

PRESS RELEASE

**Fortis to divest stake in Quality Healthcare to Bupa for US\$ 355 million
Intensifies Focus on Healthcare Delivery in India**

Gurgaon, India, October 14, 2013-Fortis Healthcare International Pte Ltd, a subsidiary of Fortis Healthcare Ltd (Fortis) today announced its decision to sell its 100% stake in Altai Investments Limited, the holding company for Quality Healthcare (QH), Hong Kong, to Bupa, for US\$ 355million. The offer price is reflective of the value and efficiencies added through improved operations and the introduction of new and specialised medical centres while QH has been a part of the Fortis group.

The deal is expected to be completed in October 2013.

Malvinder Singh, Executive Chairman, and Shivinder Singh, Executive Vice Chairman, Fortis Healthcare Limited, said, "The divestment clearly aligns our business with our stated priorities. We have taken a strategic decision to intensify our focus on our core hospital and diagnostic business in India with a clear path to profitability. The divestment also enables us to further strengthen our balance sheet and substantially improve our net debt equity ratio, creating further room for growth."

Fortis has demonstrated remarkable fiscal prudence and slashed its debt in the preceding 12 months. Post QH, the company's net debt equity position is expected to be less than 0.3x down from 1.6x as on 30th Sept 2012. The company continues to evaluate its portfolio of assets to ensure the right alignment and strategic fit.

In the current year, Fortis will add over 1,000 beds from Greenfield projects in India. In May 2013, it launched its flagship, the Fortis Memorial Research Institute in Gurgaon. Two more projects, one each in Ludhiana and Chennai (Arcot Road) are nearing completion and will be commissioned in the next few months.

Following the QH divestment, the India revenue will account for nearly 95 % of the Company's total revenue. With the addition of new capacity and performance improvements, the company expects its India business to exhibit a robust operating performance going forward.

J. P. Morgan and Religare Capital Markets acted as financial advisors to Fortis for this transaction.

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 speciality. Currently, the company operates its healthcare delivery services in India, Singapore, Dubai, Mauritius and Sri Lanka with 65 healthcare facilities (including projects under development), over 10,000 potential beds, over 240 diagnostic centres and a team strength of more than 17,000 people.

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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.

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