

February 05, 2018.

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

The Bombay Stock Exchange Ltd
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai- 400 001

Dear Sir/Madam,

Sub: Investor Presentation – Q3 Results.

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Pursuant to Regulation 30 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule III, we are forwarding a copy of Investor Presentation on the unaudited financial results for the quarter / nine-months ended 31-12-2017.

This is also being uploaded in our website.

Yours Faithfully,

For Thyrocare Technologies Limited,



Ramjee Dorai

Company Secretary and Compliance Officer



Thyrocare Technologies Limited

📍 D-37/1, TTC MIDC, Turbhe, Navi Mumbai - 400 703, India ☎ 022- 3090 0000 / 4125 2525

✉ enquiry@thyrocare.com 🌐 www.thyrocare.com

(CIN : L85110MH2000PLC123882)

Thyrocare
Technologies
Limited

Q3-FY18
Presentation

Thyrocare®

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- This document has not been and will not be reviewed or approved by the statutory auditors or a regulatory authority in India or by any stock exchange in India.*

Transition to IndAS (Indian Accounting Standards)

[Rs. in million]	Nine months ended 31 December 2016		Quarter ended 31 December 2016	
	Consolidated	Standalone	Consolidated	Standalone
Net profit (after tax) under Indian GAAP	520.14	545.41	153.79	169.00
Add/ (less) : Adjustment for GAAP differences				
Net gain arising on fair value accounting of financial assets/ liabilities (mutual fund, security deposit, etc.)	(0.82)	8.06	8.20	4.63
Accounting of employees stock options as per Black Scholes valuation model	0.34	0.34	(0.31)	(0.31)
Net actuarial gain on employee benefit plans reclassified to Other Comprehensive Income (OCI)	(0.24)	(0.24)	(0.10)	(0.10)
Others				
Adjustment on account of prior period transactions	(0.76)	1.09	0.71	0.73
Deferment of one time association fees	(0.58)	(0.58)	(0.01)	(0.01)
Recognition of contribution towards advertisement	(233.97)	(233.97)	(68.74)	(68.74)
Deferred tax on the above adjustments	(9.81)	(9.81)	(1.73)	(1.73)
Net profit before OCI/ reserve as per Ind AS	274.30	310.28	91.81	103.47
% change in the net profit on transition to IndAS	-47%	-43%	-40%	-39%

Key IndAS Adjustments:

- Re-imbursement of advertisement expenses by shareholders – Non reciprocal contributions received from the shareholders are considered as capital contribution and the expenses incurred thereof considering the nature and size are recognized as exceptional expenses.
- Sale of product with sale of services under linked transaction are recognized as single transaction therefore clubbed together. The incentive paid to service provider is adjusted against revenue. The fees collected from service provider at inception is amortised over a period of association.
- As an accounting policy choice adopted, the carrying value of property plant and equipment and the investment in subsidiaries is deemed as the fair value on IndAS transition.
- The trademarks assigned to the Company and Subsidiary are recognised at fair value on the basis of valuation certificate. The value of goodwill is tested for impairment.
- The consideration paid to the manufacturers/ vendors under contractual arrangement for purchase of reagents is bifurcated into lease rental and reagent purchase cost on the estimates basis on the terms of placement of these analysers.
- The accounts of ESOP trust are consolidated with the company as the controls are exercised on the related activities by the entity.
- The ESOP liabilities have been determined on fair value of options under the Black and Scholes model. The actuarial gain/ loss on employee benefit valuations adjusted through 'OCI'.
- Fair valuation of financial instruments such as interest-free security deposits, investments in mutual funds, long-term advances, etc.
- Deferred tax on GAAP adjustments.

Beginning 1 April 2017, the Company has for the first time adopted Indian Accounting Standards (Ind AS) with a transition date of 1 April 2016. Accordingly, the unaudited standalone financial results have been prepared in compliance with IndAS as notified by the Ministry of Corporate Affairs and prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting pronouncements generally accepted in India

Consolidated Financials

Thyrocare Technologies Limited [Consolidated]

P&L Statement (INR mn, except per share data)

Particulars	Year to Date		YoY Growth	3 months ended		YoY Growth
	31 Dec 17	31 Dec 16		31 Dec 17	31 Dec 16	
Revenue from operations	2,596.60	2,172.71	20%	838.68	703.78	19%
Cost of Materials consumed/ sales	689.90	577.69	19%	207.64	182.05	14%
Gross Profit	1,906.70	1,595.02	20%	631.04	521.73	21%
Operating expenses :						
Employee benefits expense	240.31	223.14	8%	94.52	75.95	24%
Finance cost	2.86	1.68		1.04	0.86	
Depreciation and amortisation expense	144.99	131.21	11%	51.43	46.64	10%
Other expenses	591.24	536.14	10%	182.69	183.02	(1)%
Total operating expenses	979.40	892.17	10%	329.68	306.47	8%
Operating profit	927.30	702.85	32%	301.36	215.26	40%
Other income, net	121.13	100.80	20%	36.73	39.07	(6)%
Exceptional items	(21.93)	(233.97)		-	(68.74)	
Profit before taxes	1,026.50	569.68		338.09	185.59	
Income tax and deferred tax	(345.07)	(295.38)	17%	(123.42)	(93.78)	32%
Net profit	681.44	274.30		214.68	91.81	
Earnings per equity share						
Basic	12.72	5.11		4.03	1.71	
Diluted	12.68	5.10		4.02	1.71	

Thyrocare Technologies Limited [Consolidated]

Balance Sheet (INR mn)

Particulars	31 Dec 17	31 Dec 16
Cash and cash equivalents	69.81	95.44
Current investments	1,177.46	1,095.05
Trade receivables	93.43	82.95
Property, plant and equipments	1,636.79	1,445.86
Non-current investments	-	-
Other assets	1,812.35	1,751.43
Total assets	4,789.84	4,470.73
Total liabilities	309.84	609.69
Total equity	4,480.00	3,861.04
Total liabilities and equity	4,789.84	4,470.73

Thyrocare Standalone

Standalone Financials

Thyrocare Technologies Limited (Standalone)

P&L Statement (INR mn, except per share data)

Particulars	Year to Date		YoY Growth	3 months ended		YoY Growth
	31 Dec 17	31 Dec 16		31 Dec 17	31 Dec 16	
Revenue from operations	2,417.62	2,151.65	19%	778.36	693.56	18%
Cost of Materials consumed/ sales	658.66	552.31	19%	197.21	173.03	14%
Gross Profit	1,758.96	1,599.34	19%	581.15	520.53	20%
Operating expenses :						
Employee benefits expense	220.40	210.95	4%	86.93	71.89	21%
Finance cost	2.86	1.68	-	1.04	0.86	-
Depreciation and amortisation expense	87.65	85.58	2%	30.95	29.34	6%
Other expenses	502.59	553.61	12%	156.44	184.62	3%
Total operating expenses	813.50	851.82	9%	275.36	286.72	9%
Operating profit	945.46	747.52	28%	305.79	233.81	33%
Other income, net	120.83	92.14	31%	41.09	32.18	28%
Exceptional items	(21.93)	(233.97)		-	(68.74)	
Profit before taxes	1,044.36	605.69		346.88	197.25	
Income tax and deferred tax	(360.62)	(295.41)	22%	(129.38)	(93.78)	38%
Net profit	683.74	310.28		217.51	103.47	
Other comprehensive income (net of tax)	2.59	0.27		1.59	0.13	
Earnings per equity share						
Basic	12.77	5.78		4.08	1.93	
Diluted	12.73	5.77		4.07	1.93	

Normalized for the adjustment of revenue/ cost of imaging business in the comparable previous period.

Thyrocare Technologies Limited (Standalone)

Balance Sheet (INR mn)

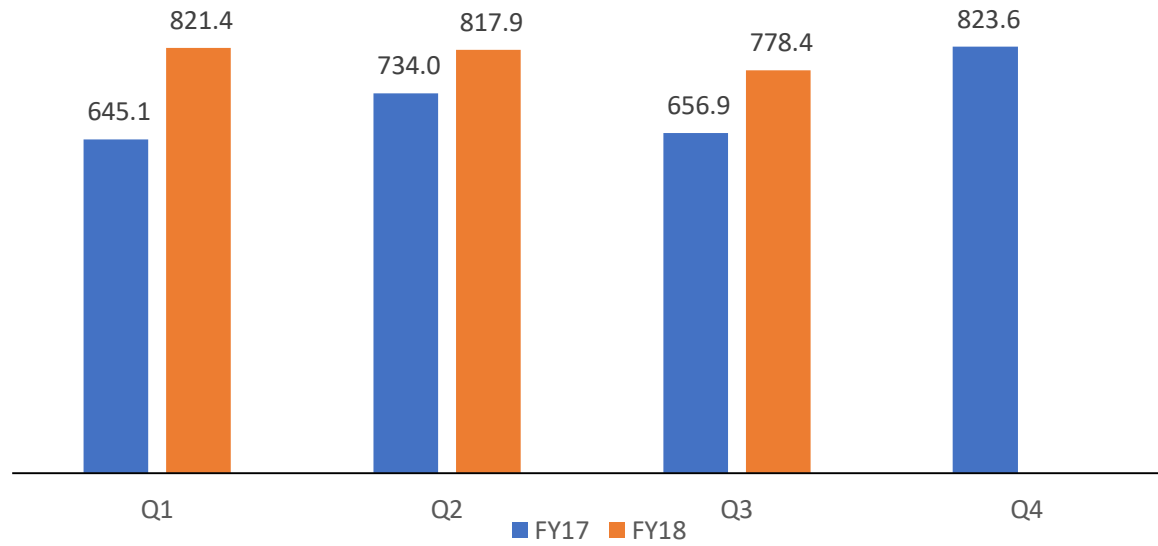
Particulars	31 Dec 17	31 Dec 16
Cash and cash equivalents	57.33	86.96
Current investments	1,177.46	1,095.05
Trade receivables	90.06	80.48
Property, plant and equipments	1012.27	887.11
Non-current investments	1,946.74	1,946.74
Other assets	579.54	451.75
Total assets	4,863.40	4,548.09
Total liabilities	261.76	567.51
Total equity	4,601.64	3,980.58
Total liabilities and equity	4,863.40	4,548.09

YTD Performance Highlights - Thyrocare

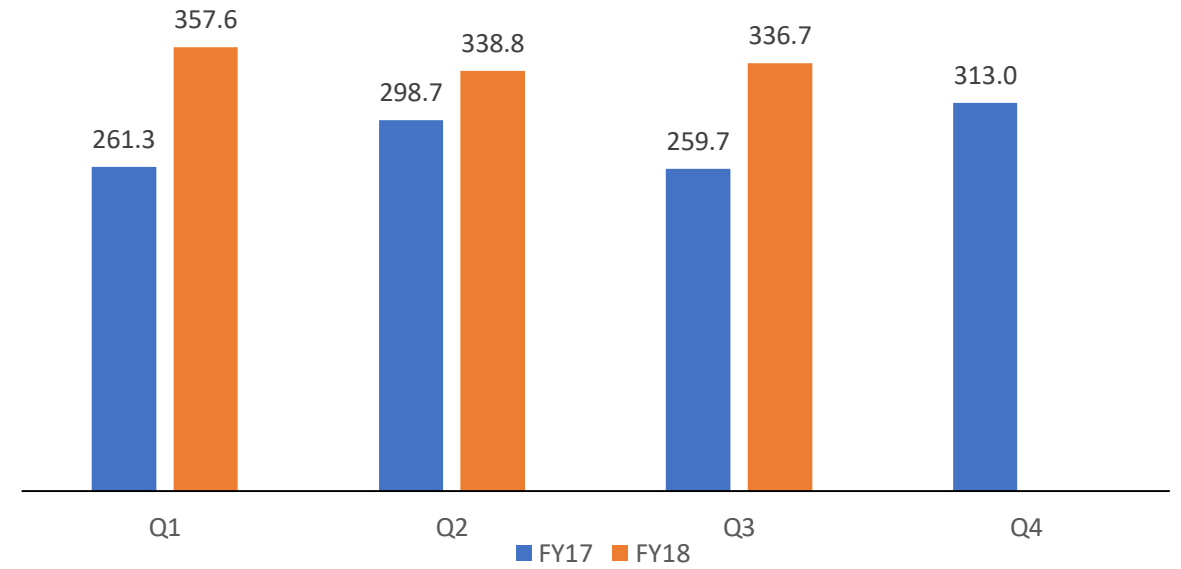
- Nine months and Quarterly standalone net profit of INR 705.67 million and INR 217.51 million, up 32% and 29%, respectively (Normalized for the adjustment on account of reimbursement towards advertisement from the shareholder and adjustment of revenue/ cost of imaging business in the comparable previous period).
- Nine months and Quarterly standalone EBITDA of INR 1033.11 million and INR 336.74 million, up 26% and 30%, respectively (Normalized for the adjustment of revenue/ cost of imaging business in the comparable previous period).
- Nine months and Quarterly standalone revenue from operations of INR 2417.62 million and INR 778.36 million, up 19% and 18%, respectively (Normalized for the adjustment of revenue of imaging business in the comparable previous period).
- Revenue from preventive-care segment has increased for nine months by 24% and constitutes about 52% of the total revenue from diagnostic services. The aggressive growth in preventive-care segment evidenced in previous quarter/(s) has slowed down due to seasonal variations and higher base of the previous comparable period. The regional camps conducted in the previous year period on varied blocks of dates has lead to variations in regional revenue numbers in the comparable periods. Revenue from sickness segment has increased by more than 30% in part of this financial year compared to previous financial year. This growth however is subject to the variations as mentioned for the reasons above.
- The regional revenue from western region has outperformed in this quarter with camps initiated in last two months of the quarter. The revenue from north region looks subdued on account of base effect of the previous period revenue due to extension of ANC in that region. The YTD regional revenue is in line with the previous year YTD regional revenue that signifies even growth across all regions.
- The YTD gross margins have improved slightly inspite of aggressive pricing in preventive-care segment and after correcting for the impact of GST on transition. Most of the vendors have agreed to abide by anti profiteering measures after due assessment of GST on their businesses in the coming quarters. With RCM on GST being differed till the end of the financial year, that would have very insignificant but positive impact on the profitability in the short run. The current period COGS looks reduced but subject to prior period adjustment of volume discounts and provisions, marginal impact of GST, reclassification changes on transition to IndAS and changes in revenue mix in the current period compared to relevant previous period. After IndAS transition, on clubbing of the revenue from sale of consumables with revenue from diagnostic services and corresponding expenses/ cost thereof being clubbed under COGS, with aggressive dispatch of consumables/ promotional material, the gross margin tend to vary positive/ negative marginally at interim quarterly periods.
- The employee benefit expenses as percentage total revenue has increased on account of the change in the salary cycle during the interim period and provision for the additional reimbursement allowed to employees. The ESOP2014 constituting 1% of the outstanding paid up capital then were completely deferred out till 31 March 2017. The increase in the employee benefit expenses cost is one time and to streamline the salary cycle. There is no material variations in the other operating expenses other than one time spending in the respective accounting period, if any.

Key Financial Trends - Thyrocare

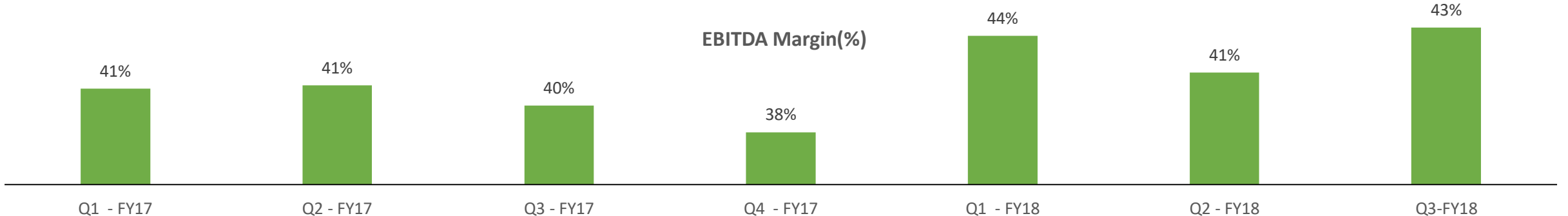
Revenue (INR mn)



EBITDA (INR mn)



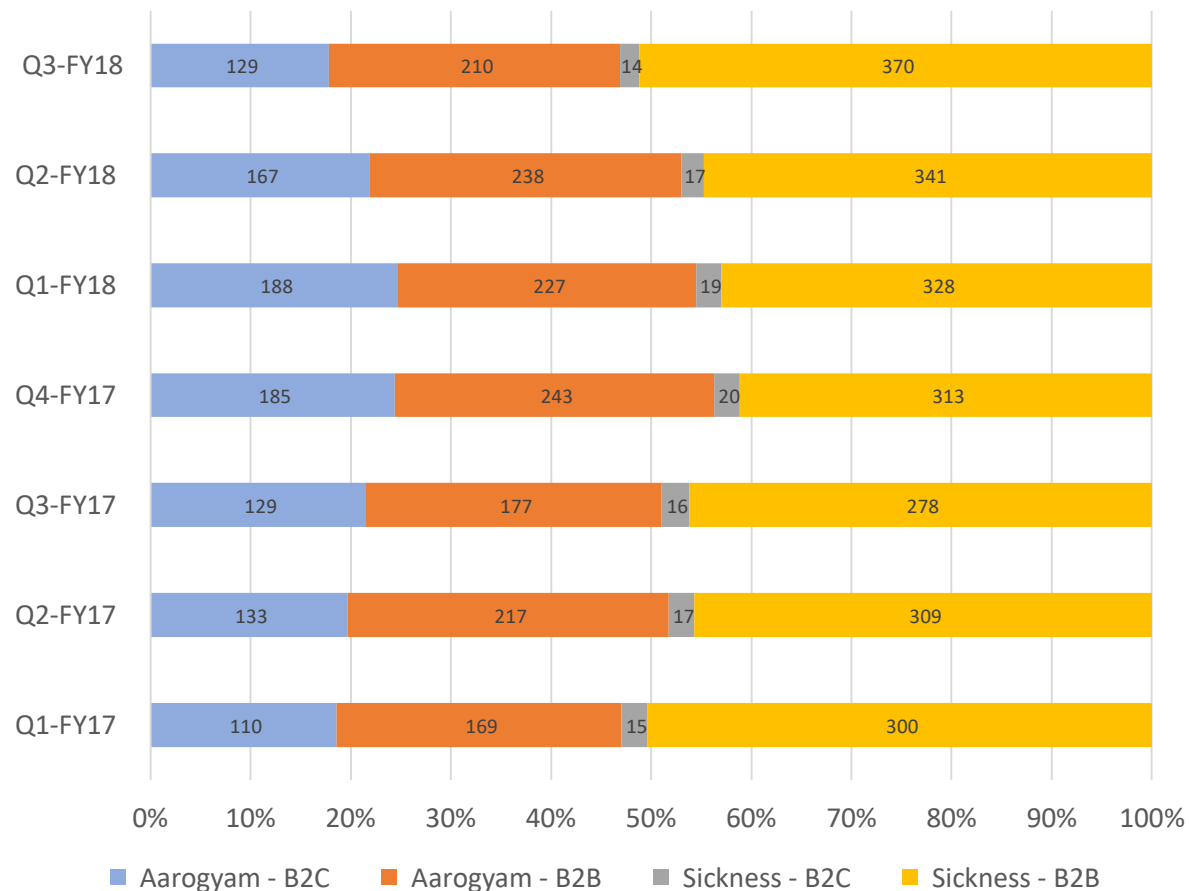
EBITDA Margin(%)



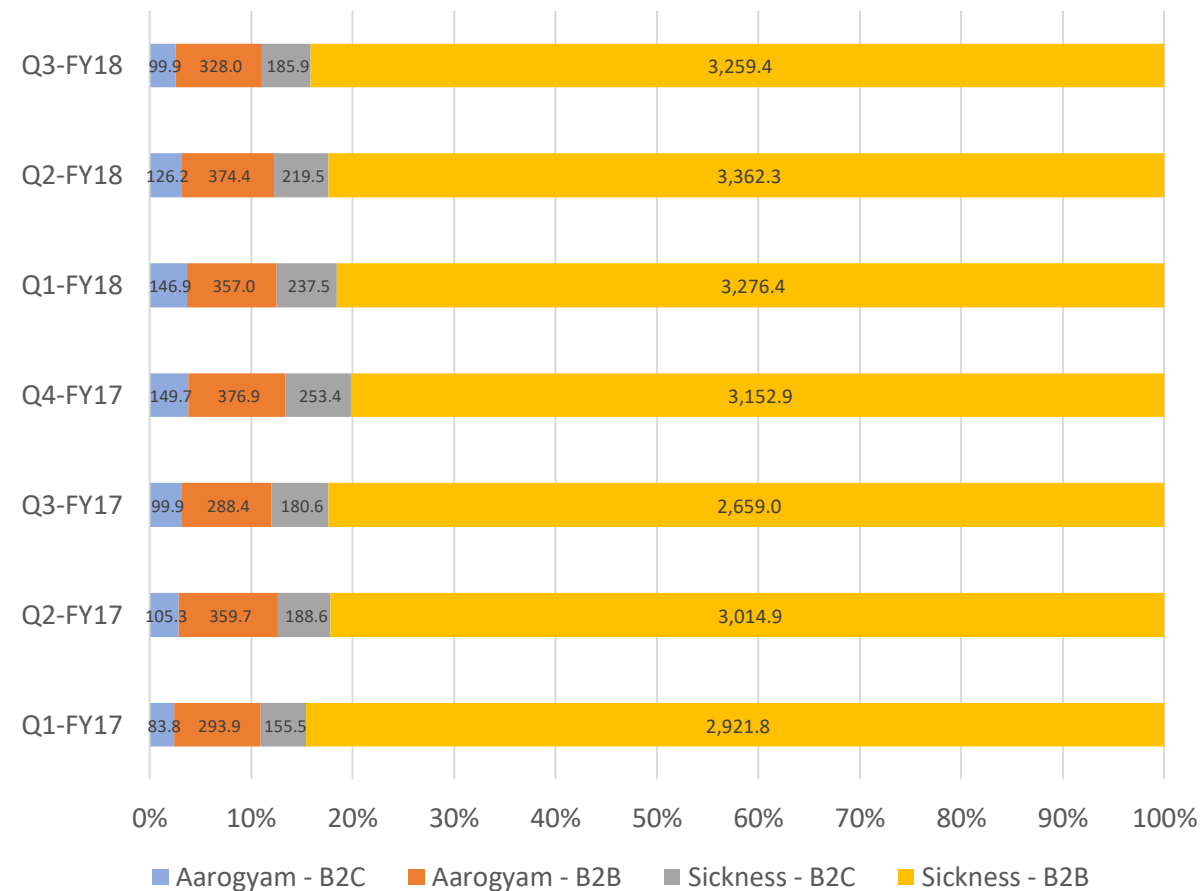
Previous period figures are normalized for the adjustment of revenue/ cost of imaging business.

Key Operating Metrics – Business Lines

Revenue Breakup (INR mn)

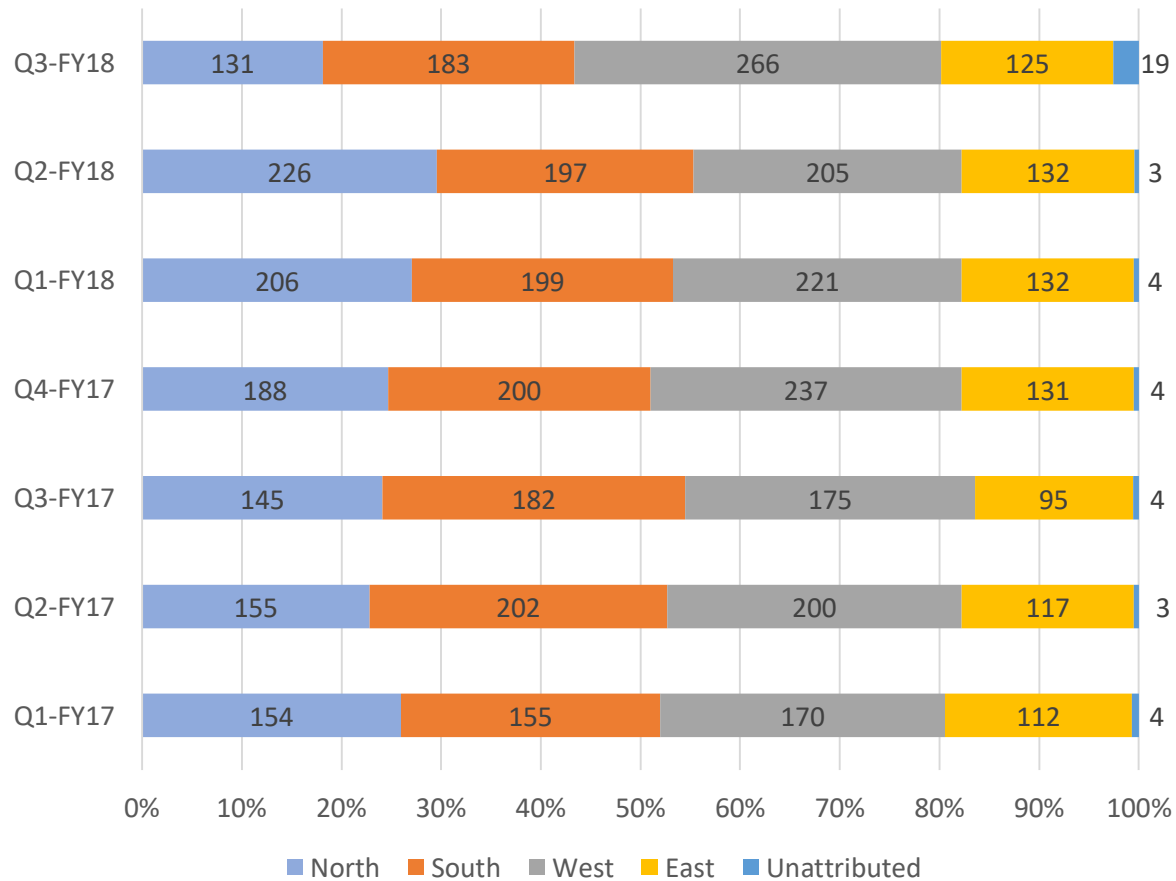


Volume Breakup ('000 Samples)

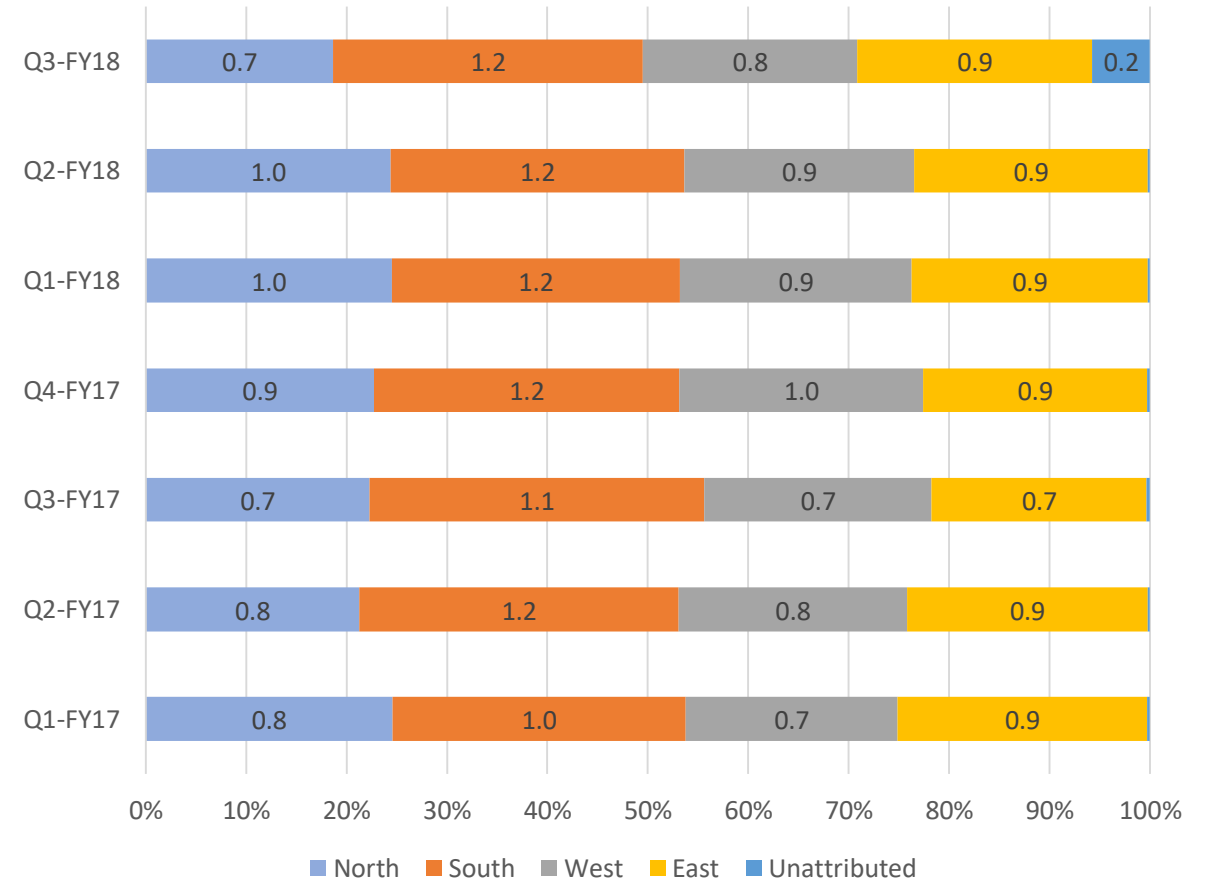


Key Operating Metrics – Regional Breakup

Value Breakup (INR mn)



Volume Breakup (mn Samples)



Operating Data

Thyrocare Technologies Limited

(Rs. in million, except per share data)

Particulars	Year to Date		YoY Growth	3 months ended		YoY Growth
	31 Dec 2017	31 Dec 2016		31 Dec 2017	31 Dec 2016	
B2B revenue (in million)	1,714.86	1,450.41	18%	581.18	454.62	28%
B2C revenue (in million)	534.27	421.61	27%	142.85	145.76	-2%
B2B revenue/ total revenue (%)	70.9%	71.2%	-	74.7%	69.7%	7%
B2C revenue/ total revenue (%)	22.1%	20.7%	7%	18.4%	22.3%	-
Preventivecare revenue (in million)	1,159.37	936.69	24%	339.40	306.35	11%
Preventivecare revenue/ Revenue from operations (%)	48.0%	46.0%	-	43.6%	47.0%	-
Preventivecare revenue from B2B segment (%)	39.4%	38.9%	-	36.2%	39.0%	-
Preventivecare revenue from B2C segment (%)	90.7%	88.4%	-	90.3%	88.7%	-
Revenue - East/ revenue (%)	17.3%	17.3%	-	17.3%	15.8%	-
Revenue - West/ revenue (%)	30.8%	29.1%	-	36.8%	29.1%	-
Revenue - South/ revenue (%)	25.7%	28.8%	-	25.2%	30.3%	-
Revenue - North/ revenue (%)	25.1%	24.2%	-	18.1%	24.1%	-
Revenue - others/ revenue (%)	1.1%	0.6%	-	2.6%	0.6%	-
Gross margins/ total revenue (%)	72.8%	72.9%	-	74.7%	73.7%	-
Employee benefits expense/ total revenue (%)	9.1%	10.4%	-	11.2%	10.9%	-
Other expenses/ total revenue (%)	20.8%	22.1%	-	20.1%	23.0%	-
EBITDA margins/ total revenue (%)	42.7%	40.4%	6%	43.3%	39.5%	-
Profit after tax / total revenue (%)	28.3%	14.4%	-	27.9%	14.9%	-
Effective tax rate - Tax/ PBT	34.5%	-	-	37.3%	-	-
Current ratio *	9.9	3.5	-	9.9	3.5	-
Return on capital employed (ROCE) \$	92.6%	30.8%	201%	30.1%	0.0%	-
Price/ earnings, end of the reporting period \$	54.18	NA	-	169.55	NA	-
Market capitalisation/ total revenue, end of the reporting period \$	15.33	17.24	-	47.61	53.48	-

previous period revenue, expenses and profits adjusted for internal arrangements

* represents number of times

RoCE = Profit before exceptional items and tax / (Tangible assets + Capital work-in-progress + Inventories + Trade receivables + Short term loans and advances + Other current assets – Current liabilities)

\$ earning or total revenue considered for the respective period only

Nuclear Standalone

Standalone Financials - Nueclear

Nueclear Healthcare Limited (Standalone)

P&L Statement (INR mn, except per share data)

Particulars	Year to Date		YoY Growth	3 months ended		YoY Growth
	31 Dec 17	31 Dec 16		31 Dec 17	31 Dec 16	
Revenue from operations	178.98	125.57	31%	60.32	43.44	29%
Cost of Materials consumed/ sales	32.24	25.37	27%	10.42	9.03	15%
Gross Profit	146.74	100.20	32%	49.90	34.41	32%
Operating expenses :						
Employee benefits expense	19.59	12.19	61%	7.60	4.06	87%
Finance cost	3.79	-	-	3.50	-	-
Depreciation and amortisation expense	57.34	45.64	26%	20.48	17.31	18%
Other expenses	93.48	96.88	(4)%	28.31	33.43	(15)%
Total operating expenses	174.20	154.71	13%	59.89	54.80	9%
Operating loss	(27.46)	(54.51)		(9.99)	(20.39)	
Other income, net	9.61	18.50		1.19	8.73	
Exceptional items	-	-		-	-	
(Loss) before taxes	(17.85)	(36.01)		(8.80)	(11.66)	
Income tax and deferred tax	15.58	0.03	-	1.09	-	-
Net profit	(2.27)	(35.98)		(7.70)	(11.66)	
Earnings per equity share						
Basic	(0.02)	(1.45)		(0.69)	(1.05)	
Diluted	(0.02)	(1.45)		(0.69)	(1.05)	

Normalized for the adjustment of revenue of imaging business in the comparable previous period.

Nueclear Healthcare Limited (Standalone)

Balance Sheet (INR mn)

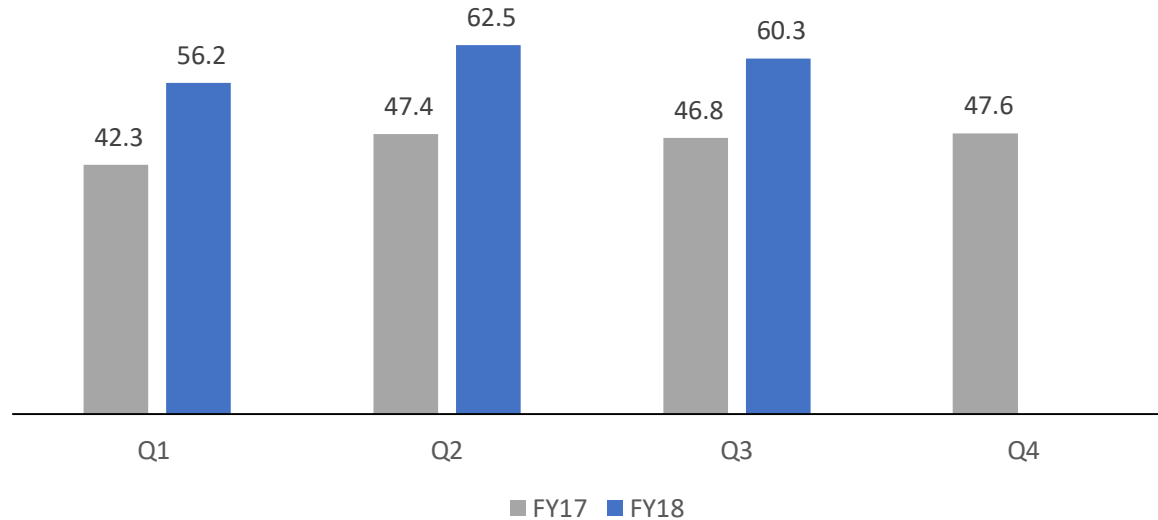
Particulars	31 Dec 17	31 Dec 16
Cash and cash equivalents	12.46	7.13
Current investments	-	-
Trade receivables	3.37	2.47
Property, plant and equipments	624.67	580.07
Non-current investments	-	-
Other assets	429.58	316.96
Total assets	1,070.08	906.63
Total liabilities	296.83	131.06
Total equity	773.25	775.57
Total liabilities and equity	1,070.08	906.63

YTD Performance Highlights - Nueclear

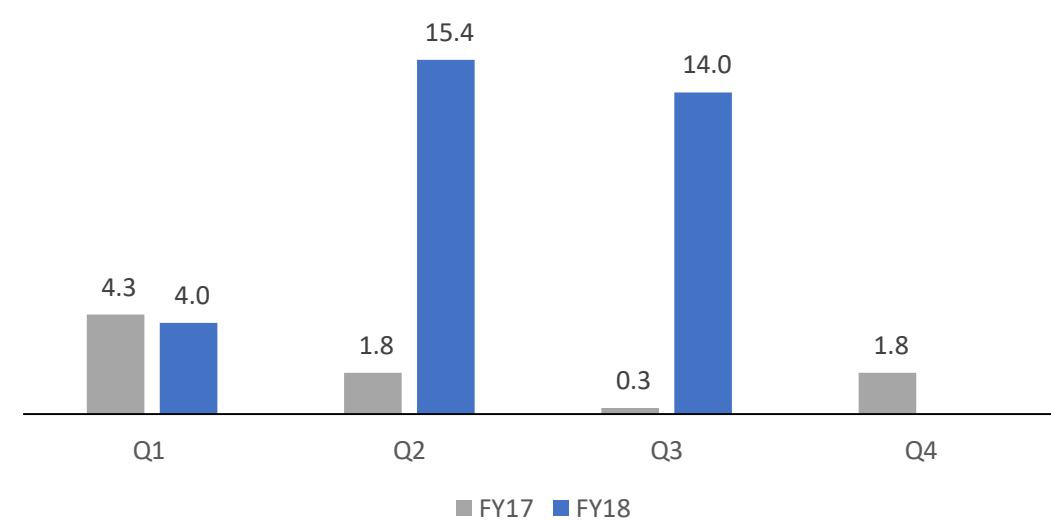
- YTD and 3Q-FY18A standalone EBITDA of INR 33.7 million and INR 14.0 million respectively.
- YTD and 3Q-FY18A standalone revenue from operations of INR 179.0 million (31% growth) and INR 60.3 million, up 29% (Normalized for the adjustment of revenue/ cost of imaging business in the comparable previous period).
- 3Q is generally weaker given the holidays and the winter season – and this trend has played out this year as well.
- The operations were also marginally affected during the period due to non availability of FDG due to the Mumbai Cyclotron being placed under planned maintenance.
- As of Jan 2018, 3 new centers are in final stages of commissioning – these include our second center in Mumbai at Prabhadevi, Jaipur and Aurangabad. These are expected to start operations in 4Q-FY18.
- In line with guidance, Nueclear is tracking at approx. 17,000 scans in YTD-FY18. Q4 may see some positive impact based on the time of opening of new centers.
- NHL has maintained its EBITDA margin of ~24%. However, this is likely to get impacted by the new centers coming up.

Key Financial Trends - Nueclear

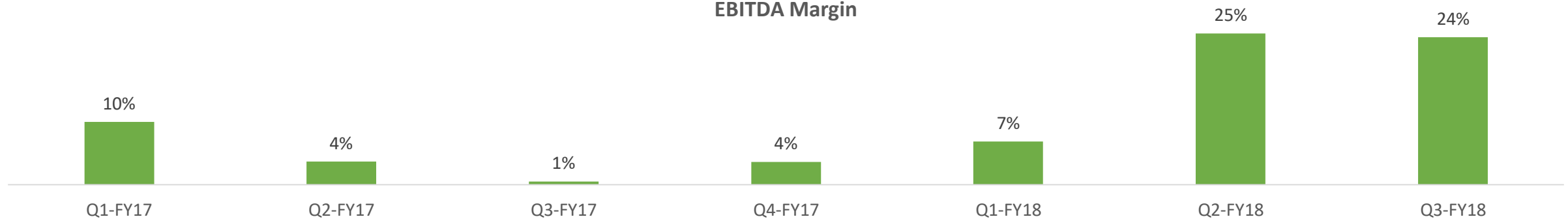
Revenue (INR mn)



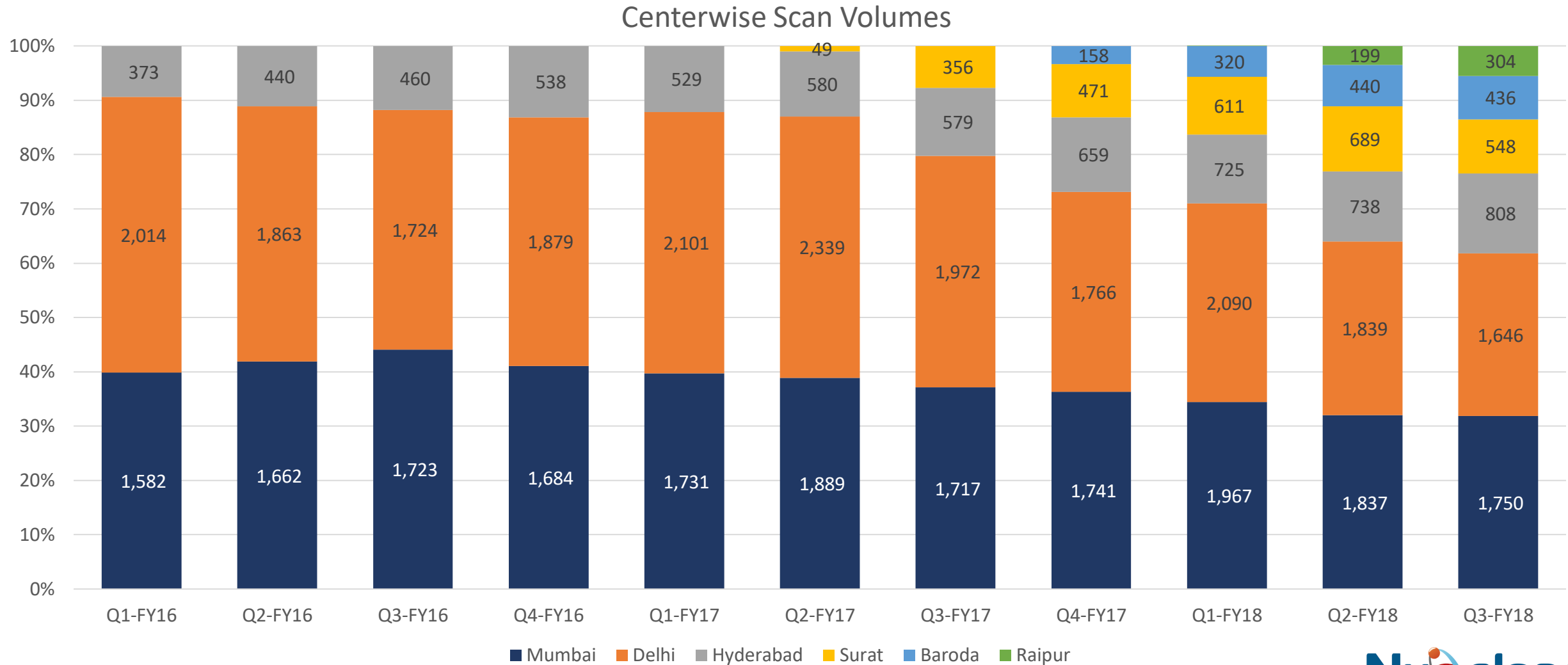
EBITDA (INR mn)



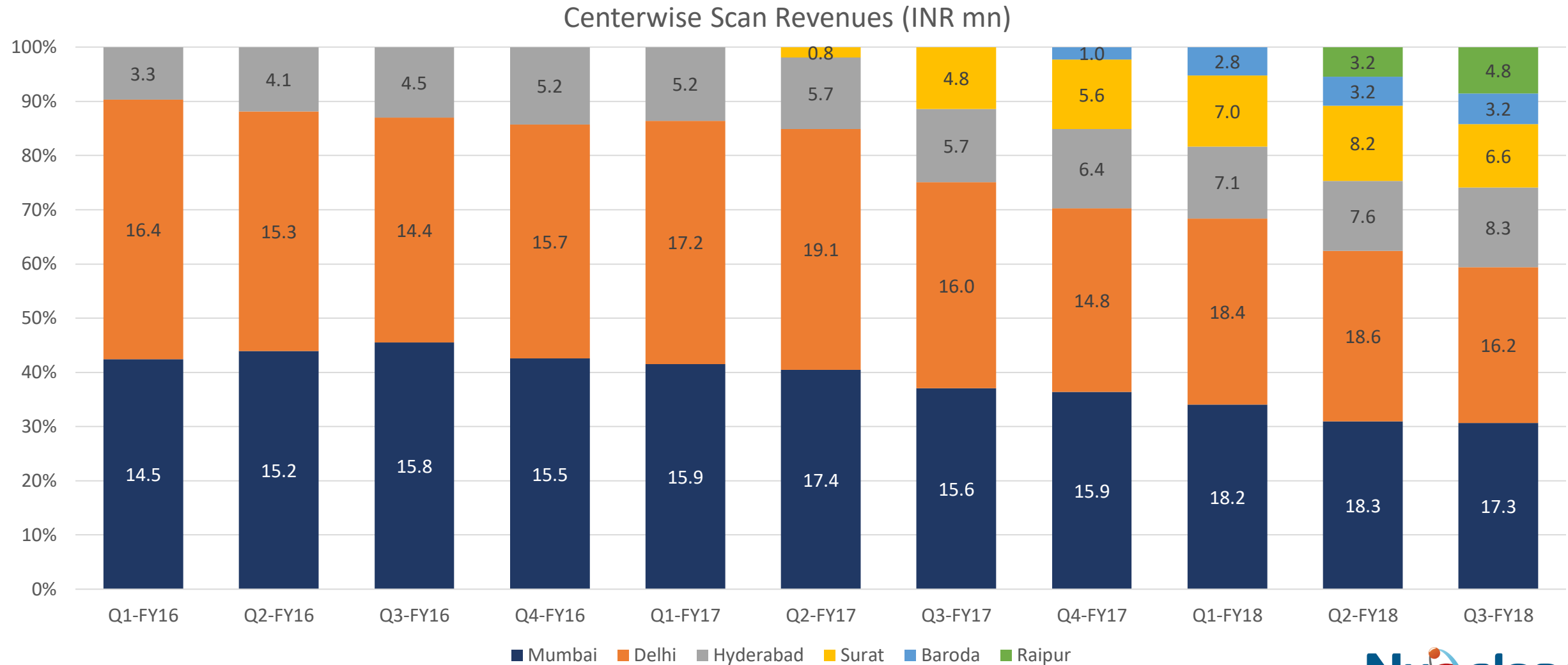
EBITDA Margin



Centerwise Scan Volumes



Centerwise Scan Revenues



Thank You

Thyrocare®

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