INSTITUTIONAL RESEARCH

Apollo Hospitals Enterprise

Integrated healthcare play with a steady outlook

BUY

Apollo Hospitals (APHS) has consistently delivered steady performance over the last several quarters, driven by: (1) steady growth in its hospital business (52% of sales) with margin improvement, (2) strong growth in HealthCo (41%) with a sharp improvement in margin due to a reduction in Apollo 24/7 spending, and (3) expansion-led growth in AHLL (7%). Going forward, we expect: (1) the hospitals to experience steady growth driven by a combination of occupancy improvement and mid-single-digit growth in ARPOB from an improving case/payor mix; the phase-wise bed addition of 1,700+ over FY25-27 will provide growth visibility while limiting the drag on margins. (2) HealthCo to see strong scale-up driven by steady growth in offline and the expansion of the Apollo 24/7 business, with continuous cost reductions to improve margins. (3) AHLL to see strong growth from network expansion, and the company expects 100-150 bps margin expansion over the next few years. Given steady sales growth, margin expansion, and improved return ratio visibility, we maintain a BUY rating. We have rolled forward our target price to INR 7,520, based on a 25x blended FY27E EV/E, assigning: (1) EV/E of 25x to the hospital business, (2) EV/E of 17x to the offline pharmacy, and (3) EV/E of 21x to AHLL.

Hospitals: steady growth; margin drag will be limited: While APHS has increased its operating bed capacity by just 700 beds, a 10% increase over FY19-24 (vs. 25% over FY14-19), its sales/EBITDA saw a 14/21% CAGR over FY19-24, driven by an 11% CAGR in ARPOB and post-Covid occupancy improvement. We expect near-term growth for APHS to come from improvements in occupancy (~70% for 9MFY25) and 6-7% ARPOB growth over the next few years. Moreover, the addition of 1,700+ beds over FY26/27 in a phased manner, with ~50% (Kolkata, Delhi, and Pune) in mid-FY26 and 50% by the end of FY26 or in FY27 (Gachibowli and Gurgaon), will have a limited drag on overall margins. We have assumed a ~16/14% revenue/EBITDA CAGR over FY25-27E, with margins remaining steady at ~23.5% in FY27, based on steady improvement in occupancy for its existing network of beds, growth in ARPOB, and the commissioning of new hospitals over FY25-27E. Its bed addition plan of ~1,770+ (Chennai: 600, Varanasi: 400, Worli, Mumbai: 575, and Lucknow: 200) will drive growth beyond FY28.

HealthCo: Strong growth, margin to inch up: APHS has reduced its operating costs for Apollo 24/7 over the last few quarters, which helped HealthCo break even in Q4FY24. With visibility of strong growth in the online business (20%) and 15-16% growth in the offline distribution business, its focus on moderating operating costs for Apollo 24/7 will drive the margin. Its foray into the retail health insurance and term segments is expected to drive incremental growth.

Scale-up in retail health/diagnostics: The AHLL business is likely to see 15-18% growth and 100-150 bps margin expansion over the next few years led by network expansion in its diagnostic business and scale-up in specialty care business.

Strong financials: Over FY19-24, Apollo delivered a 15% sales CAGR and an 18% EBITDA CAGR. Looking ahead, we expect a sales CAGR of 16% for FY25-27E and an EBITDA margin improvement to ~15% in FY27E (from 12.5% in FY24), resulting in an EBITDA CAGR of 20% and an EPS CAGR of 28% over FY25-27E.

Financial Summary

YE March (INR bn)	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net Sales	106	147	166	191	221	256	297
EBITDA	11	22	20	24	31	37	45
APAT	1	9	7	9	15	19	24
Diluted EPS (INR)	8	65	47	63	103	134	168
P/E (x)	785.8	94.6	132.1	98.1	60.0	45.9	36.8
EV / EBITDA (x)	80.4	42.0	45.1	38.9	29.8	24.6	20.4
RoCE (%)	6	16	13	15	19	21	23

Source: Company, HSIE Research

CMP *(as on 3 Mar 2025)*	INR 6,171
Target Price	INR 7,520
NIFTY	22,119

KEY CHANGES	OLD	NEW
Rating	BUY	BUY
Price Target	INR 7800	INR 7520
EPS %	FY25E	FY26E
	(0.3)	(2.0)

KEY STOCK DATA	
Bloomberg code	APHS IN
No. of Shares (mn)	144
MCap (INR bn) / ($ mn)	887/10,155
6m avg traded value (INR mn)	2,531
52 Week high / low	INR 7,545/5,691

STOCK PERFORMANCE (%)	3M	6M	12M
Absolute (%)	(13.4)	(9.9)	0.6
Relative (%)	(3.8)	1.6	1.6

SHAREHOLDING PATTERN (%)	Sep-24	Dec-24
Promoters	29.33	29.33
FIs & Local MFs	21.14	19.97
FPIs	43.92	45.27
Public & Others	5.61	5.43
Pledged Shares	16.09	13.99

Source : BSE

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Exhibit 1: Revenue and EBITDA assumptions

INR mn	FY19	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Number of operating beds	7,246	7,491	7,409	7,875	7,860	7,945	7,995	8,492	9,290
Occupancy (%)	68%	67%	55%	63%	64%	65%	71%	72%	71%
ARPOB (Rs/ day)	34,226	37,397	40,214	45,327	51,668	57,488	60,075	63,879	68,370
YoY growth	7%	9%	8%	13%	14%	11%	4%	6%	7%
Hospital services	**51,426**	**57,297**	**50,022**	**79,891**	**86,768**	**98,670**	**1,13,706**	**1,32,504**	**1,53,928**
YoY growth	**14%**	**11%**	**-13%**	**60%**	**9%**	**14%**	**15%**	**17%**	**16%**
% of sales	**53%**	**51%**	**47%**	**54%**	**52%**	**52%**	**52%**	**52%**	**52%**
Hospital EBITDA	**9,204**	**10,750**	**6,925**	**18,032**	**21,331**	**23,559**	**27,517**	**31,573**	**36,155**
YoY growth	**21%**	**17%**	**-36%**	**160%**	**18%**	**10%**	**17%**	**15%**	**15%**
EBITDA margin %	**17.9%**	**18.8%**	**13.8%**	**22.6%**	**24.6%**	**23.9%**	**24.2%**	**23.8%**	**23.5%**
Offline pharmacy distribution	**38,860**	**48,206**	**48,760**	**53,610**	**60,489**	**69,268**	**80,351**	**92,404**	**1,06,264**
YoY growth	**19%**	**24%**	**1%**	**10%**	**13%**	**15%**	**16%**	**15%**	**15%**
% of sales	**40%**	**43%**	**46%**	**37%**	**36%**	**36%**	**36%**	**36%**	**36%**
Offline pharmacy distribution EBITDA	**2,031**	**4,452**	**3,932**	**4,089**	**4,742**	**5,230**	**6,187**	**7,115**	**8,182**
EBITDA margin %	**5.2%**	**9.2%**	**8.1%**	**7.6%**	**7.8%**	**7.6%**	**7.7%**	**7.7%**	**7.7%**
Online pharmacy distribution and Apollo 24/7		-	-	-	6,546	9,001	10,891	13,069	15,683
YoY growth		0%	0%	0%	0%	38%	21%	20%	20%
% of sales					4%	5%	5%	5%	5%
Online business EBITDA before Apollo 24/7 spend					594	1,029	1,525	2,026	2,588
EBITDA margin %					9.1%	11.4%	14.0%	15.5%	16.5%
Apollo 24/7 spending	-	-	252	2,236	6,574	6,186	4,763	4,382	4,032
% of HealthCo sales			0.5%	4.2%	9.8%	7.9%	5.2%	4.2%	3.3%
ESOPs	-	-	-	-	779	891	912	844	854
% of HealthCo sales					1.2%	1.1%	1.0%	0.8%	0.7%
Online business EBITDA after Apollo 24/7 spend	-	-	(252)	(2,236)	(6,759)	(6,048)	(4,151)	(3,200)	(2,297)
Apollo HealthCo (Digital Health & Pharmacy Distribution)	**38,860**	**48,206**	**48,760**	**53,610**	**67,035**	**78,269**	**91,242**	**1,05,473**	**1,21,947**
YoY growth	**19%**	**24%**	**1%**	**10%**	**25%**	**17%**	**17%**	**16%**	**16%**
% of sales	**40%**	**43%**	**46%**	**37%**	**40%**	**41%**	**41%**	**41%**	**41%**
Apollo HealthCo EBITDA	**2,031**	**4,452**	**3,680**	**1,853**	**(2,017)**	**(818)**	**2,036**	**3,915**	**5,885**
YoY growth	**37%**	**119%**	**-17%**	**-50%**	**-209%**	**-59%**	**-349%**	**92%**	**50%**
EBITDA margin %	**5.2%**	**9.2%**	**7.5%**	**3.5%**	**-3.0%**	**-1.0%**	**2.2%**	**3.7%**	**4.8%**
Retail Health and Diagnostics	**5,888**	**6,964**	**6,818**	**13,125**	**12,311**	**13,653**	**15,822**	**18,318**	**21,209**
YoY growth	**28%**	**18%**	**-2%**	**93%**	**-6%**	**11%**	**16%**	**16%**	**16%**
% of sales	**6%**	**6%**	**6%**	**9%**	**7%**	**7%**	**7%**	**7%**	**7%**
Retail Health and Diagnostics EBITDA	**(599)**	**671**	**768**	**1,966**	**1,182**	**1,166**	**1,507**	**1,917**	**2,509**
YoY growth	**NA**	**L/P**	**14%**	**156%**	**-40%**	**-1%**	**29%**	**27%**	**31%**
EBITDA margin %	**-10.2%**	**9.6%**	**11.3%**	**15.0%**	**9.6%**	**8.5%**	**9.5%**	**10.5%**	**11.8%**
Total sales	**96,174**	**1,12,468**	**1,05,600**	**1,46,626**	**1,66,125**	**1,90,592**	**2,20,770**	**2,56,294**	**2,97,084**
YoY growth	**17%**	**17%**	**-6%**	**39%**	**13%**	**15%**	**16%**	**16%**	**16%**
EBITDA	**10,636**	**15,873**	**11,373**	**21,851**	**20,496**	**23,907**	**31,060**	**37,404**	**44,548**
YoY growth	**34%**	**49%**	**-28%**	**92%**	**-6%**	**17%**	**30%**	**20%**	**19%**
EBITDA margin %	**11.1%**	**14.1%**	**10.8%**	**14.9%**	**12.3%**	**12.5%**	**14.1%**	**14.6%**	**15.0%**
PAT	**2,360**	**3,243**	**1,130**	**9,393**	**6,725**	**9,054**	**14,811**	**19,337**	**24,160**
YoY growth	**101%**	**37%**	**-65%**	**731%**	**-28%**	**35%**	**64%**	**31%**	**25%**
PAT margin %	**2.5%**	**2.9%**	**1.1%**	**6.4%**	**4.0%**	**4.8%**	**6.7%**	**7.5%**	**8.1%**

Source: Company, HSIE Research. Note: APHS spin-off its retail pharmacy business in Sep'21.

Hospital business – visibility for steady growth and margin

Exhibit 2: Operating metrics highlights, steady occupancy and growing ARPOB with reduction in ALOS

Total Hospital	FY19	FY20	FY21	FY22	FY23	FY24	CAGR over FY19-24	9MFY24	9MFY25	YoY growth
No. of Operating beds	7,246	7,491	7,409	7,875	7,860	7,945	699	7,911	7,996	85
Inpatient volume	4,51,894	4,78,032	3,52,624	4,60,152	5,40,881	5,69,988	5%	4,23,474	4,57,816	8%
% YoY growth	6%	6%	-26%	30%	18%	5%				
Outpatient volume	15,52,841	16,27,514	11,60,247	25,14,365	18,79,171	19,22,696	4%	14,42,877	16,72,573	16%
% YoY growth	8%	5%	-29%	117%	-25%	2%				
Inpatient ALOS (days)	3.99	3.86	4.19	3.96	3.41	3.30	-69 bps	3.33	3.33	0 bps
Bed Occupancy Rate (%)	68%	67%	55%	63%	64%	65%	-300 bps	65%	69%	400 bps
ARPOB (Rs /day)	34,226	37,397	40,214	45,327	51,668	57,488	11%	56,823	59,634	5%
% YoY growth	7%	9%	8%	13%	14%	11%				
INR mn										
Total reported hospital sales	**51,426**	**57,297**	**50,022**	**79,891**	**86,768**	**98,670**	**14%**	**73,045**	**83,255**	**14%**
% YoY growth	**14%**	**11%**	**-13%**	**60%**	**9%**	**14%**				
Hospital EBITDA	**9,204**	**10,750**	**6,925**	**18,032**	**21,331**	**23,559**	**21%**	**17,627**	**20,143**	**14%**
% YoY growth	**21%**	**17%**	**-36%**	**160%**	**18%**	**10%**				
EBITDA margin	**17.9%**	**18.8%**	**13.8%**	**22.6%**	**24.6%**	**23.9%**	**598 bps**	**24.1%**	**24.2%**	**6 bps**
EBITDA per bed	**1.9**	**2.1**	**1.7**	**3.6**	**4.2**	**4.6**	**20%**	**4.6**	**4.9**	**7%**
% YoY growth	**15%**	**15%**	**-21%**	**114%**	**17%**	**8%**				

Source: Company, HSIE Research.

Exhibit 3: Hospital mix

Particulars	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Metros						
No. of Operating beds	4,570	4,543	4,550	4,535	4,558	4,549
Bed Occupancy Rate (%)	66%	67%	67%	70%	74%	69%
ARPOB (Rs /day)	69,472	69,292	70,277	71,612	72,042	73,882
RoCE %	29%	28%	28%	29%	29%	35%
Non-Metros						
No. of Operating beds	3,195	3,368	3,395	3,407	3,436	3,447
Bed Occupancy Rate (%)	63%	62%	62%	65%	69%	64%
ARPOB (Rs /day)	40,100	39,230	39,451	41,160	41,266	42,578
RoCE %	23%	23%	23%	25%	27%	32%

Source: Company, HSIE Research

Exhibit 4: Hospital business profitability improving

INR mn	FY22	FY23	FY24	9MFY25	Q1FY25	Q2FY25	Q3FY25
Reported hospital sales	79,891	86,768	98,670	83,255	26,373	29,032	27,850
EBITDA	18,032	21,331	23,559	20,143	6,217	7,220	6,706
EBITDA margin	22.6%	24.6%	23.9%	24.2%	23.6%	24.9%	24.1%
EBIT	13,355	16,608	18,361	15,978	4,878	5,804	5,296
EBIT margin	16.7%	19.1%	18.6%	19.2%	18.5%	20.0%	19.0%
PBT	14,015	14,545	16,431	15,122	4,566	5,424	5,132
PBT margin	17.5%	16.8%	16.7%	18.2%	17.3%	18.7%	18.4%
Tax	6,746	4,367	4,981	4,714	1,284	1,781	1,649
Tax rate %	48%	30%	30%	31%	28%	33%	32%
PAT	7,269	10,178	11,450	10,408	3,282	3,643	3,483
PAT margin	9.1%	11.7%	11.6%	12.5%	12.4%	12.5%	12.5%

Source: Company, HSIE Research.

Hospital business – cluster wise performance

Exhibit 5: Tamil Nadu cluster remains key driver; Occupancy improvement was consistent, ARPOB growth was strong over FY19-24 and steady in 9MFY25

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	Ch over FY19-24	9MFY24	9MFY25	YoY ch
Tamil Nadu Region (Chennai hospitals, Madurai, Karur, Karaikudi, Trichy & Nellore)										
No. of Operating beds	2,121	2,208	2,043	2,131	2,112	2,029	(92)	2,022	2,039	17
Inpatient volume	1,28,812	1,34,713	85,403	1,22,817	1,44,798	1,48,512	3%	1,11,512	1,15,360	3%
Outpatient volume	5,32,612	5,31,218	3,11,329	8,24,562	6,19,206	5,80,149	2%	4,36,827	4,59,012	5%
Inpatient ALOS (days)	3.57	3.53	4.2	3.89	3.31	3.15	-42 bps	3.14	3.12	-2 bps
Bed Occupancy Rate (%)	59%	59%	48%	61%	62%	63%	400 bps	63%	64%	100 bps
ARPOB (Rs /day)	44,133	47,151	49,115	55,498	64,609	73,064	11%	72,402	77,308	7%

Source: Company, HSIE Research.

Exhibit 6: Tamil Nadu - Hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Chennai)			
No. of Operating beds	1,366	1,363	1,354
Bed Occupancy Rate (%)	65%	67%	66%
Occupied beds (nos)	888	913	894
ARPOB (Rs /day)	91,253	94,569	92,602
Non-Metros (Madurai, Karur, Karaikudi, Trichy and Nellore)			
No. of Operating beds	685	685	685
Bed Occupancy Rate (%)	61%	59%	60%
Occupied beds (nos)	418	404	411
ARPOB (Rs /day)	42,113	44,791	44,184

Source: Company, HSIE Research

Exhibit 7: AP, Telangana region – no major improvement in occupancy and volume; growth was largely led by APROB; in 9MFY25, ARPOB was steady and occupancy saw significant improvement

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	Ch over FY19-24	9MFY24	9MFY25	YoY ch
AP, Telangana Region (Hyderabad, Karimnagar, Vizag old, Vizag new & Kakinada)										
No. of Operating beds	1,344	1,344	1,344	1,344	1,297	1,270	(74)	1,270	1,240	(30)
Inpatient volume	77,104	78,002	50,151	66,451	75,782	77,036	0%	58,103	65,842	13%
Outpatient volume	2,48,457	2,38,382	1,67,513	2,62,875	1,96,764	2,20,817	-2%	1,64,251	2,29,072	39%
Inpatient ALOS (days)	4.03	3.9	4.48	4.22	3.56	3.43	-60 bps	3.43	3.51	8 bps
Bed Occupancy Rate (%)	63%	62%	46%	57%	57%	57%	-600 bps	57%	68%	1100 bps
ARPOB (Rs /day)	33,022	36,184	46,479	50,871	50,308	57,708	12%	56,775	59,070	4%

Source: Company, HSIE Research.

Exhibit 8: AP, Telangana region - hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Hyderabad)			
No. of Operating beds	759	759	759
Bed Occupancy Rate (%)	63%	77%	70%
Occupied beds (nos)	478	584	531
ARPOB (Rs /day)	66,915	66,749	72,265
Non-Metros (Karimnagar, Vizag and Kakinada)			
No. of Operating beds	481	481	481
Bed Occupancy Rate (%)	64%	70%	61%
Occupied beds (nos)	308	337	293
ARPOB (Rs /day)	41,764	41,056	45,601

Source: Company, HSIE Research

Exhibit 9: Karnataka Region– Steady volume growth but occupancy declined over FY19-24 and ARPOB saw strong CAGR of 13% over FY19-24; for 9MFY25 occupancy improved sharply leading to volume growth; ARPOB was flat

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	Ch over FY19-24	9MFY24	9MFY25	YoY ch
Karnataka Region (Bangalore, Mysore, Jayanagar & Malleswaram)										
No. of Operating beds	746	769	769	775	766	748	2	750	772	22
Inpatient volume	52,382	55,881	45,392	54,249	60,006	64,241	4%	48,222	53,221	10%
Outpatient volume	1,58,821	1,79,906	1,66,271	2,52,658	1,85,370	2,10,037	6%	1,54,258	2,04,319	32%
Inpatient ALOS (days)	3.7	3.61	3.79	3.5	3.04	2.85	-85 bps	2.83	2.99	16 bps
Bed Occupancy Rate (%)	71%	72%	61%	67%	65%	67%	-400 bps	66%	75%	900 bps
ARPOB (Rs /day)	33,983	36,336	37,463	47,680	54,223	62,422	13%	61,903	61,956	0%

Source: Company, HSIE Research.

Exhibit 10: Karnataka Region - Hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Bangalore)			
No. of Operating beds	533	559	559
Bed Occupancy Rate (%)	80%	76%	72%
Occupied beds (nos)	426	425	402
ARPOB (Rs /day)	65,966	66,542	72,215
Non-Metros (Mysore)			
No. of Operating beds	213	213	213
Bed Occupancy Rate (%)	68%	80%	68%
Occupied beds (nos)	145	170	145
ARPOB (Rs /day)	43,532	43,876	46,305

Source: Company, HSIE Research

Exhibit 11: Eastern region– Steady volume growth and improved occupancy with double-digit ARPOB growth in FY24; for 9MFY25, volume growth was steady and occupancy improved but ARPOB growth was moderated

Particulars	FY23	FY24	YoY Ch	9MFY24	9MFY25	YoY ch
Eastern Region (Bhubaneswar, Bilaspur, Guwahati, Kolkata)						
No. of Operating beds	1,772	1,820	48	1,812	1,867	55
Inpatient volume	1,18,987	1,25,209	5%	93,479	1,01,156	8%
Outpatient volume	3,95,044	4,12,895	5%	3,08,816	3,45,080	12%
Inpatient ALOS (days)	3.91	3.92	1 bps	3.93	3.82	-11 bps
Bed Occupancy Rate (%)	72%	74%	200 bps	74%	75%	100 bps
ARPOB (Rs /day)	39,279	43,661	11%	43,162	45,965	6%

Source: Company, HSIE Research.

Exhibit 12: Eastern Region - Hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Kolkata)			
No. of Operating beds	736	736	736
Bed Occupancy Rate (%)	80%	86%	77%
Occupied beds (nos)	589	633	567
ARPOB (Rs /day)	61,221	60,255	60,684
Non-Metros (Guwahati, Bhubaneshwar, Bilaspur and Rourkela)			
No. of Operating beds	1,091	1,111	1,131
Bed Occupancy Rate (%)	72%	76%	65%
Occupied beds (nos)	786	844	735
ARPOB (Rs /day)	33,906	35,424	35,829

Source: Company, HSIE Research

Exhibit 13: Western Region– Strong in-patient volume growth and improved occupancy with steady ARPOB growth in FY24; for 9MFY25, volume growth was steady and occupancy improved but ARPOB growth was moderated

Particulars	FY23	FY24	YoY Ch	9MFY24	9MFY25	YoY ch
Western Region (Ahmedabad, Mumbai, Nashik)						
No. of Operating beds	802	861	59	861	876	15
Inpatient volume	41,450	50,221	21%	37,523	40,195	7%
Outpatient volume	2,12,579	2,11,618	0%	1,58,811	1,70,957	8%
Inpatient ALOS (days)	3.75	3.47	-28 bps	3.45	3.55	10 bps
Bed Occupancy Rate (%)	53%	55%	200 bps	55%	59%	400 bps
ARPOB (Rs /day)	43,935	47,827	9%	47,572	48,873	3%

Source: Company, HSIE Research.

Exhibit 14: Western Region - Hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Navi Mumbai)			
No. of Operating beds	392	392	392
Bed Occupancy Rate (%)	61%	73%	61%
Occupied beds (nos)	239	286	239
ARPOB (Rs /day)	55,347	52,071	60,267
Non-Metros (Nashik and Ahmedabad)			
No. of Operating beds	469	478	484
Bed Occupancy Rate (%)	49%	63%	50%
Occupied beds (nos)	230	301	242
ARPOB (Rs /day)	45,390	38,220	42,411

Source: Company, HSIE Research

Exhibit 15: Northern Region– Strong in-patient volume growth and improved occupancy with steady ARPOB growth in FY24; for 9MFY25, volume growth was steady and occupancy improved but ARPOB growth was moderated

Particulars	FY23	FY24	YoY ch	9MFY24	9MFY25	YoY ch
Northern Region (Delhi, Lucknow and Indore)						
No. of Operating beds	1,111	1,217	106	1,196	1,202	6
Inpatient volume	99,858	1,04,769	5%	74,635	82,042	10%
Outpatient volume	2,70,208	2,87,180	6%	2,19,914	2,64,133	20%
Inpatient ALOS (days)	2.92	2.87	-5 bps	3.06	2.97	-9 bps
Bed Occupancy Rate (%)	72%	68%	-400 bps	69%	74%	500 bps
ARPOB (Rs /day)	52,772	59,013	12%	58,232	61,430	5%

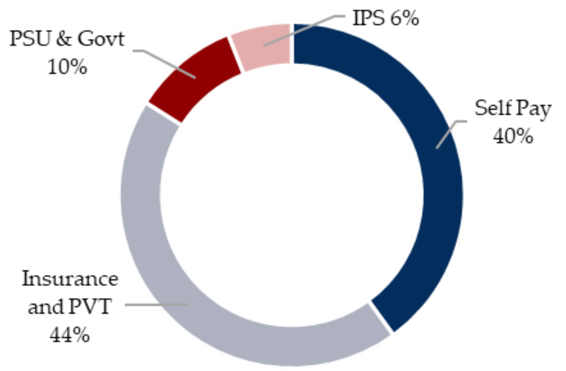
Source: Company, HSIE Research.

Exhibit 16: Western Region - Hospital mix

Hospital mix	Q1FY25	Q2FY25	Q3FY25
Metros (Delhi)			
No. of Operating beds	749	749	749
Bed Occupancy Rate (%)	75%	73%	71%
Occupied beds (nos)	562	547	532
ARPOB (Rs /day)	66,464	68,506	66,060
Non-Metros (Lucknow and Indore)			
No. of Operating beds	468	468	453
Bed Occupancy Rate (%)	67%	75%	83%
Occupied beds (nos)	314	351	376
ARPOB (Rs /day)	53,364	52,448	51,307

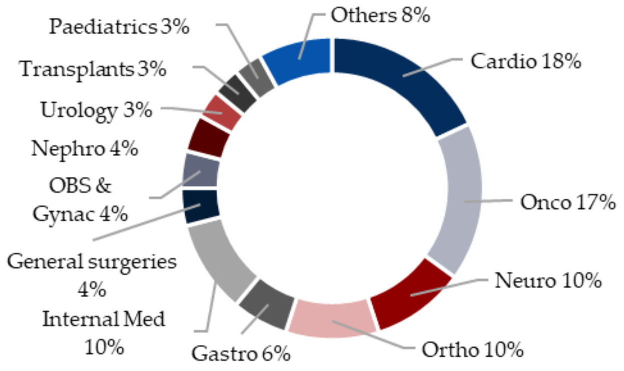
Source: Company, HSIE Research

Exhibit 17: Payor mix as of Dec'24



Source: Company, HSIE Research

Exhibit 18: Therapy mix as of Dec'24



Source: Company, HSIE Research

APHS has a calibrated plan to add 1,700+ beds over FY26 and FY27 with a capex outlay of ~INR 28.8 bn, largely in the metros and tier I cities (Bangalore, Hyderabad, Gurgaon, and Kolkata), given the steeper profitability growth potential. APHS has also highlighted its long-term capacity addition plan of ~1,770+ beds with a capex outlay of ~INR 32.2 bn for a combination of brownfield and greenfield expansion across Chennai, Varanasi, Mumbai, and Lucknow to drive growth beyond FY28. Moreover, APHS continues to evaluate bolt-on-acquisitions in select tier 1 cites and metros.

Exhibit 19: APHS capex outlay over FY26-27 to support near-term and beyond FY28 for long-term growth

Location	Nature	Total Beds	Census Beds	Project Cost (INR mn)	Project investment (INR mn) as of Dec'24	Balance project Cost (INR mn) as of Dec'24
Expected commissioning: FY26						
Royal Mudhol Pune	Hospital Asset Acquisition	400	325	6,300	3,650	2,650
Sonarpur, Kolkata	Hospital Asset Acquisition	270	220	3,100	1,600	1,500
Defence Colony, Delhi	Brownfield	42	27	650	300	350
Total in FY26		**712**	**572**	**10,050**	**5,550**	**4,500**
Expected commissioning: FY27						
Gachibowli, Hyderabad	Greenfield - Asset Light	375	300	5,150	900	4,250
Gurgaon	Hospital Asset Acquisition	510	420	11,900	5,750	6,150
Malleswaram & Mysore Expansion	Brownfield	140	125	1,700	50	1,650
Total in FY27		**1,025**	**845**	**18,750**	**6,700**	**12,050**
Near- term addition - FY26 and FY27		**1,737**	**1,417**	**28,800**	**12,250**	**16,550**
Expected commissioning: Beyond FY28						
OMR, Chennai	Greenfield	600	500	9450	2,600	6850
Varanasi	Greenfield	400	300	6400	1,000	5400
Worli, Mumbai	Greenfield	575	500	13150	900	12250
Lucknow	Brownfield	200	160	3200	850	2350
Total beyond FY28		**1,775**	**1,460**	**32,200**	**5,350**	**26,850**
Overall capex outlay		**3,512**	**2,877**	**61,000**	**17,600**	**43,400**

Source: Company, HSIE Research

Apollo HealthCo – focus on scale-up and building capabilities

Exhibit 20: HealthCo to see steady growth and reduction in operating cost to support margin

(INR mn)	FY19	FY20	FY21	FY22	FY23	FY24	CAGR FY19-24	FY25E	FY26E	FY27E	CAGR over FY25-27E
Apollo HealthCo											
Offline pharmacy distribution sales	**38,860**	**48,206**	**48,760**	**53,610**	**60,489**	**69,268**	**12%**	**80,351**	**92,404**	**1,06,264**	**15%**
Offline pharmacy distribution EBITDA	**2,031**	**4,452**	**3,932**	**4,089**	**4,742**	**5,230**	**21%**	**6,187**	**7,115**	**8,182**	**15%**
EBITDA margin	**5.2%**	**9.2%**	**8.1%**	**7.6%**	**7.8%**	**7.6%**	**232 bps**	**7.7%**	**7.7%**	**7.7%**	**0 bps**
GMV	-	-	-	-	15,570	26,870	**73%**	30,901	36,154	42,661	**17%**
Number of stores	3,428	3,766	4,118	4,529	5,541	6,030	2,602	6,680	7,330	7,980	1,300
Online pharmacy distribution and Apollo 24/7	**-**	**-**	**-**	**-**	**6,546**	**9,001**	**38%**	**10,891**	**13,069**	**15,683**	**20%**
Online business EBITDA before Apollo 24/7 spend	**-**	**-**	**-**	**-**	**594**	**1,029**	**73%**	**1,525**	**2,026**	**2,588**	**30%**
EBITDA margin	**-**	**-**	**-**	**-**	**9.1%**	**11.4%**	236 bps	**14.0%**	**15.5%**	**16.5%**	250 bps
Apollo 24/7 spending	**-**	**-**	**252**	**2,236**	**6,574**	**6,186**	**-6%**	**4,763**	**4,382**	**4,032**	**-8%**
% of Apollo HealthCo sales	**-**	**-**	**0.5%**	**4.2%**	**9.8%**	**7.9%**		**5.2%**	**4.2%**	**3.3%**	
ESOPs	-	-	-	-	779	891	**14%**	912	844	854	**-3%**
% of Apollo HealthCo sales	-	-	-	-	1.2%	1.1%		1.0%	0.8%	0.7%	
Online business EBITDA after Apollo 24/7 spend	-	-	(252)	(2,236)	(6,759)	(6,048)	**NA**	(4,151)	(3,200)	(2,297)	**NA**
EBITDA margin					-103.3%	-67.2%	NA	-38.1%	-24.5%	-14.6%	NA
Apollo HealthCo revenue	**38,860**	**48,206**	**48,760**	**53,610**	**67,035**	**78,269**	**15%**	**91,242**	**1,05,473**	**1,21,947**	**16%**
Apollo HealthCo EBITDA	**2,031**	**4,452**	**3,680**	**1,853**	**(2,017)**	**(818)**	**NA**	**2,036**	**3,915**	**5,885**	**70%**
EBITDA margin	**5.2%**	**9.2%**	**7.5%**	**3.5%**	**-3.0%**	**-1.0%**	**NA**	**2.2%**	**3.7%**	**4.8%**	**259 bps**

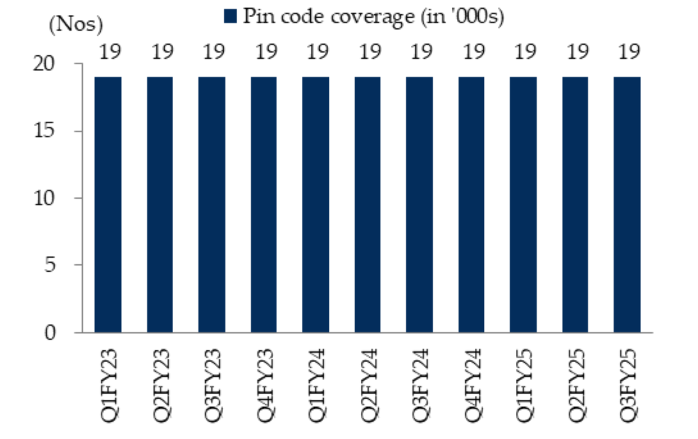
Source: Company, HSIE Research

Exhibit 21: HealthCo turned PAT positive from Q2FY25

INR mn	FY23	FY24	9MFY25	Q1FY25	Q2FY25	Q3FY25
Reported HealthCo sales	67,035	78,269	67,167	20,821	22,822	23,524
EBITDA	(2,017)	(818)	1,312	225	521	566
EBITDA margin	-3.0%	-1.0%	2.0%	1.1%	2.3%	2.4%
EBIT	(2,465)	(1,309)	898	73	389	436
EBIT margin	-3.7%	-1.7%	1.3%	0.4%	1.7%	1.9%
PBT	(3,159)	(1,956)	382	(129)	190	321
PBT margin	-4.7%	-2.5%	0.6%	-0.6%	0.8%	1.4%
Tax	(123)	1	-	-	-	-
Tax rate %	4%	0%	0%	0%	0%	0%
PAT	(3,036)	(1,957)	382	(129)	190	321
PAT margin	-4.5%	-2.5%	0.6%	-0.6%	0.8%	1.4%

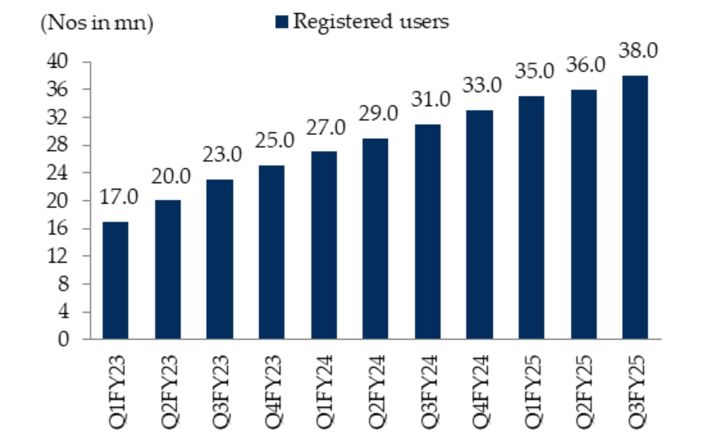
Source: Company, HSIE Research.

Exhibit 22: Expanding pin code coverage



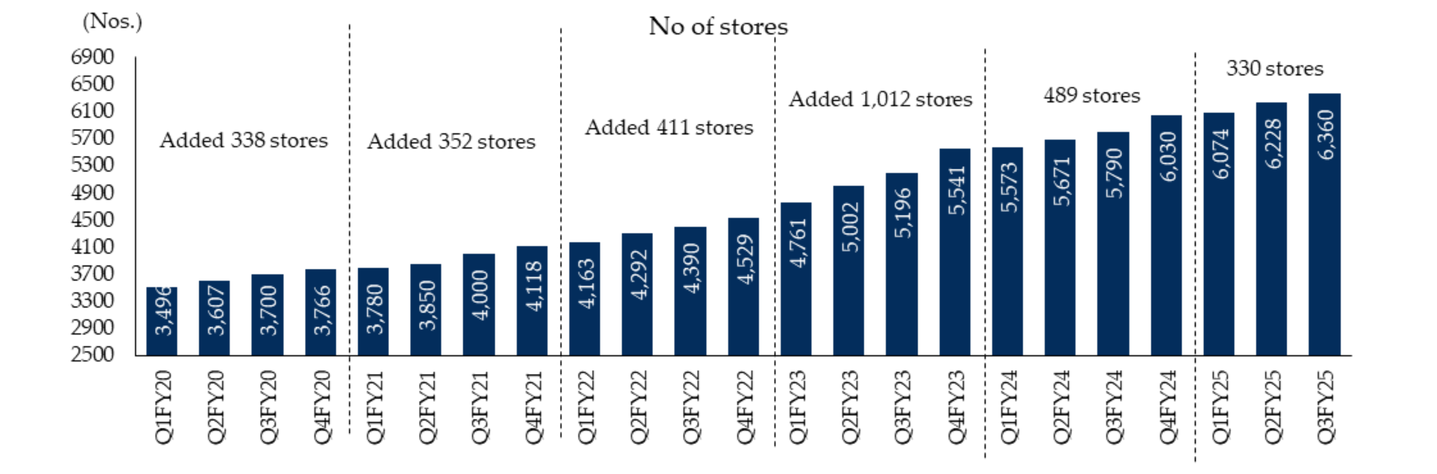
Source: Company, HSIE Research

Exhibit 23: Increasing user registration



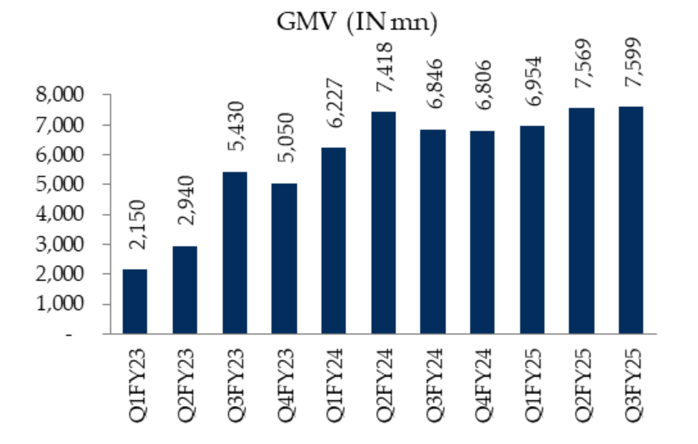
Source: Company, HSIE Research

Exhibit 24: Store addition over the last few years



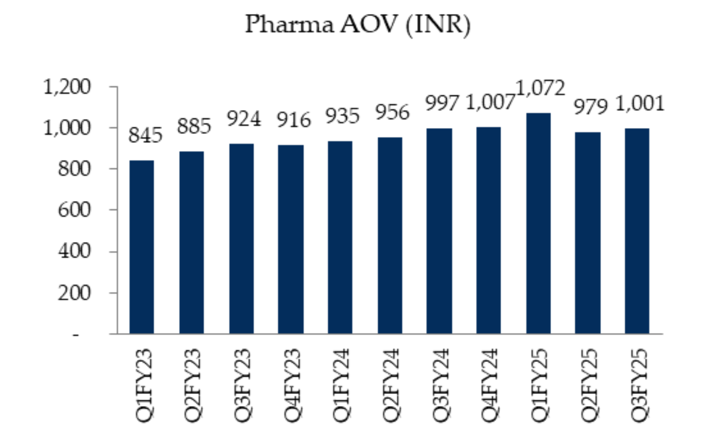
Source: Company, HSIE Research

Exhibit 25: GMV saw strong growth



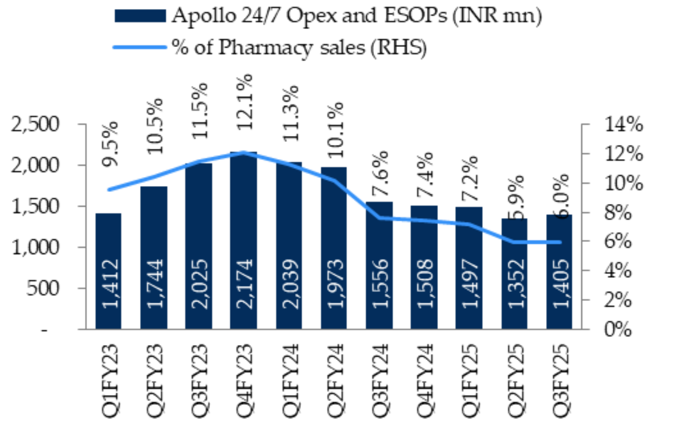
Source: Company, HSIE Research

Exhibit 26: Average order value increasing



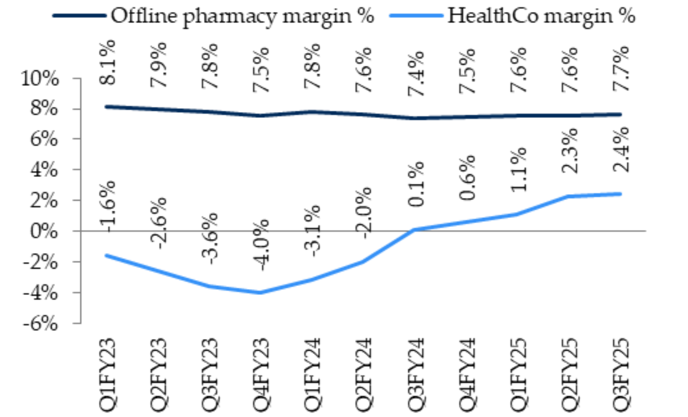
Source: Company, HSIE Research

Exhibit 27: Apollo 24/7 operating spend declining



Source: Company, HSIE Research

Exhibit 28: HealthCo margin breakeven in Q3FY24



Source: Company, HSIE Research

Retail Health and diagnostic business to see strong growth

Exhibit 29: AHLL business performance over the last few years driven by strong growth in diagnostic business

INR mn	FY19	FY20	FY21	FY22	FY23	FY24	CAGR FY19-24	FY25E	FY26E	FY27E	CAGR FY25-27
Revenues											
Diagnostics	923	1,185	1,749	3,987	3,827	4,605	38%	5,434	6,412	7,566	18%
Primary Care	1,998	2,272	1,814	4,516	3,451	3,743	13%	4,117	4,570	5,073	11%
Specialty Care	3,394	3,983	3,618	5,333	5,684	5,684	11%	6,650	7,714	8,949	16%
Total sales	**5,888**	**6,964**	**6,818**	**13,125**	**12,311**	**13,653**	**18%**	**15,822**	**18,318**	**21,209**	**16%**
EBITDA*											
Diagnostics	(123)	103	281	753	287	504	49%	625	814	1,082	32%
Primary Care	(55)	262	232	791	465	682	27%	770	868	979	13%
Specialty Care	(207)	560	534	770	903	633	3%	765	887	1,101	20%
Total sales	**(599)**	**671**	**768**	**1,966**	**1,182**	**1,166**	**15%**	**1,507**	**1,917**	**2,509**	**29%**
EBITDA margin*											
Diagnostics	-13.3%	8.7%	16.1%	18.9%	7.5%	10.9%	225 bps	11.5%	12.7%	14.3%	280 bps
Primary Care	-2.8%	11.5%	12.8%	17.5%	13.5%	18.2%	669 bps	18.7%	19.0%	19.3%	60 bps
Specialty Care	-6.1%	14.1%	14.8%	14.4%	15.9%	11.1%	-292 bps	11.5%	11.5%	12.3%	80 bps
Total sales	-10.2%	9.6%	11.3%	15.0%	9.6%	8.5%	**-110 bps**	**9.5%**	**10.5%**	**11.8%**	**231 bps**

Source: Company, HSIE Research, * CAGR over FY20-24

Exhibit 30: AHLL continue to expand network and improving operating metrics

Segment	Metrics	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Primary Clinics	Network (Nos)	268	291	341	343	350	327	286	283	265	264	263
	Footfalls/Day	3,400	3,361	2,819	2,833	2,258	2,681	2,643	2,624	2,268	2,777	2,546
	Gross ARPP (INR)	1,276	1,548	1,842	1,844	2,060	2,051	2,091	2,162	2,181	2,293	2,260
Sugar Clinics	Network (Nos)	52	53	55	58	65	66	70	69	67	72	74
	Footfalls/Day	478	481	457	444	472	528	481	487	491	535	477
	Gross ARPP (INR)	3,229	3,317	2,950	2,860	3,035	3,163	2,879	3,021	3,085	3,312	3,194
Dental Clinics	Network (Nos)	97	104	114	129	133	142	152	167	180	183	200
	Footfalls/Day	200	226	190	226	223	242	212	223	216	224	221
	Gross ARPP (INR)	5,749	5,287	6,298	5,043	6,208	6,538	6,343	6,502	6,996	7,116	7,016
Dialysis	Network (Nos)	95	109	111	111	119	126	129	136	137	133	134
	Footfalls/Day	1,504	1,625	1,718	1,749	1,850	1,938	1,998	2,108	2,187	2,282	2,312
	Gross ARPP (INR)	1,574	1,637	1,598	1,598	1,618	1,616	1,627	1,633	1,600	1,636	1,625
Diagnostics	Network (Nos)	1,419	1,499	1,570	1,750	2,012	2,165	2,142	2,366	2,439	2,203	2,324
	Footfalls/Day	10,218	13,043	11,506	12,410	14,106	15,943	14,753	15,143	13,697	16,205	14,420
	Gross ARPP (INR)	733	776	776	795	744	753	731	731	827	806	811
Spectra	Network (Nos)	11	11	11	11	11	11	11	11	21	22	23
	Footfalls/Day	94	91	73	65	72	75	74	76	85	88	84
	Gross ARPP (INR)	1,02,472	96,312	1,05,636	1,11,611	1,05,941	97,149	96,178	97,016	1,01,306	1,00,300	1,01,089

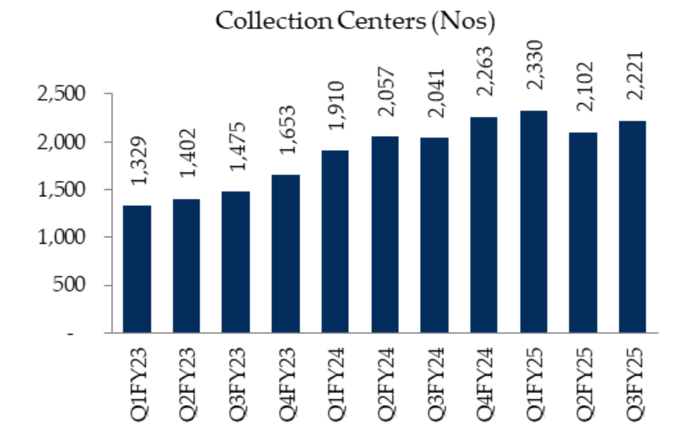
Source: Company, HSIE Research

Exhibit 31: AHLL yet to turn profitable – given expansion phase

INR mn	FY23	FY24	9MFY25	Q1FY25	Q2FY25	Q3FY25
Reported AHLL sales	12,311	13,653	11,595	3,661	4,039	3,895
EBITDA	1,182	1,166	1,065	309	414	342
EBITDA margin	9.6%	8.5%	9.2%	8.4%	10.3%	8.8%
EBIT	200	(15)	181	27	117	37
EBIT margin	1.6%	-0.1%	1.6%	0.7%	2.9%	0.9%
PAT	(555)	(738)	(331)	(148)	(66)	(117)
PAT margin	-4.5%	-5.4%	-2.9%	-4.0%	-1.6%	-3.0%

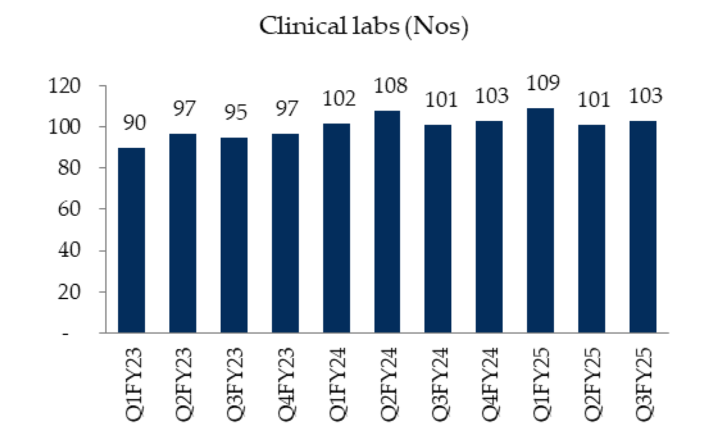
Source: Company, HSIE Research.

Exhibit 32: Expanding collection center to expand reach



Source: Company, HSIE Research

Exhibit 33: Lab network increasing to support network



Source: Company, HSIE Research

Debt reduction across the business segments

Exhibit 34: AHLL continue to expand network and improving operating metrics

Segmental Borrowings (INR mn)	Q4FY23	Q1FY24	Q2FY24	Q3FY24	Q4FY24	Q1FY25	Q2FY25	Q3FY25
Healthcare services								
Gross debt	20,552	20,803	21,543	21,535	23,018	22,661	22,354	21,893
Cash and equivalents	10,500	12,285	13,520	13,788	15,405	14,551	23,183	26,439
Net debt	**10,052**	**8,518**	**8,023**	**7,747**	**7,613**	**8,110**	**(829)**	**(4,546)**
HealthCo								
Gross debt	3,999	5,415	5,994	5,985	6,000	5,998	5,997	2,995
Cash and equivalents	303	353	532	240	460	358	8,783	427
Net debt	**3,696**	**5,062**	**5,462**	**5,745**	**5,540**	**5,640**	**(2,786)**	**2,568**
AHLL								
Gross debt	2,554	2,683	2,563	2,733	2,601	2,790	2,809	2,568
Cash and equivalents	1,208	1,026	833	708	714	1,976	1,996	1,963
Net debt	**1,346**	**1,657**	**1,730**	**2,025**	**1,887**	**814**	**813**	**605**
Apollo Hospital total								
Gross debt	27,105	28,901	30,100	30,253	31,619	31,449	31,160	27,456
Cash and equivalents	12,011	13,664	14,885	14,736	16,579	16,885	33,962	28,829
Net debt	**15,094**	**15,237**	**15,215**	**15,517**	**15,040**	**14,564**	**(2,802)**	**(1,373)**

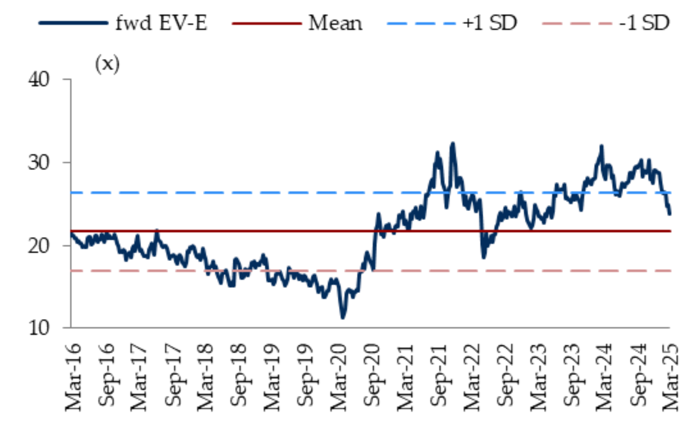
Source: Company, HSIE Research

Exhibit 35: SOTP valuation

SOTP valuation	FY27E		
	EBITDA (INR mn)	**Multiple (x)**	**EV (INR mn)**
Hospitals EBITDA	36,155	25	9,03,863
Offline pharmacy EBITDA	8,182	17	1,39,100
AHLL EBITDA	2,509	21	52,683
Total EBITDA	**44,548**	**25**	**10,95,646**
Online and Apollo 24/7 sales	15,683	-	-
Total EV (INR mn)			**10,95,646**
Less: Net Debt (INR mn)			14,268
Equity Value (Rs mn)			**10,81,378**
TP (INR/ sh)			**7,520**

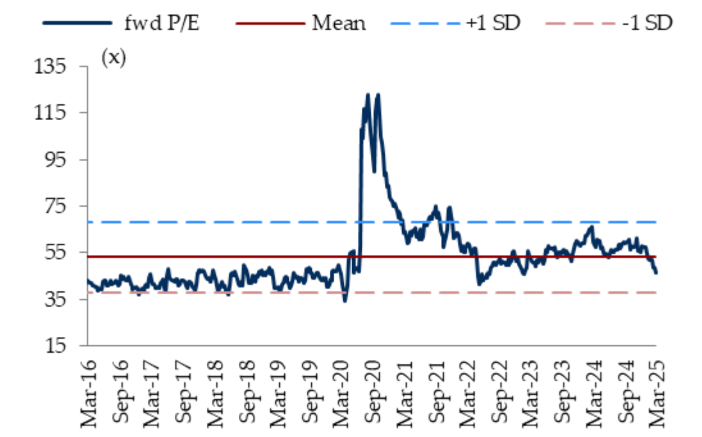
Source: Company, HSIE Research

Exhibit 36: EV/ EBITDA chart



Source: Bloomberg, HSIE Research

Exhibit 37: PE chart



Source: Bloomberg, HSIE Research

Financials (Consolidated)

Profit & loss (INR mn)

March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Net sales	**1,11,467**	**1,04,680**	**1,45,362**	**1,64,448**	**1,88,623**	**2,20,770**	**2,56,294**	**2,97,084**
Other operating income	1,001	920	1,264	1,677	1,969	0	0	0
Total operating income	**1,12,468**	**1,05,600**	**1,46,626**	**1,66,125**	**1,90,592**	**2,20,770**	**2,56,294**	**2,97,084**
Cost of goods sold	-54,989	-56,842	-75,735	-85,743	-98,055	-1,13,917	-1,31,735	-1,52,107
Gross profit	57,479	48,758	70,891	80,382	92,537	1,06,853	1,24,559	1,44,977
Gross margin (%)	51.1	46.2	48.3	48.4	48.6	48.4	48.6	48.8
Total operating expenses	-41,606	-37,384	-49,040	-59,886	-68,630	-75,793	-87,155	-1,00,429
EBITDA	**15,873**	**11,374**	**21,851**	**20,496**	**23,907**	**31,060**	**37,404**	**44,548**
EBITDA margin (%)	14.1	10.8	14.9	12.3	12.5	14.1	14.6	15.0
Depreciation	-6,197	-5,731	-6,007	-6,154	-6,750	-7,317	-7,864	-8,714
EBIT	**9,676**	**5,643**	**15,844**	**14,342**	**17,157**	**23,743**	**29,540**	**35,834**
Net interest	-5,328	-4,492	-3,786	-3,808	-4,494	-4,475	-3,780	-3,371
Other income	270	450	782	903	1,063	1,780	1,672	1,771
Profit before tax	**6,601**	**2,207**	**15,781**	**11,437**	**13,625**	**21,047**	**27,432**	**34,234**
Total taxation	-2,252	-847	-4,770	-2,562	-4,455	-6,104	-7,955	-9,928
Tax rate (%)	34	38	30	22	33	29	29	29
Profit after tax	4,349	1,360	11,011	8,875	9,170	14,944	19,477	24,306
Minorities	231	136	-528	-252	-364	-430	-451	-474
Profit/ Loss associate co(s)	-31	8	73	-432	180	297	312	327
Adjusted net profit	**3,243**	**1,130**	**9,393**	**6,725**	**9,054**	**14,811**	**19,337**	**24,160**
Adj. PAT margin (%)	3	1	6	4	5	7	8	8
Net non-recurring items	1,306	373	1,163	1,466	-68	0	0	0
Reported net profit	**4,549**	**1,504**	**10,556**	**8,191**	**8,986**	**14,811**	**19,337**	**24,160**

Balance sheet (INR mn)

March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Paid-up capital	696	719	719	719	719	719	719	719
Reserves & surplus	32,695	45,306	55,514	61,255	68,635	80,789	96,564	1,16,197
Net worth	34,697	48,024	59,030	65,313	73,205	85,788	1,02,014	1,22,121
Borrowing	53,746	41,598	40,681	43,324	53,326	52,652	50,405	48,161
Other non-current liabilities	8,018	8,512	11,512	10,811	4,792	4,920	5,051	5,140
Total liabilities	**1,13,383**	**1,14,167**	**1,32,693**	**1,44,278**	**1,67,531**	**1,84,321**	**2,02,831**	**2,26,919**
Gross fixed assets	98,760	92,372	1,07,779	1,14,873	1,31,810	1,46,331	1,63,834	1,81,536
Less: Depreciation	-27,960	-28,395	-34,269	-39,574	-45,328	-52,645	-60,509	-69,222
Net fixed assets	70,800	63,977	73,510	75,299	86,482	93,686	1,03,325	1,12,314
Add: Capital WIP	2,356	2,339	455	6,099	8,728	10,281	8,281	8,281
Total fixed assets	73,156	66,316	73,965	81,398	95,210	1,03,967	1,11,606	1,20,595
Total Investment	4,400	13,480	8,208	5,777	9,895	10,010	10,010	10,011
Inventory	7,378	2,495	4,319	3,901	4,598	4,906	5,695	6,602
Debtors	10,272	13,311	17,647	22,342	25,149	28,210	31,325	35,485
Cash & bank	4,668	7,244	9,240	7,758	9,338	12,858	18,042	27,053
Loans & advances	301	232	121	140	115	133	144	157
Current liabilities	16,922	16,033	21,470	24,830	36,208	40,961	45,360	51,497
Total current assets	28,288	28,055	37,974	43,500	48,548	56,821	67,620	82,546
Net current assets	11,365	12,022	16,504	18,670	12,340	15,860	22,260	31,048
Other non-current assets	4,078	2,563	3,147	3,745	3,755	3,400	3,471	3,645
Total assets	**1,13,384**	**1,14,167**	**1,32,693**	**1,44,278**	**1,67,531**	**1,84,321**	**2,02,831**	**2,26,919**

Source: Company, HSIE Research

Cash flow (INR mn)

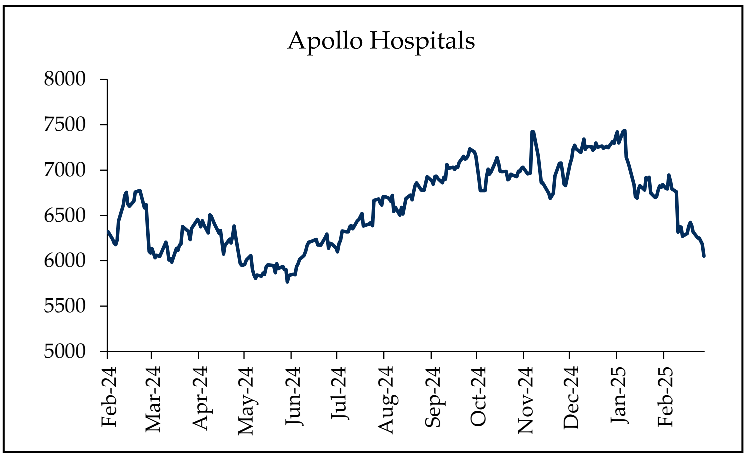
March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
Profit before tax	6,601	2,207	15,781	11,437	13,625	21,047	27,432	34,234
Depreciation & Amortisation	-6,197	-5,731	-6,007	-6,154	-6,750	-7,317	-7,864	-8,714
Chg in working capital	-703	-720	-3,594	-4,500	-1,928	483	-1,156	138
CF from operations	**12,929**	**12,647**	**16,960**	**13,767**	**19,202**	**25,876**	**28,757**	**35,250**
Capital expenditure	-5,130	-2,995	-7,582	-11,784	-11,405	-14,521	-17,503	-17,703
CF from investing	**-2,888**	**-8,634**	**-8,472**	**-8,706**	**-15,372**	**-12,967**	**-19,502**	**-17,702**
Equity raised/ (repaid)	0	11,520	0	45	25	0	0	0
Debt raised/ (repaid)	-1,860	-9,858	-4,931	-1,283	2,246	-7,926	-2,753	-2,756
Dividend paid	-1,555	-381	-437	-2,552	-2,157	-2,962	-3,867	-4,832
CF from financing	**-9,095**	**-3,402**	**-7,916**	**-6,330**	**-3,111**	**-15,363**	**-10,401**	**-10,959**
Net chg in cash	945	611	572	-1,269	719	-2,455	-1,146	6,589

Key ratios

March	FY20	FY21	FY22	FY23	FY24	FY25E	FY26E	FY27E
OPERATIONAL								
FDEPS (Rs)	22.5	7.9	65.3	46.8	63.0	103.0	134.5	168.0
CEPS (Rs)	74.7	50.3	115.2	99.8	109.4	153.9	189.2	228.6
DPS (Rs)	10.8	2.6	3.0	17.7	15.0	20.6	26.9	33.6
Dividend payout ratio (%)	34.2	25.3	4.1	31.2	24.0	20.0	20.0	20.0
GROWTH								
Net sales (%)	16.2	(6.1)	38.9	13.1	14.7	17.0	16.1	15.9
EBITDA (%)	49.2	(28.3)	92.1	(6.2)	16.6	29.9	20.4	19.1
Adj net profit (%)	37.4	(65.1)	730.9	(28.4)	34.6	63.6	30.6	24.9
FDEPS (%)	37.4	(65.1)	730.9	(28.4)	34.6	63.6	30.6	24.9
PERFORMANCE								
RoE (%)	9.7	2.8	18.4	11.4	13.8	19.6	21.6	22.6
RoCE (%)	10.3	6.3	15.9	13.2	14.5	18.6	20.8	22.6
EFFICIENCY								
Asset turnover (x)	1.4	1.1	1.5	1.5	1.5	1.6	1.7	1.7
Sales/ total assets (x)	1.1	0.9	1.2	1.2	1.2	1.3	1.3	1.4
Working capital/ sales (x)	0.1	0.1	0.0	0.1	0.0	0.0	0.0	0.0
Receivable days	34	46	44	50	49	47	45	44
Inventory days	28	10	13	10	10	9	9	10
Payable days	34	45	48	48	52	52	52	54
FINANCIAL STABILITY								
Total debt/ equity (x)	1.5	1.0	0.8	0.7	0.8	0.7	0.5	0.4
Net debt/ equity (x)	1.4	0.6	0.5	0.5	0.5	0.4	0.3	0.1
Current ratio (x)	1.7	1.7	1.8	1.8	1.3	1.4	1.5	1.6
Interest cover (x)	1.8	1.3	4.2	3.8	3.8	5.3	7.8	10.6
VALUATION								
PE (x)	273.9	785.8	94.6	132.1	98.1	60.0	45.9	36.8
EV/ EBITDA (x)	59.1	80.4	42.0	45.1	38.9	29.8	24.6	20.4
EV/ Net sales (x)	8.4	8.7	6.3	5.6	4.9	4.2	3.6	3.1
PB (x)	26.6	19.3	15.8	14.3	12.8	10.9	9.1	7.6
Dividend yield (%)	0.2	0.0	0.0	0.3	0.2	0.3	0.4	0.5
Free cash flow yield (%)	0.9	1.1	1.1	0.2	0.9	1.3	1.3	2.0

Source: Company, HSIE Research

Price Movement



Rating Criteria

BUY:	>+15% return potential
ADD:	+5% to +15% return potential
REDUCE:	-10% to +5% return potential
SELL:	> 10% Downside return potential

Disclosure:

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