



**Max India Limited**  
**Investor Release**  
**January 2005**

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## **MAX NEW YORK LIFE INSURANCE**

- **MNYL registers 106% year-on-year growth in net premium income in calendar year 2004. Net premium income increases from Rs. 169 crore in 2003 to Rs. 348 crore in 2004.**
- **Annualized First Year Premium (AFYP - new sales) value increases 91% on a year-on-year basis and 72% on a quarter-on-quarter basis in 2004.**
- **Cash profits of Rs. 57.5 crore earned in calendar 2004 as compared with cash losses of Rs. 9.7 crore in calendar 2003 under Indian GAAP.**
- **MNYL turned net income positive on US GAAP basis during 2004. MNYL had US GAAP profits of Rs. 20.83 crore in 2004. Q4 US GAAP profits were Rs. 5.91 crore.**
- **MNYL continues to build up high Embedded Value in the business, with clear focus on whole life segment.**



## **MAX NEW YORK LIFE INSURANCE**

- **Selling Efficiencies - Case size per agent improves in 2004**
- **Case rate per active agent also improves – amongst the best in the industry**
- **36% growth in the agency force in 2004, 1838 new agents added in 12 months and 353 in the quarter ended December 2004**
- **Highest number of Million Dollar Round Table (MDRT) agents amongst private life insurers contributed by MNYL. The number of MDRT agents with MNYL increases from 81 in 2003 to more than 125 in 2004**
- **High persistency rates – average persistency improves from 81.1% in 2003 to 82.9% in 2004. Reflection of strong agency driven business model**



## **MAX NEW YORK LIFE INSURANCE**

- **Number of individual policies in force increases from 182,993 as of December 2003 to 329,442 as of December 2004**
- **Another testimony to growth - Number of sales offices increase from 24 as of December 2003 to 31 as of December 2004**
- **Enhanced network and reach - Number of cities covered increase from 22 as of December 2003 to 31 as of December 2004**
- **Alternate distribution channels expanding with 8 Corporate Agencies, 5 Franchisee Relationships and 2 Bancassurance Partnerships firmly in place**



# MAX NEW YORK LIFE INSURANCE



Key Business Drivers	Unit	Quarter Ended		Year Ended	
		Dec-04	Dec-03	Dec-04	Dec-03
a) Net Income (US GAAP) - Profit / (Loss)	Rs. Lacs	591	142	2,083	(1,752)
b) Sales Value (Annualized first year premium)	Rs. Lacs	7,622	4,437	21,439	11,166
c) Average case size per active agent	Rs.	13,555	13,330	12,240	11,845
d) Case rate per active agent per month	No.	3.69	3.07	2.16	1.86
e) Number of agents	No.	6,908	5,070	6,908	5,070
f) Net agents added	No.	353	275	1,838	1,916
g) Overall persistency rate	%	82.9	81.1	82.9	81.1
h) Gross written premium income	Rs. Lacs				
First year premium		7,208	3,701	19,240	9,527
Renewal premium		5,424	2,391	14,389	6,426
Single premium		514	485	1,676	1,254
<b>Total</b>		<b>13,146</b>	<b>6,577</b>	<b>35,305</b>	<b>17,207</b>
i) Sum insured in force (Individual policies)	Rs. Crore	15,244	9,805	15,244	9,805

## **MAX HEALTHCARE**

- **Warburg Pincus owned FIs commit to invest Rs. 25 crore in Max Healthcare – Another testimony to the inherent business strength of Max Healthcare**
- **Max Heart and Vascular Institute, Saket (South Delhi) – Soft launch commenced in December 2004. This facility will have inpatient capacity of 225 beds, which includes 52 ICU beds. Equipped with 3 Operation Theaters and 2 Cathlabs with high end Radiology facilities, this Institute is truly state of art. Dr. Ashok Seth joins as the Chairman of this Institute**
- **Max Hospital, Patparganj (East Delhi) – A 125 bed hospital with specializations in Interventional Cardiology, Obstetrics and Gynecology, Orthopedics and General Surgery is nearing completion. To be operated by Max Healthcare, this unit will get commissioned by March 2005.**

## **MAX HEALTHCARE**

- **Max Healthcare registers 55% increase in year-on-year revenue for 9 months ended December, from Rs. 18.9 crore in 2003 to Rs. 29.3 crore in 2004.**
- **High occupancy at each secondary hospital facility**
  - **Max Medcentre Panchsheel – 92%**
  - **Max Hospital Pitampura– 63% (Post expansion)**
  - **Max Hospital Noida – 69% (Post expansion)**
- **Max Healthcare owned patient base grows by 55% year-on-year, from 120,000 as of December 2003 to 186,000 as of December 2004.**

## **MAX HEALTHCARE**

- **Network of visiting consultants expanded – Number increases from 255 in December 2003 to 312 in December 2004. Number of physician on rolls increases from 85 in December 2003 to 138 as of December 2004.**
- **Number of Corporate Clients increases from 240 in 2003 to 300 currently.**
- **Number of employees increases from 497 in December 2003 to 924 in December 2004.**
- **Construction work related to Tertiary Care Hospital, West Block, Saket (South Delhi) and Secondary Hospital Gurgaon going on as per plan. To be commissioned by Dec'05, these facilities will have around 450 bed capacity.**



## **MAX HEALTHCARE**

- **Project Cost incurred till December 2004 – Rs. 325 Crore**
- **Debt funding of Rs. 210 crore, fully tied up**
  - **HDFC (Rs. 105 Crore)**
  - **LIC (Rs. 30 Crore)**
  - **Commercial Banks (Rs. 75 Crore)**
- **Equity of Rs. 158 Crore infused till December 2004**

## EXPANDING GEOGRAPHIES

### North America

- Alabama
- Georgia
- Massachusetts
- New York
- North Carolina
- Texas
- Wisconsin
- Arizona
- Florida

### San Jose, Costa

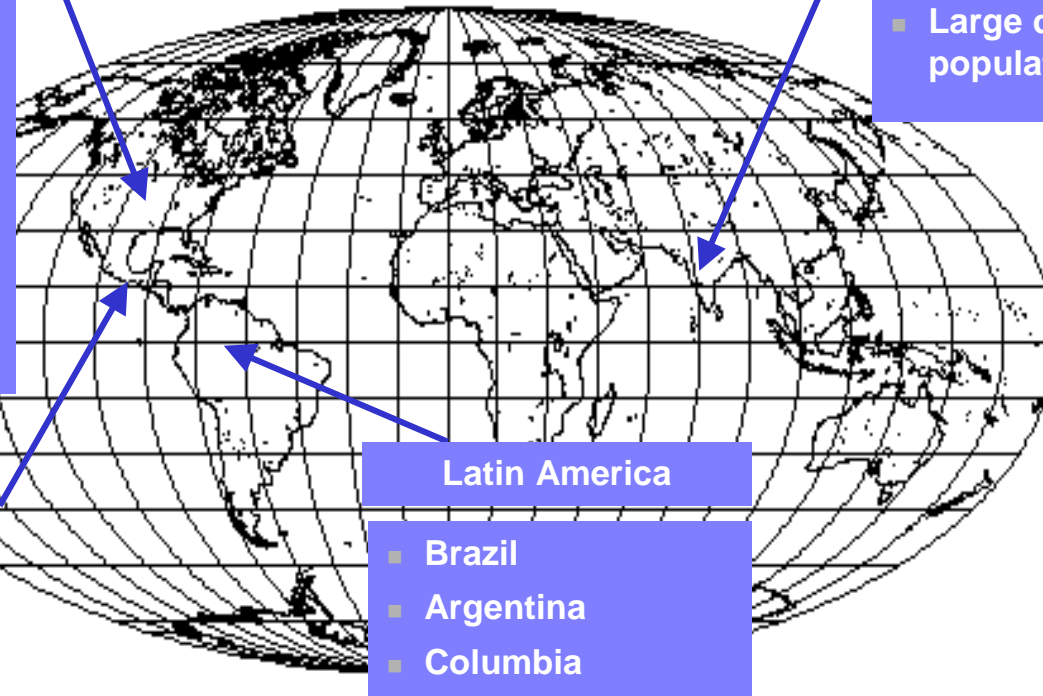
- Small, concentrated population, vulnerable to range of diseases
- Established brand and service quality

### Latin America

- Brazil
- Argentina
- Columbia
- Panama
- Guatemala
- Peru
- Mexico

### Mumbai /Delhi India

- 32 sites in 8 Major Cities
- Large diverse population





## **NEEMAN MEDICAL INTERNATIONAL**

- **Rapid growth in business pipeline, the order book size grows by 48%, quarter-over-quarter, from US\$ 3.5 million as of September 2004 to US\$5.2 million as of December 2004**
- **The clinical research group achieves consolidated revenues of US \$ 2.5 million for the 9 month period Apr-Dec'04, with gross margins of 52%**
- **Neeman Asia (Indian operations) – Already profitable on a net income basis. High patient retention rate of over 90%, better than industry average of 80-85%**
- **Growth in physician network – The principal investigator network has grown to over 850 qualified and skilled physicians across North America, Latin America and India**

## **NEEMAN MEDICAL INTERNATIONAL**

- **Neeman continues to increase its therapeutic expertise and now also has capabilities in Ophthalmology, Interventional Cardiology, Rheumatology and Psycho Geriatrics**
- **Three large research sponsors select Neeman USA as their preferred service provider**
- **Customers include all major Pharma companies like GSK, Wyeth, Pfizer and CROs like Quintiles, PPD etc.**
- **With the changes in Patent Act in India in line with the WTO commitments, Neeman Asia, with its proven track record is expecting a favorable impact on its business development pipeline with more and more overseas pharmaceutical companies expected to outsource their clinical trials to India**



## **BOPP Business**

- **Strong performance continues – 100% capacity utilization**
- **Metallized film segment shows excellent performance. Both the metallizers running in full capacity. Full capacity utilization of the 2<sup>nd</sup> metallizer achieved in 2<sup>nd</sup> production year itself**
- **Achieved 31% growth in metallized BOPP films from 1966 tons during Apr-Dec'03 to 2582 tons during Apr-Dec'04. Also achieved 28% growth in metallized jobwork**
- **82% growth in 2004-05 in the sale of thermal films (MCG), a niche product**
- **Export sales grew by 38% in 2004-05 from Rs. 1358 Lacs during Apr-Dec'03 to Rs. 1885 Lacs during Apr-Dec'04**



## **BOPP Business**

- **High production yield of 1.18 as of December 2004**
- **Stringent cost management yields PBDIT of 16% to net sales despite pressure on selling price and constantly increasing input prices, mainly HP. This yield is highest in the BOPP industry**
- **Highest return on net capital employed in the BOPP industry, at 21%.**



*For any clarifications and queries, please contact:*

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**Thank You**

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