /day)	30,677	31,535	2.8%	30,648	31,515	2.8%

Key Highlights

- Apollo Gleneagles Kolkata reported Revenue growth of 16.2% from ₹ 995 mio in Q3 FY 16 to ₹ 1,156 mio in Q3 FY 17
- EBITDA grew by 6.2% from ₹ 219 mio in Q3 FY 16 to ₹ 232 mio in Q3 FY 17

Apollo Munich Health Insurance Co Ltd						
Particulars	Q3 FY 16	Q3 FY 17	yoy (%)	YTD Dec 15	YTD Dec 16	yoy (%)
Total Income	2,169	2,756	27.1%	6,227	7,788	25.1%
EBITDA	34	269	698.5%	105	568	441.6%
margin (%)	1.6%	9.8%	821 bps	1.7%	7.3%	561 bps
Profit after Tax	10	242	2376.0%	30	486	1512.9%
margin (%)	0.4%	8.8%	832 bps	0.5%	6.2%	576 bps

- During YTD Dec 16, the company achieved a Gross Written Premium (GWP) of ₹ 7,423 mio against a GWP of ₹ 6,406 mio in YTD Dec 15
- EBITDA of ₹ 568 mio in YTD Dec 16 as compared to EBITDA of ₹ 105 mio in YTD Dec 15
- PAT of ₹ 486 mio in YTD Dec 16 as compared to ₹ 30 mio in YTD Dec 15
- The incurred claim loss ratio was at 60% in YTD Dec 16
- The Assets under Management stood at ₹ 8,126 mio as on Dec 31, 2016
- The Company now has 109 offices across the country

Previous year figures have been reworked/regrouped/rearranged and reclassified wherever necessary to conform to the requirement of revised Schedule VI format



Appendix: Basis of Consolidation

AHEL Standalone	Location	Description	AHEL Ownership
Chennai Main	Chennai	Hospital	100.0%
ASH - Chennai	Chennai	Hospital	
Tondiarpet - Chennai	Chennai	Hospital	
FirstMed - Chennai	Chennai	Hospital	
Apollo Children's Hospital	Chennai	Hospital	
Apollo Specialty, Vanagaram	Chennai	Hospital	
Women & Child, OMR	Chennai	Hospital	
ASH Perungudi	Chennai	Hospital	
Women & Child, Shafee Mohammed Road	Chennai	Hospital	
Madurai	Madurai	Hospital	
Karur	Karur	Hospital	
Karaikudi	Karaikudi	Hospital	
Trichy	Trichy	Hospital	
Nellore	Nellore	Hospital	
Hyderabad	Hyderabad	Hospital	
Bilaspur	Bilaspur	Hospital	
Mysore	Mysore	Hospital	
Vizag	Vizag	Hospital	
Karim Nagar	Karim Nagar	Hospital	
Bhubaneswar	Bhubaneswar	Hospital	
Jayanagar	Bangalore	Hospital	
Nashik	Nashik	Hospital	
Vizag New	Vizag	Hospital	
Malleswaram	Bangalore	Hospital	
Navi Mumbai	Mumbai	Hospital	

Subsidiaries	Location	Description	AHEL Ownership
Samudra Healthcare Enterprises Ltd.	Kakinada	Hospital	100.00%
Apollo Hospitals (UK) Ltd	UK	Hospital	100.00%
Imperial Hospital and Research Centre Ltd.	Bangalore	Hospital	90.00%
Pinakini Hospitals Ltd.	Nellore	Hospital	79.44%
Unique Home Healthcare Limited	Chennai	Paramedical Services	100.00%
Apollo Health and Lifestyle Ltd.	Hyderabad	Apollo Clinics	100.00%
AB Medical Centres Limited	Chennai	Infrastructure	100.00%
Western Hospitals Corporation Pvt Ltd	Belapur	Hospital	100.00%
Sapien Biosciences Pvt Ltd	Hyderabad	Biobanking tissues	70.00%
Apollo Rajshree Hospital	Indore	Hospital	57.27%
Apollo Lavasa Health Corporation Ltd	Maharashtra	Hospital	51.00%
Apollo Home Health care Ltd	Hyderabad	Paramedical Services	80.87%
Total Health			100.00%
Apollo Healthcare Technology Solutions Ltd	Chennai	Hospital	100.00%
Assam Hospitals Ltd	Assam	Hospital	51.00%
Apollo Hospitals International Ltd.	Ahmedabad	Hospital	50.00%
Associates	Location	Description	
Indraprastha Medical Corporation Ltd.	Delhi, Noida	Hospital	22.03%
Apollo Gleneagles Hospitals Ltd.	Kolkata	Hospital	50.00%
Apollo Gleneagles PET-CT Pvt. Ltd.	Hyderabad	Hospital	50.00%
Family Health Plan Ltd.		TPA, Health Insurance	49.00%
Future Parking Pvt Ltd	Chennai	Infrastructure	49.00%
ApoKos Rehab Pvt Ltd	Hyderabad	Rehab Centre	50.00%
Stemcyte India Therapeutics Pvt Ltd	Ahmedabad	Stemcell Banking	24.50%

Hospitals – Understanding Key Operating Metrics

	Description	Formula / Calculation	Key Driver
Operating Beds	<ul style="list-style-type: none"> Number of operating beds 		<ul style="list-style-type: none"> Project execution Capital Expenditure
Occupancy	<ul style="list-style-type: none"> In-patient Bed Days 	<ul style="list-style-type: none"> In-patient Bed Days Billed 	<ul style="list-style-type: none"> Brand Doctor reputation Quality of outcomes Competition
ALOS	<ul style="list-style-type: none"> Average Length of Stay per In-patient 	<ul style="list-style-type: none"> In-Patient Bed Days / In-Patient Admissions 	<ul style="list-style-type: none"> Case-Mix / Type of procedures Leverage technology and quality of clinical care to shorten stay
ARPOB / day	<ul style="list-style-type: none"> Average Revenue Per Occupied Bed Day 	<ul style="list-style-type: none"> (IP Revenue* + OP Revenue + Hospital Based Pharmacy Revenue) / IP Bed Days 	<ul style="list-style-type: none"> Case-Mix / Type of procedures Better utilization of operational theatres, medical equipment Pricing
Contribution	<ul style="list-style-type: none"> Contribution 	<ul style="list-style-type: none"> Revenue – Variable costs 	<ul style="list-style-type: none"> Purchasing efficiency Operating efficiency

* Apollo does not include fees paid to fee-for-service consultants in its IP Revenue

THANK YOU