

Max India Limited

Investor Presentation June 2015



Sevabhav

- Positive social impact
- Helpfulness
- Culture of Service
- Mindfulness



Excellence

- Expertise
- Dependability
- Entrepreneurship
- Business performance



Credibility

- Transparency
- Integrity
- Respect
- Governance

Max Way as an underlying ethos

courtesy
transparency

respect/dignity
performance orientation

progressiveness
ethicality

Multi-business corporate

Focused on people and service

“ IN THE BUSINESS OF LIFE ”



Life Insurance
Protecting Life

74:26 JV* with Mitsui
Sumitomo;
Largest non bank lead
private life insurer



Healthcare
Caring for Life

Equal JV^ with Life
Healthcare, SA;
2,000 beds



Health Insurance
Enhancing Life

74:26 JV with BUPA
Finance Plc, UK



Senior Living

100% Owned;
Continuing Care
Retirement Community in
Dehradun



Clinical Research

100% owned;
Being divested



Speciality Films

Niche high barrier polymer films & Leather
Finishing Foils



Corporate Social Responsibility

Focus on healthcare, children and the
environment



*Max India currently holds 72% in Max Life

^Current holding in MHC is Max India-46%, Life Healthcare-46% and IFC-7.5%

A unique investment opportunity and a resilient business model

- 1 **INR 149 billion+ Revenues*... ~INR 120 billion MCap... 7 Mn Customers... 18,000 Employees... 52,000+^ Agents... 2,200+ Doctors...**
- 2 **Strong growth trajectory even in challenging times; a resilient & diversified business model**
- 3 **Steady revenue growth and cost rationalization leads to strong financial performance**
- 4 **Well established board governance....internationally acclaimed domain experts inducted**
- 5 **Diversified ownership.....marquee investor base**
- 6 **Superior brand recall with a proven track record of service excellence**
- 7 **Strong history of entrepreneurship and nurturing successful business partnerships**

Pharma

Electronic
Component

Mobile
Telephony

Communication
Services

Plating
Chemicals

Medical
Transcription

Life
Insurance

DSM 

 **MOTOROLA**
intelligence everywhere™
 **AVNET**®

Hutchison

COMSAT

LOCKHEED MARTIN
GLOBAL TELECOMMUNICATIONS

ATOTECH

 **HEALTHSCRIBE**®

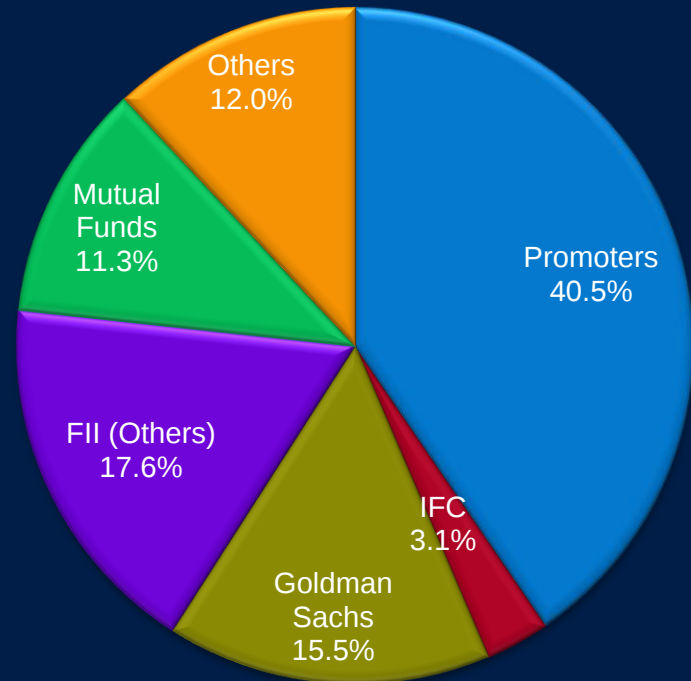
**NEW
YORK
LIFE**

Growth potential recognized by the market.... high pedigree investor base

Shareholding
Concentrated
with Marquee
Investors

- Temasek
- Fidelity
- Norges
- New York Life
- Comgest
- Reliance MF
- ICICI Prudential MF

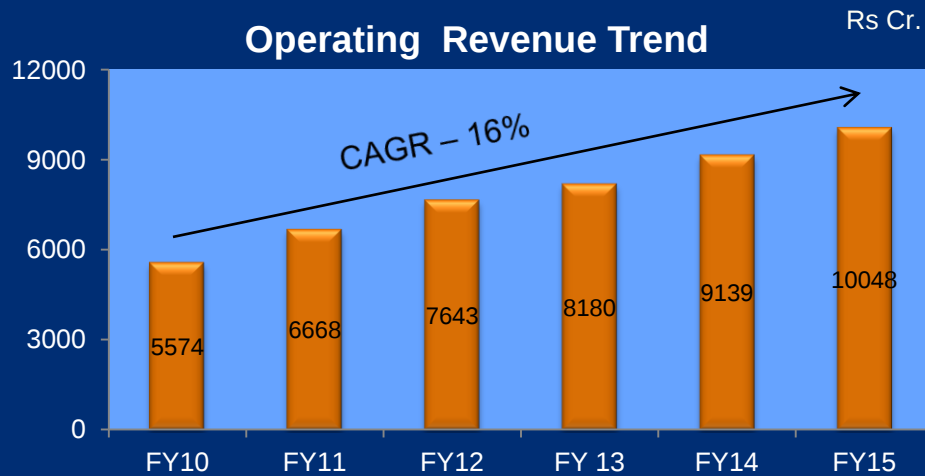
Shareholding Pattern
as on March 31, 2015



Number of outstanding shares : 26.65 Cr.

Consistent track record of strong growth across businesses with the group turning strong profits

Operating Revenue Trend



Profitability Trend



Rs Cr.

	FY 11	FY 12	FY 13	FY 14	FY15
Operating Revenue	6,668	7,648	8,180	9,140	10,048
Investment and Other Income	1,223	914	2,444	2,543	4,829
Total Revenue	7,891	8,562	10,624	11,683	14,877
Profit / (Loss) before Tax	32	242	991*	274	512**

	FY 11	FY 12	FY 13	FY 14	FY 15
Net Worth	1,944	2,513	2,903	2,984	3,302
Loan Funds	507	549	676	702	544
Net Fixed Assets	1,017	1,256	1,361	1,495	867
Treasury Corpus	540	397	409	247	683
Life Ins. AUM	13,836	17,215	20,458	24,716	31,200

* Investment & Other Income and PBT for FY13 includes income from stake sale in Max Life amounting to Rs. 802 Cr and Rs.794 Cr, respectively. However, PBT for FY13 has been appropriately adjusted in the chart to reflect proper trends

** Gain from stake sale in Max Healthcare to Life Healthcare of Rs. 286 Cr. included in FY15 revenue and Rs 256 Cr. included in EBITDA/ PBT . Expenses of Rs. Rs 77 Cr. carried forward to be charged over future projects of Antara recognized in the P&L as current focus is on ensuring the success of first project, however PBT in the chart has been adjusted for one-offs

*** Max Healthcare consolidated on proportionate basis w.e.f. Nov 11, 2014, as it becomes a JV as opposed to a subsidiary earlier

Max India – FY15 Key Highlights

Max India

- Board recommends final dividend of Rs. 1 per share
- ***Considerable progress in the journey to bring structural clarity for shareholders:***
 - Scheme of Arrangement to split Max India into 3 verticals – Max Financial Services (Life Insurance); Max India (Healthcare, Health Insurance, Senior Living, Corporate Management Services and others); and Max Ventures and Industries (Specialty Films) has received Stock Exchanges / SEBI and CCI approvals
 - Scheme has been filed with High Court; shareholder meeting on July 4th. Application for FIPB approval also filed and IRDA being filed
 - Divestment of clinical research business concluded

Max Life

- EV as at Mar 31, 2015 at Rs 5,232 Cr, after allowing for shareholder dividends of Rs. 240 Cr and share capital buy back of Rs 166 Cr in FY15
- RoEV for FY15 at 28.1% and operating RoEV at 22.3%
- Value of New Business for FY15 at Rs. 460 Cr. and new business margin at 23.4%
- Max Life wins awards for Quality and Service Excellence at the ASQ World Conference

Max Healthcare

- To acquire 76% stake in 340-bedded (expandable to 540 beds) NCR based Hospital (Pushpanjali Crosslay) for Rs 287 Cr. including fresh investment of Rs. 162 Cr.
- MHC turns profitable in Q4 with an EBITDA growth of 50% to Rs. 170 Cr.

Max Bupa

- Documentation underway for resetting the JV to 51:49. Cash inflow of Rs. 186 Cr. assuming implementation by June 30, 2015
- Flagship product, Heartbeat Version 3, wins 'Golden Peacock Innovative Product/Service Award' for the year 2015

MAX LIFE INSURANCE COMPANY (Max Life)

www.maxnewyorklife.com

Indian life insurance industry has evolved since the opening up of the sector in 2000

Phase 1 – Joyful Entry (2000-2003)

- Entry of Private Players
- Introduction of Bancassurance

Phase 2 – Expansion (2004-2008)

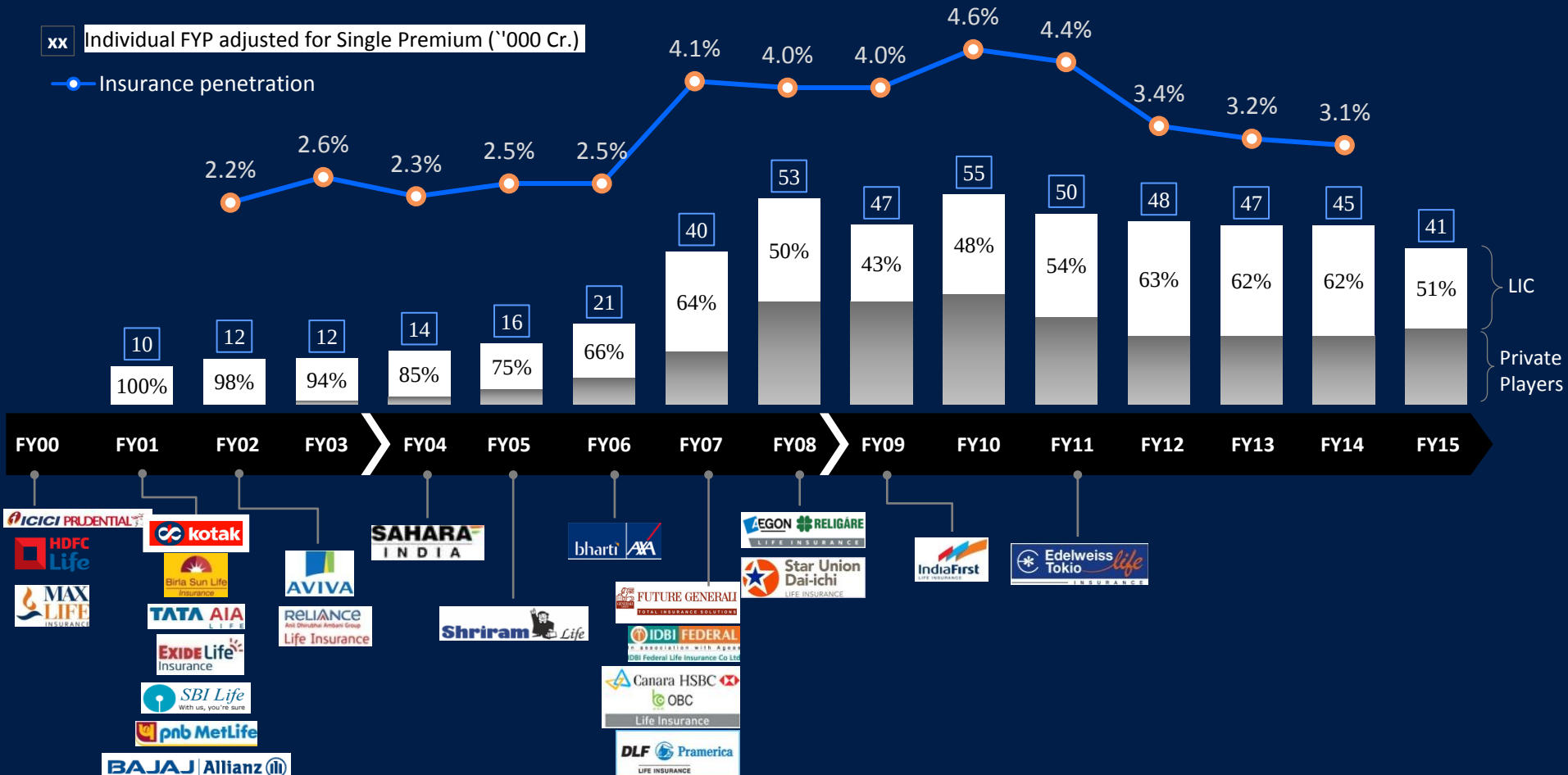
- Equity Bull Run
- ULIP introduced by private players

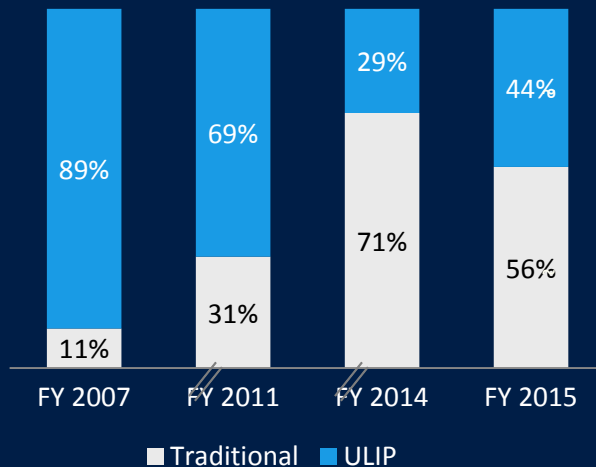
Phase 3 – Discovering New Normal (2009 onwards)

- Global Financial crisis/ Bearish Indian Stock Market
- Frequent regulatory interventions

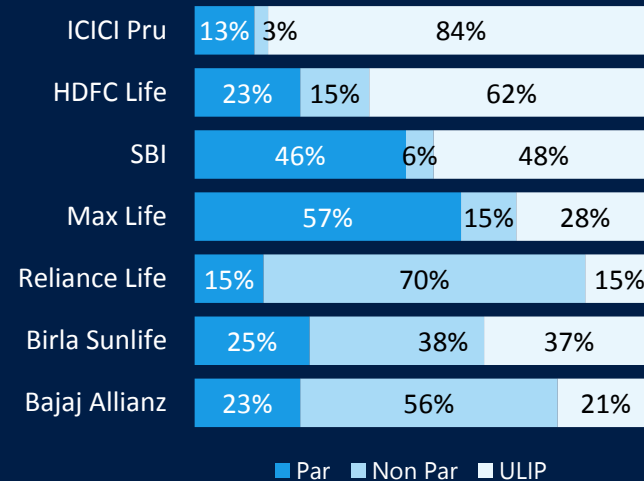
xx Individual FYP adjusted for Single Premium ('000 Cr.)

— Insurance penetration





Product Mix for top players in FY 2015
(as per market reports)



KEY INSIGHTS

- Improved performance of the capital markets has revived interest in ULIPs which was leveraged well by some of the top players to record high new sales growth (individual adjusted @10% SP) - ICICI Prudential (YoY: +41%), HDFC Life (YoY: +25%) and SBI Life (YoY: +11%)
 - While ICICI Prudential and SBI Life had a high UL share across channels, HDFC Life delivered growth driven by high UL share in their banca channel only
- Top agency led players like Reliance Life and Birla Sunlife continued to have a Traditional heavy portfolio
- Max Life's UL share accounted for 28% of total portfolio as a result of increased customer demand

Strong Parentage

- Joint Venture between
 - Max India Ltd. (leading Indian multi-business corporate)
 - Mitsui Sumitomo Insurance Co. Ltd. (Member of MS&AD group which is amongst top 10 general insurers in the world)
- Strong management team with proven execution capabilities

Superior Customer Retention

- Top quartile position among major private players in FY2015 in
 - 13 M persistency at 79%
 - Conservation ratio at 82%
- "Treating Customers Fairly" framework adopted to drive our customer centricity agenda

Financially sound*

- Capital Base of `2,127cr
- Solvency ratio of 435% (one of the highest)
- Assets under management of `31,220 cr

Long term Savings and Protection

- Comprehensive product suite
- Long tenor products and young customers
- Product mix : Par 57%, Non-par 15%, ULIP 28%

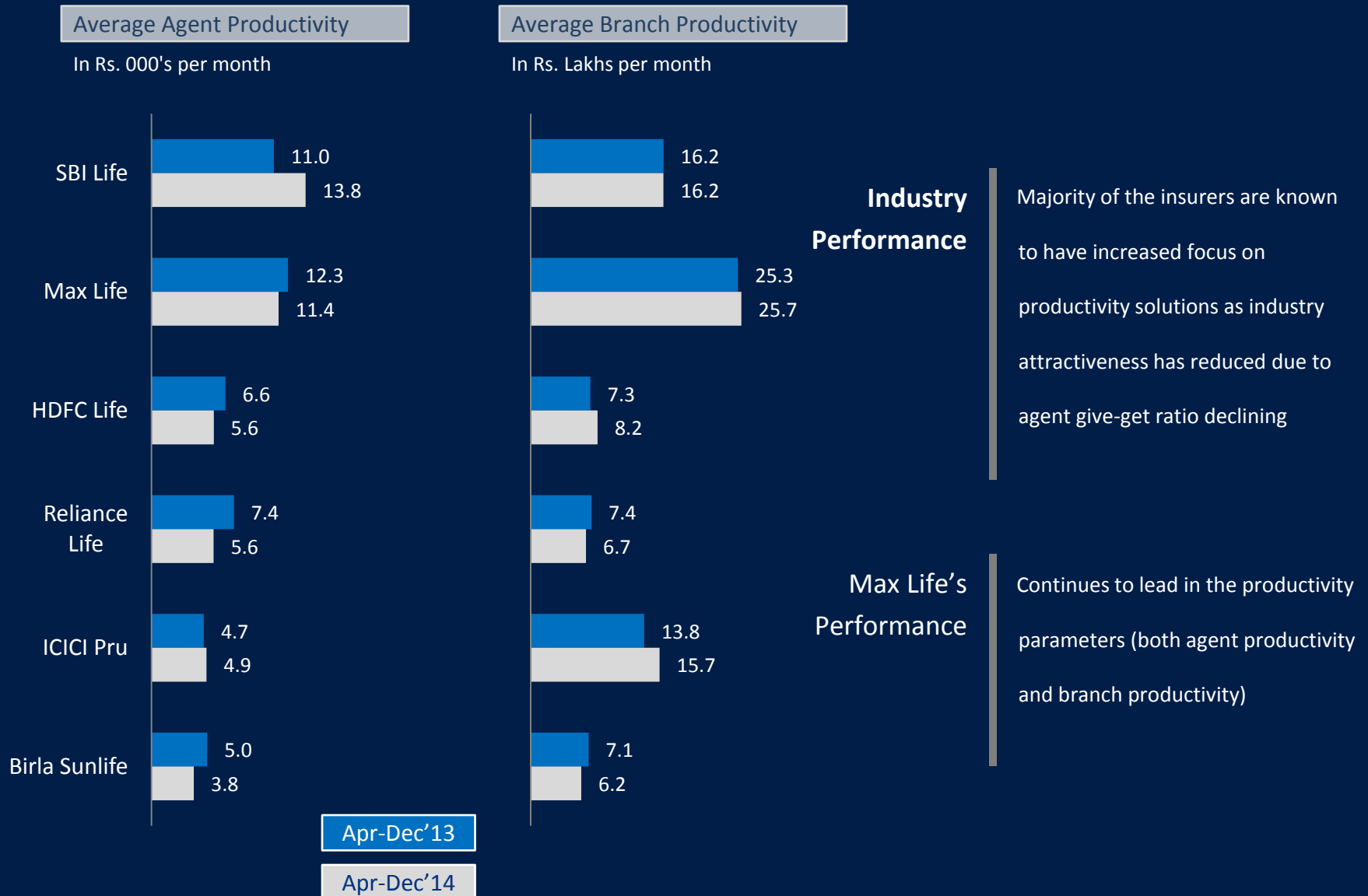
Multi-channel Distribution model

- Highly efficient and productive agency channel with focus on quality of advice
- Best in class training capabilities within the industry
- Bancassurance relationship with Axis Bank is benchmark in the industry

Quality & Business Excellence

- ISO Certification, strong feedback processes & robust 6 sigma program
- Focus on Service excellence & Operational efficiency







The EV as at 31st March 2015 is Rs 5,232 Cr, after allowing for shareholder dividend pay out of Rs 240 Cr and share capital buy back of Rs 166 Cr in FY15.

The Return on EV¹ over FY15 is 28.1 per cent while the Operating Return on EV is 22.3 per cent.

The VNB written during FY15 is Rs 460 Cr and the portfolio new business margin is 23.4 per cent on APE².

During FY 2015, there was an acquisition cost over-run chargeable to shareholders of Rs 37 Cr, which implies a VNB of Rs 423 Cr and a new business margin of 21.5%, post over-runs

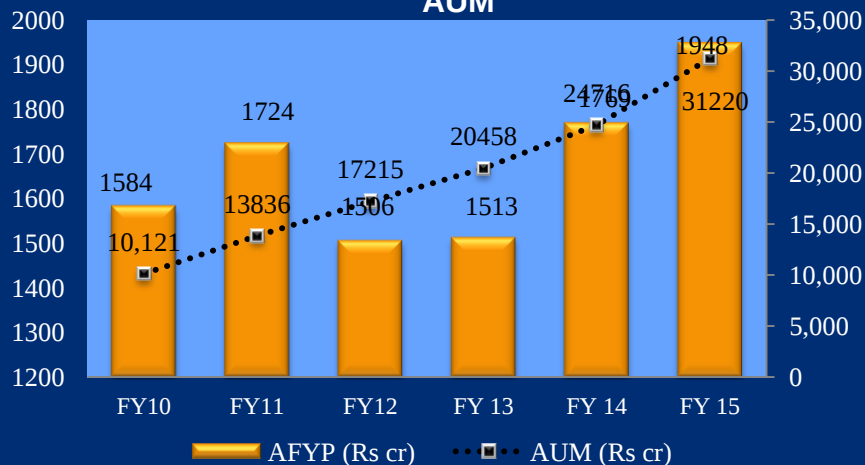
To reduce reinvestment risk in the non-par portfolio, Max Life is considering derivative arrangements. The cost of such arrangements has not been allowed as at 31st March 2015.

Note: The results are developed using market consistent methodology, but they are not intended to be compliant with the MCEV Principles issued by the Stichting CFO Forum Foundation (CFO Forum) or the Actuarial Practice Standard 10 (APS10) as issued by the Institute of Actuaries of India.

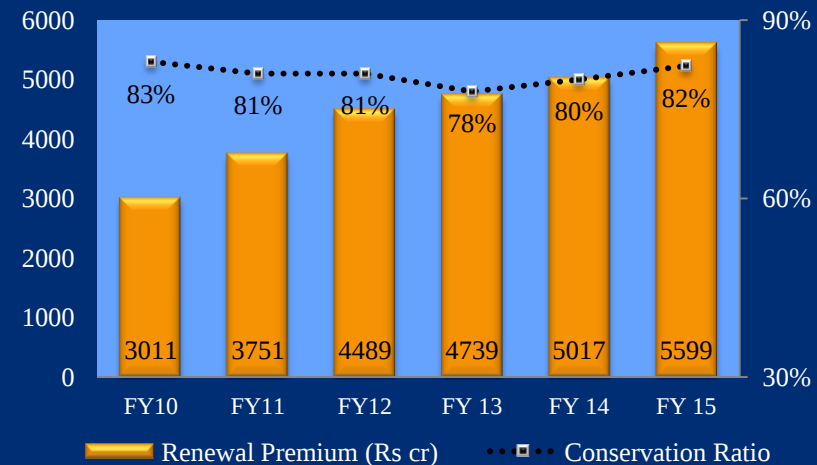
¹ The Return on EV is calculated before capital movements during the year.

² 1 Annual Premium Equivalent (APE) is calculated as 100% of regular premium + 10% of single premium (FY15 APE : 1967 Cr.)

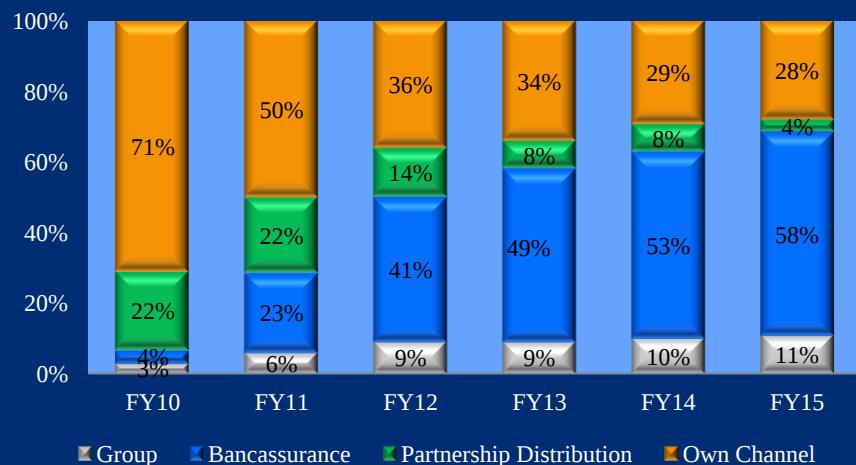
New Business Growth – Adjusted FYP¹ and AUM



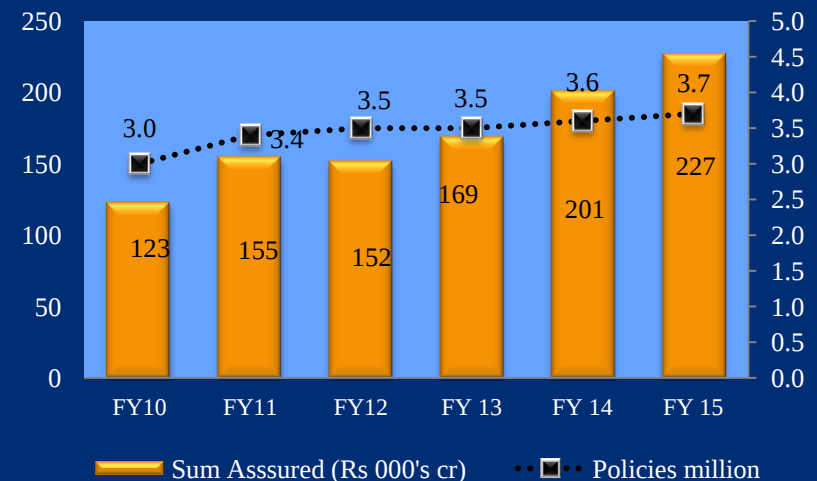
Renewal premium and conservation ratio²



Distribution Mix



In force business and No. of policies



1. Individual First Year Premium adjusted for 10% single pay

2. Conservation ratio = Renewal premium for the current period / (First Year + Renewal Premium for the previous period)

Business Excellence and Quality

ASQ ITEA Bronze award, CII Commendation for Business Excellence (2008, 2009 & 2010)
CII 2nd Prize in Project of the Year
Global Finance – Best Life Insurance Company, India 2014



Brand

Brand Excellence Award and recognition as Superbrand (2009-10, 2013-14) and Powerbrand (2010), AIMA Loyalty Award 2012 for Best Loyalty Practices, Customer & Brand Loyalty Award 2011, EFFIE's Award for Aapke Sacche Advisor Campaign in 2012, Certificate of Excellence at Sabre PR Awards South Asia 2014, Golden Mikes Radio Advertising awards 2014, Most Trusted Private Life Insurer 2013 by The Brand Trust Report



Claims Settlement

ET Wealth rated Max Life claims settlement highest in the Industry at 99.58%
Swiss Re commendation for claims settlement TAT (2012)s



Product Innovation

Shiksha Plus II ranked 'Best Child Plan' in India by Money Today
Golden Peacock Award (2010) and Asia Insurance Industry "Innovation" Award (2009) for Max Vijay



Funds performance

Funds Performance Outlook Money award in Top Quartile across all categories (2011)



Technology & Underwriting

CIO 100 Award for technology implementation (2008/2009/2010/2011)
Celent Model Insurer 2014 for New Work System technology platform
Best Underwriting Initiative of the year (2014) by Asia Banking, Financial Services & Insurance Excellence Awards



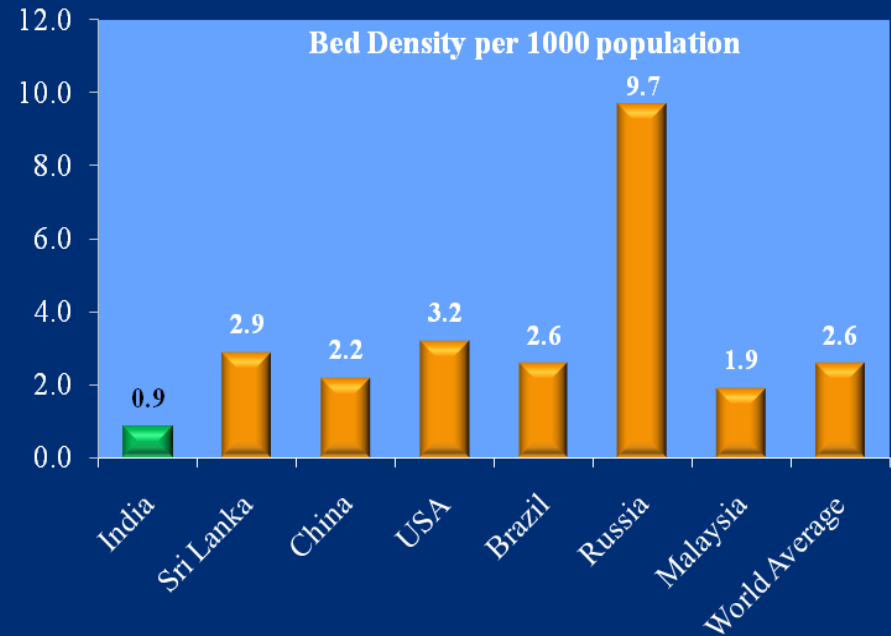
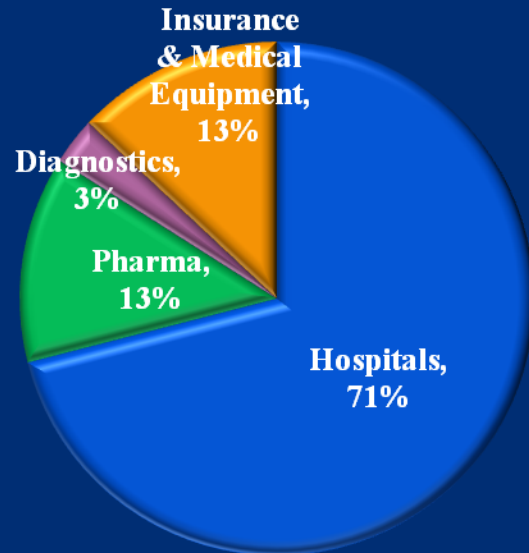
HR Practices

Amongst India's Top 100 Best Companies to Work for (2011, 2012, 2013, 2014) by Great Places to Work
Ranked 7th in BT-Mercer-TNS Best Companies to Work For in 2008



MAX HEALTHCARE (MHC)

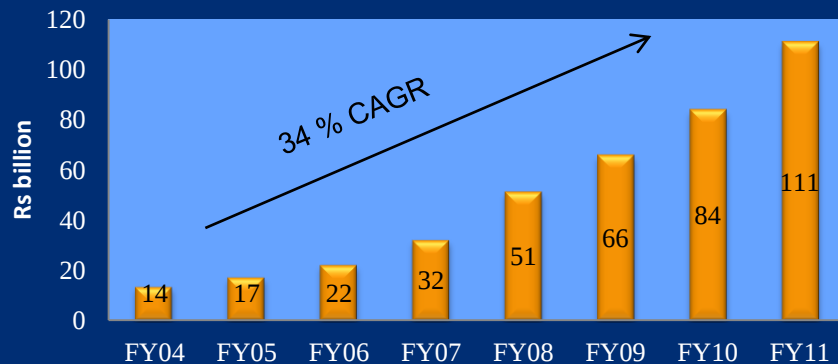
**Healthcare Segments Share by 2012
– USD 77 Bn.**



KEY HIGHLIGHTS

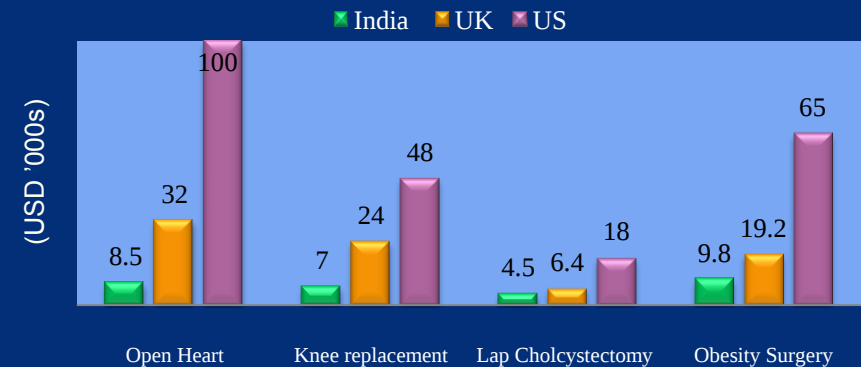
- Indian Health Industry is poised to double to USD 125 bn by 2015E, driven by a combination of ageing population, growing lifestyle diseases and medical insurance penetration as well as increasing ability to afford quality healthcare.
- Realization of latent demand through growth in insurance & consumer education likely to be a key growth driver
- Private hospitals to contribute USD 45 Bn by 2012
- Share of top tier private hospitals (>100 beds) is expected to grow to 40% of the total hospital segment by 2015
- Specialty hospitals are estimated to grow faster than overall industry due to rise in lifestyle diseases
- India needs an investment of USD 86 Bn by 2025 to increase bed density to 2 per 1,000 population

Growing Health Insurance Market...



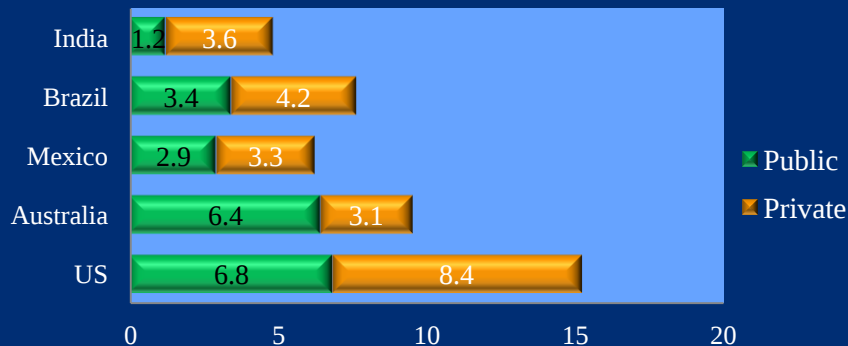
Rising health insurance penetration will make healthcare affordable

Comparative medical cost

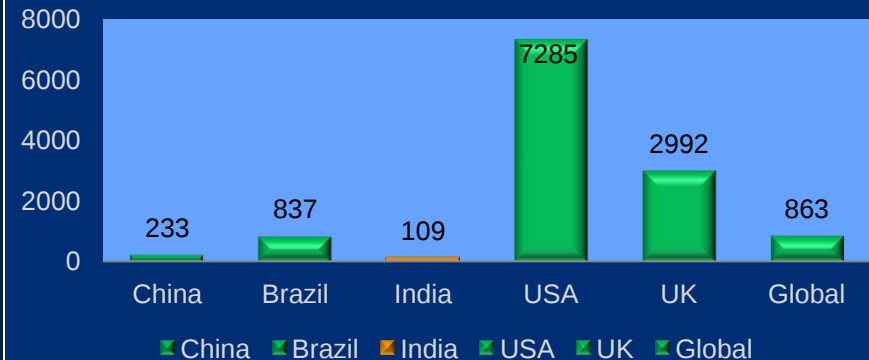


Cost differentials provide a huge untapped market for medical tourism related business opportunities

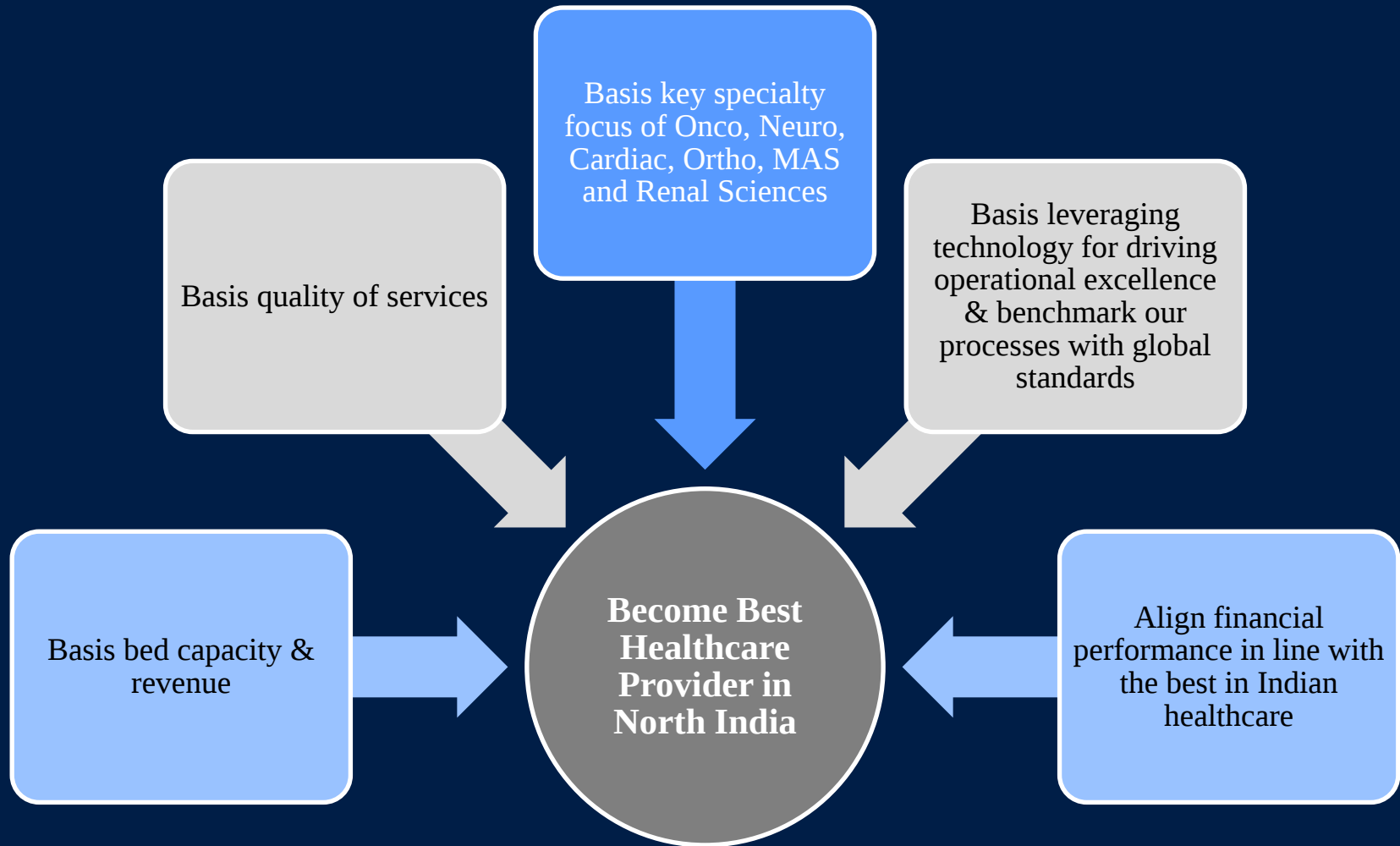
International Healthcare Expenditure (as a % of GDP)

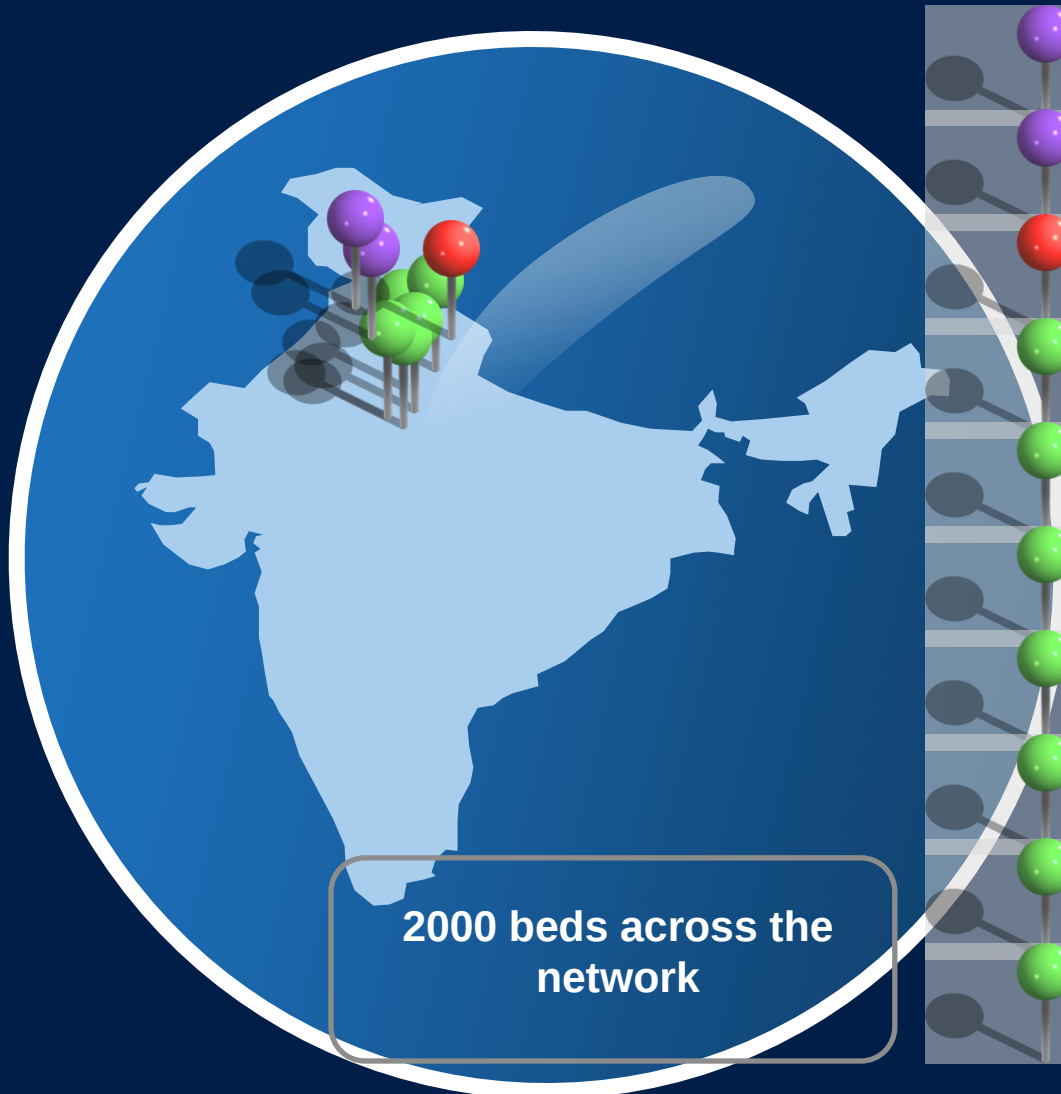


Per Capita Spending (PPP)



On a per capita basis, both in terms of USD and PPP, India's Healthcare spend is amongst the lowest globally. However India's healthcare spending is growing at a healthy CAGR of 14%, rising from 5.5 % of GDP (2009) to 8% (2012)





Mohali, Punjab
(213 beds)

Bathinda, Punjab
(200 beds)

Dehradun, Uttarakhand
(200 beds)

Saket, New Delhi
(541 beds)

Patparganj, New Delhi
(402 beds)

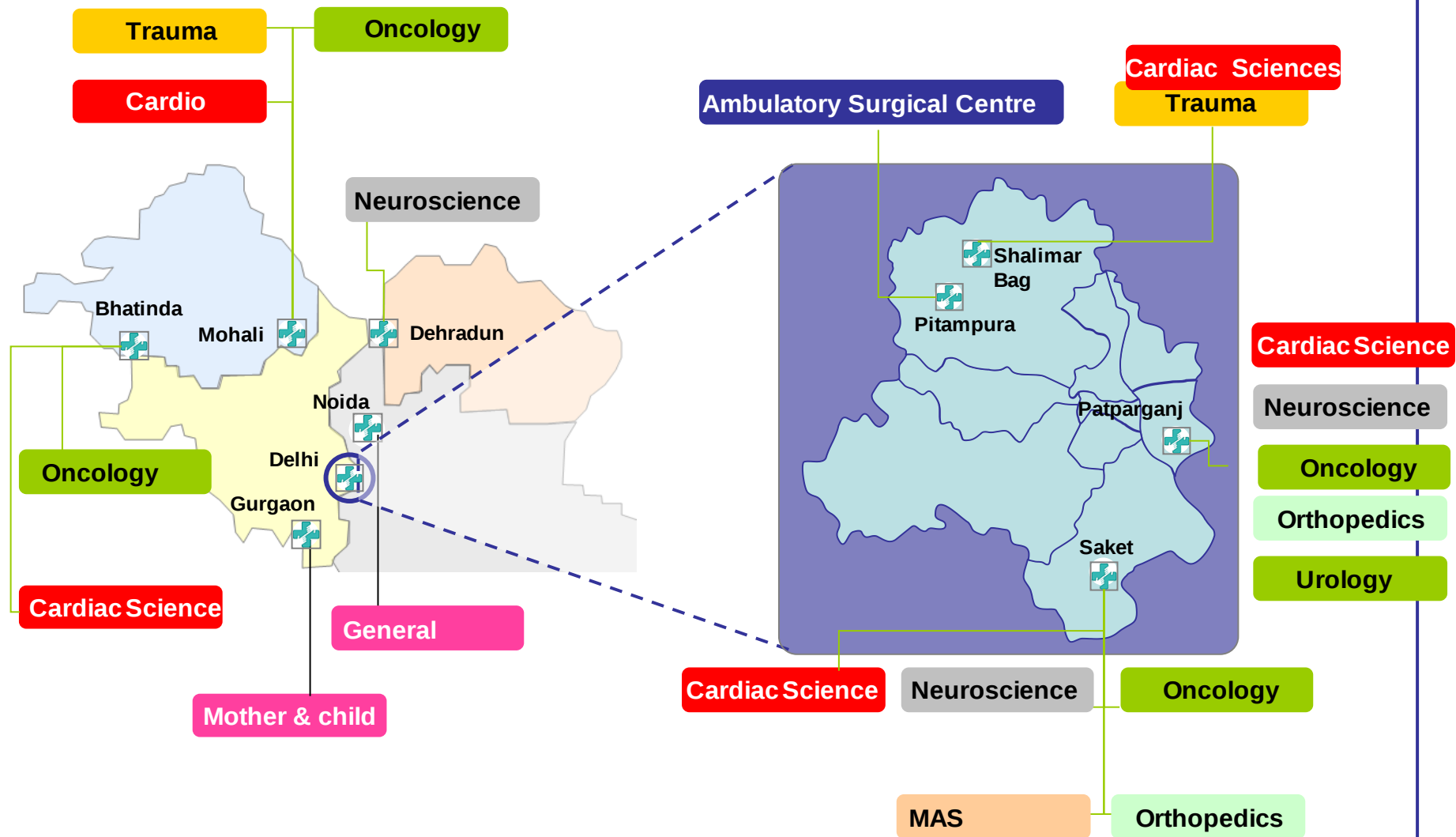
Shalimar Bagh, New Delhi
(280 beds)

Gurgaon, Haryana
(64 beds)

Pritampura, New Delhi
(70 beds)

Noida, Uttar Pradesh
(33 beds)

Panchsheel, New Delhi



Extensive focus on service excellence – a key strength for MHC

Focus on service excellence & medical quality

- Engagement with independent external agency (IMRB) for monitoring patient satisfaction
- Strong clinical protocols

Strong IT system

- Investment in CRM; EHR; ERP
- Leveraging IT for driving cost & operational efficiencies
- IT Opex accounts for 1% of revenue

Well established brand

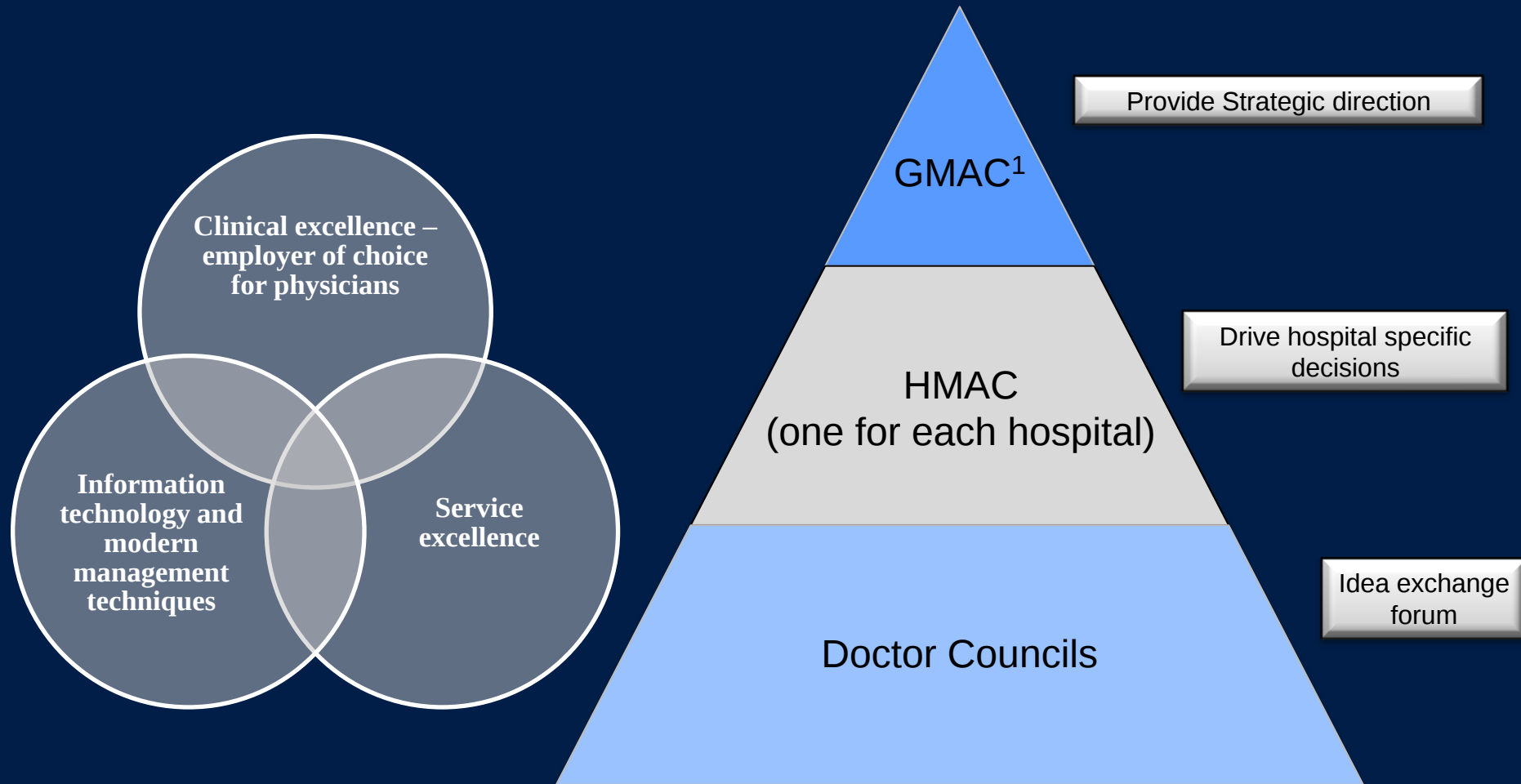
- Strong presence in North India with brand recognition Pan India
- Won numerous accolades including accreditations by the NABH, NABL and awards by FICCI

Professionally run & Clinician engagement

- Increased bandwidth for future growth & governance standards
- Involvement of clinicians in strategic decision making through doctor's governing bodies such as GMAC; HMEC etc

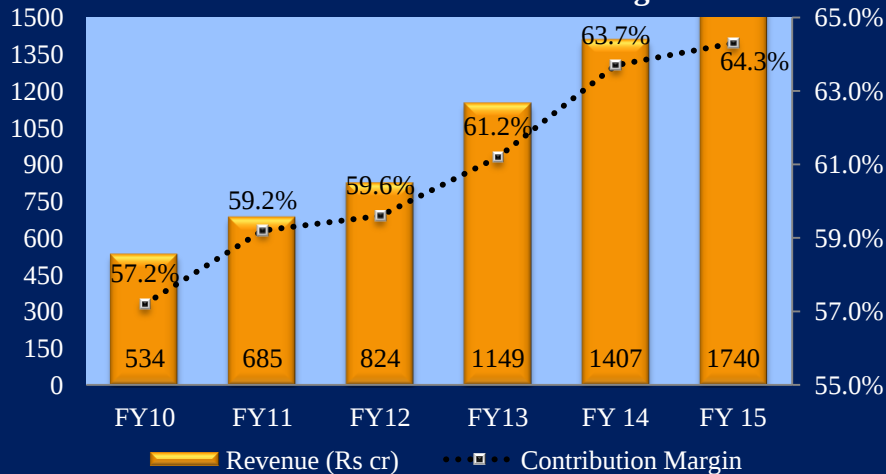
Focus on talent & training

- 2,100+ doctors; 3,100 nurses & 3,000 other trained personnel
- DNB (Diplomate of National Board) & fellowship programs
- OTJ trainings for nursing & paramedic care

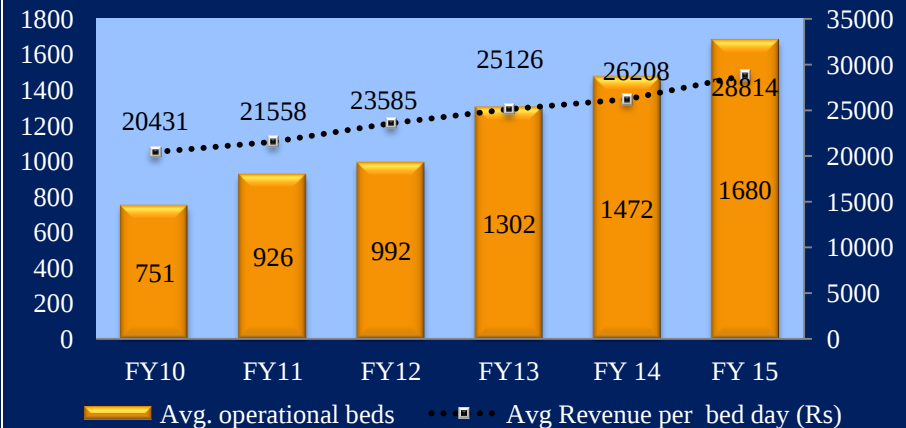


MHC delivering superior performance across all key metric

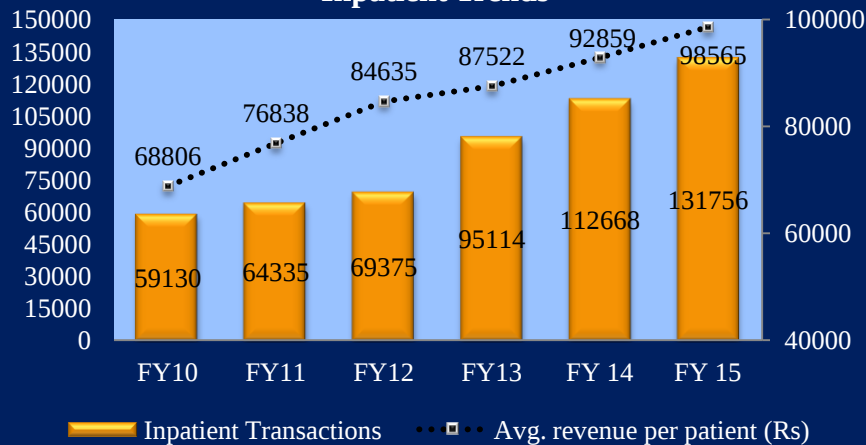
Revenue and Contribution Margin



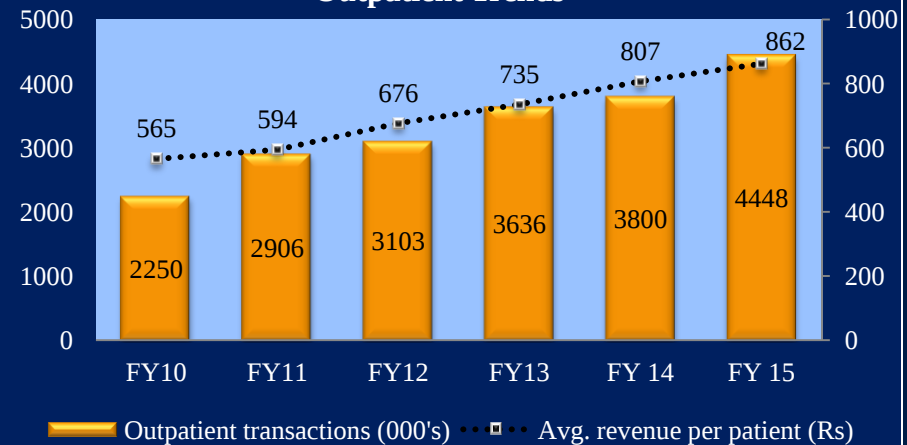
Avg. operational beds and Avg. revenue per occupied bed day*



Inpatient Trends



Outpatient Trends



*Average revenue per occupied bed day has been calculated on inpatient revenue

NABH / NABL Accreditation

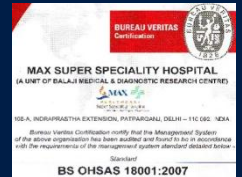
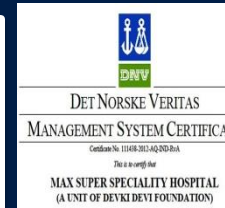
National Standards:
Mark of Excellence :
636 aspects are addressed:

- Patient Rights: respect, transparency, consent
- Standardized protocols in all departments: over 200 SOPs
- Patient safety
- Measurement & Evaluation
- Staff Training and safety: on all SOPs

Achievements: 2012-13:

MSSH: Shalimar Bagh: NABH New Accreditation
MSSH, Mohali: NABH New Accreditation (awaited shortly)
MSSH, Saket: NABH Reaccreditation
MSSH, Patparganj: NABH Surveillance Accreditation
Blood Bank: MSSH, Patparganj: NABH Reaccreditation
Pathology Lab: MSSH, Patparganj: NABL Reaccreditation
Pathology Lab, MSSH, Gurgaon: NABL Reaccreditation

ISO 14001:2004 & 18001:2007 at Patparganj, Pitampura & Shalimar Bagh
ISO 9001:2008 at Max Heart & Vascular Institute, Patparganj, Noida, Pitampura, Shalimar Bagh, Panchsheel Park & Home Office.



*MHC is committed to ensure
that all units are complaint to
the National Standards*

Radiation Therapy Radiation Oncology Department,
Saket:

Recognition of Quality Standards conforming to
International Atomic Energy Agency / World Health
Organization

Under leadership of Dr Anil K Anand & Mr. Munjal

Centre of Excellence Recognition to MHC
for Treatment of Heart Attacks

By Lumen Global 2013

Under leadership of Dr. Roopa Salwan

Dr. Arati Verma selected as Co Chairperson of Technical Committee of NABH



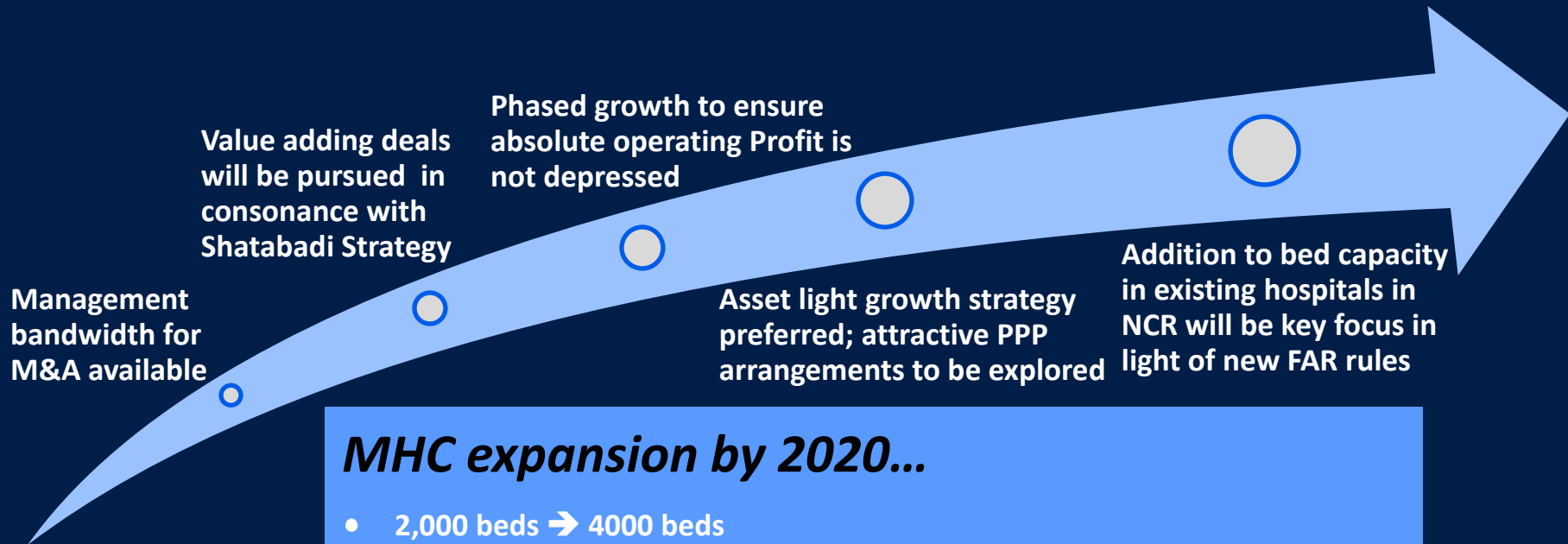
Best Corporate Website
– maxhealthcare.in
3rd India Digital Awards
by Internet & Mobile
Association of India

Awarded on 17th Jan, 2013

Past winners: www.mahindra.com and www.volkswagon.co.in

MHC won among 200 Nominations in the Award Category
IAMAI jury evaluated entries based on :

- Content
- Structure and Navigation
- Visual Design
- Functionality
- Interactivity
- Overall Experience



MHC expansion by 2020...

- 2,000 beds → 4000 beds
- 12 hospitals → 16 hospitals
- Scope for expansion in existing units – 500 beds (Saket, Patparganj, Shalimar Bagh and Mohali)
- Brown field expansion – Acquisition of Pushpanjali Crosslay (550 beds)
- Green-field hospital at New Chandigarh (Mullanpura) – 300 beds
- Destination Oncology hospital at Greater Noida – 300 beds
- Management of multi-specility hospital at Greater Noida – 300 beds
- Further brown-field and green-field may be explored

MAX BUPA HEALTH INSURANCE (Max Bupa)

www.maxbupa.in

A symbiotic partnership in the health insurance space



- India's leading conglomerate
- Successful track record of building businesses
- Expertise in life insurance, health insurance and healthcare businesses
- Group revenues in FY 2014 – Rs 11,683 crores
- Local perspective of the Indian market



- Global Health Insurance provider with market leadership in UK, Spain & Australia
- 12 million customers in over 190 countries
- Group revenues in 2012 - £8.5 billion and PBT of £600 million
- Employee base of over 52,000
- Voted as best international health care provider in 2013

Leveraging the strengths of both partners to build a robust and profitable enterprise with focus on service excellence

Key drivers of growth

■ Increase in affordability

- Increasing affordability with rise in income levels and healthcare spend per capita

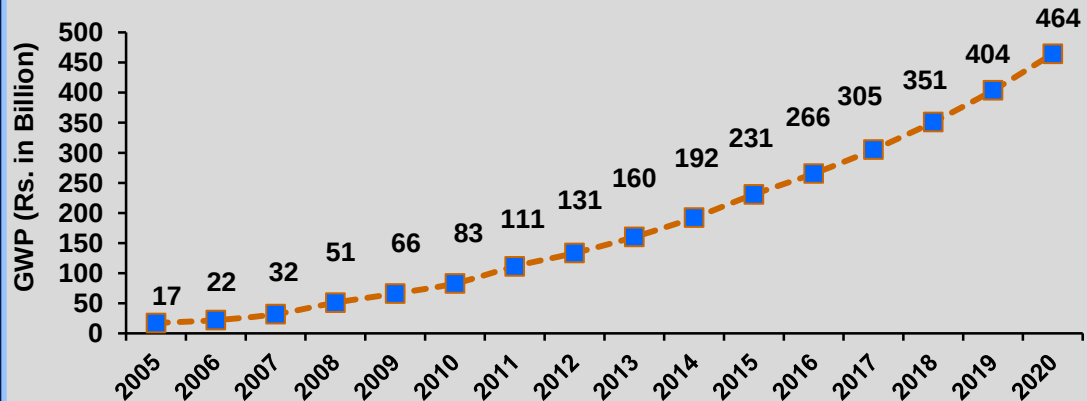
■ Increase in willingness

- Rapid scale-up of hospitals and expansion outside metros
- Take-off of **comprehensive insurance coverage** products e.g. secondary healthcare, out-patient etc.
- **Higher need** with rise in incidences of chronic diseases (viz. cancer, heart disease)
- Acceptability of insurance with increasing **awareness**

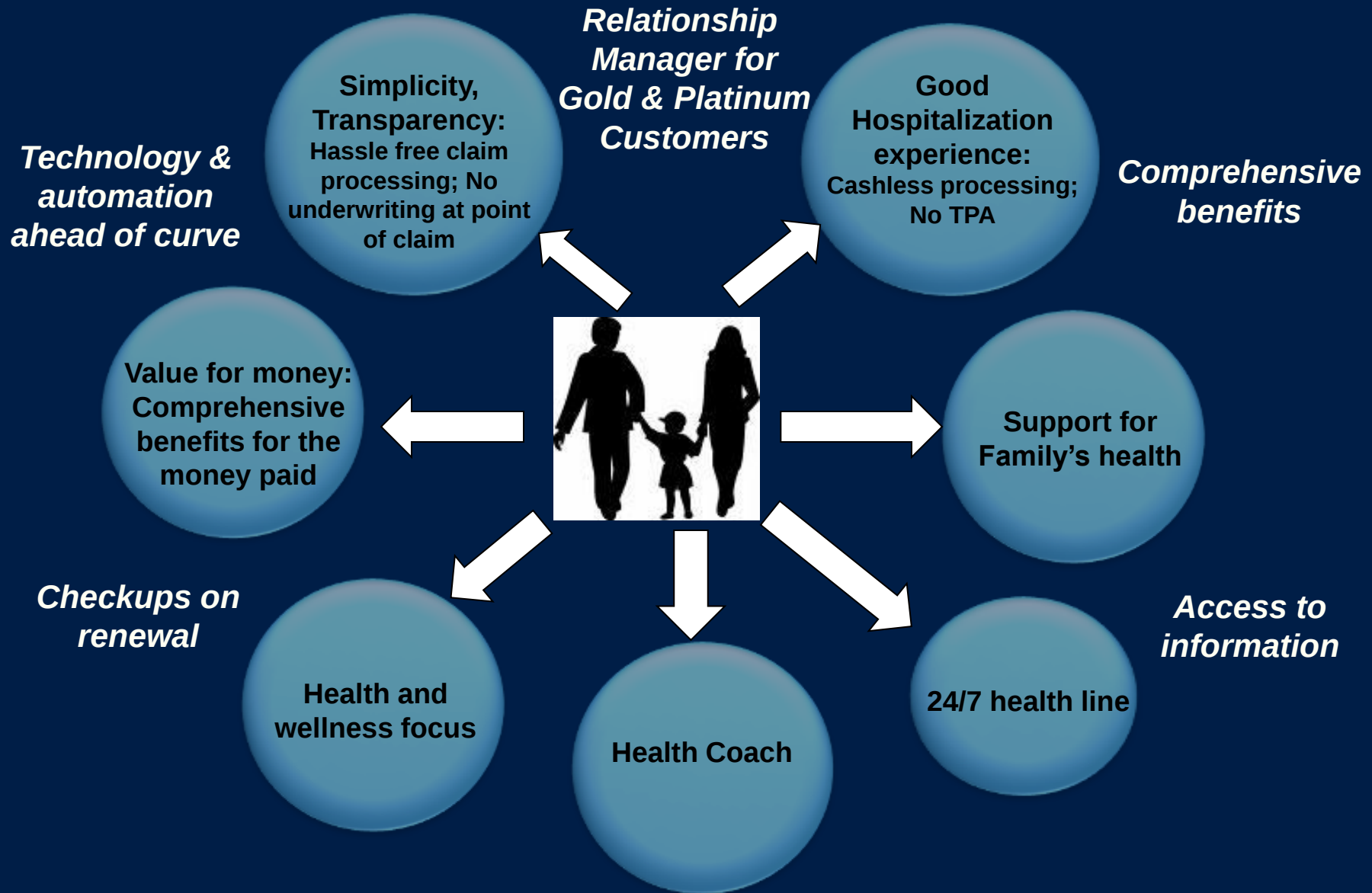
■ Increase in ticket size

- Rise in healthcare costs with market inflation

Indian Health Insurance Market (Rs. In Billion)



- Industry grew by 15% in FY 2013-14 marginally lower than that in the previous fiscal (17% in FY 12-13)
- Growth driven equally by both Private as well as public sector players (YTD Mar'14 : 14% and 15% respectively)
- Insurers focusing on containing loss ratio's and improving profitability
- Standalone health insurers growing aggressively



Extensive focus on key growth levers to maximize long-term value

Leveraging Max India and BUPA capabilities

- Max India - strong understanding of Indian Insurance landscape, learning's from Max Life's success and leverage synergies with Max Life and MHC
- BUPA – Product design, underwriting and clinical expertise

Bancassurance would catapult growth

- Opened up to Standalone Health insurers in February 2013
- 4 tie-ups - Standard Chartered, Deutsche, Federal Bank and Ratnakar Bank successfully launched

Pricing for profitability

- Value based pricing based on data and analysis
- Selective targeting of profitable Group business

Continuous product innovation

- Build a culture of innovation and expertise.
- Focus on wellness and specialized products with no age limit and high sum assured.
- Emphasis on Health Risk Management

Focused customer profile

- Focus on the mass affluent+ customer base
- Robust underwriting procedure

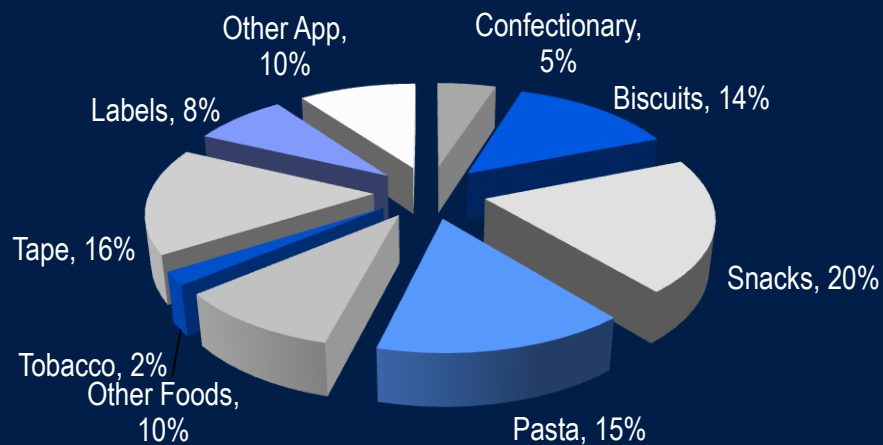
Factsheet* – Max Bupa

Gross Written Premium^	INR 373 Cr.
Customer Base^	~800K
Number of Employees	~1,500
Number of Agents	~9,000
Number of Offices	26
Partner Hospitals	~3,500

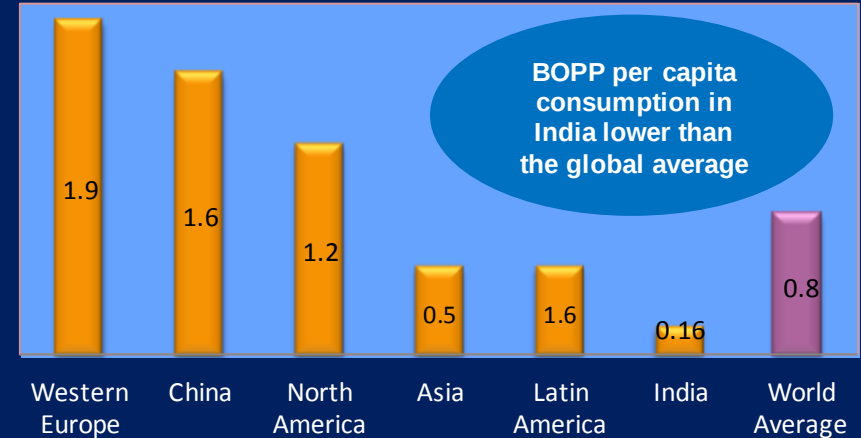
MAX SPECIALITY FILMS (MSF)

www.maxspecialityfilms.com

Global Demand FY 15

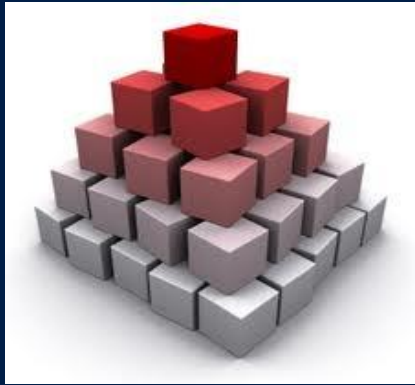
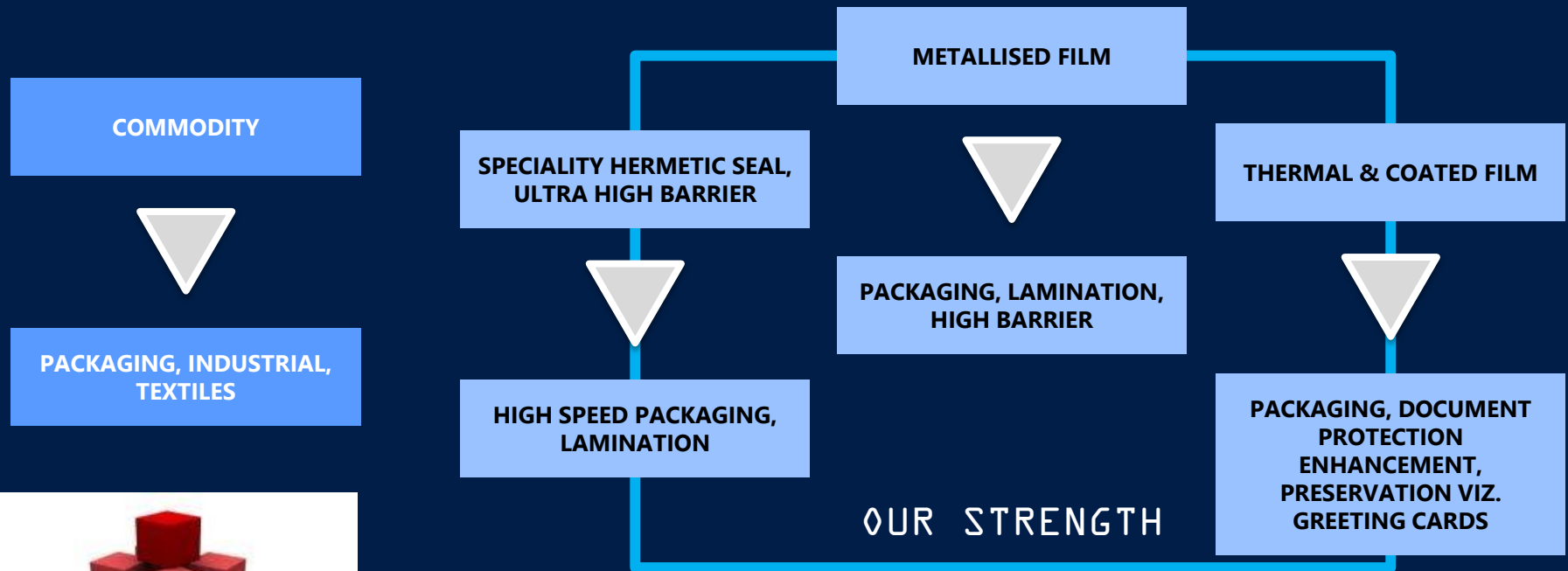


(KG's) Global per capita consumption of BOPP



Key Highlights

- Growth of flexible packaging Industry ~ 12-14% in India
- Per capita consumption of BOPP in India relatively lower
- Growth in FMCG and organized retail and changing urban life styles & rural demand.
- Competitive pricing and costs spurs exports from India and restricts imports.
- Shift from PET to BOPP (Indian BOPP:PET products ratio around 1:2 against 3:1 globally)
- BOPP films are recyclable and have a competitive advantage over other plastic and traditional products
- Convertor industry growing & India becoming global hub for supplies of Flexible Laminates



Max Speciality Films is much more than packaging...

- Established in 1990 MSF manufactures 'Speciality' BOPP (Bi- axially Oriented Polypropylene) & Thermal Lamination Films
- Committed to innovation, product quality and service excellence
- Deep Partnerships with Brands and converters in India & Abroad
- Significant market share of converts 60-70% output served to FMCG industry
- Geographical footprint covers Europe, the middle East, the US, Latin America, Africa, Australia, South Korea, CIS countries & SAARC

REVENUE & QUANTITY GROWTH

MSF Growth - FY07-14

Revenue CAGR: 24 %
Quantity CAGR: 22 %
EBITDA CAGR: 15 %

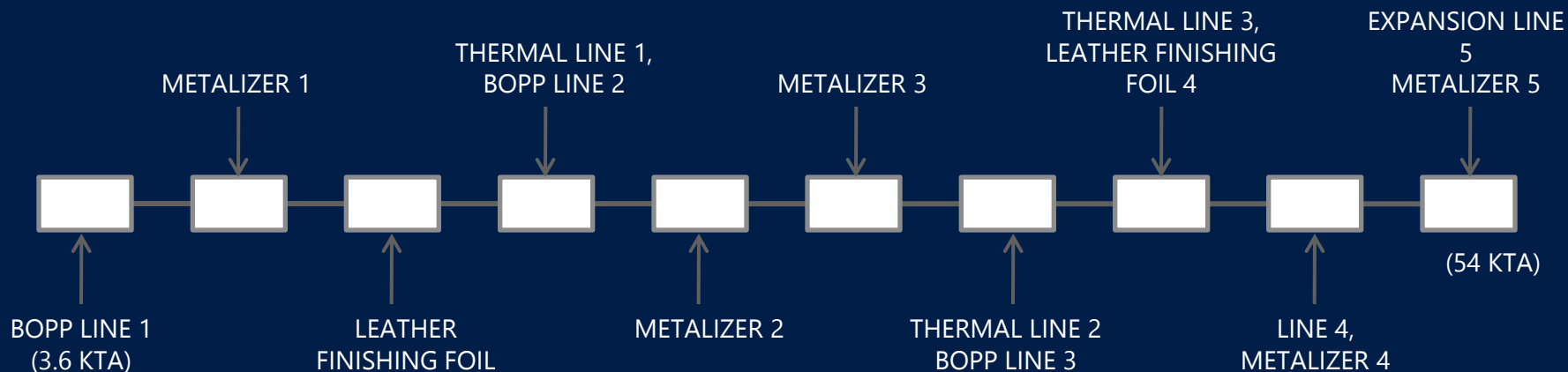
CAPACITY GROWTH

4 METALLISERS

4 BOPP LINES

3 EXTRUSION LINES

3 COATING LINES



You will Find MSF films in...



Markets we serve...

Food Packaging



Non Food Packaging



Industrial Packaging



Leather Industry



GOLDEN
PEACOCK



WORLD STAR



INDIA STAR

YEAR 2010



YEAR -2011



YEAR -2010



YEAR -2012



YEAR 2012



MAX INDIA FOUNDATION (MIF)

www.maxindiafoundation.org

Max India Foundation

- Corporate Social Responsibility (CSR) Arm of the Max India Group focused on providing quality healthcare to the underprivileged, facilitating awareness of health related issues, and promoting and fostering an eco-friendly healthy environment.

Awards Received:-

- Golden Peacock Global CSR Award 2011
- Global CSR Awards at the World CSR Day 2012
- Golden Peacock Award for CSR 2012
- “Best CSR Practices 2013” at 7th Indy’s Award
- “Best CSR Practices 2013” at the World CSR Day
- “Golden Peacock Award for CSR 2013
- “Outstanding Social Impacts” Award 2014 at the World CSR Day Congress
- Best Overall CSR Practices 2015” at the World CSR Day

Factsheet* – MIF

Locations	500
NGO Partners	367
Beneficiaries	12,33,233
Initiatives	• Immunization • Artificial Limbs & Polio Callipers • Health Camps • Surgeries & Treatment • Palliative Care • Lifeline Express Camps • Multi-speciality Camps • Cancer Awareness • Environment Awareness



Under the ‘**Village Adoption Scheme**’ being promoted by Government, MIF adopts Dhakrani, a village in Dehradun district to address healthcare related needs including waste disposal and sanitation.

Annexures

Consolidated Financial Snapshot^ (Q4 & FY15)

(Rs. Cr.)

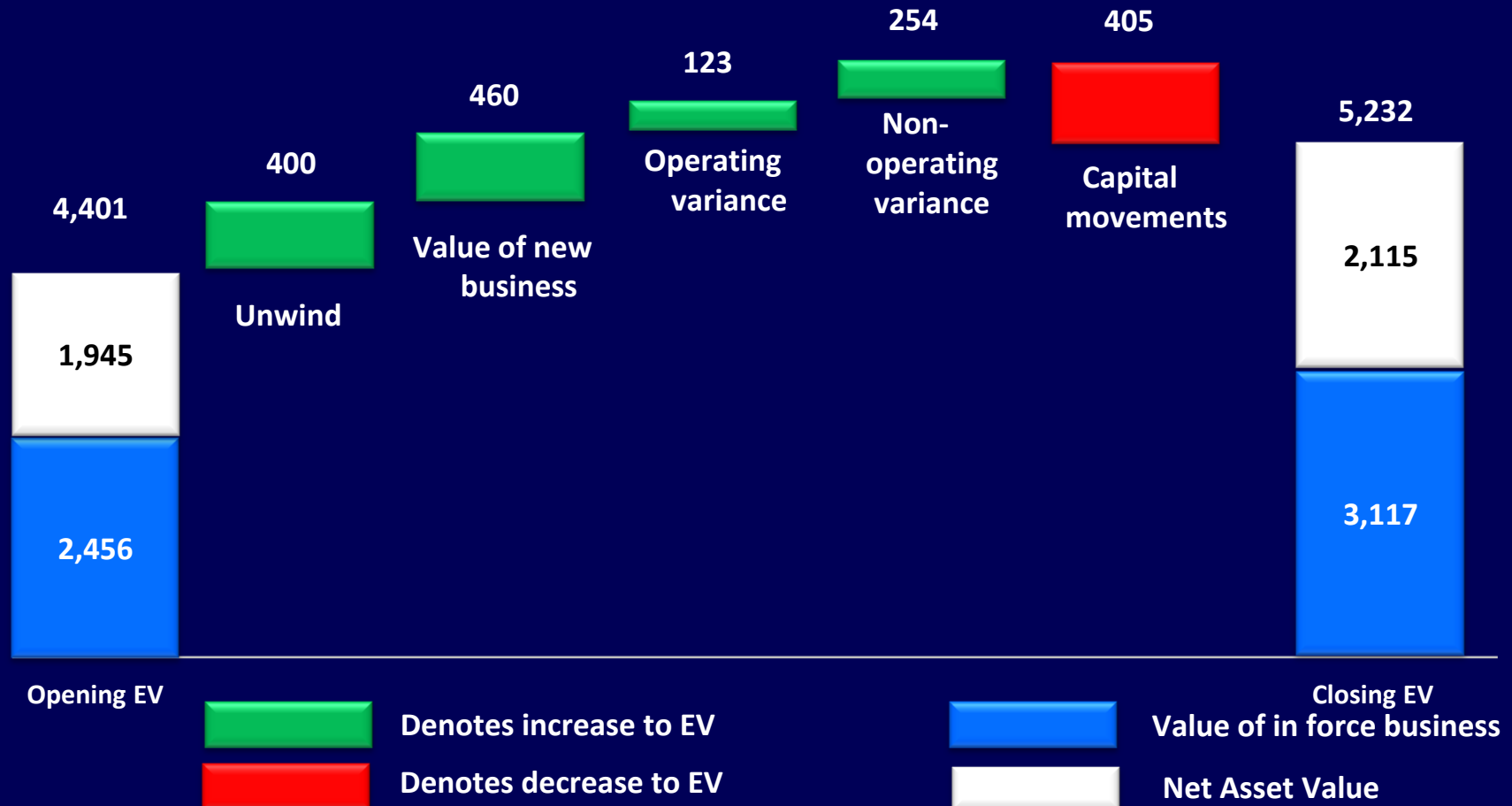
Particulars	Quarter ended		Y-o-Y Growth	Year ended		Y-o-Y Growth
	Mar-15	Mar-14		Mar-15	Mar-14	
Total Revenue	4,121	3,740	10%	14,877	11,683	27%
Operating Revenue	3,112	2,932	6%	10,048	9,140	10%
EBITDA	131	121	8%	749	385	48%
PBT	84	62	34%	512	212	87%

Particulars	31-Mar-15	31- Mar-14	Growth
Net Worth	3,302	2,984	14%
Preference Shares	-	65	-
Loan Funds	544	702	-23%
Fixed Assets (Net Block)	867	1,495	-42%
Treasury Corpus (Debt M. Funds & Term Deposits)	683	247	191%
Life Insurance Investments (AUM)	31,200	24,716	26%

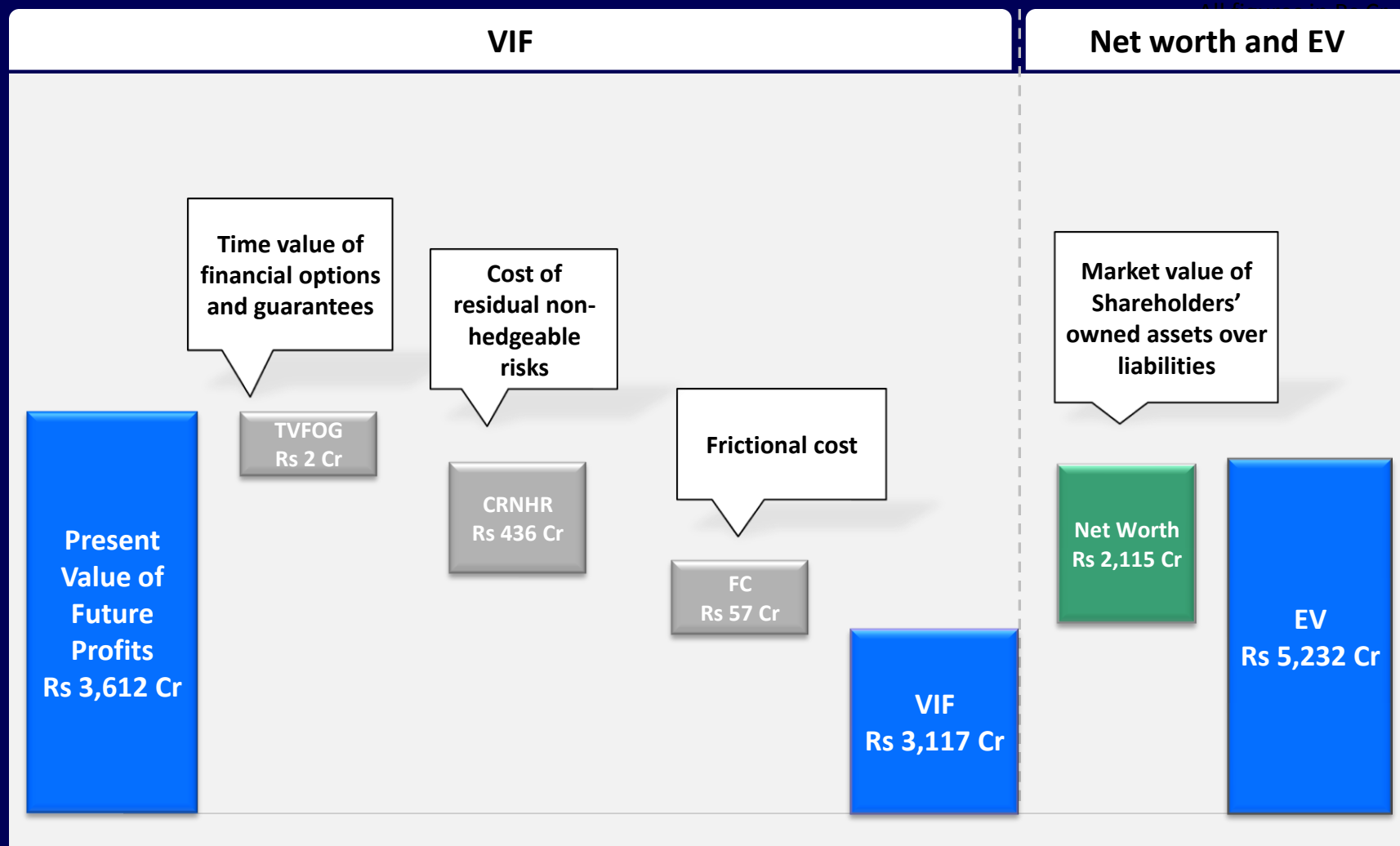
- Max Healthcare results consolidated on proportionate basis as it becomes a JV as opposed to a subsidiary earlier impacting revenue and PBT growth
- Gain from stake sale in Max Healthcare to Life Healthcare of Rs. 286 Cr. included in revenue and Rs 256 Cr. included in EBITDA/ PBT



Rank	Company	Individual New Business Premium (Rs. Cr) Premium Adjusted for 10% single premium			
		Apr'14-Mar'15	Apr'14-Mar'14	Growth (%)	Private Market Share
1	ICICI Prudential	4,596	3,253	41%	23.0%
2	SBI Life	3,120	2,811	11%	15.6%
3	HDFC Life	2,967	2,374	25%	14.8%
4	Max Life	1,948	1,769	10%	9.7%
5	Reliance Life	1,202	1,121	7%	6.0%
6	Bajaj Allianz	775	1,002	-23%	3.9%
7	Birla Sunlife	738	837	-12%	3.7%
8	PNB MetLife	712	577	23%	3.6%
9	Kotak Life	617	465	33%	3.1%
10	Exide Life	441	500	-12%	2.2%
	Others	2,874	2,536	13%	14.4%
	Private Total	19,992	17,243	16%	
	LIC	20,774	28,520	-27%	
	Grand Total	40,765	45,763	-11%	
	Market Share of Pvt. Players	49.0%	37.7%		



- Operating return on EV of 22.3%, driven mainly by new business growth and unwind of discounting.
- Non-operating return on EV of 5.8%, driven mainly by the increase in market value of assets over the year.



Sensitivity Results	EV		VNB	
	Value (Rs Cr)	% change	Value (Rs Cr)	% change
Base Case	5,232	-	460	-
Downward shift of 100 bps in the risk free interest rate curve ^{Note1}	5,347	2%	419	(9%)
10% increase in expense	5,178	(1%)	443	(4%)
10% increase in mortality	5,168	(1%)	449	(2%)
10% increase in lapse / surrender	5,127	(2%)	435	(6%)
10% immediate fall in equity values	5,167	(1%)	460	negligible

Notes:

1. Reduction in interest rate curve leads to an increase in the value of assets which offsets the loss in the value of future profits.
2. Reserving assumptions are unchanged in all the sensitivities.

Economic Assumptions

- The EV is calculated using risk free (government bond) spot rate yield curve taken from FIMMDA¹ as at 31st March 2015. The spot rates beyond the longest available term of 30 years are assumed to remain at 30 year term spot rate level.
- No allowance has been made for liquidity premium because of lack of credible information on liquidity spreads in the Indian market.
- A flat rate adjustment is made to the yield curve such that the market value of government bonds is equal to discounted value of future cash flows of those bonds.
- Samples from the un-adjusted 31st March 2015 spot rate yield curve used:

Year	1	2	3	4	5	10	15	20	25	30 +
Rates	8.01%	7.96%	7.93%	7.89%	7.89%	7.95%	8.04%	8.12%	8.03%	7.79%

Demographic Assumptions

The lapse and mortality assumptions are approved by a Board committee and are set by product line and distribution channel on a best estimate basis, based on the following principles:

- Assumptions are based on past experience and expectations of future experience given the likely impact of current and proposed management actions on such assumptions.
- Aims to avoid arbitrary changes, discontinuities and volatility where it can be justified.
- Aims to exclude the impacts of non-recurring factors.

¹ Fixed Income Money Market and Derivatives Association of India

Expense and Inflation

- Maintenance expenses are based on the recent expense studies performed internally by the Company. The VIF is reduced for the value of any maintenance expense overrun in the future. The overrun represents the excess maintenance expenses expected to be incurred by the Company over the expense loadings assumed in the calculation of PVFP.
- Expenses are denominated in fixed Rupee terms and are inflated at 6.25% per annum.
- The commission rates are based on the actual commission payable (if any).

Tax

- The corporate tax rate is assumed to be 14.42% for life business and nil for pension business.
- For participating business, the transfers to shareholders' resulting from surplus distribution are not taxed as tax is assumed to be deducted before surplus is distributed to policyholders and shareholders.
- The mark to market adjustments are also adjusted for tax.

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Year Ended		Y-o-Y Growth
		Mar'15	Mar'14		Mar'15	Mar'14	
a) Individual Adjusted Premium (APE*)	Rs. Cr.	668	607	10%	1,948	1,769	10%
b) Gross written premium income	Rs. Cr.						
First year premium		658	623	6%	1,925	1,787	8%
Renewal premium		1,845	1,651	12%	5,599	5,017	12%
Single premium		222	159	39%	648	474	37%
Total		2,724	2,433	12%	8,172	7,279	12%
c) Shareholder Profit (Pre Tax)	Rs. Cr.	121	121	-	477	503	-5%
d) Policy Holder Expense to Gross Premium	%	12.8%	14.6%	180 bps	16.1%	17.4%	130 bps
e) Conservation ratio**	%	81.1%	83.7%	(260 bps)	82.3%	80.0%	225 bps
f) Average case size (Agency)	Rs.	36,511	30,316	20%	34,007	29,127	17%
g) Case rate per agent per month	No.	0.36	0.41	-11%	0.31	0.41	-24%
h) Number of agents (Agency)	No.				42,505	42,620	-
i) Paid up Capital (Incl Share Premium & capital reserve)***	Rs. Cr.				2,013	2,127	-5%
j) Individual Policies in force	No. Lacs				36.7	36.3	1%
k) Sum insured in force (Including Group)	Rs. Cr.				2,26,540	2,01,098	13%

*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)

*** Due to buyback of 1% stake from Axis Bank as per the agreed arrangement and proportionate stake from MSI to maintain foreign holding at 26%

Padma Shri Dr. Rustom Phiroze Soonawala MD, FRCS, FRCOG Chairman, Obstetrics & Gynaecology	▪ Eminent and Internationally renowned Obstetrician & Gynaecologist. ▪ Former President of the Federation of Obstetricians and Gynaecologists
Padma Shri Dr. Pradeep K Chowbey MBBS, MS, FIMSA, FAIS, FICS, FACS, Doctor of Science (Honoris Causa) Chief- Surgery & Allied Surgical Specialties Director - Minimal Access, Metabolic & Bariatric Surgery	Prior to joining MHC, he was Chairman of the Minimal Access Metabolic & Bariatric surgery center, Sir Ganga Ram Hospital. He has been visiting faculty to the best Medical Institutions like Memorial Sloan Kettering Cancer Hospital, NewYork, John Hopkins Institute in USA & Royal Marsden Cancer Hospital, in U.K. Dr. Chowbey has done his MBBS followed by MS, General Surgery(1977) from Govt. Medical College, Jabalpur & MNAMS, National board of Examination.
Dr. S.K.S. Marya (M.S., DNB, Mch, FICS) Chairman - Orthopaedics & Joint Replacement	▪ Renowned Joint Replacement Surgeon having 30 years experience. ▪ Pioneered bilateral Hip and Knee Joint replacement. ▪ Author and teacher par excellence.
Dr. A.K.Singh (M.S., Mch, Diploma WFNS) Director – Max Institute of Neurosciences, Dehradun	▪ Renowned Neuro Surgeon having 40 years experience. ▪ Pioneer in the field of neurosurgery, credited with many 'firsts' in India - Median Corpectomy for Cervical Spondylosis; Direct Trans Nasal Trans Sphenoidal removal of Pituitary Tumors and many others. Also won BC Roy Award amongst others ▪ Author and teacher par excellence.
Dr. Harit Chaturvedi (MS, MCH) Chief Consultant & Director – Surgical Oncology	▪ Having 25 years of experience in Surgical Oncology. ▪ Served institutions of repute like Rajiv Gandhi Cancer Institute, Indraprastha Apollo Hospitals, Batra Hospital & Medical Research Centre, New Delhi.
Dr. Anurag Krishna MS, MCh., FAMS Director, Paediatrics and Paediatric Surgery	▪ 20 years experience in Paediatric surgery -complex congenital malformations ▪ Published 50 scientific papers in leading national and international journals ▪ Served as Member of the Board of Management of Sir Ganga Ram Hospital.

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Year Ended		Y-o-Y Growth
		Mar'15	Mar'14		Mar'15	Mar'14	
a) Revenue (Gross)	Rs. Cr						
Inpatient Revenue		335	279	20%	1,299	1,046	24%
Day Care Revenue		15	14	9%	60	50	21%
Outpatient Revenue		102	84	21%	383	307	25%
Other Operating Income		(1)	-	-	(2)	4	-
Total		451	377	20%	1740	1407	24%
b) Profitability							
Contribution (%)	%	64.8%	63.5%	130 bps	64.3%	63.7%	70 bps
EBITDA	Rs. Cr	43	34	27%	170	113	50%
EBITDA (%)	%	9.6%	9.2%	40 bps	10.0%	8.3%	170 bps
Profit	Rs. Cr	2	(4)	-	(6)	(45)	-
c) Patient Transactions (No. of Procedures)	No.						
Inpatient Procedures		33,113	28,786	15%	131,756	112,668	17%
Day care Procedures		6,385	5,243	22%	26,235	18,568	41%
Outpatient Registrations		1,143,586	994,698	15%	4,447,883	3,799,729	17%
d) Average Inpatient Operational Beds	No.	1,745	1,526	14%	1,680	1,472	14%
e) Average Inpatient Occupancy	%	71.8%	74.3%	(150 bps)	73.5%	74.3%	(80 bps)
f) Average Length of Stay	No.	3.40	3.59	5%	3.42	3.54	4%
g) Avg. Revenue/Occupied Bed Day (IP)	Rs.	29,717	26,996	10%	28,814	26,208	10%

*The above results are for MHC Network of hospitals and includes results for Max Super Specialty Hospital, Saket, unit of Devki Devi Foundation and Max Super Specialty Hospital, Patparganj, unit of Balaji Medical and Diagnostic Research Centre

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Year ended		Y-o-Y Growth
		Mar-15	Mar-14		Mar-15	Mar-14	
a) Gross written premium income	Rs. Cr						
First year premium*		48	50	(4%)	145	163	(11%)
Renewal premium		76	52	44%	228	146	56%
Total		124	102	21%	373	309	21%
b) Net Earned Premium	Rs. Cr	81	68	19%	315	237	33%
c) Net Profit / Loss Before Tax	Rs. Cr	(27)	(50)	-	(93)	(133)	-
d) Claim Ratio (B2C Segment)	%	49%	51%	170 bps	50%	50%	(40 bps)
e) Av. premium realization per life (B2C)	Rs.	6,538	5,570	17%	6,364	5,393	18%
f) Conservation ratio (B2C Segment)	%	89%	86%	320 bps	90%	85%	500 bps
g) Number of agents	No.				8,909	11,401	(22%)
h) Paid up Capital	Rs. Cr				791	670	18%

* B2C First year premium growth at 36% for Q4FY15

Key Business Drivers	Unit	Quarter Ended		Y-o-Y Growth	Year ended		Y-o-Y Growth
		Mar-15	Mar-14		Mar-15	Mar-14	
a) Sales Quantity – BOPP	Tons	12,085	11,222	8%	44,970	46,354	-3%
b) Revenue	Rs. Cr.	190	195	-3%	755	746	-1%
c) Profitability:							
Contribution	Rs. Cr.	49	33	48%	149	121	23%
Contribution Margin	%	26%	17%		20%	16%	
EBITDA	Rs. Cr.	24	15	57%	77	57	35%
EBITDA Margin	%	12%	8%		10%	8%	
PBT	Rs. Cr.	6	4	-50%	12	14	-14%
Margin	%	3%	2%		2%	2%	

- 3% drop in Sales Quantity is predominantly because of shift to high margin yielding thin films
- Higher realisations per unit coupled with cost rationalisation, lead to 35% higher EBITDA vis-à-vis FY15
- Decline in PBT is on account of higher interest cost on fresh borrowings consequent to transfer of MSF to a subsidiary resulting in liquidity of Rs. 110 cr. for Max India
- Continues to aggressively tap growth opportunities with key FMCG brands

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