PRESS RELEASE

FORTIS POSTS STRONG OPERATING PERFORMANCE IN Q1FY2013
GLOBAL REVENUE AT RS 1,409 CR, UP 191%
GLOBAL OPERATING EBITDA AT RS 180 CR, UP 182%
INDIA AND INTERNATIONAL OPERATIONS CONTRIBUTE TO ROBUST GROWTH

Gurgaon, Haryana, August 14, 2012: Fortis Healthcare Ltd. (Fortis Healthcare), amongst the fastest growing integrated healthcare delivery companies in the Asia-Pacific region, today, announced its consolidated results for the quarter ended June 30, 2012. The company posted a threefold increase in revenue and operating EBITDA as compared to Q1FY12.

Key Financial Highlights for the quarter (Q1 FY2013)

- Consolidated Global Revenues stood at Rs 1,409 Cr compared to Rs 485 Cr in the corresponding quarter of last year, a growth of 191%.
- Consolidated Operating EBITDA stood at Rs 180 Cr compared to Rs 64 Cr in Q1FY12, an increase of 182%.
- Consolidated operating EBITDA margins expanded 30 bps to 12.8% from 12.5% in Q4 FY12.
- India Business contributed 47.5% to consolidated revenues and recorded a strong growth of 38%. Operating EBITDA for the India business stood at Rs 88 Cr, a margin of 13.2% compared to 13.1% in Q1 FY12.
- India hospital business posted a 26% revenue growth to Rs 532 Cr and expanded its EBITDA margin to 13.1% compared to 12.9% in Q1 FY12.
- The India diagnostics business posted a strong operating performance with EBITDA margins improving to 13.9% compared to 7% in Q4 FY12
- Revenues in the India diagnostics business increased 119% to Rs 137 Cr compared to Q1 FY12.
- All international entities register a robust operational performance. International business contributed 52.5% to consolidated revenues and stood at Rs 741 Cr. This compares to Rs 637 Cr reported in Q4 FY12.
- Operating EBITDA for the International business stood at Rs 92 Cr, a growth of 17% representing an EBITDA margin of 12.4% against 12.3% in Q4 FY12.
- PAT at Rs (60) Cr – due to higher Interest cost and adverse currency fluctuations.

The Company concluded its PE investment transaction in SRL with NYLIM Jacob Ballas India Fund III LLC, Mauritius ("NJBIF") and International Finance Corporation ("IFC") investing Rs 250 Cr and Rs 120 Cr respectively in the form of Compulsorily Convertible Preference Shares ("CCPS"). The proceeds received at the end of the quarter have been primarily used for reducing the Company's debt position.

Commenting on the strong operational results, Mr Vishal Bali, Group CEO, Fortis Healthcare Ltd, said, "Our strong operating performance both in India and across International assets reflects the strength of our businesses and the growth potential across all our markets. We have added management depth and bandwidth, expanded clinical acumen and strengthened each of our assets to deliver better performance".

During the Quarter, Fortis Healthcare commissioned a key super speciality Hospital in Singapore. The Fortis Colorectal Hospital (FCH) which was formally inaugurated on 31st July, 2012 is the first and only one of its kind in South East Asia specializing in the treatment of colorectal diseases. It is also the first green-field hospital of an India based healthcare organisation, overseas. The hospital is at the leading edge of colorectal surgery with outstanding clinical talent and deploys the latest in medical technology.

All activities leading to the commissioning of our new flagship hospital in Gurgaon, India, The Fortis Memorial Research Institute (FMRI), are underway and reaching completion. The hospital will be opened in this quarter. It will have a speciality focus on Oncology, Trauma, Paediatrics, Mother & Child care, Gastroenterology, Neuro-sciences and Renal care and is designed to offer the best medical care with international protocols.

Both these state-of the art hospitals go towards raising the bar for healthcare delivery services in the region, moving up the value chain, to quaternary care.

The Company continues to explore innovative and cost effective asset light business models to reduce its cost of funds and to capitalize on opportunities in healthcare delivery.

India Business Highlights

The Company continued its robust growth momentum in the India business, recording revenues of Rs 669 Cr in Q1, FY 2013, an increase of 38% over the corresponding quarter in the previous year. The operating EBITDA margin has also improved to 13.2% against 13.1% in Q1 FY12.

India Hospital Business

- Operating revenue from the hospital business was at Rs 532 Cr, representing a robust growth of 26% over the corresponding quarter last year. Operating EBITDA for the quarter stood at Rs 69 Cr, a growth of 28% and a margin of 13.1%, an expansion of 20 basis points over the corresponding quarter. However, excluding the initial start-up costs of the newly commissioned hospitals and ventures, the operating EBIDTA margins were at 15.1% against 14.1% in Q1 FY 12.

- On a Consolidated basis, revenue from Cardiac sciences (which represents 36% of the revenue) grew by 17% over the corresponding quarter, last year. Similarly, revenue from Orthopaedics, Neurosciences, Renal sciences, Pulmonology, Oncology and other Multi-Specialities grew by 24%, 21%, 25%, 39%, 16% and 17% respectively.

- A total of 15,908 cardiac procedures were performed during the quarter across the Fortis Network hospitals. This included 1,821 joint replacements (1,664 TKR and 157 THR), a growth of 20% compared to the corresponding quarter. The total number of orthopaedic procedures stood at 4,055, a growth of 15%.

- The Company's diagnostics business recorded revenues of Rs 137 Cr, a growth of 119% over the corresponding quarter. The two major business verticals viz Pathology and Radiology contributed 77% and 18% to overall diagnostic revenues and grew 28% and 11% respectively over the corresponding quarter. The Company further expanded its service offerings by adding 16 new tests to its portfolio. Its Mumbai, Gurgaon and Dubai reference labs also received their CAP re-accreditations.

International Business Highlights

The Company's international business recorded revenues of Rs 741 Cr for Q1 FY13, an increase of 16% over the trailing quarter. Operating EBITDA for the quarter stood at Rs 92 Cr, a growth of 17% and representing a margin of 12.4% compared to 12.3% in Q4 FY12. However, excluding the initial start-up expenses of the new Fortis Colorectal Hospital in Singapore, operating EBIDTA margin stood at 13.2%.

Key Entity Performance

- **Dental Corporation, Australia** recorded net revenues of Rs 416 Cr for the quarter with an EBITDA margin of 18.4%. This compares favourably to revenues of Rs 359 Cr in Q4 FY 12 with an EBITDA margin of 17.5%. Dental Corporation currently has 178 practices with approx.550 principal and associated dentists.

- **Quality Healthcare (QH), Hong Kong** recorded revenues of Rs 230 Cr with an EBITDA margin of 10.3% in June 2012. All key divisions of the Company including the western medicine division, the diagnostic and imaging division and the dental verticals have performed well vis-a-vis the corresponding quarter. The Company also participated in the tender process called by the Government of the Hong Kong Special Administrative Region for the development and operation of two hospitals.

- **RadLink-Asia, Singapore**, the largest private outpatient Diagnostic and molecular imaging chain in Singapore with seven diagnostic and molecular imaging centres and five GP clinics, recorded revenues of Rs 31 Cr as compared to revenues of Rs 29 Cr in Q4 FY12. EBITDA margins stood at 23.4%. During the quarter, RadLink successfully contracted outsourcing work from prominent and large public and private hospitals in Singapore.

- **<u>Fortis Colorectal Hospital Singapore,</u>** the company's super speciality hospital for colorectal diseases witnessed a soft launch during the quarter and was formally inaugurated on 31st July, 2012. The Hospital's focus on colorectal diseases allows it to offer patients the latest treatments that have been developed specifically to correct colorectal disorders. The hospital has witnessed an encouraging start in the first two weeks of its operations.

- **<u>Fortis Hoan My, Vietnam,</u>** one of the largest hospital chains in Vietnam with 4 clinics, 5 hospitals and approx.800 beds, registered revenues of Rs 60 Cr during the quarter as compared to Rs 43 Cr in Q4 FY12. The EBITDA margin for the quarter stood at 21.5% compared to 19.5% in Q4FY12.

About Fortis Healthcare Limited

Fortis Healthcare Limited is a leading, integrated healthcare delivery provider in the Pan Asia-Pacific region. The healthcare verticals of the company span diagnostics, primary care, day care speciality and hospitals, with an asset base in 10 countries, many of which represent the fastest-growing healthcare delivery markets in the world. Currently, the company operates its healthcare delivery network in Australia, Canada, Dubai, Hong Kong, India, Mauritius, New Zealand, Singapore, Sri Lanka and Vietnam with 75 hospitals, over 12,000 beds, over 600 primary care centres, 191 day care speciality centres, over 230 diagnostic centres and a talent pool of over 23,000 people. Fortis Healthcare is driven by the vision of becoming a global leader in the integrated healthcare delivery space and the larger purpose of saving and enriching lives through clinical excellence.

For further details please contact:

Raghu Kochar / Ruhee Dhar
Fortis Healthcare Ltd
9811617256 / 9818102377

Anurag Kalra / Gaurav Chugh
Fortis Healthcare Ltd
9810109253 / 9958588900