



12 November 2019

The Secretary Listing Department, BSE Limited, 1 st Floor, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400001 Scrip Code: 540975	The Manager, Listing Department, The National Stock Exchange of India Ltd Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai 400051 Scrip Symbol: ASTERDM
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Dear Sir/Madam,

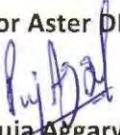
Sub: Press Release on results for quarter and half year ended September 30, 2019

With reference to the captioned subject, please find enclosed press release in relation to the unaudited financial results of the Company for quarter and half year ended September 30, 2019.

Kindly take the above said information on record as per the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking You,

For Aster DM Healthcare Limited


Puja Aggarwal

Company Secretary and Compliance Officer

Aster DM Healthcare Limited
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Aster DM Healthcare Q2FY20 revenue up 14 % to Rs. 2,087 crore

Q2FY20 EBITDA up 39% at Rs. 174 crore

Q2FY20 PAT up 118% at Rs. 27 crore

Aster DM Healthcare signs two new leases for hospitals in
Bengaluru

Dubai, November 12, 2019: Aster DM Healthcare, one of the largest private healthcare service providers in multiple GCC states and an emerging healthcare player in India, today announced its financial results for the quarter ended September 30, 2019.

A strong focus on delivering quality healthcare through diversified healthcare offerings and enhanced efficiencies saw Aster DM Healthcare continue to grow strongly.

Effective 1 April 2019, the Group adopted Ind AS 116 'Leases', applied to lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. The effect of this adoption has resulted in decrease in other expenses, increase in interest expenses (included under finance cost) and an increase in depreciation and amortization expenses for continuing operations.

The Company recorded a net profit of Rs. 27 crore for the quarter ending September 30, 2019 before the impact of Ind AS 116. This represents a year-on-year increase of 118% from a PAT of Rs. 13 crore registered in the same quarter last year.

Revenue from operations for Q2FY20 recorded an increase of 14% reaching Rs. 2,087 crore on sustained organic growth from its existing operations that includes 25 hospitals, 116 clinics and over 238 pharmacies in nine countries, including India.

Financial Performance Highlights

Performance Review for Q2FY20 vs. Q2FY19

- Revenue from operations improves by 14% to Rs. 2,087 crore compared to Rs. 1,837 crore
- EBITDA (excluding other income and before Ind AS 116) increases by 39 % Y-o-Y to Rs. 174 crore compared to Rs. 125 crore. EBITDA post Ind AS 116 impact for Q2FY20 is 245 crore.
- PAT (adjusted for exceptional income in previous year) increases to Rs. 27 crore compared to Rs. 11 crore. PAT post Ind AS 116 impact for Q2FY20 is Rs. 3 crore.

Commenting on the performance for Q2FY20, Dr. Azad Moopen, Chairman, Aster DM Healthcare, said:

"The first half of the financial year has been very fruitful. We have seen steady performance and growth in what is an unseasonal period."

Over the review period we have endeavored to strengthen our operations and rationalize costs while maintaining our emphasis on quality healthcare. Our efforts to strengthen the India business continues wholeheartedly with a focus on tier one cities. Post the launch of the Aster RV hospital in Bengaluru in Q1 FY20; we have also signed two new leases for hospitals in Bengaluru this quarter.

Going forward our focus will be on continuously enhancing our standards of clinical excellence, ramping up our new hospitals, rationalising costs and continuously exploring viable inorganic and organic opportunities."

Seasonality

Seasonality is unique to GCC businesses and skews the picture significantly for the first and second half-financial year results.

There is a decline in volumes across hospitals, pharmacies and segments during the summer months in the GCC countries. Expats form a major proportion of the population in GCC countries barring Saudi Arabia and during the extreme summer season and school holidays, a large amount of population leave the GCC region. Some doctors also travel back to their home country during this period as well. The impact is visible across industries and reflected particularly more in primary care facilities like clinics and pharmacies.

Revenues in GCC are usually around 40%-45% in H1 and 55%-60% in H2 but the EBITDA split can vary as much as 30% and 70% for H1 and H2 respectively. Seasonality variation has consistently been visible over several years and can be expected to continue.

Segmental Performance

Hospitals

Aster DM Healthcare's Hospital network consists of 12 hospitals in GCC states and 13 multi-specialty hospitals in India. Our hospitals in India are located in Kochi, Calicut, Kottakkal, Wayanad, Kannur, Bengaluru, Kolhapur, Vijayawada, Guntur, Hyderabad & Ongole and are operated under the "Aster", "MIMS", "Ramesh" or "Prime" brands. In the GCC the company's hospitals are located in UAE, Oman, Saudi Arabia and Qatar.

Revenues increased by 22% to Rs. 1,143.7 crore in Q2FY20 from Rs. 940.5 crore in Q2FY19. EBITDA (excluding other income and before impact of Ind AS 116) increased by 38% from Rs. 103.3 crore in Q2FY19 to Rs. 142.6 crore in Q2FY20. The EBITDA margin was at 12.5% in Q2FY20 compared to 11% in Q2FY19.

Clinics

We are one of the largest and most widespread network of clinics across the Middle East. The Aster DM network has 116 clinics in total with 108 clinics in GCC states and 8 clinics in India.

Clinics have been critical in developing Aster's brand salience, principally in new locations and geographies. Clinics act as a referral for Aster hospitals. Clinics are also crucial for pharmacies and most pharmacies are integrated with clinics, which ensure higher footfalls and faster breakeven. The asset light nature of clinics along with higher return ratios has helped Aster expand its network of clinics rapidly without impacting its balance sheet.

Revenues for GCC clinics in Q2FY20 remained steady at Rs. 459 crore as compared to Rs. 462 crore in Q2FY19. EBITDA for GCC clinics decreased 6% from Rs. 44.4 crore in Q2FY19 to Rs. 41.8 crore in Q2FY20. We expect EBITDA to be normalized during the year. EBITDA margins stood at 9.1% in Q2FY20 compared to 9.6% in Q2FY19.

Pharmacies

We have a large pharmacy chain in GCC with 238 retail stores including 205 in UAE, 6, 11, 6, 8 and 2 in Kuwait, Jordan, Qatar, Oman and Bahrain respectively. An improving product mix combined with exclusive tie ups and strong associations with various pharma companies have all resulted in a healthy profitability profile. Revenues increased by 13% to Rs. 544 crore in Q2FY20 from Rs. 480 crore in Q2FY19. EBITDA increased 21% from Rs. 33 crore in Q2FY19 to Rs. 40 crore in Q2FY20.

Medical Excellence Highlights

Since inception, Aster DM Healthcare has been in continuous pursuit to push boundaries of excellence in health care and cater to the needs of patients, thereby setting global benchmarks in the field of medicine and patient care. Mentioned below are some of the significant achievements, in the quarter under review, that are a testament to clinical excellence:

- Aster Hospital Mankhool performed 1000 CATH Lab procedures within one year of the lab's launch
- First 3-way SWAP transplant was performed in Kerala at Aster MIMS Hospital, Calicut
- Craniotomy and subtotal excision of brain tumor was performed at Aster Hospital, Al Qusais on a 42 year old Indian male patient with advanced equipment like the Neurosurgical Microscope, Craniotomy Drill System and Micro-neurosurgical instruments
- Awake craniotomy was performed at Aster MIMS Hospital in Kannur, successfully removing a deep-seated brain tumor whilst keeping the patient awake and engaged in conversation, in a rare surgical accomplishment
- Advanced Cervical Spine surgery performed at Aster Hospital, Al Qusais on a 38-year-old Indian male patient who was suffering from severe neck pain, weakness in all 4 limbs and inability to walk
- Minimally Invasive Sacroiliac Joint Fusion successfully performed at Aster Medcity on a 43-year-old lady from Oman who was diagnosed with Chronic Sacroillitis

Awards & Recognition

- Aster Medcity honored at the Hospital Management Asia Awards 2019 under the Category of Cost reduction - 'Preventing Adverse Event and Saving Costs'
- Best Patient Safety Practice Award to Aster DM Healthcare, Dubai at Express Healthcare Senate 2019
- 'Best Digital Transformation in Healthcare' Award at the Smart SMB Summit & Awards 2019
- Aster Medcity honored at the Hospital Management Asia Awards 2019 Best Medication safety- for the project Electronic Prescription Drug Monitoring Programs
- Dr. Azad Moopen honored with the Lifetime Achievement Award at the 9th Entrepreneur India Awards 2019
- Medcare Orthopedics & Spine Hospital Dubai (UAE) honored at the Hospital Management Asia Awards 2019 under the Category of Cost - Enhancing radiology utilization and efficiency through digitalized platform, Siemens Teamplay
- Alisha Moopen voted Most Powerful Women in Indian Business by Business Today

Corporate Social Responsibility (CSR) Highlights

Over a million lives have been touched till date through the initiatives undertaken by Aster Volunteers Global Programme and the Aster DM Foundation. Aster Volunteers Global Programme aims to bridge the gap between people, who would like to help with those in need. Around 18,475 volunteers have enrolled till date.

Some of the key initiatives of the Aster Volunteers Programme include:

- Recruitment and support of differently-abled staff: Through this initiative Aster DM Healthcare provided employment opportunities to 108 differently-abled people
- Free surgeries and investigations: Aster offered free investigations, treatments and surgeries to 32,270 patients in need
- Basic Life Support (BLS) Awareness: To impart first responder training Aster collaborated with the local government, organizations and institutions across all the countries we are present in to educate 157,729 individuals
- Disaster Management and Refugee Support Programme: The Company's humanitarian aid support programme benefitted 288,158 people in Somaliland, Jordan, Rohingya and Kerala
- Free Medical and Wellness Camp: Free medical and wellness camps for the under-privileged have benefitted 489,555 people
- Mobile medical services: 242,834 individuals treated through Aster volunteers' mobile medical camps

Highlights of the Aster DM Foundation

- Around 44,000+ people benefitted from the free dialysis programme in India
- Approximately Rs. 75 lac spent on free and subsidized surgical treatments provided in India
- Over 23,900 people benefitted through the Community Good Health Outreach Programme in GCC and India
- Over 2,000+ people benefitted through the disease detection and cancer screening programme
- 36 training activity conducted for education and social empowerment programme (MILES)

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About Aster DM Healthcare

Aster DM Healthcare Limited is one of the largest private healthcare service providers operating in multiple GCC states and is an emerging healthcare player in India. With an inherent emphasis on clinical excellence the Company is one of the few entities in the world with a strong presence across primary, secondary, tertiary and quaternary healthcare through its 25 hospitals, 116 clinics and 238 pharmacies. These are manned by our 20,500+ workforce (including approx. 1250 doctors on fee for service basis) from across the geographies that we are present in, delivering on a simple yet strong promise to its people: "We'll treat you well." We reach out to all economic segments in the GCC states through our differentiated healthcare services across the "Aster", "Medcare" and "Access" brands,

For more information about us, please visit www.asterdmhealthcare.com or contact:

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undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.