



MINDPOWER SOLUTIONS

JANUARY

2012

India Medical Tourism Industry Outlook to 2015

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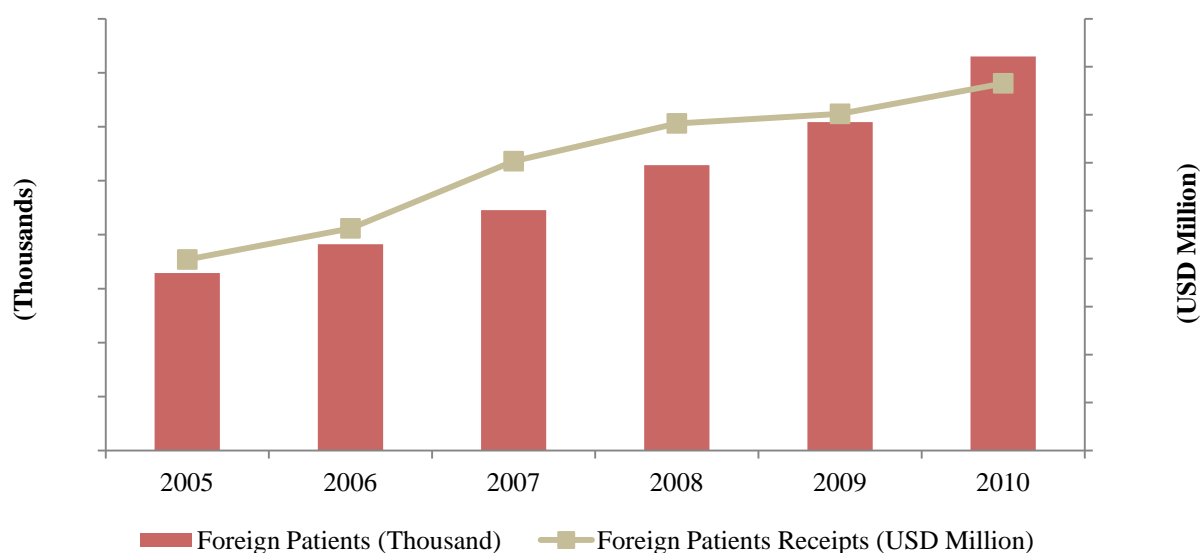
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MEDICAL TOURISM IN INDIA

TOTAL FOREIGN PATIENTS TREATED AND FOREIGN PATIENTS REVENUE IN INDIA, 2005-2010

In 2010, ~ thousand foreign patients visited India. The country faces stiff competition from Singapore and Malaysia. There are increasing number of inflow of patients from the US and many European countries. India is also receiving reasonable amount of patients from countries in Western Asia...

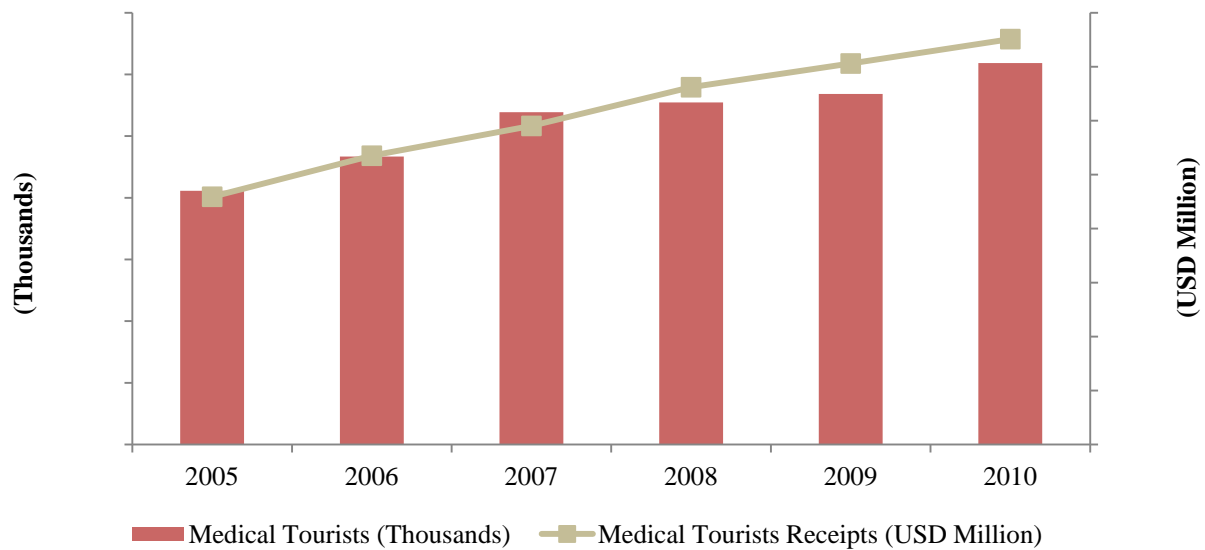
Figure: Number of Total Foreign Patients in Thousands and Foreign Patients Revenue in India in USD Million, 2005-2010



NUMBER OF MEDICAL TOURISTS ARRIVALS AND MEDICAL TOURIST RECEIPTS IN INDIA, 2005-2010

The medical tourists' arrivals are increasing in the country at a CAGR of ~% from 2005 to 2010. The country has recorded an influx of ~ thousand medical tourists in 2005 which inclined to ~ thousand in 2007. The country has various medical centers in different locations such as Delhi, Mumbai, Chennai, Bangalore and others which offer high class medical services. The country is famous for low cost medical treatment for heart, dental and cosmetic surgery. Total medical tourist arrivals were registered at ~ thousand in 2010...

Figure: Number of Total Medical Tourists in Thousands and Medical Tourists Receipts in USD Million, 2005-2010



MEDICAL TOURISM TREATMENT COST COMPARISON, 2010

There is huge difference in the cost of the treatment being offered in the US and in Asian countries. For instance, Angioplasty treatment will cost USD ~ in the US while it will cost USD ~ in India and Malaysia, USD ~ in Thailand and USD ~ in Singapore. This huge difference in the cost is largely due to the lower labour cost in the countries in Asia region. Even in case of medical diagnostic tests such as MRI scan, there exists a huge gap between the cost charged in the US and in India.

Table: Medical Treatment Cost Comparison among the US, India, Thailand, Singapore, Malaysia, Mexico and the UK, in USD, 2010

Procedure ^{1,2}	The US	India	Thailand	Singapore	Malaysia	Mexico	South Korea
Heart bypass (CABG)							
Heart Valve replacement							
Angioplasty							
Hip replacement							

Knee replacement							
Gastric bypass							
Hip resurfacing							
Spinal fusion							
Mastectomy							
Rhinoplasty							
Tummy Tuck							
Breast reduction							
Breast implants							
Crown							
Tooth whitening							
Dental implants							

Notes:

1. Costs of surgeries around the world. Costs given in USD

2. The price comparisons for surgery take into account hospital and doctor charges, but do not include the costs of flights and hotel bills for the expected length of stay.

MARKET SHARE OF MAJOR INDIAN HOSPITALS BY NUMBER OF FOREIGN PATIENTS TREATED, 2010

Indian medical tourism is a concentrated market with major ~ hospitals serving ~% of the total medical tourist arrivals in India in 2010. Apollo Hospitals, the second largest hospital network in India is the market leader in terms of serving medical tourists. The group served about ~ medical tourists in 2010 contributing the share of ~% to the total medical tourists' arrivals in India.

“ Indian medical tourism is a concentrated market with major ~ hospitals serving ~% of the total medical tourist arrivals in India in 2010 ”

The company operates a network of ~ hospitals and medical centres with ~ inpatients complement beds. Max Healthcare is the second largest hospital group with ~% market share serving around ~ medical tourists

in 2010 through ~ hospitals and medical centres and ~ complement beds.

Table: Key Performance Indicators of Major Indian Hospitals in Terms of Medical Tourists Treated, No. of Hospitals and Beds, 2010

Hospital Chain/Group	Medical Tourists ⁷	Number of Hospitals	Number of Beds
Apollo Hospitals ¹			
Max Healthcare ⁶			
Fortis Healthcare ²			
Manipal Hospitals ⁴			
Care Hospitals ³			
Sterling Hospitals ⁵			
Others			

Source: Company Reports, AM Mindpower Solutions

(1) Company MIS reports; Figures as of March 31, 2011.

(2) Fortis investor presentation as of September 2011

(3) Care Hospitals Management; Information retrieved on December 08, 2011.

(4) Manipal Hospitals website; Information retrieved on December 08, 2011.

(5) Sterling Hospitals website; Information retrieved on December 08, 2011.

(6) Max India investor presentation as of June, 2011

(7) Both Inpatients and Outpatients

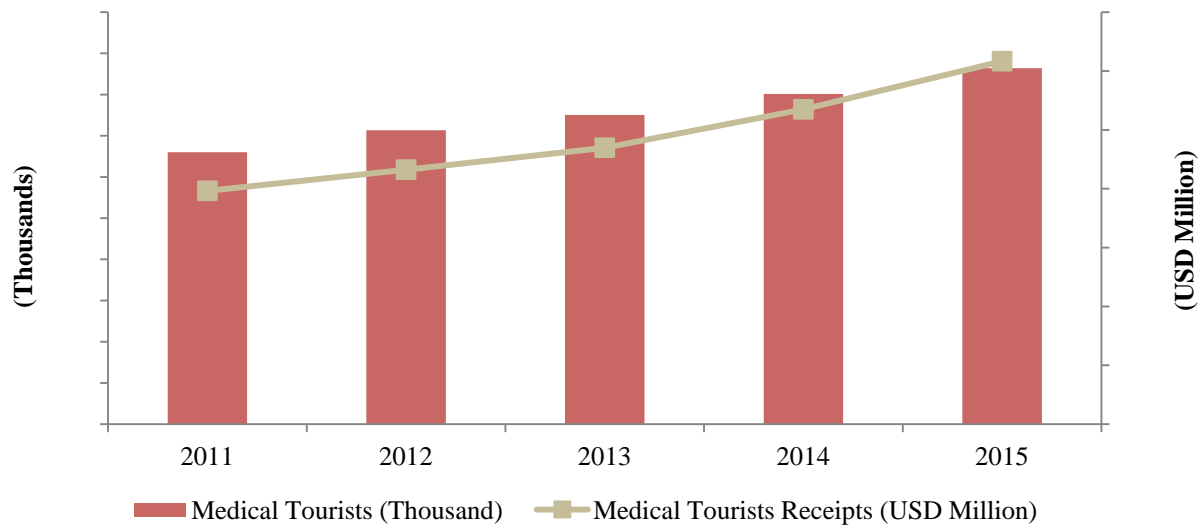
INDIA MEDICAL TOURISM FUTURE OUTLOOK AND PROJECTIONS

EXPECTED MEDICAL TOURIST ARRIVALS AND MEDICAL TOURIST RECEIPTS, 2011-2015

India medical tourism has compelling potential with streamlined value chain and service network of government, state tourism boards, travel agents, tour operators, hotel groups and private sector hospitals. Indian medical tourism industry is estimated to reach to USD ~ million by 2014 and to USD ~ million by 2015 by growing at an expected CAGR of ~% from 2010 to 2015. This growth will largely be due to an increase in the inflow of medical tourists

in the country from the US, Middle East, South Asia, West Asia and Africa. It is estimated that overall ~ thousand medical tourists will visit the country in 2011 and will grow to ~ thousand by 2013. By 2015, increased medical tourists will visit India for the complete package of leisure, relaxation and inexpensive medical treatment...

Figure: Expected Medical Tourists in Thousands and Medical Tourists Receipts in India in USD Million, 2011-2015



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