Investor Presentation

June 2011

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Apollo HOSPITALS TOUCHING LIVES

Key highlights

- ☑ Leading private sector healthcare services provider in India
- ☑ Favourable macro and healthcare indicators
- ☑ Leading hospitals player in India
- ☑ Clinical excellence and strong brand value
- ☑ Strong operating and financial track record
- ☑ Well planned strategy to deliver the next phase of growth
- ☑ Experienced management team

Business snapshot

Leading private sector healthcare services provider in India

Business overview

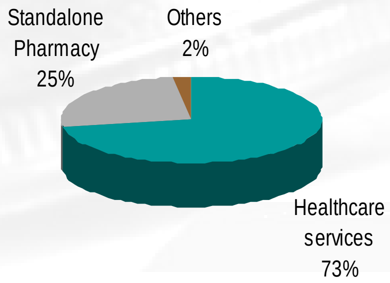
- Promoted by Dr. Prathap C. Reddy, who has been conferred the Padma Vibhushan in 2010 and the Padma Bhushan in 1991 by the Government of India
- **Key businesses includes:**
  - **Healthcare services:** Operating one of the largest hospital networks in Asia with **5,842 owned and 2,875 managed beds** across **37 owned and 17 managed hospitals** as on March 31, 2011
    - Includes tertiary, super specialty and secondary care hospitals
    - **7 hospitals with Joint Commission International (JCI) accreditation**
    - **Team of 4,175 doctors including employed and "fee for service" doctors, 7,863 nurses and 2,403 paramedical personnel** as on March 31, 2011
  - **Standalone pharmacies:** Large network of pharmacies in India with 1,199 outlets across 20 states as of March 31, 2011
  - **Other businesses:**
    - Clinics: Network of 62 primary clinics offering consultation, diagnostics and preventive health check ups
    - Health Insurance: **Joint Venture (11.01%) with European Insurer Munich Health Holding AG, a subsidiary of Munich Re (**leading health insurer with 19,882 agents and 40 branches) and the promoters
    - Healthcare project and consultancy services
    - Healthcare BPO: Revenue cycle management, medical records maintenance and patient claims management
    - Health education, training programs, telemedicine and research
- **Key operating metrics (FY11):**
  - **Average revenue per occupied bed day[1]: Rs 18,706 (US$419)**
  - **Average length of stay: 4.83 days**
  - **Bed occupancy rate: 73%**
- Plan to add **2,418 beds across metros, large cities and semi-urban and rural areas by FY14**
  - Expected **investment of approximately Rs.12,900 mm (US$289 mm) with AHEL investment of approximately Rs.11,000 mm (US$246 mm)**

Consolidated financials[2]

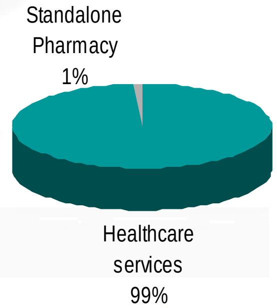
(US$ mm)	FY09	FY10	FY11
Gross Revenue	$361	$453	$583
Y-o-Y Growth	*32.7%*	*25.5%*	*28.6%*
EBITDA	$51	$67	$94
EBITDA Margin	*14.1%*	*14.9%*	*16.1%*
Profit After Tax (PAT)	$23	$31	$41
PAT Margin	*6.3%*	*6.8%*	*7.1%*
Net Worth	$335	$375	$430
Total Loans	$150	$204	$214
Cash and Cash Equivalents	$66	$70	$60

Segment performance (consolidated) (FY11)

Gross Revenue



EBITDA



Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
(1) Net of doctor fees.
(2) All financial are for fiscal year (FY) ended March 31.
Source: Company audited financials and Management Information System ("MIS") reports.

Strong business fundamentals developed over almost three decades of history

Business evolution

1983 - 88
- Apollo Hospital, Chennai
- Apollo Health City, Hyderabad

1989 - 2000
- Indraprastha Apollo Hospitals, Delhi
- Apollo Specialty Hospital, Chennai

2001 - 04
- Apollo Gleneagles, Kolkata
- Hospitals in Mysore, Ahmedabad, Bilaspur
- Apollo Standalone Pharmacy

2005 - 10
- Imperial Hospital, Bangalore
- 2 REACH Hospitals, and hospitals in Bhubaneshwar, Secunderabad, Mauritius, Lavasa, Dhaka, Kakinada
- Apollo Munich Health Insurance
- Apollo Health Street

2011 - 14
- Plan to add 2,418 beds by FY14

Pillars of success

Clinical Excellence
- Seven JCI accredited Hospitals
- Outcomes benchmarked with world-class hospitals globally
- Strong, long term relationship with Doctors and medical professionals

Technological Excellence
- Continue to bring world-class technology to our hospitals - 320 Slice CT scanner, G4 CyberKnife ® Robotic Radiosurgery system, Novalis Tx™ Radiotherapy and Radiosurgery system, 64 slice PET-CT scan system, Digital mammography with tomosysnthesis 3D system

Care, Compassion & Commitment
- Follows value of TLC - 'Tender Loving Care' for our patients
- Commitment to our employees
- Commitment to medical education and research

Cost Benefit
- Committed to world-class care at costs significantly lower than international benchmarks
- Continuous improvement in asset utilization and operating efficiencies

Apollo HOSPITALS TOUCHING LIVES

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- ☑ Leading private sector healthcare services provider in India
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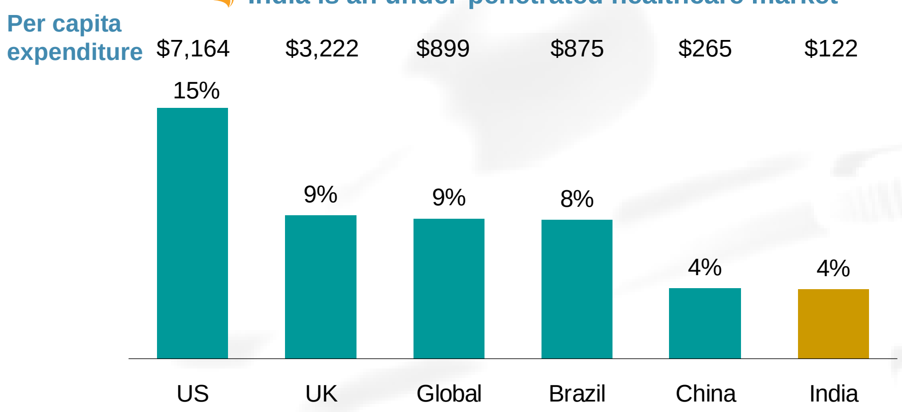
- ☑ Well planned strategy to deliver the next phase of growth
- ☑ Experienced management team

Favourable industry opportunity: Macro indicators

Demand for healthcare services in India is expected to grow rapidly owing to favourable changes in demographics. Private sector players are well-positioned to leverage this opportunity given low contribution of government spending

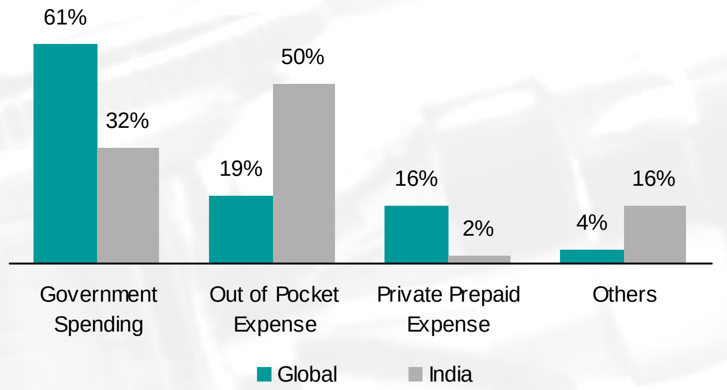
Healthcare expenditure (as % of GDP)[2] (2008)

India is an under-penetrated healthcare market



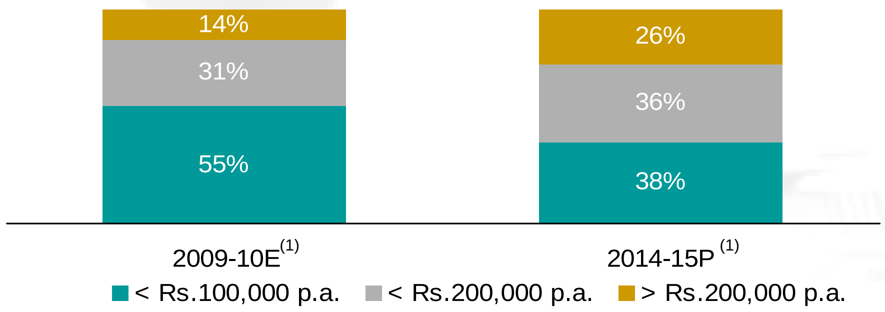
Healthcare expenditure composition[2] (%) (2008)

Spending driven by out of pocket component



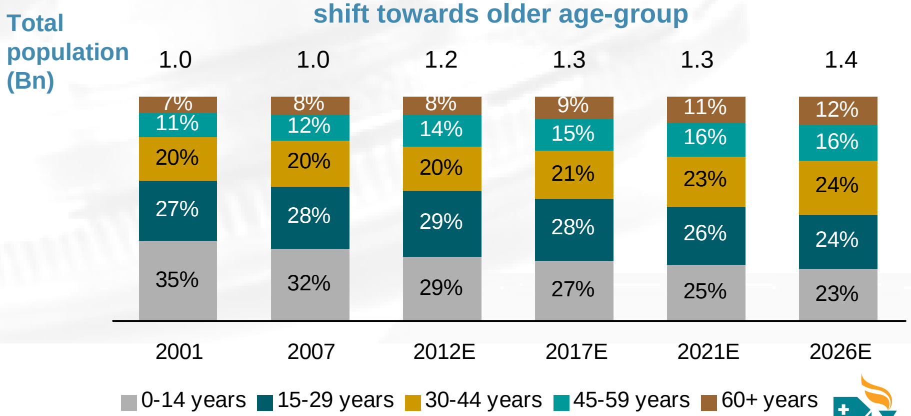
Income wise household break-up[3]

Household incomes are increasing and thus spending on healthcare expected to grow up



Break-up of population by age group[3] (%)

Population is expected to increase with demographics showing a shift towards older age-group



Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
(1) E – Estimated; P – Projected.

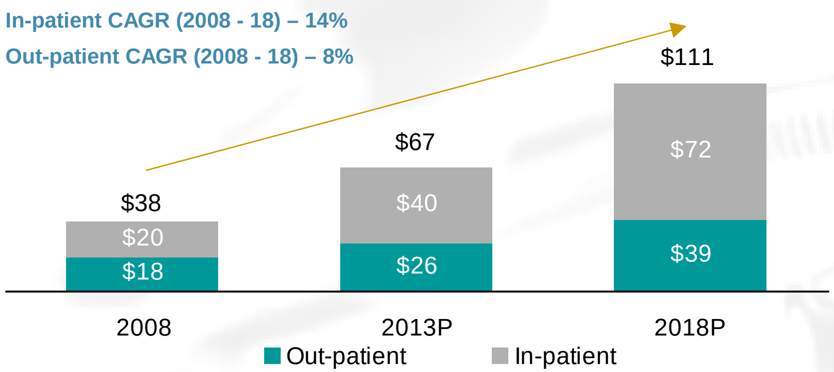
Source:
(2) WHO – World Health Statistics 2011.
(3) CRISIL research hospitals Annual Review – November 2010.

Indian healthcare: Demand drivers

Rising incidence of lifestyle diseases, improving healthcare insurance penetration and increasing medical tourism are expected to drive demand

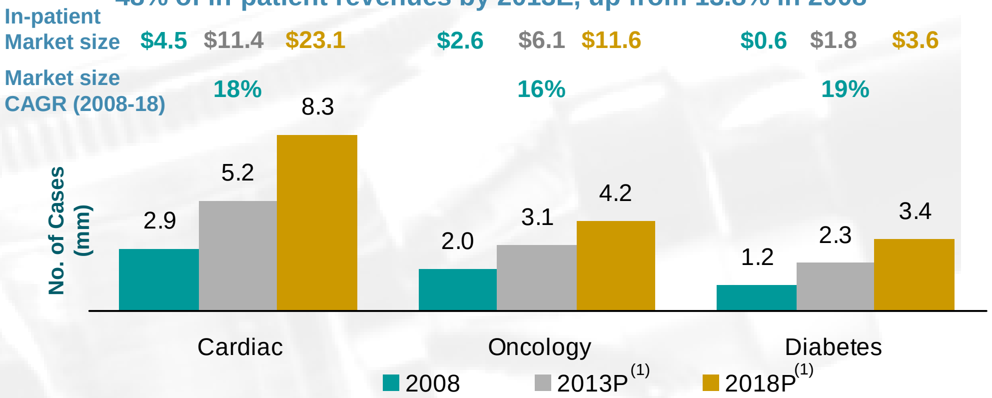
In-patient / out-patient market size[2] (US$ bn)

Patient volumes and spends are expected to grow rapidly, with the larger contribution coming from in-patients



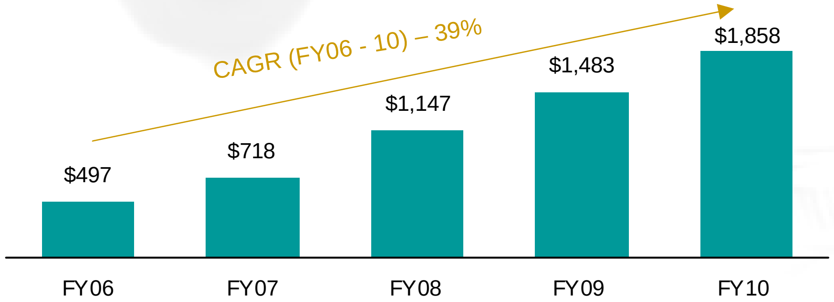
No of hospitalized cases (mm) and In-patient market[2] (US$ bn)

Increasing incidence of lifestyle diseases; estimated to contribute 48% of in-patient revenues by 2013E, up from 13.8% in 2008



Health insurance premiums[3] (US$ mm)

Increasing insurance premiums driven by increasing awareness of healthcare and rising income levels



Medical tourism [2]

Medical tourism is a burgeoning industry in India

- India is competitive in healthcare costs as compared to the developed countries and other nations in Asia
- India offers advanced medical facilities in critical areas such as cardiology, joint replacement, orthopedics, ophthalmology, organ transplants and urology which adds to its competitive advantage

Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
Compounded Annual Growth Rate (CAGR) calculated as: (((Ending value / Beginning Value) ^ (1 / No. of periods)) -1) throughout this presentation.
(1) E – Estimated; P – Projected.

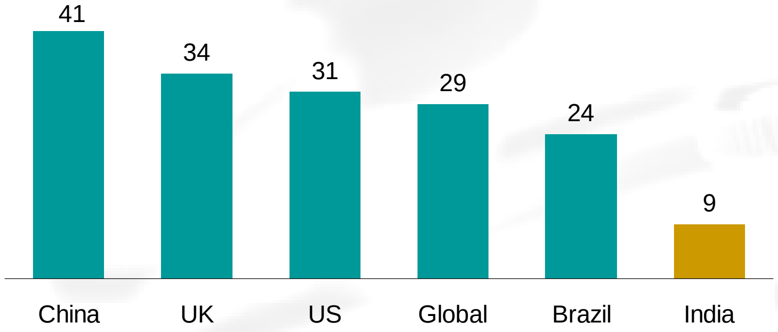
Source:
(2) CRISIL research hospitals Annual Review – August 2009.
(3) Insurance Regulatory and Development Authority, India – Annual report – 2009-10

India healthcare services: Opportunity

Healthcare demand underpinned by lack of infrastructure and large investments required to achieve global benchmarks

Beds per 10,000 people[1] (2009)

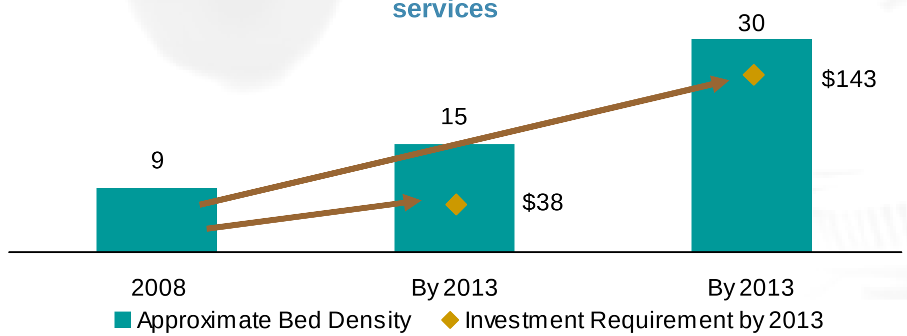
India lags behind other developed and emerging economies in healthcare infrastructure



Investment requirements – bed density and funds[2]

(beds / 10,000 people, US$ bn)

Large investments are required to achieve global bed density benchmarks to meet the growing demand for healthcare services



Key highlights [1,2]

- **Under-penetrated market** with low healthcare spending levels and low government spending
- Inadequate infrastructure, shortage of skilled doctors and staff resulting in **low healthcare consumption**
- Expected increase in lifestyle diseases, rising insurance penetration, rising income levels and growing medical tourism to drive opportunity
- **Huge investments are anticipated in the sector** to bridge the demand supply gap
  - US$143 bn required to be invested in the sector by FY13 to achieve the global benchmark of approximately 30 beds per 10,000

Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
Source:
(1) WHO – World Health Statistics 2011.
(2) CRISIL research hospitals Annual Review – November 2010.

Apollo HOSPITALS
TOUCHING LIVES

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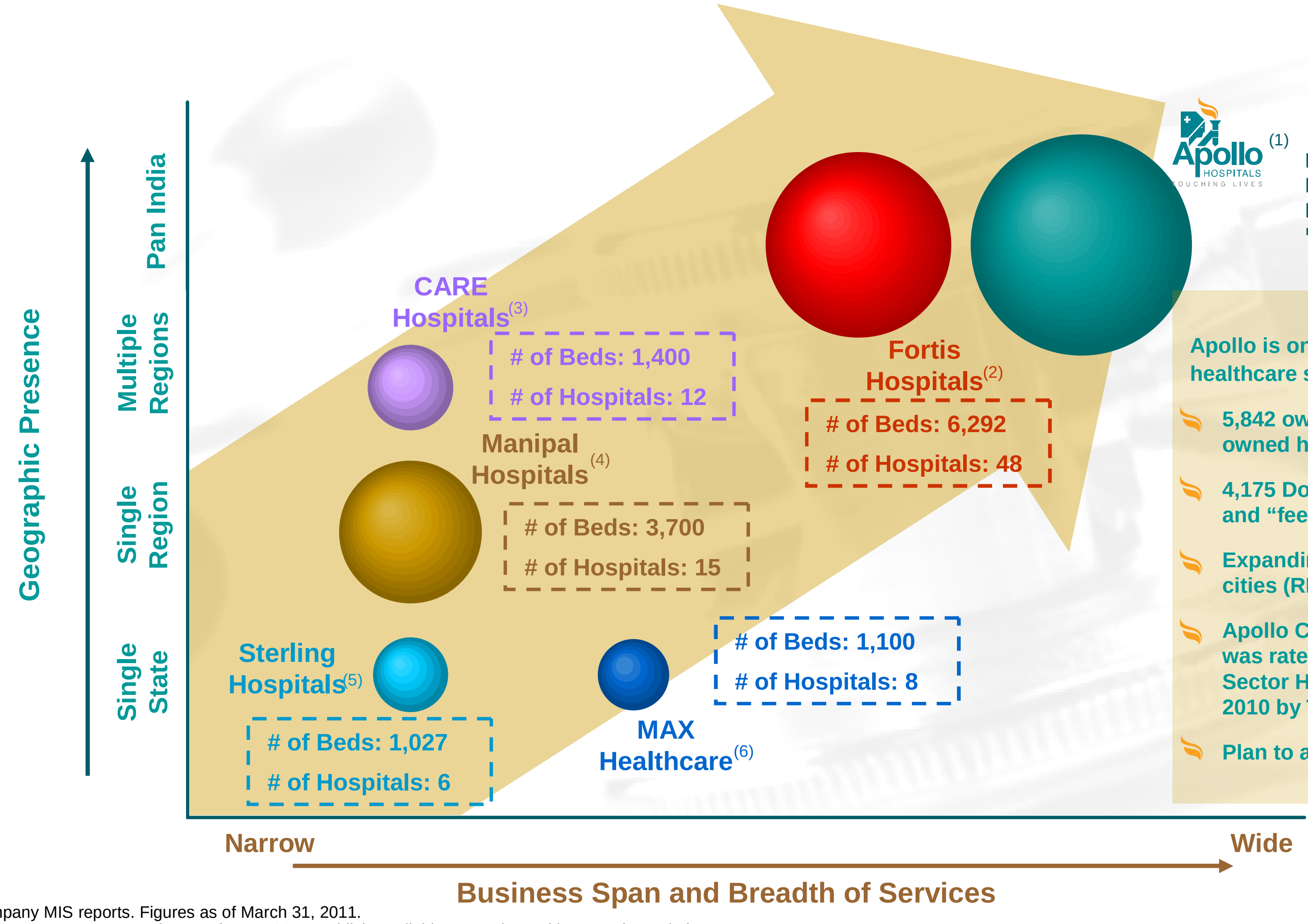
Leading hospitals player in India

Apollo is a leading player in the Indian hospitals space in geographic presence as well as business span and breadth of services offered



Apollo Hospitals (1)

# of Beds: 8,717

# of Hospitals: 54

Apollo is one of the largest healthcare service provider in India

- 5,842 owned beds across 37 owned hospitals
- 4,175 Doctors including employed and "fee for service" doctors
- Expanding into tier II and tier III cities (REACH initiative)
- Apollo Chennai (Greams Road) was rated as the "Best Private Sector Hospital in the Country" in 2010 by The Week
- Plan to add 2,418 beds by FY14

Source:
(1) Company MIS reports. Figures as of March 31, 2011.
(2) Fortis corporate presentation as of June 2011, publicly available on Fortis Healthcare Ltd.'s website.
(3) Care Hospitals website. Information retrieved on June 23, 2011.
(4) Manipal Hospitals website. Information retrieved on June 23, 2011.
(5) Sterling Hospitals website. Information retrieved on June 23, 2011.
(6) Max India investor presentation as of February 2011, publicly available on Max India Ltd.'s website.

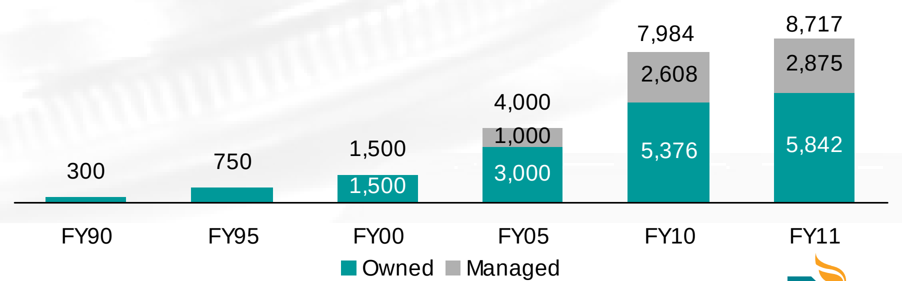
Note: Bubble size denotes no. of beds (owned + managed). The Company has not independently verified the data presented on this slide, except for data relating to the company.

Deep geographic presence across India

Pan India presence across metros, large cities, semi-urban and rural areas

	Total Capacity	Operational Beds	No. of Hospitals
Category wise			
Owned	5,842	4,986	37
Managed	2,875	N.A	17
Grand Total	**8,717**	**N.A**	**54**
Cluster wise (owned)			
Chennai	1,155	1,153	9
Hyderabad	1,009	809	8
Kolkata	468	425	2
Delhi	748	628	2
Bangalore	297	236	1
Ahmedabad	320	228	2
Other India	1,645	1,307	12
International*	200	200	1
Grand Total	**5,842**	**4,986**	**37**
Maturity wise (owned)			
> 5 years	4,186	3,841	24
3 - 5 years	381	316	3
1 - 3 years	1,107	749	7
< 1 year	168	80	3
Grand Total	**5,842**	**4,986**	**37**

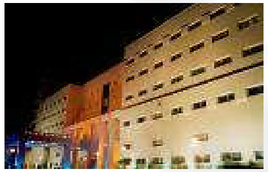
Bed Growth (1)



Note: (1) The number of beds for FY90, FY95, FY00 and FY05 are approximate figures

Note: *Mauritius.
Table data as of March 31, 2011.
Map is only an indication of our presence in various cities / towns and is for reference only.
Source: Company MIS reports.

Key hospitals' overview

	**Apollo Hospitals, Chennai** • ~580 beds	• Flagship hospital of the group • Super-Specialty hospital with over 60 departments • 1S0 9002 and ISO 14001 Certifications	• Accredited by Joint Commission International, USA • Declared as a **'Centre of Excellence'** by the Government of India • "Best Private Sector Hospital in India" by The Week magazine for 3 out of last 4 years (2007, 2009 and 2010) • Successfully completed over 25,000 coronary bypass procedures
	**Indraprastha Apollo Hospitals, Delhi** • ~550 beds	• Multi-Specialty tertiary care hospital • 52 medical and surgical disciplines • Amongst the highest number of ICU Beds in a Private Hospital in India	• Accredited by Joint Commission International, USA • "Best Private Sector Hospital in India" by The Week magazine (2008) • Key units: Cardiology, Oncology, Neurology, Nephrology, Orthopedics, Urology, Multi-Organ Transplants, Gynecology, Pediatrics, Cosmetic Surgery and Emergency Care
	**Apollo Health City, Hyderabad** • ~450 beds	• Multi-specialty hospital • Over 50 specialties and super-specialties • 10 Centers of Excellence	• Accredited by Joint Commission International, USA • **'Centers of Excellence'** - Heart Diseases, Cancer, Joint Diseases, Emergency, Renal Diseases, Neurosciences, Eye and Cosmetic Surgery, among others • "Best Private Sector Hospital in Hyderabad" by The Week magazine (2010)
	**Apollo Gleneagles Hospitals, Kolkata** • ~425 beds	• JV with Parkway Hospitals of Singapore • Focus on cancer treatment – 100 bedded Apollo Gleneagles Cancer Hospital	• Accredited by Joint Commission International, USA • Only hospital to receive the National Accreditation Board for Labs ("NABL") certification in six separate categories • Key units: Bone Marrow Transplant Unit, Leukemia unit, Paediatric cancer unit, Women's cancer unit
	**Apollo Hospitals, Bangalore** • ~250 beds	• Tertiary care hospital (42^{nd} Super Specialty Hospital of the group) • Focus on surgery through the Minimal Access Surgery Center	• Accredited by Joint Commission International, USA • **'Center of Excellence'** - Minimal Access Surgery Center • Surgical subspecialties - Cardiac, General and Gastro-intestinal, Gynecology, Pediatric, Thoracic, Urology, Colorectal, Cancer, Orthopedics, Neurosurgery and ENT
	**Apollo Hospitals International, Ahmedabad** • ~225 beds	• Multi-specialty quaternary care hospital • Focus on Stem Cell Transplant / Bone Marrow Transplant • Largest corporate hospital in the state of Gujarat	• Breakthrough Technology: Radiation Oncology unit • Super-specialties: Cardiology, Cardiothoracic surgery, Neurosciences, Orthopedics and Spine surgery

Note: Beds indicate operating beds.
Source: Company reports and website.

Apollo HOSPITALS
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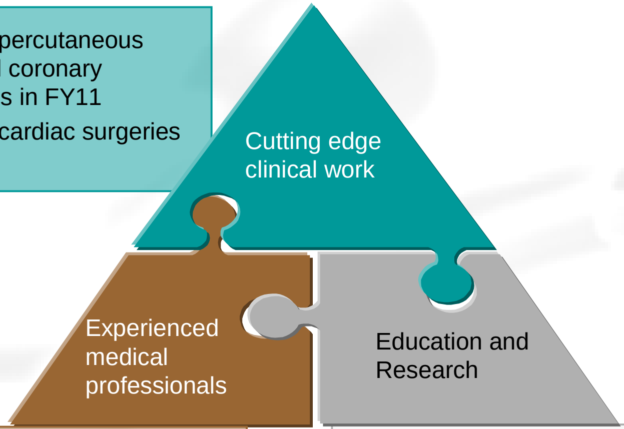
- ☑ Experienced management team

Clinical excellence and quality healthcare services

High operational effectiveness and pioneering technology has led Apollo to a leading position in quality healthcare services in India

Healthcare excellence

- Over 9,095 percutaneous transluminal coronary angioplasties in FY11
- Over 7,603 cardiac surgeries in FY11



- Over 4,000 doctors across 50+ specialties
- Large number of consultants with UK / US experience

- Recognized by Royal College of Physicians and Surgeons, UK for training post graduates in surgery and trauma care
- Over 220 interventional cardiologists trained

Technological excellence

- First to launch G4 Cyberknife® Robotic Radiosurgery System in India
- First to launch 320 slice computed tomography (“CT”) scanner in India
- First to install 64 slice positron emission tomography-computed tomography (“PET-CT”) scan system in India
- Installed Novalis Tx™ Radiotherapy and Radiosurgery system at Hyderabad, New Delhi and Kolkata
- Installed South Asia's first-of-its-kind, full-field digital mammography with tomosynthesis (3D) system

Superior delivery

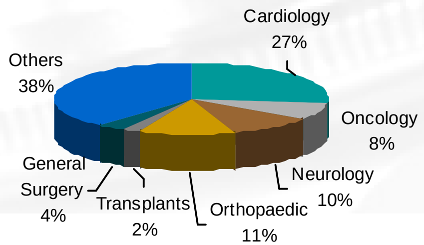
Outcomes

- A day at Apollo Hospitals – with approximately
  - 700 admissions
  - 6,000 outpatient volumes
  - 200 critical care cases
  - 120 key cardiac procedures
  - 50 neuro surgeries
  - 400 dialysis
  - 40,000 laboratory tests
- Implemented clinical governance tools such as Apollo Clinical Excellence (“ACE @ 25”)
- Over 9,095 percutaneous transluminal coronary angioplasties in FY11
- Over 7,603 cardiac surgeries in FY11

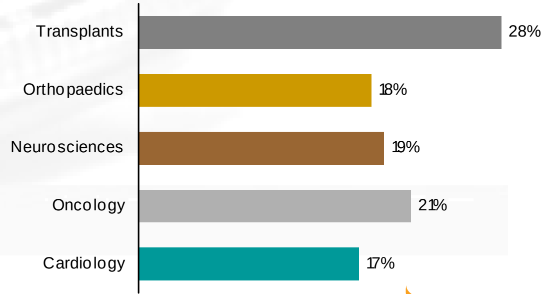
Revenue growth rate across key specialties

Focus on key specialties – Centers of Excellence

Inpatient revenue by specialty (FY11)



% Revenue CAGR (FY09-11)



 Source: Company MIS reports

Strong brand value

International accreditations and several awards won are a testimony to our strong brand value

सत्यमेव जयते

Apollo Health City, Hyderabad recognized as the "Best Medical Tourism Facility for 2009-10" by the Ministry of Tourism of India

THE WEEK

Apollo Chennai (Greams Road) rated as the "Best Private Sector Hospital in the Country (2010)"

- Hyderabad and Ahmedabad ranked as best in respective cities (2010)
- Delhi and Kolkata ranked 2nd in respective cities (2010)

FICCI

FICCI Healthcare Awards for "Excellence in Patient Care" and "Excellence in Healthcare Delivery" 2009

- Delhi
- Hyderabad

ICICI Lombard Health Insurance
INDIA HEALTHCARE AWARDS

"India's Most Preferred Hospital" - Viewer's choice award, 2010 by ICICI Lombard- CNBC-TV18

Apollo Hospital Stamp released in November 2009

JCI Accreditation for 7 hospitals

- Delhi
- Chennai
- Hyderabad
- Ludhiana
- Dhaka
- Bangalore
- Kolkata

NABH

Three Hospitals in the group are NABH accredited, while several others are preparing for the accreditation and two are in the final stages of assessment

- Apollo Specialty, Madurai
- Apollo Specialty, Chennai
- Apollo Hospitals, Ahmedabad

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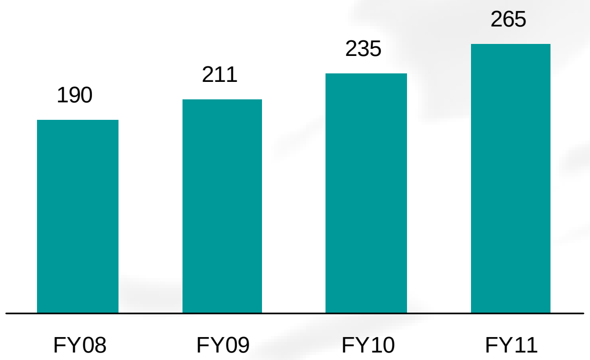
Strong operating metrics: Hospitals

Continuous improvement in key operating metrics is helping drive revenues and profitability

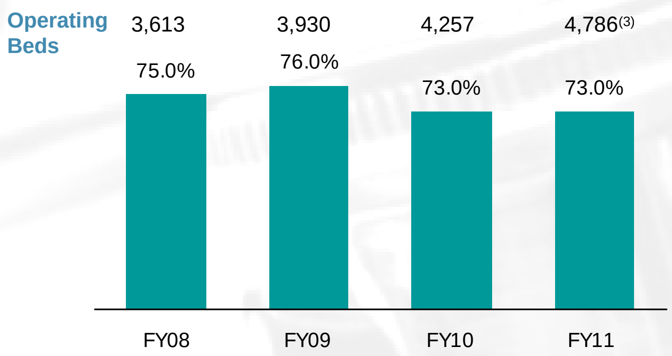
In-patient admissions ('000) (1)

Continued Inpatient volumes growth



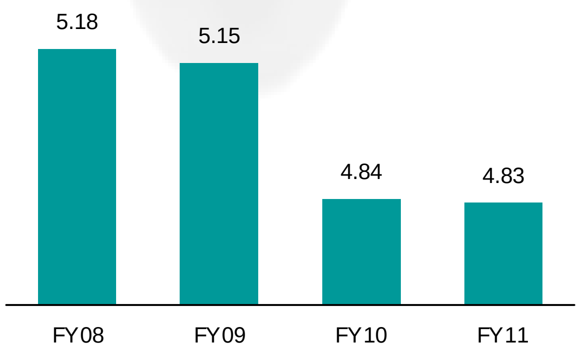
Bed occupancy rate(2) (%)

Consistent bed utilization



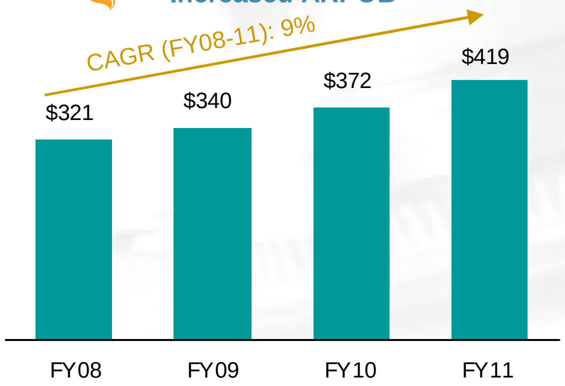
Average length of stay (days) (4)

Reduction in ALOS



Average revenue per occupied bed (5) (US$ / day)

Increased ARPOB



Operational highlights

Occupancy rates remain high

- Growth of in-patient volumes in line with addition of beds
- New hospitals are ramping up quickly

Average length of stay (ALOS) has reduced across the portfolio

- Reduced in mature hospitals due to advancement in treatments
- Increase in minimally-invasive procedures

Average revenue per occupied bed (ARPOB) has grown at a healthy CAGR of 9% over the last three years

- Culmination of high occupancy, higher tariffs, better case mix and decreasing ALOS

Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011. All operating data for owned hospitals.
(1) Inpatients are patients admitted in the facility for more than 23 hours
(2) Bed Occupancy Rate: Total Occupied Bed Days / Total Operating Bed Days. Represents % of available hospital beds occupied by patients
(3) Excludes our hospitals located outside India
(4) ALOS represents average number of days patients stay in our hospitals
(5) ARPOB: Total Hospital Revenue / Patient Days (Total Occupancy in Numbers (Average Daily Census) * No of days) (Net of doctor fees)
Source: Company MIS reports.

Apollo HOSPITALS TOUCHING LIVES

Cluster wise operational performance

AHEL Standalone Hospitals

	Chennai cluster			Hyderabad cluster			Others [1]			Significant subs/ JVs/ associates [2]		
Year	**FY10**	**FY11**	**Growth yoy (%)**	**FY10**	**FY11**	**Growth yoy (%)**	**FY10**	**FY11**	**Growth yoy (%)**	**FY10**	**FY11**	**Growth yoy (%)**
No. of Operating beds	1,118	1,153		670	809		1,007	1,116		1,462	1,708	
Inpatient volume	65,220	70,766	8.5%	36,029	39,776	10.4%	42,969	52,983	23.3%	90,942	101,377	11.5%
Outpatient volume [3]	198,977	226,373	13.8%	84,799	113,413	33.7%	102,694	150,593	46.6%	269,718	309,986	14.9%
Inpatient ALOS (days)	4.67	4.67		4.74	4.82		6.22	5.64		4.36	4.50	
Bed Occupancy Rate (%)	75%	79%		70%	65%		73%	73%		74%	73%	
Inpatient revenue (US$ mm)	115	138	20.4%	43	55	28.3%	38	53	37.3%	97	125	29.4%
Outpatient revenue (US$ mm)	32	39	20.1%	7	10	28.5%	7	10	52.0%	23	34	48.5%
ARPOB (US$/day) [4]	482	535	11.0%	296	338	14.2%	169	210	24.7%	302	349	15.5%
Total Net Revenue (US$ mm) [4]	147	177	20.3%	51	65	28.4%	45	63	39.5%	120	159	33.0%

- Mature clusters
  - Strong continued revenue growth in mature clusters (Chennai – 20%, Hyderabad – 28%)
  - Focus on reducing ALOS, Increasing ARPOB through pricing, case-mix improvement
- New Hospitals (Others) – driving substantial growth (40%) – focus on Inpatient growth (23%+) / Outpatient Volume growth (46%+)
- Significant Subsidiary & JV hospitals' continued improving performance

Notes:
(1) Others include Madurai, Karaikudi, Mysore, Vizag, Pune, Karur, Karimnagar, Bilaspur and Bhubaneswar.
(2) Significant Hospital JVs/Subs//Associates are – Ahmedabad, Bangalore, Kolkata, Kakinada and Delhi (full revenues shown in table above).
(3) Outpatient volume represents New Registrations only.
(4) Net Revenue is net of doctor fees and ARPOB calculated above does not include revenues from doctor fees.
Source: Company audited financials and MIS reports.

Apollo HOSPITALS TOUCHING LIVES

Capturing growth in standalone pharmacies

Large network of 1,199 standalone pharmacies with presence across 20 states in India

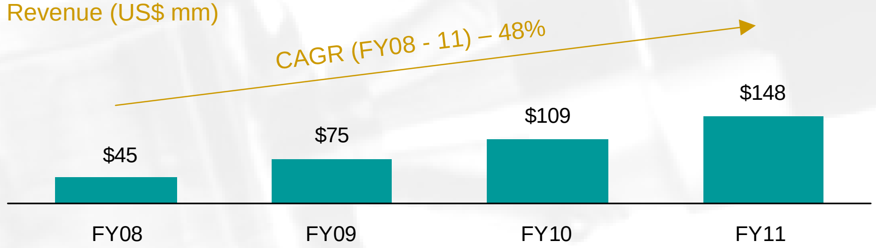
Key highlights

- Offers a wide range of medicines and surgical products, hospital consumables and over-the-counter products
- Offers value added services like free home delivery to customers living in 5 km radius, prescription refilling and loyalty programs; free health newsletters and bundled health insurance plans for regular customers
- Introduced generic and in-house brands (Private Labels)
- Promise of genuine medicines, 24 hour convenience service and friendly and competent pharmacists
- Won "Best Retailer of the year" award for the pharmacy segment from Frost & Sullivan in 2010

Financial performance

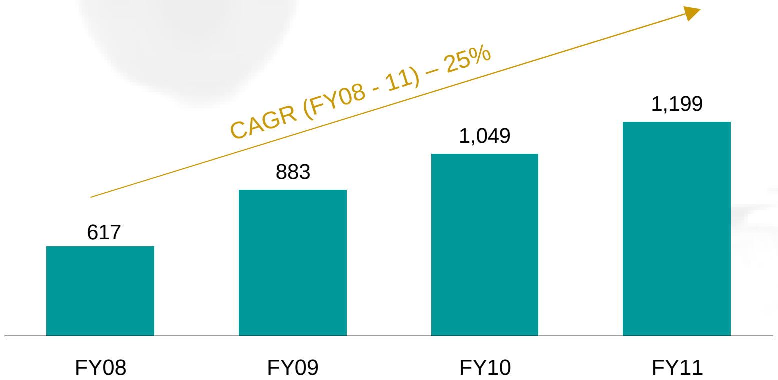
- Consistent growth in standalone pharmacy business revenue
- Mature cohort of pre-2007 stores have achieved 5.2% EBITDA margins in FY11
- Positive overall EBITDA in each of the last two quarters in FY11 and positive EBIT in Q4 FY11

Revenue (US$ mm)



Number of standalone pharmacies

Rapid expansion of standalone pharmacy network



Strategy and future outlook

Emphasis on margin improvement

- Focus on revenue growth from each continuing store (Same store growth) and choosing high visibility locations for new stores
- Focus on profitability and calibrated rollout: 150 stores opened in FY11 vs. 166 in FY10 and 266 in FY09
- Increased penetration of private label sales where gross margins are significantly higher
- Closure of loss-making and low-growth stores
- Integrate supply chain network
- Optimize inventory levels

Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
Source: Company audited financials and MIS reports.

Apollo HOSPITALS
TOUCHING LIVES

Robust financials: Revenue and profitability

Financial performance has shown consistent improvement across hospitals (mature and new), as well as across businesses (hospitals and standalone pharmacies)

Performance highlights

Healthcare services: Improvement in operating metrics

- Strong continued revenue growth in mature clusters (Chennai – 20%, Hyderabad – 28% in FY11)
- New Hospitals – driving substantial revenue growth (40% in FY11) – through quick ramp up

Standalone Pharmacies: Revenue growth and margin improvement

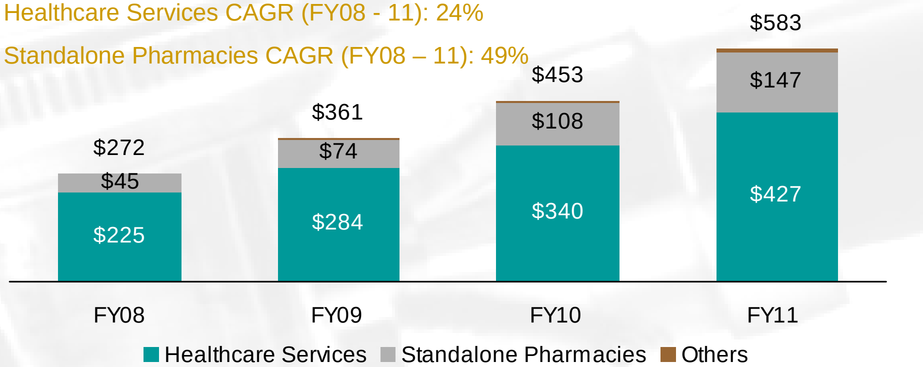
- Standalone pharmacies reported a positive EBITDA for each of the last two quarters in FY11 and positive EBIT in Q4 FY11
- Growth in revenue per store on a like-for-like basis and improvement in first year store performance due to better ramp-up and lower losses
- All stores are in the growth phase with relatively mature stores growing at a consistent rate with increasing EBITDA margins

Total consolidated revenue[1] (US$ mm)

Strong growth in revenue across businesses driven by strong operating performance

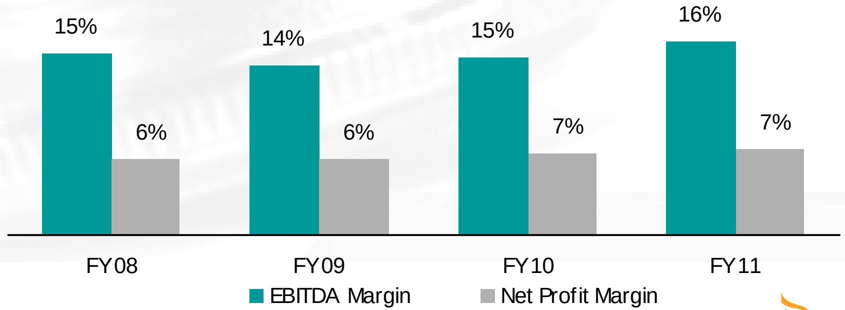
Healthcare Services CAGR (FY08 - 11): 24%

Standalone Pharmacies CAGR (FY08 – 11): 49%



EBITDA margin (%) and Net profit[2] margin (%)

EBIDTA margin has consistently improved while Net Profit margin has stayed stable



Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
(1) Revnue is net of doctor fees
(2) Net profit before minority interest and associates.
Source: Company audited financials.

Robust financials: Return on capital employed

Apollo is one of the few companies in India across capital-intensive industries to generate healthy returns on capital employed in the business

Rapid improvement in ROCE

ROCE = (1) Efficiency (Asset Turnover) X (2) Profitability

1 Efficient use of capital

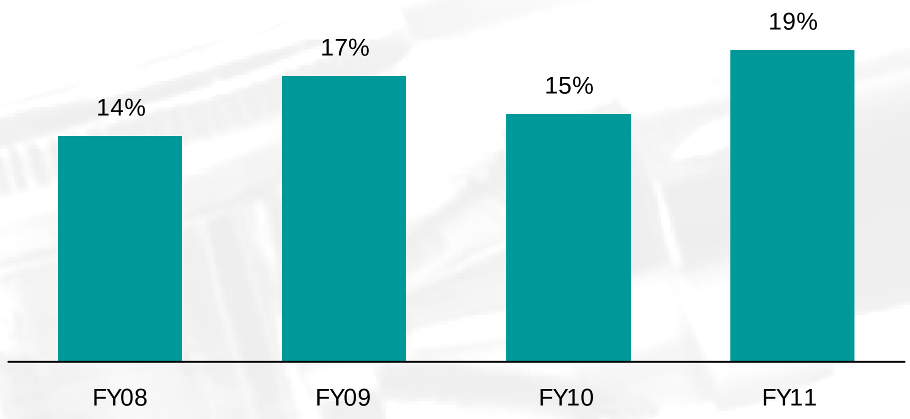
- Lower investment per bed
- Strong project execution capabilities
- Quick ramp up of new hospitals – increasing patient flow

2 Higher revenue and profitability

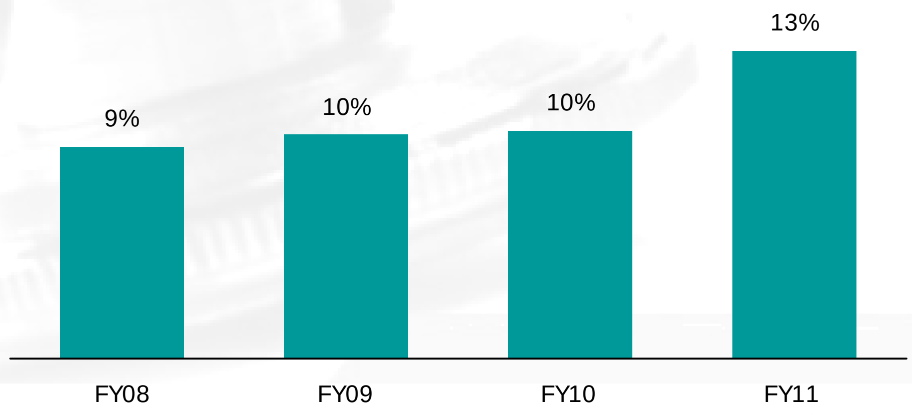
- Reduced ALOS
- Increasing ARPOB
- Improving case mix

- Strong financial position – Apollo has a healthy Balance Sheet with a Debt/ Equity ratio of 0.48x as on March 31, 2011

Return on capital employed# – Healthcare services (%)*



Return on capital employed# – Consolidated (%)



Note: *Healthcare services includes owned hospitals, hospital-based pharmacies and consulting projects and services.
#ROCE = EBIT / Capital Employed (excludes CWIP and investments in liquid mutual funds).

Source: Company audited financials.

Apollo HOSPITALS TOUCHING LIVES

Key highlights

- ☑ Leading private sector healthcare services provider in India
- ☑ Favourable macro and healthcare indicators
- ☑ Leading hospitals player in India
- ☑ Clinical excellence and strong brand value
- ☑ Strong operating and financial track record
- ☑ Well planned strategy to deliver the next phase of growth
- ☑ Experienced management team

Key strategies

Strategy	Details
Establish / strengthen presence in key strategic markets	– Aim to ensure dominant bed share in key strategic markets – Chennai, Hyderabad, Delhi, Kolkata, Ahmedabad, Mumbai and Bangalore
Focus on owned hospitals for expansion	– Plan to add 2,418 owned beds by FY14
REACH initiative	– Address growing market in Tier II and Tier III cities; hospitals focused on secondary care in key strategic markets – Expansion through both Greenfield projects and acquisition of hospitals
Focus on Centers of Excellence	– Set benchmark standards in clinical outcomes in select acute and tertiary care services - Cardiology, Oncology, Neurosciences, Critical Care, Orthopedics and Transplants – Aim to gain significant market share in each of the key specialties
Cost efficiencies and focus on improving key operating metrics	– Improving average revenue per bed day through richer case mix – Higher operating efficiencies and asset utilizations – Higher patient turnover by reducing average length of stay
Improve performance in other businesses	– Focus on margin improvement in the standalone pharmacy business – Leverage brand value through investment in clinics, etc

Expansion plans

Well planned strategy to address growing demand for healthcare service delivery in existing markets, new large markets and semi-urban markets

Key Hospital expansion plan

Location	CoD*	Type of Hospital	No. of beds	Total Estimated Project Cost (US$ mm)	AHEL's Share of Cost (US$ mm)
Mumbai Cluster					
Navi Mumbai	FY14	Super Specialty	350	$78.3	$78.3
Byculla, Mumbai	FY14	Super Specialty	300	31.3	31.3
Thane(1)	FY13	Super Specialty	250	44.8	11.2
Sub Total			**900**	**$154.4**	**$120.8**
REACH					
Nashik	FY13	REACH	125	$11.6	$11.6
Ayanambakkam	FY13	REACH	200	15.7	15.7
Nellore	FY14	REACH	200	14.9	14.9
Trichy	FY14	REACH	200	14.7	14.7
Sub Total			**725**	**$56.9**	**$56.9**
Others					
Hyderabad - International Block (Expansion)	FY12	Super Specialty	100	$27.4	$27.4
Hyderguda	FY12	Super Specialty	175	9.9	9.9
New Delhi (Expansion)(1)	FY12	Super Specialty	136	9.0	-
Chennai-Main (Expansion)	FY13	Super Specialty	30	2.2	2.2
Bilaspur – Oncology Block (2)	FY13	Multi Specialty	-	1.8	1.8
Vizag	FY14	Super Specialty	300	25.7	25.7
Bangalore (Expansion)	FY12	Super Specialty	52	1.3	1.3
Sub Total			**793**	**$77.3**	**$68.3**
Total			**2,418**	**$288.6**	**$246.0**

*Expected date of completion

Note: Fx used: US$1 = Rs.44.69, as on May 12, 2011.
(1) Held through JVs. AHEL share of costs is lower than total estimated project cost since it excludes share of JV partner
(2) Refers to the expansion of the Oncology wing only
Source: Company estimates.

Strategy for expansion

Focus on owned hospitals

- No. of owned hospitals to increase to **over 45** from 37
- No. of owned beds to go up to **over 8,260** from 5,842

3 pronged approach towards expansion

- Expansion of beds and facilities / units in **existing cities** – address increasing demand and focus on key specialties
- New hospitals in **metros and large cities** with no existing presence – reaching to wider urban population
- **Expansion in tier II and tier III** cities through REACH hospitals, garnering first mover advantage and leveraging strong brand
  - First REACH hospital (120 beds) opened in 2008 in Kakinada, Andhra Pradesh
  - Four REACH hospitals coming up in Ayanambakkam, Nellore, Trichy and Nashik
- Apollo has already invested Rs.2,773 mm (US$62.0 mm) of the Rs. 11,000 mm (US$246.0 mm), its share of total capex
- Land is already acquired / tied up

Key highlights

- ☑ Leading private sector healthcare services provider in India
- ☑ Favourable macro and healthcare indicators
- ☑ Leading hospitals player in India
- ☑ Clinical excellence and strong brand value
- ☑ Strong operating and financial track record
- ☑ Well planned strategy to deliver the next phase of growth
- ☑ Experienced management team

Board of Directors and Key Senior Management Team

Board members

Dr. Prathap C. Reddy	• Executive Chairman, Founder (M.D, MBBS, FCCP, FICA and FRCS) • Conferred the Padma Vibhushan in 2010 • Conferred the Padma Bhushan in 1991 • Spent 28 years with Apollo Hospitals
Dr. Preetha Reddy	• Managing Director • On the Board since the year 1989
Suneeta Reddy	• Joint Managing Director • On the Board since the year 2000
Sangita Reddy	• Executive Director (Operations), on the Board since 2000 • Received "Young Manager of the year 1998" award from Hyderabad Management Association • Was a member of the Prime Minister's delegation to Malaysia organized by the CII
Shobana Kamineni	• Executive Director (Special Initiatives), on the Board since 2010 • Over 20 years of experience in the healthcare industry
Khairil Anuar Abdullah	• Independent Director • On the Board since 2005
Michael Fernandes	• Alternate Director to Khairil Anuar Abdullah • Country head for India and also in charge of the healthcare portfolio of Khazanah
Sandeep Naik	• Nominee of Apax Mauritius FDI One Ltd. • On the Board since 2009
N. Vaghul	• Independent Director, on the Board since 2000 • Conferred the Padma Bhushan in 2009
T.K. Balaji	• Independent Director, on the Board since 2001
Deepak Vaidya	• Independent Director, on the Board since 2000 • Chairman of the Audit committee
Other Independent Directors	• G Venkatraman, Habibullah Badsha, Rafeeque Ahamed and Rajkumar Menon

Key senior management team

K. Padmanabhan	• Group President and has been with the company since 1996 • Responsible for business and strategic initiatives across the group
S. K. Venkataraman	• Chief Strategy Officer and has been with the company since 1991 • Served as the Chief Financial Officer and Company Secretary of the Company since 2002 • Responsible for strategic initiatives across the group
Krishnan Akhileswaran	• Chief Financial Officer and has been with the Company since 2010 • Over 15 years of experience in the field of Finance • Responsible for the finance function of the Company and its subsidiaries
V. Satyanarayana Reddy	• Chief Executive Officer – Chennai Division and has been with Company since 1989 • Responsible for hospital operations of the Chennai Region
Dr. K. Hariprasad	• Chief Executive Officer – Central Division and has been with the Company since 1999 • Responsible for hospital operations for the Central Region
Dr. Rupali Basu	• Chief Executive Officer – Eastern Region and has been with the Company since 2008 • Responsible for hospital operations of the Eastern Region
Jacob Jacob	• Chief People Officer of the Company • Responsible for people initiatives – over 12 years of experience
Arvind Sivaramakrishnan	• Chief Information Officer of the Company • Responsible for driving IT initiatives and projects

Apollo HOSPITALS
TOUCHING LIVES