

November 11, 2016

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

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

Scrip Symbol: FORTIS

Scrip Code:532843

Sub: Submission of Presentation on Financial Results

Dear Sir,

Please find enclosed the Investors' Presentation on financial Statements for the Quarter and Half Year ended on September 30, 2016 pursuant to Regulation 30, Schedule III, Part A (15) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the same on your record.

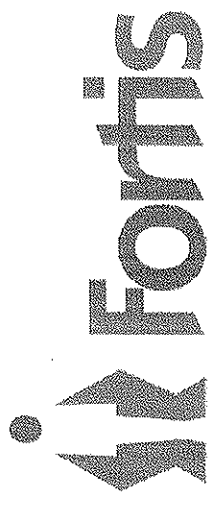
Thanking you,

Yours faithfully,
For Fortis Healthcare Limited



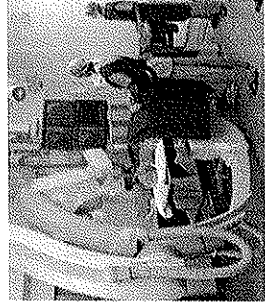
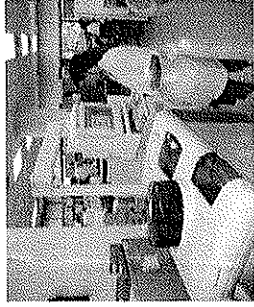
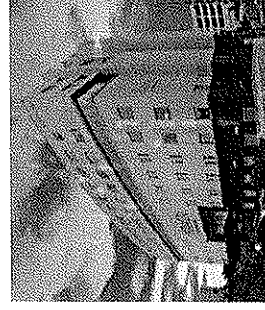
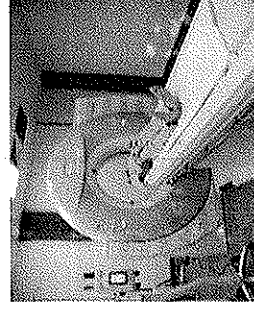
Rahul Ranjan
Company Secretary



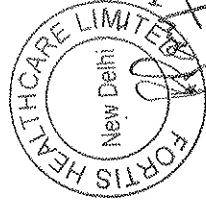


Fortis Healthcare Limited

Investor Presentation – Q2 & H1FY17



“ Saving and Enriching Lives”



November 10, 2016

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Discussion Points

- Highlights – Q2 & H1FY17
- Awards & Recognitions
- Successes in Clinical Excellence
- Financial Highlights
- Business Performance – Hospitals & Diagnostics

Highlights – Q2FY17

- **Group Consolidated Business (Q2 FY17 vs Q2 FY16)**
 - Revenues at Rs 1,196 Cr for the quarter, + 11%
 - Consolidated EBITDAC* at Rs 219 Cr, 18.3% margin versus 17.3% margin
 - Consolidated operating EBITDA at Rs 99 Cr, + 40%
 - Consolidated PBT before forex and exceptional items at Rs 43 Cr, up 86%
- **Hospital Business (Q2 FY17 vs Q2 FY16)**
 - Revenues at Rs 972 Cr, +11%
 - EBITDAC at Rs 164 Cr, highest ever reported EBITDAC in a quarter. Represents 16.8% margin versus 15.6% margin
 - Operating EBITDA at Rs 44 Cr, a 2.2x times increase over Q2FY16
- **Diagnostics Business .i.e. SRL (Q2 FY17 vs Q2 FY16)**
 - Revenues at Rs 213 Cr, +12%
 - Operating EBITDA at Rs 54 Cr. Represents 25.3% margin versus 27.9% margin

*Refers to EBITDA before net business trust costs

Highlights – H1FY17

- **Group Consolidated Business (H1FY17 vs H1FY16)**
 - ☉ Revenues at Rs 2,317 Cr versus Rs 2,113 Cr, + 10%
 - ☉ Consolidated EBITDAC at Rs 399 Cr, 17.2% margin versus 16.4% margin
 - ☉ Consolidated operating EBITDA at Rs 162 Cr, + 40%
 - ☉ Consolidated PBT before forex and exceptional items at Rs 43 Cr vs Rs 3 Cr
- **Hospital Business (H1FY17 vs H1FY16)**
 - ☉ Revenues at Rs 1,882 Cr versus Rs 1,710 Cr, +10%
 - ☉ EBITDAC at Rs 303 Cr. Represents 16.1% margin versus 14.9% margin
 - ☉ Operating EBITDA at Rs 66 Cr, a 3x times increase over H1 FY16
- **Diagnostics Business .i.e. SRL (H1FY17 vs H1FY16)**
 - ☉ Revenues at Rs 405 Cr, +10%
 - ☉ Operating EBITDA at Rs 97 Cr. Represents 23.9% margin versus 26% margin
- Net debt of the company as on September 30, 2016 stood at Rs 728 Cr, representing a net debt to equity ratio of 0.15x as compared to 0.18x as on June 30, 2016.

*Refers to EBITDA before net business trust costs

Event Update

➤ Demerger of diagnostics business

- Company announced the demerger of its diagnostics business, including that housed in its majority owned subsidiary SRL Limited into another majority owned subsidiary, Fortis Malar Hospitals Limited, pursuant to a composite scheme of arrangement and amalgamation.
- Execution of the above requiring various regulatory and statutory approvals is underway

➤ Completion of acquisition of 51% economic interest in FHTL

- In October 2016, the Company completed its acquisition of 51% economic interest in Fortis Hospotel Limited (FHTL).
- FHTL, was a subsidiary of the RHT Health Trust (RHT), and comprised 2 key clinical establishments of the Fortis Hospital Shalimar Bagh, New Delhi and the Fortis Memorial Research Institute (FMRI), Gurugram
- Effective mid – October, FHTL became a subsidiary of Fortis and hence will be consolidated with Fortis. Expected to impact operating profitability (EBITDA) positively due to lower BT fees

Key Awards and Recognitions

Fortis Hospital, Mohali won the prestigious Asia Pacific Hand Hygiene Excellence Award 2015 for demonstrating outstanding leadership in the implementation of an effective hand hygiene campaign

Federation of Karnataka Chambers of Commerce and Industry (FKCCI) adjudged Fortis Hospital, BG Road, Bengaluru as the 'Best Medical Tourism Hospital' at the Karnataka Tourism Awards 2016

Fortis Hospital, Mulund, Mumbai was feted with the "Best Hospital Unit in Cardiac Care" and the "Best Medical Tourism Facility" awards at the CIMS Healthcare Excellence Awards 2016.

Fortis Escorts Hospital, Jaipur won the Quality Council of India (QCI) D. L. Shah Award for the fourth time in a row. The award was for the Lean Six Sigma project titled 'Dock to Stock Cycle Reduction Time in Critical Care – Kaizen'.

Fortis Mulund won the "Patient Safety" award for its Insulin Super League programme and the "Outstanding Achievement in Healthcare" award for its efforts in the Organ Donation space at the 3rd Asia Healthcare Excellence Awards 2016

Successes in Clinical Excellence

Doctors at FMRI treated a 43-year-old patient carrying a cerebrospinal fluid filled bulge measuring 92cm, on his back and is reportedly the largest swelling ever recorded in the world.

Doctors at Shalimar Bagh successfully treated a nine-month-old infant born with a large gap in her food pipe, a congenital defect, called oesophageal atresia

Doctors at FMRI conducted a rare reconstructive surgery on a 25-year-old Iraqi woman suffering from Mayer-Rokitansky Kuster Hauser (MRKH) Syndrome, a congenital uro-genital anomaly.

Fortis Mulund successfully conducted Western India's first-ever Heart & Lung Transplant on a 48 year old patient suffering from Congenital Ventricular Septal Defect with Eisenmengerization.

A team of doctors persevered and fought all odds for nearly 100 days to miraculously revive a severely underweight, pre-term neonate suffering from multiple complications

A team of Doctors at Fortis Hospital, Mohail performed a complex surgery on a 17-year-old boy by fixing a dislocated vertebra that was pressing against the boy's spinal cord, causing immobility.

Financial Highlights

India Financial Highlights – Q2FY17 vs Q2FY16

➤ Consolidated Revenues at Rs 1,185 Cr, + 11%.

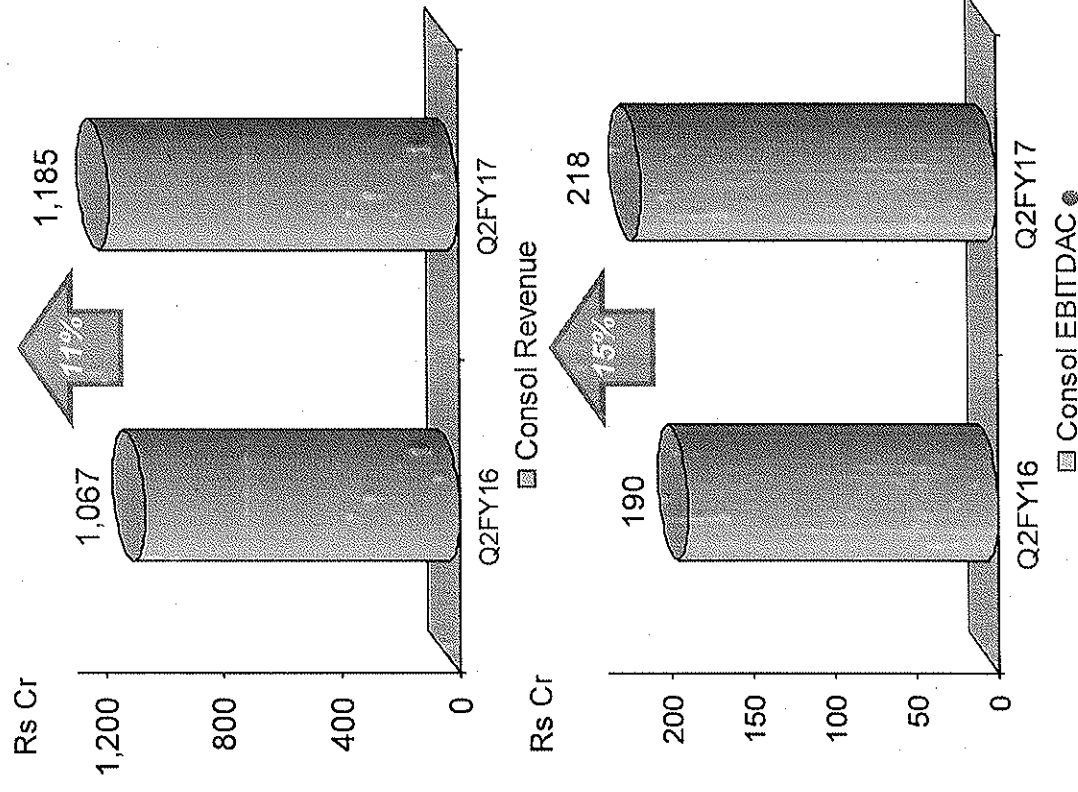
❖ Hospital Business – Rs 972 Cr, + 11%

❖ Diagnostic Business – Rs 213 Cr, + 12%

➤ Consolidated Operating EBITDAC* at Rs 218 Cr,
18.4% margin

❖ Hospital Business – Rs 164 Cr, 16.8% margin

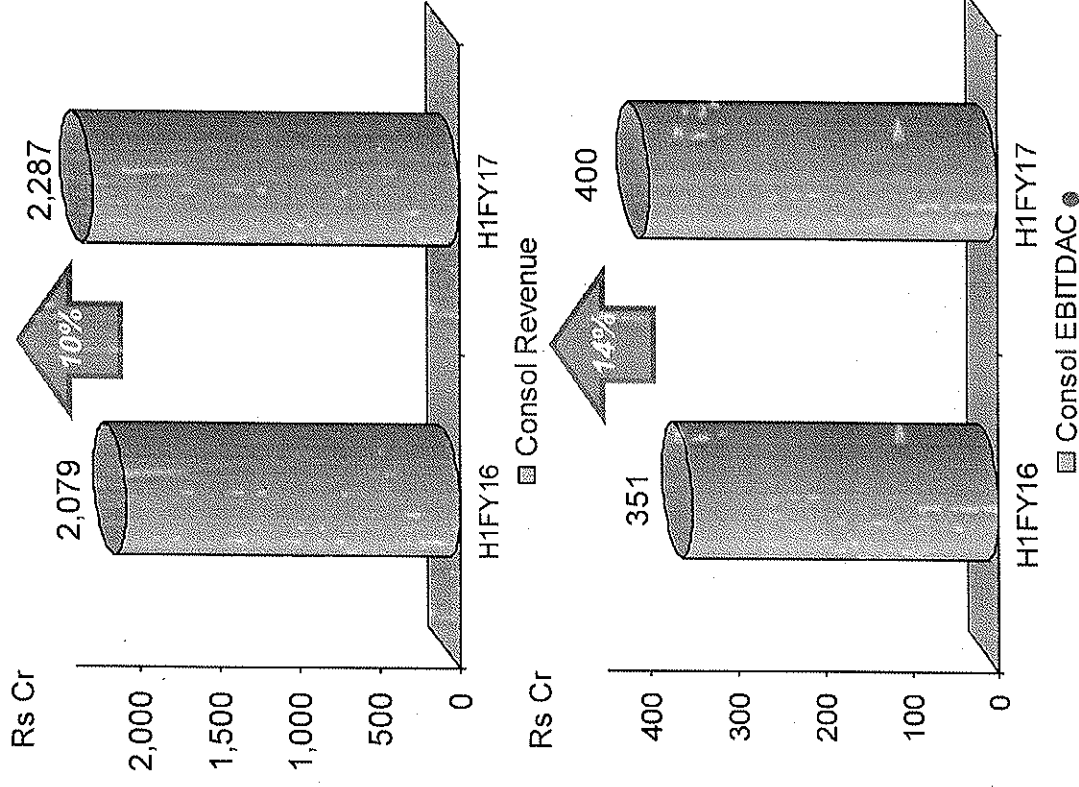
❖ Diagnostic Business – Rs 54 Cr, 25.3% margin



*EBITDAC refers to EBITDA before net business trust costs

India Financial Highlights – H1FY17 vs H1FY16

- Consolidated Revenues at Rs 2,287 Cr, + 10%.
- ◆ Hospital Business – Rs 1,882 Cr, + 10%
- ◆ Diagnostic Business – Rs 405 Cr, + 10%
- Consolidated Operating EBITDAC* at Rs 400 Cr,
17.5% margin
- ◆ Hospital Business – Rs 303 Cr, 16.1% margin
- ◆ Diagnostic Business – Rs 97 Cr, 23.9% margin



*EBITDAC refers to EBITDA before net business trust costs

India Consolidated P&L – Q2FY17

Particulars	Q2FY16	Q1FY17	Q2FY17	QoQ % Change
	(Rs Cr.)	(Rs Cr.)	(Rs Cr.)	
Operating Revenue	1,066.7	1,101.7	1,185.1	11.1%
Operating EBITDAC*	190.0	182.0	217.6	14.5%
Operating EBITDAC margin	17.8%	16.5%	18.4%	
Net BT Costs	116.3	117.3	119.7	2.9%
Operating EBITDA	73.7	64.7	97.9	32.8%
Other Income	26.0	24.7	33.0	
EBITDA	99.7	89.3	131.0	31.3%
Finance Costs	29.5	41.6	45.6	54.9%
Depreciation & Amortization	46.2	46.1	50.7	
PBT before Forex	24.0	1.7	34.6	44.0%
Foreign Exchange (Loss)/ Gain	5.4	5.8	(5.5)	
PBT before Exceptional Item	29.5	7.4	29.2	
Exceptional (Loss)/ Gain	(26.4)	0.1	(1.1)	
Tax Expense	17.7	2.3	23.3	
PAT before minority interest and share in associates	(14.7)	5.2	4.7	
Share in Associates	14.3	19.0	19.4	
PAT after minority interest and share in associates	(6.4)	15.1	17.3	

*EBITDAC refers to EBITDA before net business trust (BT) costs

**Exceptional item in Q2FY16 is wrt the exit of company's Kangra operations and SRL's exit from select laboratories

India Consolidated P&L – H1FY17

Particulars	H1FY16 (Rs Cr.)	H1FY17 (Rs Cr.)	% Change
Operating Revenue	2,079.3	2,286.8	10.0%
Operating EBITDAC*	350.7	399.5	13.9%
Operating EBITDAC margin	16.9%	17.5%	
Net BT Costs	231.7	236.9	2.2%
Operating EBITDA	119.0	162.6	36.6%
Other Income	45.5	57.7	26.8%
EBITDA	164.5	220.3	33.9%
Finance Costs	63.5	87.2	37.4%
Depreciation & Amortization	96.5	96.8	
PBT before Forex	4.6	36.3	
Foreign Exchange (Loss)/ Gain	16.5	0.3	
PBT before Exceptional Item	21.1	36.6	
Exceptional (Loss)/ Gain	(26.4)	1.0	
Tax Expense	27.0	(25.7)	
PAT before minority interest and share in associates	(32.3)	63.3	
Share in Associates	29.7	(38.4)	
PAT after minority interest and share in associates	(12.7)	(32.4)	

*EBITDAC refers to EBITDA before net business trust (BT) costs

**Exceptional item in H1FY16 is wrt the exit of company's Kangra operations and SRL's exit from select laboratories

Group Consolidated P&L – Q2FY17

Particulars	Q2FY16	Q1FY17	Q2FY17	QoQ % Change
	(Rs Cr.)	(Rs Cr.)	(Rs Cr.)	
Operating Revenue	1,078.5	1,121.2	1,195.7	10.9%
Operating EBITDAC*	187.0	179.8	218.8	17.0%
Operating EBITDAC margin	17.3%	16.0%	18.3%	
Net BT Costs	116.3	117.3	119.7	2.9%
Operating EBITDA	70.7	62.5	99.1	40.1%
Other Income	28.6	27.0	41.2	43.9%
EBITDA	99.3	89.5	140.3	41.2%
Finance Costs	29.5	42.0	46.0	55.9%
Depreciation & Amortization	46.9	47.6	51.7	10.2%
PBT before Forex	22.9	(0.0)	42.6	85.8%
Foreign Exchange (Loss)/ Gain	51.6	6.0	(3.2)	
PBT before Exceptional Item	74.5	5.9	39.4	
Exceptional (Loss)/ Gain	(27.9)	0.1	0.9	
Tax Expense	17.8	2.9	24.2	
PAT before minority interest and share in associates	28.8	3.1	16.1	
Share in Associates	17.5	22.1	22.3	
PAT after minority interest and share in associates	40.2	16.1	31.4	

* EBITDAC refers to EBITDA before net business trust (BT) costs

**Exceptional item in Q2FY16 is wrt the exit of company's Kangra operations and SRL's exit from select laboratories

Group Consolidated P&L – H1FY17

Particulars	H1FY16	H1FY17	% Change
	(Rs Cr.)	(Rs Cr.)	
Operating Revenue	2,112.8	2,316.9	9.7%
Operating EBITDAC*	346.8	398.5	14.9%
Operating EBITDAC margin	16.4%	17.2%	
Net BT Costs	231.7	236.9	2.2%
Operating EBITDA	115.1	161.6	40.4%
Other Income	51.8	68.2	31.6%
EBITDA	167.0	229.8	37.6%
Finance Costs	63.7	88.0	38.2%
Depreciation & Amortization	100.1	99.2	
PBT before Forex	3.1	42.5	
Foreign Exchange (Loss)/ Gain	70.0	2.8	
PBT before Exceptional Item	73.1	45.3	
Exceptional (Loss)/ Gain	59.3	0.9	
Tax Expense	27.4	27.1	
PAT before minority interest and share in associates	105.0	19.2	
Share in Associates	36.3	44.3	
PAT after minority interest and share in associates	131.1	47.6	

* EBITDAC refers to EBITDA before net business trust (BT) costs

Exceptional gain during H1FY16 pertains largely to gain arising due to divestment of RadLink and Fortis Surgical Hospital, Singapore.

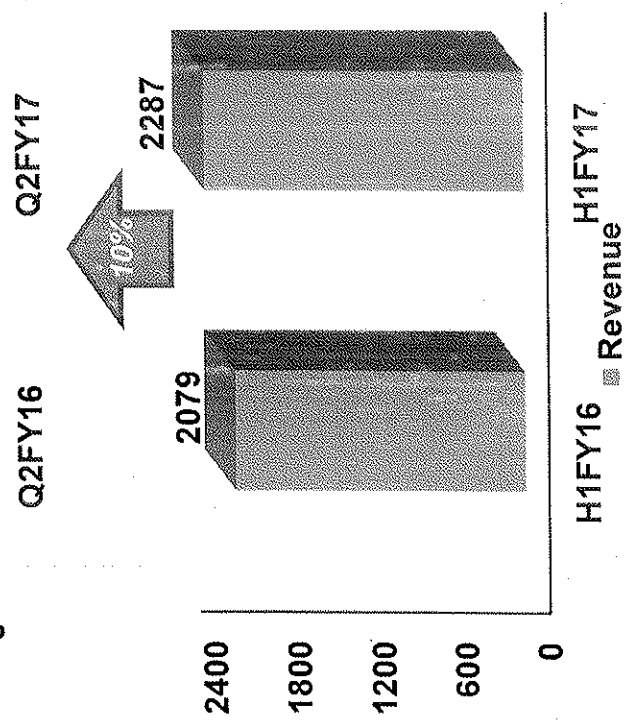
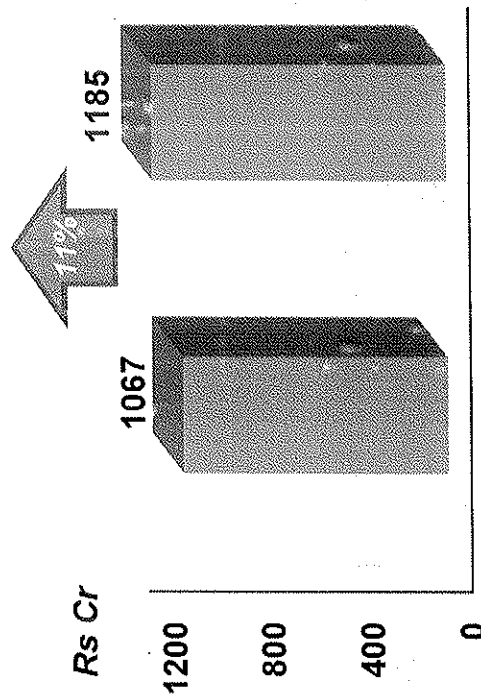
Group Consolidated Balance Sheet – September 30, 2016

Balance Sheet	Rs Crore
Shareholder's Equity*	4,886
Foreign Currency Convertible Bonds (FCCB's)	564
Debt	1,074
Total Capital Employed	6,523
Net Fixed Assets (including CWIP of Rs 230 Crore)	1,692
Goodwill	2,186
Investments	1,189
Cash and Cash Equivalents	908
Net Current Assets	549
Total Assets	6,523

- As on September 30, 2016, Net Debt to equity ratio stood at 0.15 x

Business Performance – Hospitals Business

India Business - Snapshot



Q2FY17 – Consolidated

- Operating Revenue - Rs. 1,185 Cr ↑ 11%
- Hospital business -Rs. 972 Cr ↑ 11%
- Diagnostics business -Rs. 213 Cr ↑ 12%

Statutory	Q2FY16	Q2FY17
Occupancy	77%	82%
ARPOB (Annualized - Rs. Lacs)	134	139
ALOS (Days)	3.57	3.62

H1FY17 – Consolidated

- Operating Revenue - Rs. 2,287 Cr ↑ 10%
- Hospital business -Rs. 1,882 Cr ↑ 10%
- Diagnostics business -Rs. 405 Cr ↑ 10%

India Hospital Business P&L

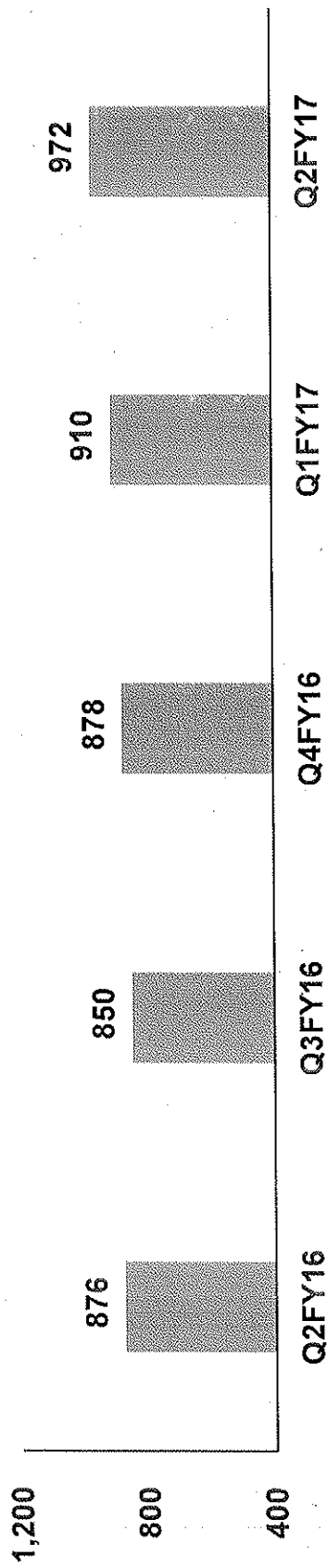
Particulars	Q2FY16	Q2FY17	QoQ % Change		H1FY16	H1FY17	% Change
	(Rs Cr.)	(Rs Cr.)			(Rs Cr.)	(Rs Cr.)	
Operating Revenue	876.2	971.9	10.9%		1,710.0	1,882.0	10.1%
Operating EBITDAC*	136.4	163.7	20.0%		254.4	302.7	19.0%
Operating EBITDAC margin	15.6%	16.8%			14.9%	16.1%	
Net BT Costs	116.3	119.7	2.9%		231.7	236.9	2.2%
Operating EBITDA	20.1	44.0	119.0%		22.7	65.8	190.4%
Other Income	22.1	29.9	35.1%		40.2	51.7	28.5%
EBITDA	42.2	73.9	75.1%		62.9	117.5	86.8%

* EBITDAC refers to EBITDA before net business trust (BT) costs

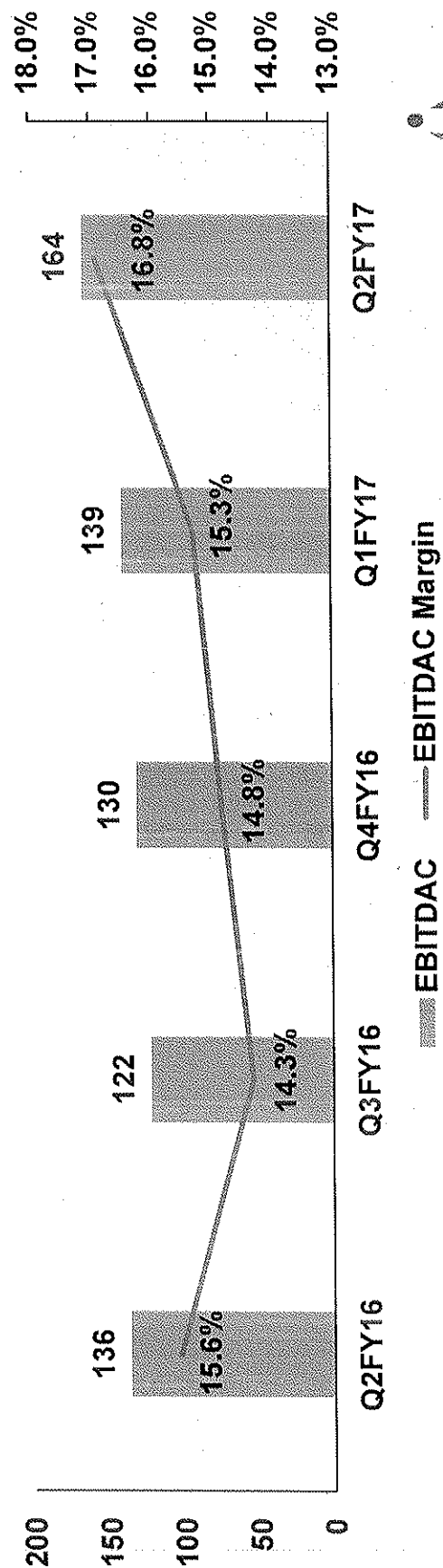
Quarterly Revenue and EBITDAC Trend

Rs Crore

Revenue

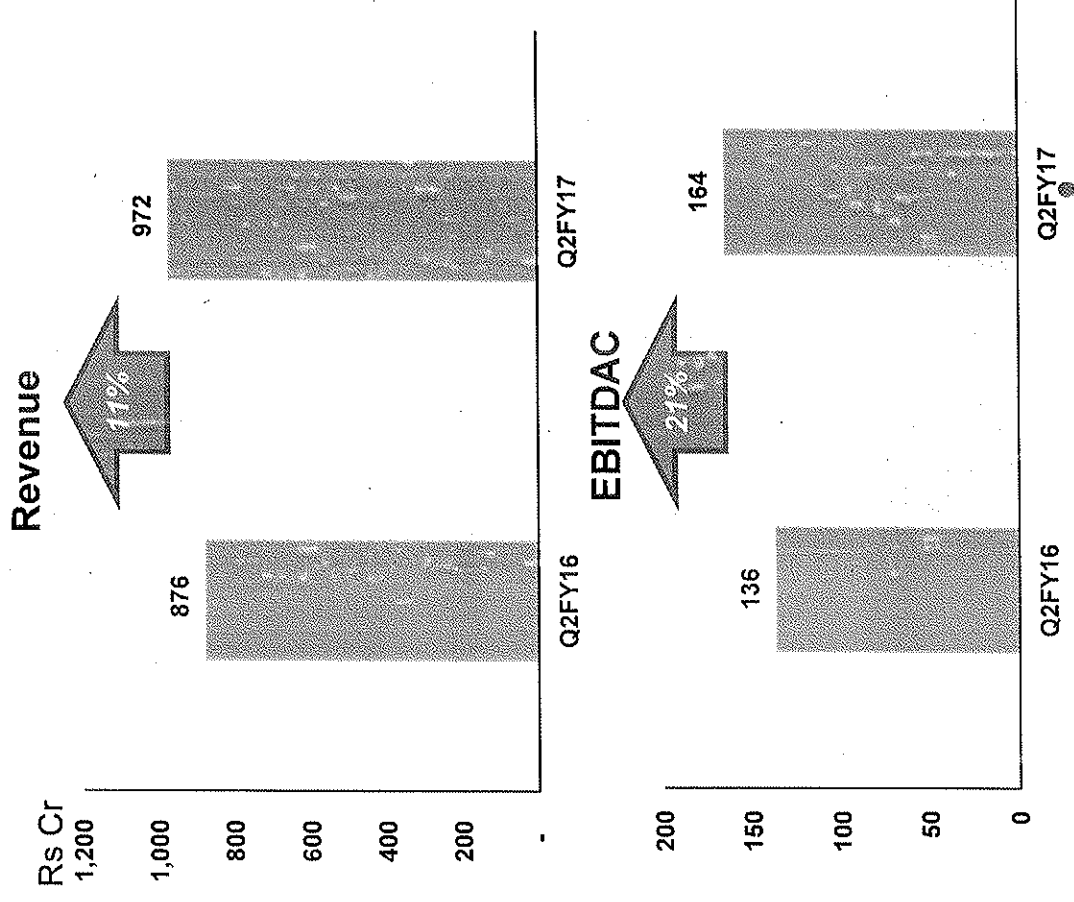


Rs Crore



India Hospital Business

- Operating revenue at Rs 972 Cr, +11%
- Operating EBITDAC* margins at 16.8%, up 120 bps.
- International patient revenue at Rs 97 Cr, +13%; representing 10% of overall hospital business
- FMRI revenue at Rs 124 Cr, +24% over corr Q
- FEHI witnessed strong traction with revenue growth of 19%
- Ludhiana facility continues on its strong growth trajectory with 54% qoq growth



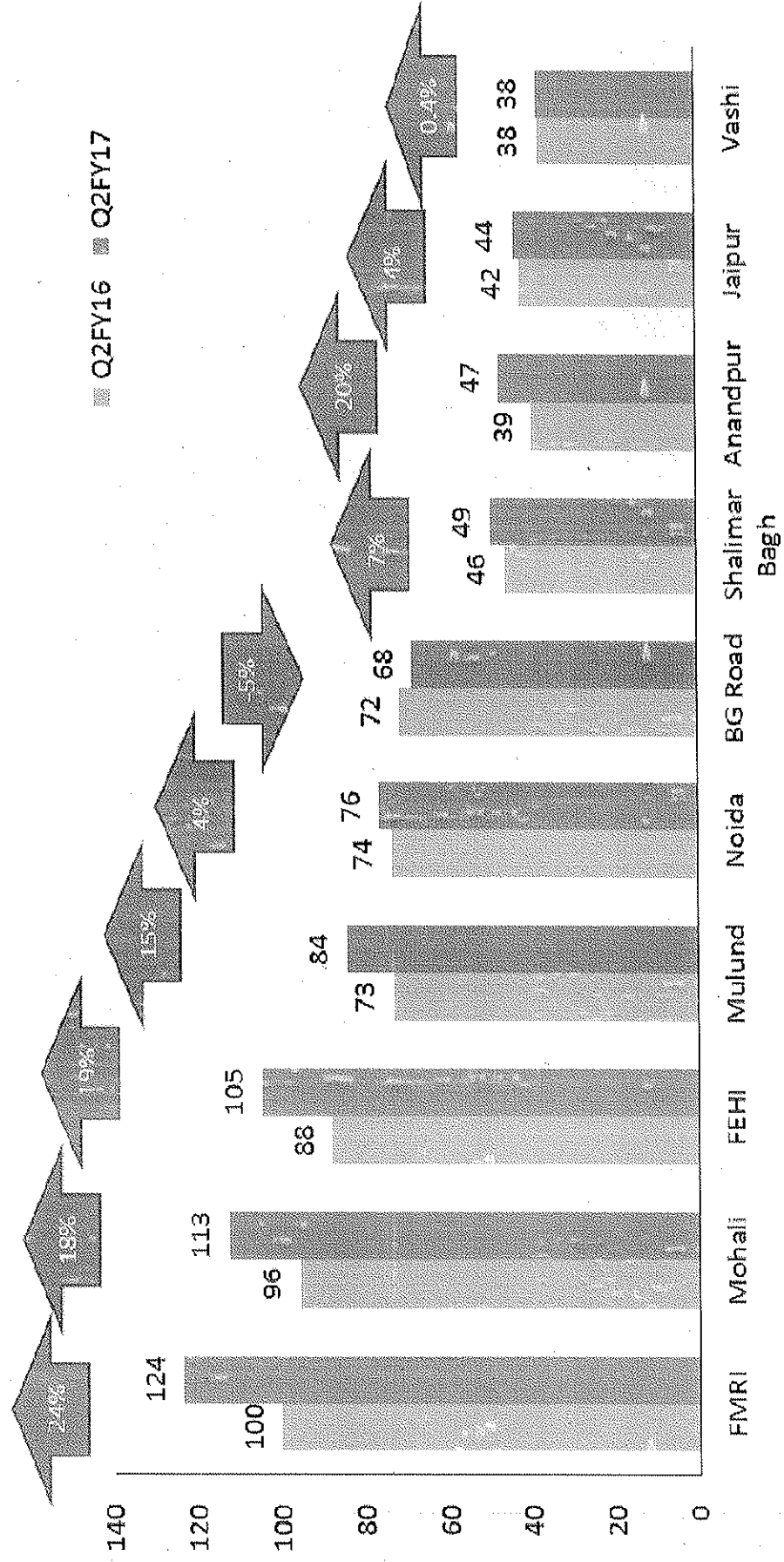
*EBITDAC refers to EBITDA before net business trust costs

Select Key Highlights / Accomplishments

- Fortis Mohali receives JCI reaccreditation for the 4th consecutive time
- The Fortis Bone and Joint Institute in FMRI and FEHI crosses 300th procedure milestone within a month of its launch in July 2016
- Fortis Malar completed its 118th heart transplant (as of Sept 2016)
- Fortis Hospital, Anandapur, Kolkata inaugurates a Lung Cancer Clinic, to mark World Lung Cancer Day.
- Fortis collaborates with wayForward, to launch an emotional wellness program to solve problems caused by stress, anxiety and other emotional or mental health issues.
- Fortis furthers efforts on organ donation - Commemorates organ donors through a 'Wall of Tribute' across its various hospitals to keep alive their memory and honour their families.

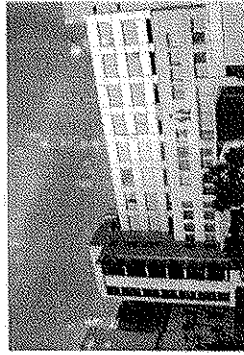
Hospital-wise Revenue – Top 10 Hospitals

Rs Crore



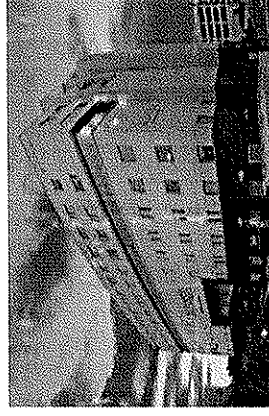
Select Key Hospitals – Q2FY17

Fortis Escorts Heart Institute, Delhi



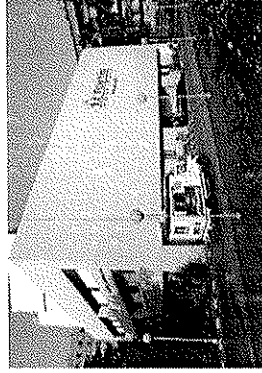
- 294 operational beds @ 86% occupancy
- ARPOB of Rs 1.72 Cr
- Largest cardiac program of Fortis

Fortis Hospital, BG Road, Bengaluru



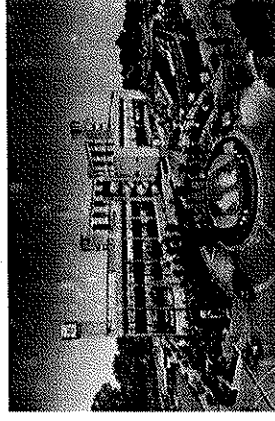
- 255 operational beds @ 76% occupancy
- ARPOB of Rs 1.42 Cr
- Expansion underway for 210 bed block

Fortis Mulund, Mumbai



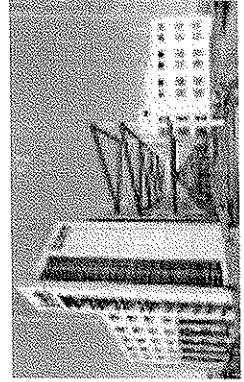
- 279 operational beds @ 91% occupancy
- ARPOB of Rs 1.34 Cr
- First hospital in the city to conduct heart transplant in four decades

FMRI, Gurugram



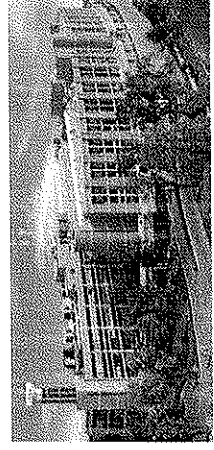
- 268 operational beds @ 73% occupancy
- ARPOB of Rs 2.70 Cr
- State of the art facility

Fortis Noida



- 191 operational beds @ 88% occupancy
- ARPOB of Rs 1.89 Cr
- Well established cancer care program

Fortis Mohali



- 344 operational beds @ 87% occupancy
- ARPOB of Rs 1.52 Cr
- Fortis' First hospital, recently added oncology

Key Future Growth Drivers

➤ International Patients – Medical tourism

	Q2FY17	H1FY17
Revenue	97	200
Growth	13%	17%

➤ Swifter organic growth through brownfield expansion

- Competitive advantage over peers on brownfield expansion strategy – faster ramp up and lesser capex per bed
- Capability to add ~2,000 beds through brownfield expansion over the next few years

➤ Strong process driven platform with improving adherence

➤ Growth through Operations & Management contracts

- Asset light growth strategy for newer markets , leveraging Fortis brand, talent, operational expertise and protocols
- Looking to expand through O&Ms in India and select emerging markets

➤ Focus on high end high value specialties – Oncology & transplant

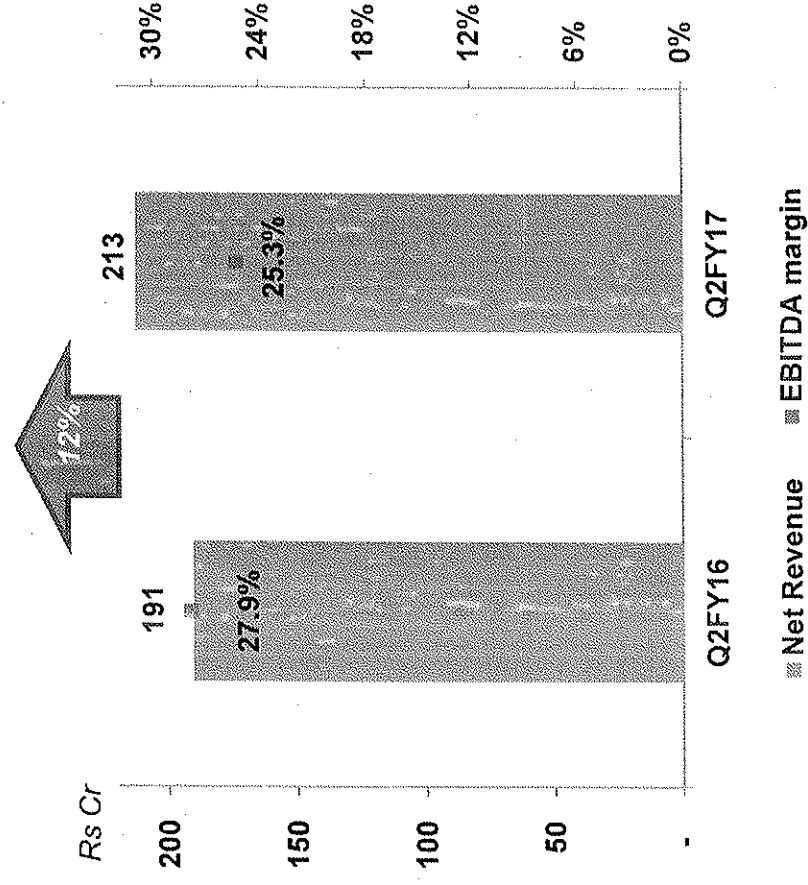
- New oncology blocks being created in select facilities
- Clinical talent to support these specialties

➤ Clinical Excellence and Patient engagement

Business Performance – Diagnostics Business

India Diagnostics Business

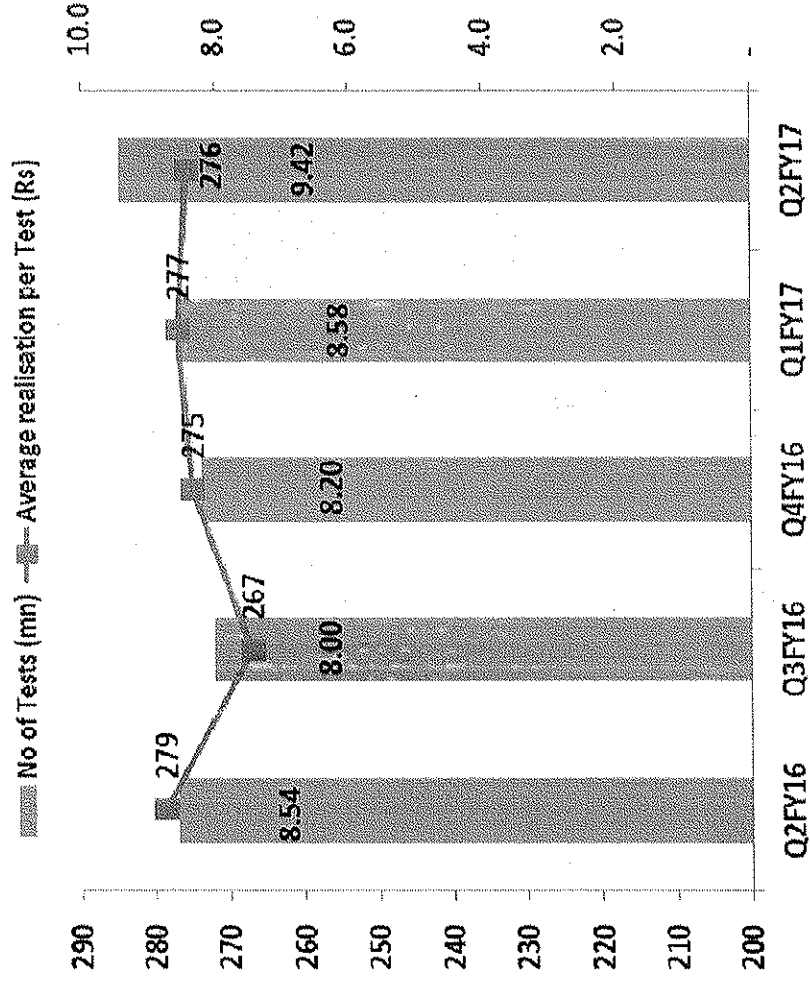
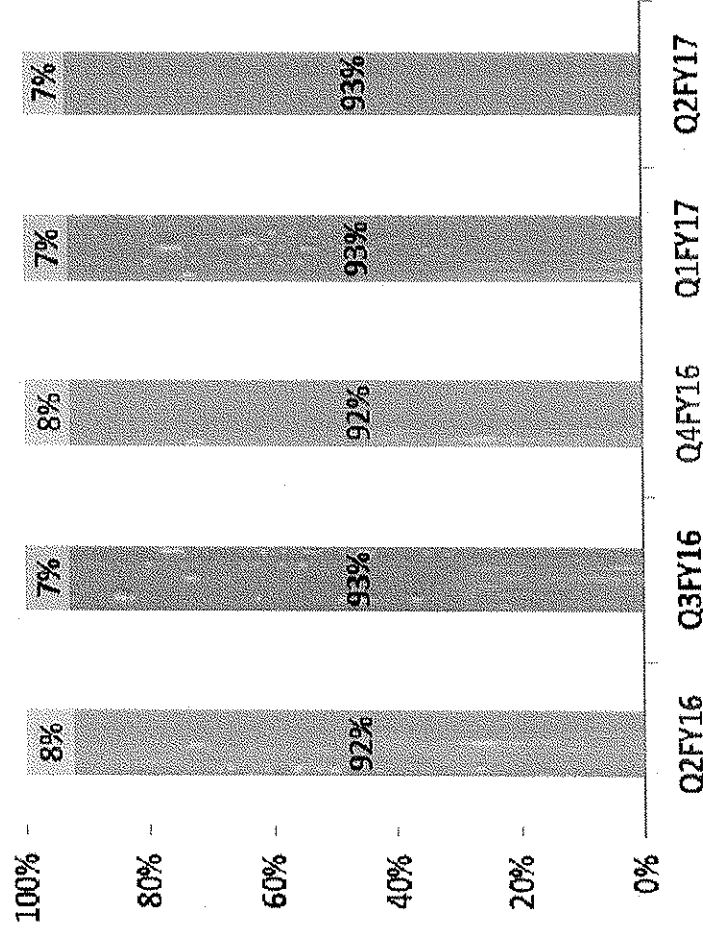
- Operating revenue at Rs 213 Cr, +12%
- Operating EBITDA margin stood at 25.3% compared to 27.9% in Q2FY16
- Network rationalisation continues.
 - 13 new labs added and 2 exited.
 - 23 collection centres added and 30 closed.
- No of accession at 4.10 million, a 7% Q-o-Q growth
- Expands service offering by adding 5 new tests



India Diagnostics Business

Business Mix

■ Imaging
■ Lab Medicine



Lab medicine business also includes a small proportion (~ 6%) from clinical trials, wellness and the international segment

Thank You...

