Fortis Healthcare Limited
Corporate Office:
Tower A, Unitech Business Park,
Block- F, South City 1, Sector-41,
Gurgaon, Haryana - 122 001 (India)
Tel : +91 124 4921 021
Fax : +91 124 4921 041
E-mail : secretarial@fortishealthcare.com
Website : www.fortishealthcare.com

STEX/RR/2014-15
August 7, 2014

The National Stock Exchange of India Ltd.
Corporate Communications Department
"Exchange Plaza", 5th Floor,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051
Scrip Symbol: FORTIS

BSE Limited
Corporate Services Department
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Scrip Code:532843

Sub: Outcome of Board Meeting

Dear Sirs,

This is to inform you that the Board of Directors of the Company at its meeting held today, inter-alia, considered and approved the following:-

1) 'Unaudited Consolidated and Standalone Financial Results of the Company for the quarter ended June 30, 2014;

2) In-principle approval to enable the Company for raising of funds upto USD 500 Million subject to the approval of shareholders and other regulatory compliances;

3) Closure of Register of Members and Share Transfer Books of the Company from Monday, September 22, 2014 to Wednesday, September 24, 2014 (both days inclusive); and

4) Convening of 18th Annual General Meeting of the Company on Wednesday, September 24, 2014 at 11.30 A.M. at PHD Chamber of Commerce and Industry, PHD House, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016.

Please find enclosed 'Un-audited Consolidated and Standalone Financial Results' of the Company and 'Limited Review Report' thereon for the quarter ended June 30, 2014.

A copy of the Press release being issued in this regard is also enclosed.

This is for your information and records please.

Thanking you,

Yours faithfully,
For Fortis Healthcare Limited

Fortis Healthcare Limited New Delhi

Rahul Ranjan
Company Secretary

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

Limited Review Report

Review Report to
The Board of Directors
Fortis Healthcare Limited

1. We have reviewed the accompanying statement of unaudited financial results of Fortis Healthcare Limited ('the Company') for the quarter ended June 30, 2014 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S.R. Batliboi & Co. LLP**
ICAI Firm registration number: 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership Number: 017401

S.R. BATLIBOI & CO. LLP * GURGAON *

Place: Gurgaon
Date: August 7, 2014

S.R. BATLIBOI & CO. LLP
Chartered Accountants

Golf View Corporate Tower-B
Sector-42, Sector Road
Gurgaon-122 002, Haryana, India
Tel : +91 124 464 4000
Fax : +91 124 464 4050

Limited Review Report

Review Report to
The Board of Directors
Fortis Healthcare Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Fortis Group comprising Fortis Healthcare Limited ('the Company'), its subsidiaries, joint ventures and associates (together, 'the Fortis Group'), for the quarter ended June 30, 2014 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. a) We did not review the financial results of certain overseas subsidiaries whose financial results, prepared under Singapore Financial Reporting Standards ('SFRS'), in the aggregate, reflect total assets of Rs. 120,658.62 lacs as at June 30, 2014 and total revenues of Rs. 5,693.41 lacs for the quarter then ended. The financial results of these subsidiaries have prepared in accordance with SFRS and have been reviewed by other auditors who have submitted their review conclusions, prepared under generally accepted auditing standards of their respective countries, to the management of the respective companies, copies of which have been provided to us by the Company. We also did not review the financial results of certain overseas subsidiaries whose financial results, prepared under International Financial Reporting Standards ('IFRS'), in the aggregate, reflect total assets of Rs. 81,787.98 lacs as at June 30, 2014 and total revenues of Rs. 192.92 lacs for the quarter then ended. The financial results of these subsidiaries have been prepared by the management, and our conclusion is based solely on the management certified accounts. Further, we did not review the financial results of certain overseas associates whose financial information, prepared under IFRS, in the aggregate reflect net profits of Rs. 54.54 lacs, being the proportionate share of Fortis group, for the quarter ended June 30, 2014. The financial results of these associates have been prepared by the management, and our conclusion is based solely on the management certified accounts. The management of the Company has converted these financial results of the Company's subsidiaries and associates to accounting principles generally accepted in India, for the purpose of preparation of the Company's consolidated financial results under accounting principles generally accepted in India. Our conclusion, thus insofar it relates to amounts included in respect of these subsidiaries and associates, is based solely on the reports of other auditors or management certified accounts under the accounting policies generally accepted in respective countries and our review of the conversion process followed by the management on a test basis. Our conclusion is not qualified in respect of this matter.

b) We did not review the financial results of certain subsidiaries, whose financial results prepared under the generally accepted accounting principles accepted in India, reflect total assets of Rs. 131,635.00 lacs as at June 30, 2014 and total revenues of Rs. 5,609.93 lacs for the quarter then ended. These financial results have been reviewed by other auditors whose reports have been furnished to us, and our conclusion is based solely on the report of other auditors. We also did not review the financial results of certain subsidiaries, whose financial results prepared under the generally accepted accounting principles accepted in India, reflects total assets of Rs. 119,678.51 lacs as at June 30, 2014 and total revenues of Rs. 1,387.01 lacs for the quarter then ended. These financial results have been prepared by the management, and our

conclusion is based solely on the management certified accounts. Our conclusion is not qualified in respect of this matter.

c) We did not review the financial results of certain joint ventures, whose financial results reflect total assets of Rs. 2,721.04 lacs as at June 30, 2014 and total revenues of Rs. 1,014.22 lacs, being the proportionate share of Fortis Group, for the quarter then ended. These financial results has been prepared by the management, and our conclusion is based solely on the management certified accounts. Our conclusion is not qualified in respect of this matter.

d) We did not review the financial results of certain associates, whose financial results reflect net profit of Rs. 54.54 lacs, being the proportionate share of Fortis Group, for the quarter ended June 30, 2014. These financial results have been prepared by the management, and our conclusion is based solely on the management certified accounts. Our conclusion is not qualified in respect of this matter.

4. Attention is drawn to note 5A(a) and 5A(b) to the financial results, regarding matters relating to tax demands against the company and termination of certain land leases allotted by DDA respectively more fully described therein. Our conclusion is not qualified in respect of the aforesaid matter.

5. Attention is drawn to note 5A(c) to the financial results, regarding non-compliance with order of Honorable High Court of Delhi in relation to provision of free treatment/beds to poor more fully described therein. Basis legal conclusion obtained by the company, no adjustments are considered necessary in these financial results. Our conclusion is not qualified in respect of the aforesaid matter.

6. Attention is drawn to note 5B to the financial results, relating to the order of Navi Mumbai Municipal Corporation (NMMC) received by one of the subsidiary, concerning alleged contravention of the provisions of Bombay Nursing Home Registration (Amended) Act, 2005 and more fully described therein. Based on the advice given by the external legal counsel, no provisions/ adjustments have been considered necessary by the Company in this regard in the financial results. Our conclusion is not qualified in respect of the aforesaid matter.

7. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **S.R. Batliboi & Co. LLP**
ICAI Firm registration number: 301003E
Chartered Accountants

per Tridibes Basu
Partner
Membership Number: 017401

Place: Gurgaon
Date: August 7, 2014

FORTIS HEALTHCARE LIMITED

STATEMENT OF UNAUDITED RESULTS FOR THE QUARTER ENDED JUNE 30, 2014

(₹ In lacs)

Part I Particulars	Consolidated				Standalone			
	Quarter ended			Year ended	Quarter ended			Year ended
	30-Jun-14 (Unaudited)	31-Mar-14 (Audited) (Refer note 2)	30-Jun-13 (Unaudited)	31-Mar-14 (Audited)	30-Jun-14 (Unaudited)	31-Mar-14 (Audited) (Refer note 2)	30-Jun-13 (Unaudited)	31-Mar-14 (Audited)
1. Income from operations	100,940	92,808	150,363	470,183	14,784	9,015	9,428	35,407
2. Other operating income	1,127	1,264	1,377	5,747	328	433	387	1,483
3. Total Income	**102,067**	**94,072**	**151,740**	**475,930**	**15,112**	**9,448**	**9,815**	**36,890**
4. Expenditure								
(a) Cost of material consumed	24,623	23,022	28,547	100,784	3,984	2,596	3,091	10,833
(b) Employees benefit expenses	21,473	19,222	49,195	123,073	4,544	3,772	3,272	13,604
(c) Other expenditure	53,495	54,912	68,396	233,733	10,730	7,212	4,545	20,496
Total	**99,591**	**97,156**	**146,138**	**457,590**	**19,258**	**13,580**	**10,908**	**44,933**
5. Profit (+)/ Loss (-) from operations before other income, finance costs, depreciation and amortisation (3-4)	**2,476**	**(3,084)**	**5,602**	**18,340**	**(4,146)**	**(4,132)**	**(1,093)**	**(8,043)**
6. Other income	2,484	4,356	4,262	17,059	5,622	5,293	4,658	22,964
7. Exceptional gain/ (loss) (refer note 6)	191	-	(8,459)	35,334	265	-	-	-
8. Profit from operations before finance costs, depreciation and amortisation (5+6+7) (EBITDA)	**5,151**	**1,272**	**1,405**	**70,733**	**1,741**	**1,161**	**3,565**	**14,921**
9. Net depreciation/ impairment & amortisation expenses	6,392	5,345	6,951	24,786	899	366	449	1,700
10. Profit (+)/ Loss (-) from operations before finance costs (8-9)	**(1,241)**	**(4,073)**	**(5,546)**	**45,947**	**842**	**795**	**3,116**	**13,221**
11. Finance costs	3,901	2,764	14,811	31,633	2,058	2,057	2,217	9,078
12. Profit (+)/ Loss (-) from operations before tax (10-11) (including profit attributable to discontinuing operations, refer note 7)	**(5,142)**	**(6,837)**	**(20,357)**	**14,314**	**(1,216)**	**(1,262)**	**899**	**4,143**
13. Tax expense	436	1,140	1,583	2,650	-	(90)	145	1,744
14. Profit (+)/ Loss (-) from ordinary activities after tax (12-13)	**(5,578)**	**(7,977)**	**(21,940)**	**11,664**	**(1,216)**	**(1,172)**	**754**	**2,399**
15. Less : Minority interest in profit/ (loss)	487	(6)	283	496	-	-	-	-
16. Add : Share in profit of associate companies	1,485	240	93	1,086	-	-	-	-
17. Net profit (+)/ Loss (-) after taxes, minority interest and share of profit of associates (14-15+16)	**(4,580)**	**(7,731)**	**(22,130)**	**12,254**	**(1,216)**	**(1,172)**	**754**	**2,399**
18. Paid-up equity share capital (Face Value ₹10 per Share)	46,279	46,279	45,904	46,279	46,279	46,279	45,904	46,279
19. Reserves excluding revaluation reserves				381,956				324,679
20.Earnings per share (excluding exceptional items) :- Basic	(1.03)	(1.71)	(3.20)	(5.09)	(0.32)	(0.26)	0.18	0.53
:- Diluted	(1.03)	(1.71)	(3.20)	(5.09)	(0.32)	(0.26)	0.18	0.53
								-
Part II								
A. Particulars of Shareholding								
1. Public shareholding - No of shares	132,634,166	132,632,366	128,885,017	132,632,366	132,634,166	132,632,366	128,885,017	132,632,366
- Percentage of shareholding	28.66%	28.66%	28.08%	28.66%	28.66%	28.66%	28.08%	28.66%

Fortis Healthc... New D...

2. Promoters and promoter group shareholding								
a) Pledged/ encumbered - No of shares	272,530,150	229,777,900	222,596,300	229,777,900	272,530,150	229,777,900	222,596,300	229,777,900
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	82.55%	69.60%	67.42%	69.60%	82.55%	69.60%	67.42%	69.60%
- Percentage of shares (as a % of the total share capital of the company)	58.89%	49.65%	48.49%	49.65%	58.89%	49.65%	48.49%	49.65%
b) Non-encumbered - No of shares	57,623,798	100,376,048	107,557,648	100,376,048	57,623,798	100,376,048	107,557,648	100,376,048
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	17.45%	30.40%	32.58%	30.40%	17.45%	30.40%	32.58%	30.40%
- Percentage of shares (as a % of the total share capital of the company)	12.45%	21.69%	23.43%	21.69%	12.45%	21.69%	23.43%	21.69%

B. Investor complaints	
Pending at the beginning of the quarter	1
Received during the quarter	5
Disposed off during the quarter	6
Remaining unsolved at the end of the quarter	Nil

Notes to the results:

1. The above unaudited financial results for the quarter ended June 30, 2014 have been reviewed by the Audit, Risk & Control Committee and approved by the Board of Directors at their respective meetings held on August 06, 2014 and August 07, 2014. These unaudited financial results for the quarter ended June 30, 2014 were subjected to a limited review by the auditors of the Company.

2. The figures for the quarter ended March 31, 2014 are the balancing figures between audited figures in respect of the full financial year ended March 31, 2014 and the unaudited published year to date figures up to December 31, 2013, being the end of the third quarter of the financial year 2013-2014, which was subjected to a limited review.

3. **Segment Reporting**

Business segments:

The Group is primarily engaged in the business of healthcare services, which in the opinion of management is considered to be the only reportable business segment as per Accounting Standard 17 on 'Segment Reporting' notified under the Companies (Accounting Standards) Rules, 2006 as amended. Healthcare services include various patient care services delivered through clinical establishment, medical services companies, pathology and radiology services etc.

Geographical segments:

The group operates in the business segment explained above in two principal geographical areas, geographical segments being classified as secondary segment. In India, its home country, the group focuses largely on healthcare services. Additionally, the group's operations 'Outside India' are now mostly focusing on South East Asia and Middle East. The group primarily operates in Singapore, Dubai and Mauritius.

Revenue from operations –by geographical markets

The following table shows the distribution of the Company's consolidated revenues by geographical market.

Fortis Healthcare Limited New Delhi

(₹ In lacs)

Region	Quarter ended			Year ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
India	96,421	88,533	81,187	344,764
Outside India	5,646	5,539	70,553*	131,166*
Total	**102,067**	**94,072**	**151,740**	**475,930**

* Includes revenue relating to discontinuing operations (see note 7 below).

4. Other income includes interest income, foreign exchange fluctuation gain, profit on sale of assets, profit on sale of investments, forward cover premium amortization and miscellaneous income, whichever is relevant for the period.

5. A) In case of one of the subsidiary, that was formed after amalgamation of Escorts Heart Institute and Research Centre ('EHIRC'), Delhi Society with EHIRC, Chandigarh Society and thereafter registration of EHIRC, Chandigarh Society as a company.

a) Delhi Development Authority ('DDA') had terminated the lease deeds and allotment letters relating to land parcels on which hospital of one of the subsidiary company exists. Consequent to termination DDA issued show cause notice and initiated eviction proceedings against the subsidiary company. Both these matters are currently pending in various courts of law. Based on the experts' opinions, management is confident that subsidiary company will be able to suitably defend the termination order and eviction proceedings and accordingly considers that no adjustments are required to the financial result.

b) Further, the subsidiary company also has open tax demands of ₹ 8,311 lacs (after adjusting ₹ 4,155 lacs for which the Company has a legal right to claim from erstwhile promoters and ₹ 10,503 lacs of an escrow account which was maintained out of sale consideration payable by the Company to the erstwhile promoters) for relevant assessment years. Based on the experts' opinions, management considers these tax demands as not tenable against the subsidiary company and management is confident that the ultimate outcome of these matters will not have a material adverse impact on the subsidiary's financial position, results of operations or cash flows.

c) In relation to the order of honorable High Court of Delhi relating to provision of free treatment/beds to poor, Directorate of Health Services, Government of NCT of Delhi, (DHS) appointed a firm to calculate "unwarranted profits" arising to it due to non-compliance. The special committee of DHS stated that before giving a formal hearing to the hospital, a formal intimation shall be given regarding the recoverable amount as per calculation of the appointed firm, which as per their method of calculations amounts to ₹ 73,266 lacs, seeking hospital's comments and inputs if any. The company has responded to such intimation explaining errors and objections to the calculations and is awaiting a formal hearing in the matter with the DHS. Based on its internal assessment and advice from its counsels on the basis of the documents available, management of the group believes that it is in compliance of conditions of free treatment and free beds to the poor and does not anticipate any liability after proper hearing with DHS. No notice of hearing has since been received till date.

B) One of the subsidiary had received an Order from Navi Mumbai Municipal Corporation (NMMC) under Bombay Nursing Home Registration Act, 1949,for certain alleged contravention of the provisions of the Act and to cancel the registration of the Hospital and immediately cease its operations. The subsidiary filed writ petition with Bombay High Court (HC) that it is ultra vires and contrary to principles of Natural Justice HC stayed the order and restrained NMMC from taking any steps to interfere or obstruct the functioning. Despite above order, NMMC again issued another Order to submit original certificate of registration of the subsidiary. The subsidiary has filed civil application in the Writ Petition seeking leave of HC to amend the Writ Petition to include grounds of challenging the

new Order as well which are pending before the HC. As per advice obtained from external legal counsel, the subsidiary has very good case to contend and the Orders are out to be set aside.

6. Exceptional items included in the above consolidated financial results includes:

(₹ In lacs)

Particulars	Quarter ended June 30, 2014	Quarter ended March 31, 2014	Quarter ended June 30, 2013	Year ended March 31, 2014
a) Loss on dilution of stake in Religare Health Trust ("RHT")	-	-	(513)	(513)
b) Gain on dilution of stake in Dental Corporation Holdings Limited ("DC") [Refer note 7 (a)]	-	-	961	961
c) Realized foreign exchange fluctuation loss on settlement of loans within the group from sale proceeds of DC [Refer note 7 (a)]	-	-	(8,907)	(8,907)
d) Gain on dilution of stake in Fortis Hoan My Medical Corporation ("Hoan my") [Refer note 7 (b)]	-	-	-	1,377
e) Gain on dilution of stake in Quality Healthcare, Hong Kong [Refer note 7 (c)]	-	-	-	42,416
f) Gain on sale of net assets related to Mohali clinical establishment to EHSSHL, one of the subsidiary of RHT	191	-	-	-
Net exceptional items	**191**	-	**(8,459)**	**35,334**

Loss on dilution of stake in RHT

During year ended March 31, 2012, the Company initiated internal corporate restructuring within the Group with a view to streamline and focus Group companies' resources and energies on different divisions and undertakings and to align the business with the internationally emerging trends by moving towards innovative and cost effective methods such as transformation to asset light models. Subsequent to it RHT, a business trust established in Singapore, was listed on the Singapore Exchange Securities Trading Limited on October 19, 2012.

RHT made an offering of 567,455,000 common units at S$ 0.90 per common unit. Post the listing of RHT on Singapore Stock Exchange on October 19, 2012, the stake of Group in RHT has been diluted from 100% to 28%. Accordingly, assets and liabilities of Clinical Establishment Division held by RHT Group do not form part of the consolidated assets and liabilities of the Company w.e.f. October 19, 2012. Such deconsolidation had resulted in a net gain of ₹ 99,591 lacs (net of expenses directly incurred on the transaction) and was included as an exceptional item for the year ended March 31, 2013 and for other quarters and year ended March 31, 2014 the exceptional item is related to expenses directly incurred on the transaction.

In continuance of Group's Asset light model, during the current quarter ended June 30, 2014, the Company has entered in to an agreement with Escorts Heart and Super Specialty Hospital Limited ("EHSSHL"), a subsidiary of Religare Health Trust, for transfer of net assets relating to the Mohali Clinical Establishment.

Fortis Healthcare Limited New Delhi

(in Punjab) to EHSSHL. Such transaction has resulted in net gain of ₹ 191 lacs (net of unrealised gain of ₹ 74 lacs pertaining to the Company's share in RHT) and ₹ 265 lacs in the consolidated and standalone results respectively and has been included as an exceptional item during the quarter.

Further, in view of unavailability of financial statements for the quarter ended June 30, 2014 of Religare Health Trust, Singapore ('RHT'), an associate of the Company, the share of profits of RHT for the quarter, amounting to ₹ 1,366 lacs has been accounted for based on reasonable management estimates.

7. a) Discontinuing of operations relating to Dental Corporation Holdings Limited ("DC"), Australia

During the year ended March 31, 2013, Fortis Healthcare Australia Pty Limited (FHA), a wholly owned subsidiary of the Company entered into a Non-Binding Indicative offer to divest its 63.51% holding in DC to BUPA, Australia for a consideration of AUD 276 million. The deal was completed during the previous year on May 31, 2013 post approvals by the shareholders of DC, other regulatory authorities and the Supreme Court of Victoria (Australia). Accordingly, assets and liabilities of DC do not form part of the consolidated assets and liabilities of the Company w.e.f. May 31, 2013. Such deconsolidation resulted in a net gain of ₹ 961 lacs and was included as an exceptional item in the quarter ended June 30, 2013. Further, exceptional item during the quarter ended June 30, 2013 also included ₹ 8,907 lacs of realized foreign exchange fluctuation loss on settlement of loans within the group from sale proceeds of DC.

The revenue and expenses in respect of the activities attributable to above discontinuing operations included in the consolidated financial results are as follows:

(₹ In lacs)

Particulars	**Quarter ended**	**Quarter ended**	**Quarter ended**	**Year ended**
	30-Jun-14	**31-Mar-14**	**30-Jun-13**	**31-Mar-14**
Total Income	-	-	33,044	33,044
Total expenditure	-	-	34,294	34,294
Profit before tax	-	-	**(1,250)**	**(1,250)**
Tax expenses	-	-	(70)	(70)
Profit after tax	-	-	**(1,180)**	**(1,180)**

b) Discontinuing of operations relating to Fortis Hoan My Medical Corporation, Vietnam

During the quarter ended June 30, 2013, Fortis Healthcare International Pte Ltd., a subsidiary of the Company had entered into an agreement with Viva Holdings Vietnam (Pte.) Ltd, a Chandler Corporation company, to divest entire stake in Fortis Hoan My Medical Corporation (Vietnam), for a consideration of USD 80 million. The deal was completed on August 20, 2013 post receipt of all approvals. Accordingly, assets and liabilities of Hoan My do not form part of the consolidated assets and liabilities of the Company w.e.f. August 20, 2013. Such deconsolidation had resulted in a net gain of ₹ 1,377 lacs and was included as an exceptional item for quarter ended September 30, 2013.

The revenue and expenses in respect of the activities attributable to above discontinuing operations included in the consolidated financial results are as follows:

Fortis Healthcare New Del

(₹ In lacs)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
Total Income	-	-	7,185	13,246
Total expenditure	-	-	6,594	12,036
Profit before tax	-	-	**591**	**1,210**
Tax expenses	-	-	84	338
Profit after tax	-	-	**507**	**872**

c) Discontinuing of operations relating to Quality Healthcare, Hong Kong

During the previous year, Fortis Healthcare International Pte Ltd. ('FHIPL'), a subsidiary of the Company entered into an agreement with BUPA International Limited to divest entire stake in Altai Investments Limited, the holding Company of Quality Healthcare, Hongkong for USD 321 million, further USD 44 million was received on account of inter group receivables net of payables. Group has received USD 365 million towards this transaction.
The deal was completed on October 24, 2013 post receipt of all approvals. Accordingly, assets and liabilities of Quality Healthcare do not form part of the consolidated assets and liabilities of the Company w.e.f. October 24, 2013. Such deconsolidation has resulted in a net gain of ₹ 42,416 lacs and has been included as an exceptional item for the quarter ended December 31, 2013. Net gain of ₹ 42,416 lacs is net of goodwill of ₹ 31,580 lacs arising on consolidation of FHIPL. In view of management, considering disposal of all significant subsidiaries of FHIPL, no goodwill is allocable to any other remaining entities.

The revenue and expenses in respect of the activities attributable to above discontinuing operations included in the consolidated financial results are as follows:

(₹ In lacs)

Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
	30-Jun-14	31-Mar-14	30-Jun-13	31-Mar-14
Total Income	-	-	25,191	63,162
Total expenditure	-	-	24,367	59,212
Profit before tax	-	-	**824**	**3,950**
Tax expenses	-	-	203	718
Profit after tax	-	-	**621**	**3,232**

8. Effective from April 1, 2014, the Company has charged depreciation based on the revised remaining useful life of the assets as per requirement of Schedule II of the Companies Act, 2013. Due to above, depreciation charge for the quarter ended June 30, 2014, is higher by ₹ 1,074 lacs. Further, based on transitional provision provided in Note 7(b) of Schedule II, an amount of ₹ 1,279 lacs (net of deferred tax) have been adjusted with retained earnings.

9. During the quarter ended September 30, 2013, Hon'ble High Court of Delhi approved the scheme of amalgamation ('the scheme') of Fortis Health Management (North) Limited ('FHMNL') with Fortis Hospitals Limited ('FHsL'), both wholly owned subsidiaries of the Company. The scheme became effective

For Fortis Healthcare Limited

from September 1, 2013 with appointed date as April 1, 2012. The amalgamation was done with an objective of reducing administrative cost, general overhead, managerial & other expenditure and to bring the expertise, technology & facilities under one roof. Due to this amalgamation, during the quarter ended September 30, 2013, the Company had accrued income of ₹ 4,236 lacs on account of reversal of tax expenses (₹ 2,499 lacs on account of reversal of tax expense, which is related to previous year ending March 31, 2013 and ₹ 1,737 lacs on account of deferred tax credit recognized, which is related to quarter ended June 30, 2013).

10. As permitted, the Group has elected to present earnings before interest, tax, depreciation/impairment and amortisation (EBITDA) as a separate line item in its financial statements and as required by clause 41 to the listing agreement to use the classifications as per financial statement, the Group has shown the EBITDA as a separate line item in the above financial results. In its measurement, the Group does not include depreciation/impairment and amortisation expenses, finance costs and tax expenses.

11. The previous periods'/ year figures have been regrouped and recasted, wherever considered necessary.

Date: August 07, 2014
Place: Mumbai

for and on behalf of the Board of Directors

Malvinder Mohan Singh
Executive Chairman

Fortis Healthcare Limited New Delhi

PRESS RELEASE

FORTIS Q1FY15 CONSOLIDATED INDIA BUSINESS REVENUES AT RS 964 CR, + 18%
OPERATING MARGINS UP BY 41% (220 Bps) to 14%

SIGNIFICANT IMPROVEMENT IN CONSOLIDATED GROUP PAT AT RS (46) CR FROM RS (221) CR IN Q1FY14

Mumbai, August 7, 2014: Fortis Healthcare Ltd. (Fortis), India's leading healthcare delivery Company, today, announced its consolidated results for the quarter ended June 30, 2014 (Q1FY15)

India Business - Key Financial Highlights for the Quarter (Q1FY15)

- Consolidated India Business Revenues grew to Rs 964 Cr, up 18%
- Consolidated India Business Operating EBITDAC (EBITDA before net business trust costs) was up substantially at Rs 135 Cr, +41%, representing a 14.0% margin versus the 11.8% margin in the previous corresponding quarter and 9.9% in the trailing quarter.
- India hospital business revenues at Rs 787 Cr, registered a growth of 20% compared to the corresponding quarter and a growth of 9% when compared to the trailing quarter. Operating EBITDAC at Rs 98 Cr, showed a growth of 41% over the corresponding quarter last year, representing a margin of 12.5% against a margin of 10.6% in the corresponding quarter and 8.2% in the trailing quarter.
- There was a marked all-round improvement in the performance of key hospitals including Noida, Shalimar Bagh, Anandpur, Mulund, BG Road, Mohali, Jaipur and CH Road coupled with a healthy growth in key start up facilities including FMRI & Fortis Ludhiana.
- The India diagnostics business recorded a robust operating performance with operating margins touching 20.9% at Rs 37 Cr, a growth of 40%. This compares favourably with the 16.5% margin in the corresponding previous quarter and 17.7% in the trailing quarter. Net revenues stood at Rs 177 Cr, a growth of 11% over the corresponding quarter and 8% over the trailing quarter.

*EBITDAC refers to EBITDA before net business trust costs

Reported Group Financial Highlights for Q1FY15

The reported results for Q1FY15 are not comparable to the corresponding previous period due to progressive divestments of the Company's international businesses namely Dental Corporation, Australia, Fortis Hoan My, Vietnam and Quality Healthcare, Hong Kong during the course of FY 2014.

- Consolidated Group Revenues for Q1FY15 were at Rs 1,021 Cr versus Rs 1,517 Cr in the previous quarter and were better by 8.5%, over the trailing quarter.

  Consolidated PAT after Minority Interest and share in associates (PATMI) improved further to Rs (46) Cr versus Rs (221) Cr in Q1 FY14 and Rs (77) Cr in Q4FY14.

  Commenting on the results, Mr, Aditya Vij, Chief Executive Officer, Fortis Healthcare Ltd, said, "We have had a strong first quarter with a significant improvement in our operating margins, a faster than expected ramp up of our newly opened Fortis Ludhiana hospital and our flagship, the Fortis Memorial Research Institute (FMRI). The quality of our earnings has also improved dramatically with a focus on the higher value market segments".

  "With our thrust on excellence in healthcare, we launched the **Fortis Centre for Heart Failure and Transplants,** at Fortis Malar hospital, in Chennai. This is India's first comprehensive center for treatment of end stage heart failure offering the full spectrum of heart care treatment options including a Heart Transplant and an Artificial Heart, Program. I am also very pleased that our flagship, the FMRI was ranked No 2 in the world, in a global study of the 30 most technologically advanced hospitals and placed ahead of many other outstanding medical institutions in the world."

  Looking at the future, Fortis has now embarked on a transformational organisation wide plan, 'Lakshya', focusing on the strategic levers of Patient Care, Clinical Excellence, Talent Engagement, Investor Confidence and Community Connect, to provide sustained leadership and a long term competitive advantage in the sector.

  Under the Lakshya program, a series of actions are contemplated at several levels within the organization with the aim of enhancing core capabilities and improving business efficiencies to strengthen the operating profit margins on a continuing basis. The Company is closely tracking and sharpening its focus on a number of key business drivers that have a direct bearing on revenue growth and improve cost efficiencies across the network.

  The net debt of the Company as on 30 June 2014 was at Rs 1065 Cr, down from Rs 3,284 Cr as on 30 June 2013 representing a comfortable net debt to equity ratio of 0.21x (as compared to 0.69x as on 30 June 2013.

  Key Highlights - Hospital Business

- FMRI, Gurgaon, the Company's flagship multispecialty facility continues to exhibit strong growth and an improvement in its operating profit (EBITDAC) in comparison to its previous and trailing quarters. FMRI more than doubled its revenues over Q1FY14 to reach Rs 83 Cr and is now the third largest revenue contributor to the Fortis network (basis annualised Q1FY15 revenues). Further, FMRI is the only facility in the Fortis network to have grossed over Rs 2 Cr in ARPOB within a year of its launch. The Company's recently launched 250 bed facility in Ludhiana has also seen an encouraging start.

- The Company strengthened its specialty service offering in the state of Punjab with the launch of the Fortis Cancer Institute (in July 2014), a 55 bed facility in Mohali. The Institute is by far the most comprehensive cancer treatment centre in Punjab providing the latest available modalities in Medical, Surgical and Radiation Oncology. This is amongst the many other initiatives that the Company is currently undertaking in order to strengthen its Oncolgy program and create a significant pan-India presence in this speciality segment.

- FEHI (Fortis Escorts Heart Institute) witnessed a significantly better performance both in revenues and operating margins. FEHI recording revenues of Rs 91 Cr in the quarter in comparison to Rs 83 Cr in the trailing quarter.

- ARPOB for the hospital business during the quarter stood at Rs 1.23 Cr, a healthy growth of 11%, when compared to the corresponding previous quarter. Occupancy for the hospital business stood at 71% while ALOS was at 3.72 days

Key Highlights - Diagnostics Business

- The Company's diagnostics business witnessed healthy revenue growth during the quarter and also recorded a strong operational performance. Basis net revenues .i.e. (net of inter-Company revenues), Operating EBITDA margins stood at 20.9% in the quarter versus 16.5% in the corresponding previous quarter and 17.7% in the trailing quarter respectively. Net revenues grew by 11% to touch Rs 177 Cr.

- The lab medicine .i.e. the pathology business contributed 79% to total revenues and grew 14% over the previous quarter. The imaging business contributed 15% to total revenues with the balance coming from Clinical Trial, Wellness and the International segment.

- SRL performed over 3.42 million accessions for Pathology and Radiology combined in the quarter, a growth of 8% over the corresponding previous quarter as well as over the trailing quarter.

- It enhanced its reach across the country by adding 6 new labs and 167 collection points. As of June 30, 2014, SRL had a network of 281 labs and over 5800 collection points.

- SRL further strengthened its repertoire of tests by adding 9 new tests during the quarter in areas such as oncology, diabetes and other chronic medical specialties.

International Business

RadLink Asia, the Company's radiology and imaging business in Singapore recorded revenues of Rs 37 Cr in the quarter, a growth of 9% over the corresponding quarter. Fortis Surgical Hospital, Singapore recorded revenues of Rs 10.4 Cr during the quarter versus Rs 8.9 Cr in the corresponding previous quarter.

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, Singapore, Dubai, Mauritius and Sri Lanka with 66 healthcare facilities (including projects under development), over 10,000 potential beds and 281 diagnostic centres. In a global study of the 30 most technologically advanced hospitals in the world, its flagship, the Fortis Memorial Research Institute' (FMRI), was ranked No.2, by 'topmastersinhealthcare.com, and placed ahead of many other outstanding medical institutions in the world.

DISCLAIMER

This press release may contain forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, recipients of this press release are cautioned not to place undue reliance on these forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events, or otherwise. The information contained herein is subject to change without notice and past performance is not indicative of future results. The Company may alter, modify or otherwise change in any manner the content of this press release, without obligation to notify any person of such revision or changes.

For further details please contact:

Raghu Kochar / Nibha Bhandari Vyas
Fortis Healthcare Ltd
9811617256 / 98110 65557

Anurag Kalra / Gaurav Chugh
Fortis Healthcare Ltd
9810109253 / 9958588900