

FORTIS Q3FY16 CONSOLIDATED INDIA REVENUES AT RS 1029 Cr

*CONSOLIDATED INDIA EBITDAC AT RS 161 CR, 15.7% MARGIN, EBITDA GROWS 25% TO RS 48 CR
YTD DEC 2015 (9 MONTHS FY16) CONSOLIDATED INDIA REVENUES AT RS 3144 CR
CONSOLIDATED INDIA EBITDAC AT RS 518 CR, 16.5% MARGINS VS 15.1% IN CORR. PERIOD
EBITDA GROWS 63% TO RS 174 CR
BOARD APPROVES THE PROPOSED ACQUISITION OF 51% ECONOMIC INTEREST IN FORTIS
HOSPOTEL LIMITED (FHTL), AN RHT SUBSIDIARY*

Mumbai, February 4, 2016: Fortis Healthcare Ltd. (Fortis), India's leading healthcare delivery Company, today, announced its consolidated results for the quarter ended December 31, 2015 (Q3FY16)

The Board of Directors at its meeting today also approved the acquisition of a 51% economic interest in Fortis Hospotel Limited (FHTL), a subsidiary of the Religare Health Trust comprising the Fortis Shalimar Bagh, New Delhi and the Fortis Memorial Research Institute (FMRI), Gurgaon Clinical establishments. A separate Press Release outlining the details and key highlights of the aforesaid transaction is being released along with this Press Release.

India Business - Key Highlights for the Quarter (Q3FY16)

Consolidated India Business Revenues were at Rs 1,029 Cr versus Rs 971 Cr in the corresponding quarter, last year. Operating EBITDAC (EBITDA before net business trust costs) was at Rs 161 Cr, representing a 15.7% margin versus a 15.6% margin in the corresponding previous quarter.

Consolidated operating EBITDA (post net BT fees) was at Rs 48 Cr, +25% growth over Q3 FY15.

India hospital business revenues were at Rs 850 Cr as compared to Rs 792 Cr in the corresponding previous quarter, a growth of 7%. Operating EBITDAC was at Rs 122 representing a margin of 14.3%.

The India diagnostics business recorded strong operating margins of 21.9% at Rs 39 Cr, a growth of 21% over the corresponding quarter. This compares favorably with the 18.2% margin in the corresponding previous quarter. Net revenues stood at Rs 180 Cr versus Rs 179 Cr in the corresponding previous quarter.

*EBITDAC refers to EBITDA before net business trust costs

India Business - Key Highlights for YTD Dec 2015 (9 MONTHS FY16)

Consolidated India Business Revenues were at Rs 3,144 Cr versus Rs 2,912 Cr in the corresponding period, last year. Operating EBITDAC (EBITDA before net business trust costs) was at Rs 518 Cr, representing a 16.5% margin versus a 15.1% margin in the corresponding previous period.

Consolidated operating EBITDA (post net BT fees) was at Rs 174 Cr, +63% growth over YTD Dec 2014.

India hospital business revenues were at Rs 2,571 Cr as compared to Rs 2,375 Cr in the corresponding previous period, a growth of 8.3%. Operating EBITDAC was at Rs 377 Cr representing a margin of 14.7% versus a margin of 14% in the corresponding previous period.

The India diagnostics business witnessed robust operating margins of 24.6% at Rs 141 Cr, a growth of 31% over the corresponding previous period. This compares favorably with the 19.9% margin in the corresponding previous period. Net revenues stood at Rs 572 Cr versus Rs 537 Cr in the corresponding previous period.

*EBITDAC refers to EBITDA before net business trust costs

Reported Group Financial Highlights for Q3FY16 & YTD DEC 2015 (9 MONTHS FY16)

The reported results for Q3FY16 and 9 MONTHS FY16 are not comparable to the corresponding previous period due to progressive divestments of the Company's international businesses namely RadLink Asia, Singapore and Fortis Surgical Hospital Singapore which were a part of the Company's business in the corresponding previous periods.

Consolidated Group Revenues for Q3FY16 were at Rs 1041 Cr versus Rs 1025 Cr in the previous quarter.

Consolidated Profit after Tax and after Minority Interest and share in associates (PATMI) stood at a negative Rs (55) Cr versus a negative Rs (22) Cr in Q3FY15.

Consolidated Group Revenues for YTD DEC 2015 were at Rs 3,188 Cr versus Rs 3,076 Cr in the previous period.

Consolidated Profit after Tax and after Minority Interest and share in associates (PATMI) stood at Rs 66 Cr versus a loss of Rs 126 Cr in the corresponding previous period.

Commenting on the results, Mr Bhavdeep Singh, CEO, Fortis Healthcare, said, “ ”We are witnessing continued traction in our operations with significant gains in network bed occupancy, revenue and EBITDA margins alongside improvements in efficiency. I believe, we will get stronger and better in the coming quarters as we further synergize and accelerate our efforts through the network on multiple fronts with a sharp focus on clinical excellence and patient experience.”

The Company continued to maintain a healthy Balance Sheet with net debt of the Company as on 31 December 2015 at Rs 708 Cr representing a net debt to equity ratio of 0.15x (as compared to 0.27x as on 31 December 2014). 3

Key Highlights during the quarter - Hospital Business

The Average Revenue Per Occupied Bed (ARPOB) for the hospital business during the quarter stood at Rs 1.38 Cr an increase of 5% over the corresponding quarter. The Average Length Of Stay (ALOS) improved to 3.55 days from 3.58 days while the occupancy during the quarter witnessed an increase to 72% versus 70% in the corresponding previous quarter.

The Fortis Memorial Research Institute (FMRI), Gurgaon, recorded its highest ever ARPOB and the highest in the entire network of Fortis hospitals with an ARPOB of Rs 2.51 Cr in the quarter. FMRI recorded revenues of Rs 104 Cr in the quarter a growth of 14%.

FMRI during the quarter commissioned the Da Vinci XI System, an advanced robotic surgical technology for performing minimally invasive surgery allowing surgeons to operate with pin point accuracy and providing patients with a number of benefits include reduced blood loss, fewer complications and a shorter hospital stay.

The Company; in line with its core values of patient centricity became the first private healthcare chain in India to commence monitoring of its clinical outcomes starting with its cardiac clinical outcomes at the Fortis Escorts Heart Institute (FEHI). It plans to gradually expand coverage of this to other specialties in the future.

Ludhiana, the facility launched in 2014, also witnessed an encouraging momentum with revenues for the quarter seeing a 37% growth.

Clinical Excellence

During the quarter, Fortis continued to demonstrate clinical excellence across specialties and facilities. Our Fortis Organ Transplant (FORT) programme at multiple hospitals across the country is gaining wider acceptance with the gradual recognition in society that an act of organ donation is amongst the noblest of contributions that can be made by an individual in alleviating human suffering. At Fortis Malar, Chennai we have already performed over 70 heart transplants making this the most advanced and extensive heart transplant programme not only in the country but in all of Asia. Similarly, Kidney, Liver transplantations continue to grow through our network providing relief to thousands of people in the country who have exhausted other options of living with dignity.

In a rare case of multiple transplants three of the four major organs – including the heart, liver and a kidney – retrieved from a deceased donor at Fortis Memorial Research Institute (FMRI), Gurgaon, were transplanted into recipients at the same facility. The other kidney was transplanted in a deserving patient at the Army Research & Referral (R&R) Hospital, New Delhi.

Complex surgeries continue to be performed everyday through our network and provide a renewed hope of life to many adults and children including neonates, as was the case with the month old baby who underwent a successful open heart surgery for multiple defects that included a transposition of great arteries (TGA), a ventricular septal defect (VSD) and a patent ductus arteriosus (PDA). Such surgeries require medical skills of the highest order. 4

We at Fortis continue to invest in the latest equipment and technologies to back our desire that our hospitals and doctors remain at the cutting edge of medicine. The FMRI, Gurgaon, acquired a Da Vinci Xi advanced robotic ideal for precision, minimally invasive surgeries. The system allows surgeons to operate with pinpoint accuracy, causing very little damage to surrounding tissues, with a number of benefits to patients including reduced blood loss, fewer complications and a shorter hospital stay.

In yet another significant display of humanitarian service from the heart, our doctors in Chennai, set a shining example of commitment. They braved heavy unprecedented rains, and huge traffic snarls to perform a heart transplant, in-spite of the prevailing chaos and saved a valuable life.

Indeed, there are many such heart-warming stories as we go about our daily routine living up to our motto of "Saving and Enriching Lives".

Key Highlights during the quarter - Diagnostics Business

The lab medicine .i.e. the pathology business contributed 87% to total revenues and grew 13% over the previous quarter. The contribution of the imaging business to total revenues declined to 7% during the quarter from 14% in the corresponding previous quarter, primarily due to network rationalization. Clinical Trial, Wellness and the International segment revenues contributed 6% to overall revenues.

SRL performed over 3.50 million accessions in the quarter in both the Pathology and Radiology segments.

SRL continued to grow its laboratory and collection centre network; adding 24 new laboratories and 45 collection centers while rationalising its portfolio with the closure of 2 laboratories and 38 collection centers respectively

As of December 31, 2015, SRL had a network of 306 labs and approx. 7,000 collection points.

Awards & Recognitions – Q3

Fortis continued to be feted internationally for its outstanding contributions.

In a Fortis Led research project, named TUXEDO India, our team clearly demonstrated the efficacy of Everolimus eluting stents over Paclitaxel eluting stents in Diabetics, putting to rest a decade old controversy on their comparative superiority. The success of the trials has placed India and Fortis firmly on the global map for clinical research.

On yet another important parameters of patient safety, Fortis Hospital, Mulund, Mumbai, was declared the winner from India in the Anaesthesia & Surgical Safety category, at the 5th International Patient Safety Congress, 2015, underscoring its continued commitment to safe surgical checklists for patient safety and high standards of service excellence.

--

About Fortis Healthcare Limited:

Fortis Healthcare Limited is a leading integrated healthcare delivery service provider in India. The healthcare verticals of the company primarily comprise hospitals, diagnostics and day care specialty facilities. Currently, the company operates its healthcare delivery services in India, Dubai, Mauritius and

Sri Lanka with 54 healthcare facilities (including projects under development), approximately 10,000 potential beds and 306 diagnostic centres.

For more information, please contact:

Fortis Healthcare:

Priya Bendre - 77385 70894

priya.bendre@fortishealthcare.com