



July 29, 2016

The National Stock Exchange of India Limited
Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai - 400051

The Bombay Stock Exchange Limited
Phiroze Jeejeeboy Towers
Dalal Street,
Mumbai – 400001

Subject: Investors Presentation on Unaudited Financial Results (Standalone and Consolidated)

Dear Sir/Madam,

Please find attached a copy of Company's Q1/FY17 Earnings Presentation, which the Company proposes to share with Analysts / Investors with respect to its Unaudited Financial Results (Standalone and Consolidated) for the Quarter ended June 30, 2016, approved by the Board of Directors in their meeting held on July 29, 2016.

We request you to please take the same on record.

Thanking You,

Yours Faithfully,

For **Dr. Lal PathLabs Limited**



Rajat Kalra
Company Secretary & Legal Head

Encl: As above

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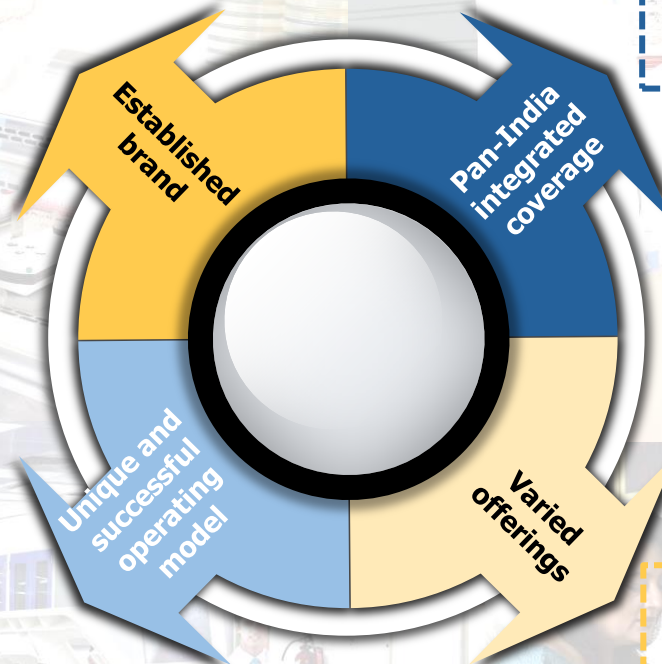


DISCLAIMER: This presentation may contain 'forward-looking' statements at places. The Company's business operations remain subject to undetermined contingencies and risks. Dr. Lal PathLabs Limited would not be liable for any action undertaken based on such 'forward-looking' statements and does not commit to revising/updating them publicly.

Overview of Dr Lal PathLabs

Established consumer healthcare brand in diagnostic services

172 clinical labs (including National Reference Lab at Delhi), 1,559 Patient Service Centers (PSCs) and 4,967 Pick-up Points (PUPs)*



Scalable model integrated through centralized IT platform allows for network expansion

Catalogue of 1,110 test panels, 1,934 pathology tests and 1,561 radiology and cardiology tests

Well-positioned in one of the fastest-growing segments of the Indian healthcare industry

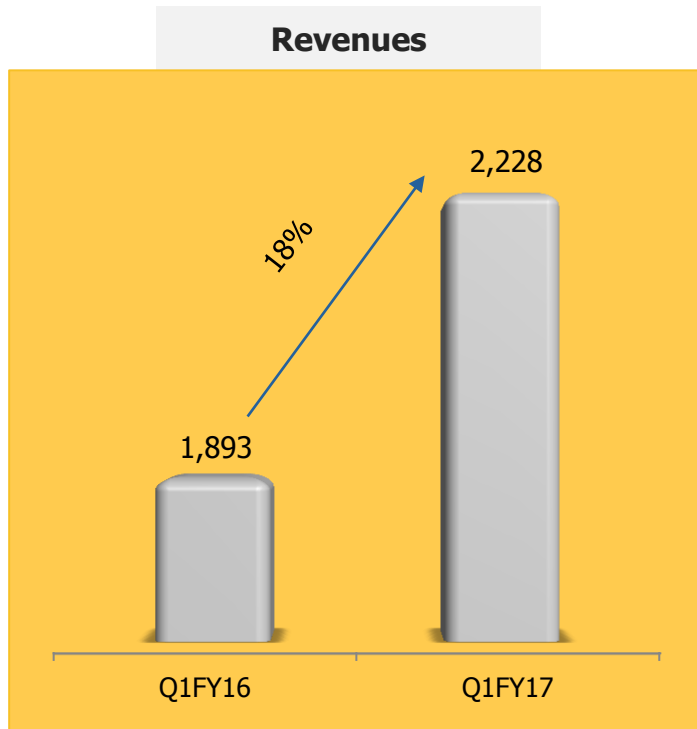
*As on March 31, 2016

Key Highlights

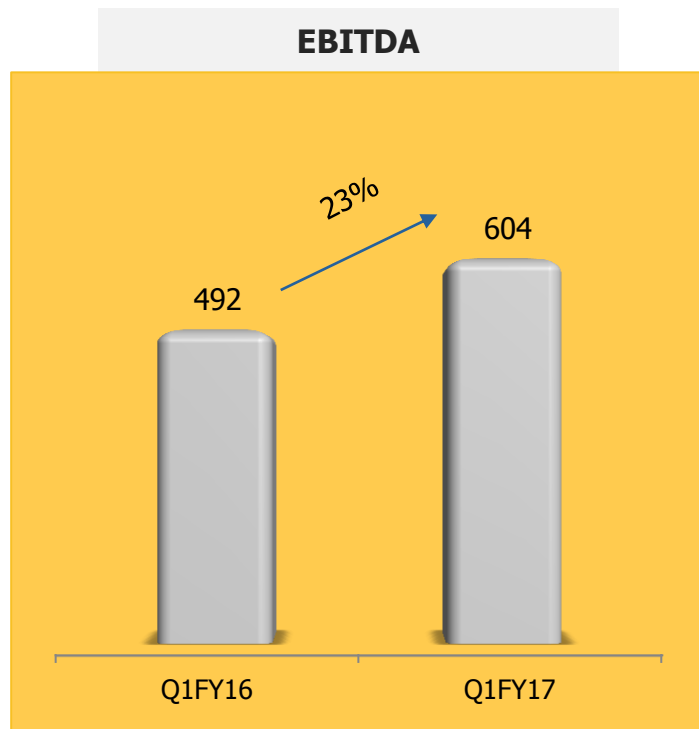
- Aiming for sustainable robust growth backed by healthy fundamentals
- Strategy in action; network expansion driving incremental performance
- During Q1 FY17 LPL reported:
 - Revenues grew 17.7% at Rs. 2,228.4 mn from Rs. 1,893.1 mn
 - EBITDA stood increased 22.7% to Rs. 604.0 mn from Rs. 492.1 mn
 - Normalised EBITDA increased by 17.3%
 - PBT was higher by 28.0% at Rs. 599.3 mn from Rs. 468.3 mn
 - PAT showed gains of 29.7% from Rs. 401.7 mn to Rs. 309.8 mn
- Cash and Liquid Investments at Rs. 3,290 mn as at June 30, 2016 from Rs. 2,940 mn as at March 31, 2016
- Performance supports accretion to cash position; balance sheet strengthened
 - Asset light model maintained with strategic focus on returns
 - Sustains zero debt at net level with growth being supported through earnings from operations
- Long-term initiatives include commissioning of regional reference laboratories at Kolkata and Lucknow
 - Work on both projects progressing as per internal timelines

Q1 FY17 Financial Performance

Particulars (Rs. mn)	Q1 FY17	Q1 FY16	Growth %
Revenues	2,228.4	1,893.1	17.7%
Total Expenditure	1,624.3	1,378.5	17.8%
ESOP	-	22.5	-
EBITDA	604.0	492.1	22.7%
<i>Margins</i>	<i>27.1%</i>	<i>26.0%</i>	<i>110 bps</i>
PBT	599.3	468.3	28.0%
<i>Margins</i>	<i>26.9%</i>	<i>24.7%</i>	<i>220 bps</i>
PAT	401.7	309.8	29.7%
<i>Margins</i>	<i>18.0%</i>	<i>16.4%</i>	<i>160 bps</i>
EPS (Diluted)	4.8	3.7	28.5%



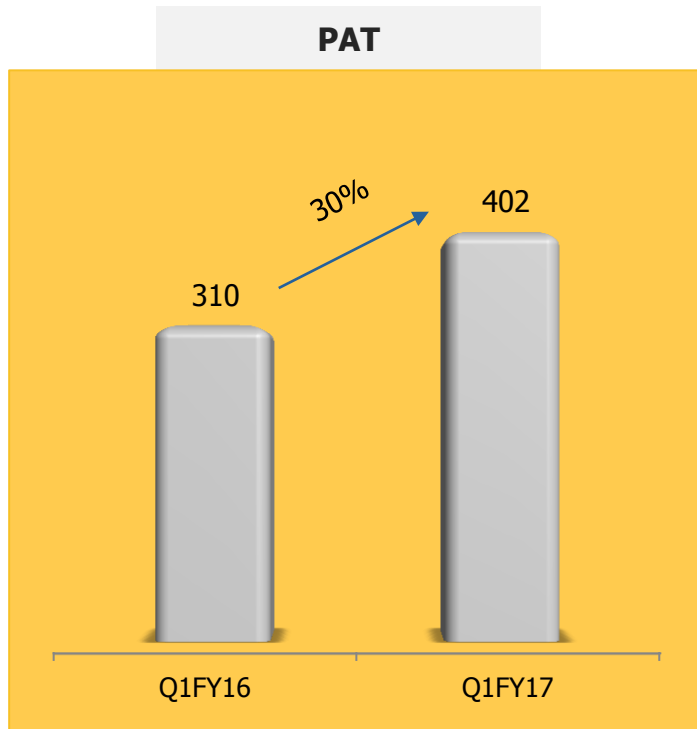
- Q1 FY17 revenues improved 17.7% YoY on the back of 15% increment in volumes and improvement in realisations
 - Realisation per patient has enhanced to Rs. 678, up 2.4% from Rs. 662 in Q1 FY16
- Volume growth of 15% driven by;
 - Increase in patient count from all territories
 - Efforts to grow presence into emerging regions



- EBITDA showed 22.7% gains during Q1 FY17 with EBITDA Margins at 27.1% for Q1 FY17
 - Normalised EBITDA growth 17.3% after excluding impact of ESOP charge in Q1FY16
- Factors impacting EBITDA during the period include;
 - Growth in topline on the back of healthy volumes delivered and realisation improvement
 - Cost saving initiatives undertaken
 - Impact from wage increases effected for the year
 - Higher costs of consumption due to higher volume of lower margin corporate business

Financial Highlights

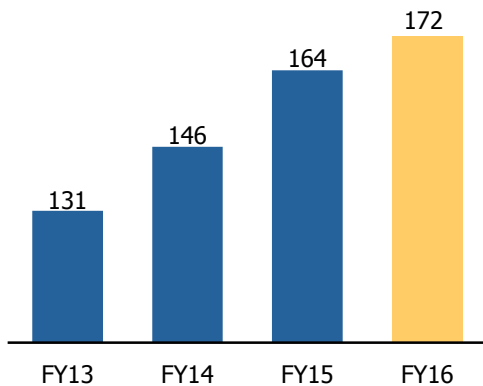
All figures in Rs mn



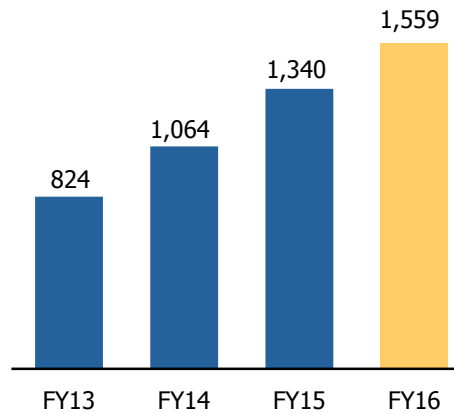
- PBT growth during Q1 FY17 was at 28.0%
 - Margins stood at 26.9% in the period
- PAT showed 29.7% increase in Q1 FY17
 - Results reflect strategic progress realised against opportunity presented by the healthcare sector

Operating Highlights

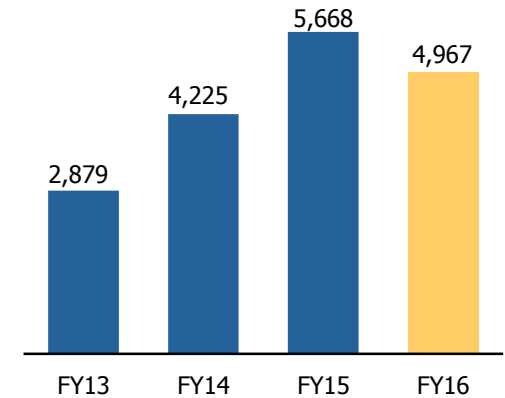
No. of Clinical Laboratories



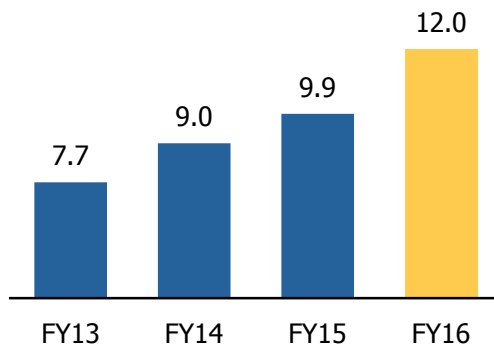
No. of PSCs



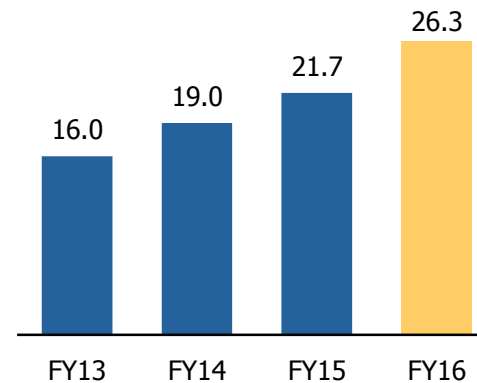
No. of PUPs



No. of patients (mn)



No. of samples (mn)



Commenting on the results announcement, Dr. Arvind Lal - Chairman and Managing Director said; "I am pleased to announce that the Company's concerted efforts, further advanced our scorecard allowing us to finish this quarter with healthy results. These stand reflective of the underlying progress that we have made across domains which revolve around increasing our presence, our focus on superior quality and efficient turnaround on services as well as our zeal to innovate and introduce new ideas, tests and technology in diagnostics.

Based on our performance over the past quarters, we believe that we have charted the right strategic course for the Company and will execute our plans in a highly systematic manner which will ensure that we generate value and growth which is sustainable and enables us to deliver shareholder returns for this fiscal and beyond."

Commenting on the results announcement, Dr. Om Manchanda, CEO - Dr Lal PathLabs said; "LPL's Q1 FY17 performance displays the effective execution with regards to network expansion which enables us to provide our diverse range of tests to a wider audience base. This has resulted in growth in both parameters – patients count and number of samples collected.

Overall, we reported a healthy 18% increase in topline whereas as profits in the quarter enhanced by 30%. Thus as we continue to deliver solid growth in key focus areas, our goal of providing high quality in our tests and results remained a prime agenda and an important characteristic of the LPL brand.

We believe we have a solid business model, operational and financial expertise, the right processes and technology to support our plans for the future within the diagnostic sector. While we are delighted with our progress to date, we foresee multiple opportunities in the healthcare industry to continue to generate strong growth going ahead. "

Outlook

Robust operating model best-positioned to capitalize on growth trends in diagnostic services -one of the fastest-growing segments of the Indian healthcare industry

Will leverage established position of a strong consumer healthcare brand in diagnostic services . Initiatives to improve brand connect to continue

To grow model with holistic approach with emphasis on scalability of reach and IT processes

Driving profitable growth while continuously strengthening our balance sheet

Corporate Overview

- **LPL Strategy for future growth**
- **Experienced Management team**



1) Strengthen Existing Operations



2) Expansion in Offering



3) Expand management of hospital based and clinical laboratories



4) Geographic expansion

1 Strengthen Existing Operations

Boosting quality & reliability standards

Improving turnaround times for testing

Grow basic radiology practice

Online initiatives and data analytics

Investment in branding

2 Expansion in Offering

Improve breadth of diagnostic testing

Cutting edge technology

Preventive healthcare screening

Chronic & Lifestyle disease mgmt. services

Expand reach in corporate segment

3 Expand management of hospital based and clinical laboratories

Tap incremental contracts for in sourcing test of hospitals and other clinical laboratories

Tap polyclinics

4 Geographic expansion

Focus city approach

Set up more clinical laboratories

Set up Regional Reference Laboratories at Lucknow and Kolkata

Consider alliances and acquisitions

Experienced Management team



(Hony.) Brig. Dr. Arvind Lal

Chairman and Managing Director



Dr. Om Manchanda

Whole-time Director and Chief Executive Officer



Dr. Vandana Lal

Whole-time Director



Dilip Bidani

Chief Financial Officer



Manoj Garg

Chief Human Resources Officer



Shankha Banerjee

COO – Strategic Business Unit II



Munender Soperna

Chief Information Officer



Dr. Neelum Tripathi

National Director - Lab Operations



Bhaskar Ghoshal

Commercial Controller



Ved Prakash Goel

Financial Controller



Rajat Kalra

Company Secretary and Compliance Officer

About Dr Lal PathLabs Limited (LPL)

Dr Lal PathLabs Limited is one of India's leading consumer healthcare brand in diagnostic services.

It has an integrated nationwide network, where patients and healthcare providers are offered a broad range of diagnostic and related healthcare tests and services for use in: core testing, patient diagnosis and the prevention, monitoring and treatment of disease and other health conditions. The services of LPL are aimed at individual patients, hospitals and other healthcare providers and corporates. The catalogue of services includes 1,110 test panels, 1,934 pathology tests and 1,561 radiology and cardiology tests.

As on March 31, 2016 LPL's has 172 clinical labs (including National Reference Lab at Delhi), 1,559 Patient Service Centers (PSCs) and 4,967 Pick-up Points (PUPs). In FY2015 and FY16, LPL collected and processed approximately 21.7 million samples and 26.3 million samples from approximately 9.9 million and 12 million patients, respectively.

Additional information on Dr Lal PathLabs Limited:

Corporate Identification No: L74899DL1995PLC065388

Website: <https://www.lalpathlabs.com/>

For further information please contact:

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