

HealthCare Global Enterprises Ltd. reports Q2 FY19 results

**Revenue for Q2 FY19 of INR 2,453 Million, a growth of 16% (y-o-y)
and for H1 FY19 of INR 4,719 Million, a growth of 17% (y-o-y)**

**EBITDA for Q2 FY19 of INR 358 Million, a growth of 8.5% (y-o-y)
and EBITDA for H1 FY19 of INR 673 Million, a growth of 3.6% (y-o-y)**

Bengaluru, November 9, 2018: HealthCare Global Enterprises Limited (“HCG”) today announced its financial results for the quarter (“Q2”) and six months (“H1”) ended September 30, 2018 for fiscal year (“FY19”).

Highlights for quarter ended September 30th, 2018

- Consolidated Income from Operations (“Revenue”) was **INR 2,453 mn** as compared to **INR 2,111 mn** in the corresponding quarter of the previous year, reflecting a year-on-year increase of **16%**.
- Operating EBITDA for existing centers was **INR 373 mn** as compared to **INR 332 mn** in the corresponding quarter of the previous year, reflecting an Operating EBITDA margin of **19.2%** as compared to margin of **18.8%** in the previous year.
- Loss from new centers was **INR 38 mn** as compared to a loss of **INR 21 mn** in the corresponding quarter of the previous year.
- Consolidated Profit Before Other Income, Depreciation and Amortization, Finance Costs, Exceptional Items and Taxes (“Operating EBITDA”) was **INR 335 mn** as compared to **INR 311 mn** in the corresponding quarter of the previous year, reflecting a year-on-year increase of **8%**.
- Consolidated Profit after Taxes and Minority Interest (“PAT”)⁽⁴⁾ was a loss of **INR 65 mn** as compared to a profit of **INR 100 mn** in the corresponding quarter of the previous year. PAT for the quarter includes loss from forex reinstatement of **INR 58 mn**.

INR million except earnings per share

Period Ended Sep 30	Q2-FY19	Q2-FY18	Growth (y-o-y)	H1-FY19	H1-FY18	Growth (y-o-y)
Income from Operations	2,453	2,111	16.2%	4,719	4,022	17.3%
EBITDA⁽¹⁾	358	330	8.5%	673	649	3.6%
EBITDA Margin (%)	14.4%	15.5%		14.2%	16.0%	
Operating EBITDA⁽²⁾	335	311	7.8%	641	606	5.7%
Operating EBITDA Margin (%)	13.7%	14.7%		13.6%	15.1%	
PBT⁽³⁾	-103	118	NM	-180	215	NM
PBT Margin (%)	-4.2%	5.6%		-3.8%	5.4%	
PAT⁽⁴⁾	-65	100	NM	-99	147	NM
PAT Margin (%)	-2.6%	4.7%		-2.1%	3.7%	
Earnings Per Share	-0.74	1.17	NM	-1.12	1.72	NM

(1) Profit before depreciation and amortization, finance costs, exceptional items and taxes

(2) EBITDA before other income

(3) Profit / (Loss) before tax and after share of profit / (loss) of equity accounted investee

(4) Profit / (Loss) for the period after share of profit / (loss) of equity accounted investee, taxes and minority interests

Business Updates for Q2 FY19

- Strong growth in Maharashtra driven by Nashik and Borivali centers:
 - Borivali center completed its 1st Bone Marrow Transplant treatment; with continued leadership in radiosurgery, the center is emerging as a leader in cancer care in Mumbai region
 - Completed acquisition of minority partner stake in Borivali center; HCG now owns 100% stake in the hospital entity
 - Continued reduction in losses from Borivali and Nagpur new centers
- Gujarat continues to show strong momentum across existing and new centers:
 - Commenced offering of comprehensive oncology services in Bhavnagar center, an underserved market with large catchment area
 - Rajkot multispecialty hospital operationalised with strong focus on niche specialties and led by leading clinical team as minority partners
- Jaipur oncology center launched as the 1st dedicated and comprehensive cancer hospital in the city, offering high-end services and quality of care, augmenting HCG's presence in North India region
- Strong revenue growth and occupancy increase in Vijayawada driven by consolidation of partners business

Commenting on the results, **Dr. B.S. Ajaikumar, Chairman and CEO, HealthCare Global Enterprises Ltd.** said, *"We are pleased to report Q2 FY19 results with continued strong performance across our businesses. Our existing oncology centers, which have established leadership in their regions of presence, are continuing to demonstrate strong growth, profitability and returns. Our new centers not only augment our presence in attractive markets Pan-India, but are also generating strong margins, off-set by recent centers losses which are nearing break-even levels per plan. As we near completion of our expansions, with substantial investments in new centers over the past few years, we look forward to realising sustainable growth and returns over long-term, as these centers mature, thus establishing dominant leadership in oncology in India. In Milann, our IVF business, we had witnessed some challenges in few centers, which are being streamlined. In addition to leadership in attractive Bangalore market, we continue to see huge potential for building scale and national presence in the fragmented market of fertility services. Overall, we are excited about continuing our leadership in niche specialities across multiple geographies Pan-India, with focus on efficient execution driving value creation for all stakeholders."*

Earnings Call

The company will conduct a one hour conference call at **5:30 PM IST on Friday November 09, 2018** where the management will discuss insights about the company's performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in number for this call is **+91 22 6280 1107 / +91 7045671221**. Other numbers are listed in the conference call invite which is uploaded on the stock exchange and posted on our website.

About HCG Enterprises Ltd.:

HealthCare Global Enterprises Ltd. (HCG), headquartered in Bengaluru, is the largest provider of cancer care in India. Through its network of 21 comprehensive cancer centers across India and Africa, HCG has brought advanced cancer care to the doorstep of millions of people. HCG's comprehensive cancer centers provide expertise and advanced technologies required for the effective diagnosis and treatment of cancer under one roof. HCG has pioneered the introduction and adoption of several technologies in the country including stereotactic radiosurgery, robotic radiosurgery and the use of genomics for personalized treatment of cancer. Under the "Milann" brand, HCG operates 9 fertility centers. **For further information**, visit www.hcgel.com or **contact: Company Secretary and Compliance Officer: Sunu Manuel, investors@hcgoncology.com**