

SRBC & CO LLP

Chartered Accountants

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Auditor's Report On Quarterly Financial Results and Year to Date Results of Fortis Malar Hospitals Limited Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of
Fortis Malar Hospitals Limited,

1. We have audited the quarterly financial results of Fortis Malar Hospitals Limited for the quarter ended March 31, 2013, attached herewith, 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 audited by us. The quarterly financial results are the derived figures between the audited figures in respect of the year ended March 31, 2013 and the published year-to-date figures up to December 31, 2012, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The financial results for the quarter ended March 31, 2013 have been prepared on the basis of the financial results for the nine-month period ended December 31, 2012, the audited annual financial statements as at and for the year ended March 31, 2013, and the relevant requirements of Clause 41 of the Listing Agreement and are the responsibility of the Company's management and have been approved by the Board of Directors of the Company. Our responsibility is to express an opinion on these financial results based on our review of the financial results for the nine-month period ended December 31, 2012 which was prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India; our audit of the annual financial statements as at and for the year ended March 31, 2013; and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended March 31, 2013 and for the year ended March 31, 2013.



For Fortis Malar Hospitals Limited

[Signature]
Company Secretary

SRBC & CO LLP

Chartered Accountants

4. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2013 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2013 and the published year-to-date figures up to December 31, 2012, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Clause 41(I)(d) of the Listing Agreement.
5. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the Company in terms of clause 35 of the Listing Agreement and found the same to be correct.

SRBC & CO LLP
For SRBC & CO LLP
Chartered Accountants
ICAI Firm registration number: 324982E



Sandeep Sharma
per Sandeep Sharma
Partner
Membership No.: 093577

Gurgaon
May 27, 2013

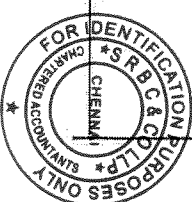
For Fortis Malar Hospitals Limited

[Signature]
Company Secretary

FORVIS MALLAS HOSPITALS LIMITED
 Regd Office: 52, Gandhi Nagar First Main Road, Adyar, Chennai - 600 020
AUDITED/ UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

(Rs. in lakhs except EPS and Shareholding data)

PART I	Particulars	Quarter ended		Stand alone year ended		Consolidated year ended	
		March 31, 2013		March 31, 2012		March 31, 2012	
		(unaudited)	(unaudited)	(Audited)	(Audited)	(Audited)	(Audited)
1	a) Income from Operations	2,399.65	2,588.91	2,390.37	9,692.81	9,416.65	9,416.65
	b) Other Operating Income	48.67	15.66	21.23	152.30	68.91	68.91
	Net Income from Operations	2,448.32	2,604.57	2,411.60	9,845.11	9,485.56	9,485.56
2	a) Drugs and Consumables	298.98	311.92	253.77	1,165.76	1,094.66	1,094.66
	b) Employee's Cost	324.10	320.63	295.30	1,326.60	1,193.49	1,217.25
	c) Professional Charges/Doctors	619.95	611.09	573.80	2,467.68	2,458.68	2,415.23
	d) Clinical Establishment Fee	396.71	333.98	333.98	790.57	790.57	790.57
	e) Net Depreciation and amortization	45.77	80.23	78.27	249.04	299.69	299.69
	f) Other Expenditure	613.16	724.33	876.37	2,948.99	2,493.04	3,433.78
	Total Expenditures	2,296.53	2,362.06	2,075.51	8,966.55	8,403.01	8,400.82
3	Profit from operations before other income, interest & exceptional items (1-2)	150.19	242.51	336.09	958.56	1,082.55	1,084.74
4	Other Income	136.85	129.18	7.43	278.20	26.09	26.09
5	Profit before Interest & Exceptional Items (3 + 4)	289.04	371.69	343.52	1,236.76	1,108.64	1,110.83
6	Finance Cost	7.90	17.07	56.41	80.04	130.72	90.04
7	Profit from ordinary activities after Finance Cost but before Exceptional Items and Tax (5 - 6)	281.14	354.62	287.11	1,156.72	977.92	1,020.79
8	Exceptional Items	0.00	27.39	96.16	353.28	96.16	100.97
	Interest Income (Refer Note 3 below)	0.00	27.39	96.16	353.28	96.16	100.97
9	Profit from Ordinary Activities Before Tax	281.14	382.01	383.27	1,510.00	1,074.08	1,081.07
10	Tax expense	93.68	113.28	113.28	492.58	302.98	306.14
11	Net Profit from ordinary activities after Tax	187.46	268.73	270.00	1,017.42	771.10	775.93
12	Extra Ordinary Items	187.26	264.83	269.99	1,017.42	771.10	775.93
13	Profit on Sale of Clinical Establishment Business (Net of Tax expenses of Rs. 839.51 Lakhs) (Refer note 4 and 5 below)	(37.03)	3,337.57	3,302.54	3,300.54	3,300.54	3,300.54
	Net Profit after tax	150.23	3,602.40	289.99	4,317.96	771.10	775.93
14	Paid up Equity Share Capital (Face Value Rs. 10 each)	1,860.95	1,860.95	1,860.95	1,860.95	1,860.95	1,860.95
15	Reserves excluding Revaluation Reserve	1,01	1,42	1,45	5,47	4,14	4,17
16	Earnings Per Share (EPS) - Basic (Rs.)	0.81	19.36	1.45	23.20	4.14	4.17
	- Before Extraordinary Items						
	- After Extraordinary Items	1.00	1.42	1.45	5.46	4.14	4.17
17	Earnings Per Share (EPS) - Diluted (Rs.)	0.81	19.27	1.45	23.16	4.14	4.17
	- Before Extraordinary Items						
	- After Extraordinary Items	0.81	19.27	1.45	23.16	4.14	4.17
PART II		(Not Annualised)		(Not Annualised)		(Not Annualised)	
A		(Not Annualised)		(Not Annualised)		(Not Annualised)	
1 PARTICULARS OF SHARE HOLDINGS		(Not Annualised)		(Not Annualised)		(Not Annualised)	
Public Shareholding		66,41,857	68,41,857	66,41,857	68,41,857	66,41,857	68,41,857
- Number of Shares							
- Percentage of Shareholding		36.80%	36.80%	36.80%	36.80%	36.80%	36.80%
2 Promoters and promoters group Shareholding		Nil		Nil		Nil	
a) Pledged / Encumbered		Nil	Nil	Nil	Nil	Nil	Nil
- No. of shares							
- % of shares (as a % of total shareholding of promoter and promoter group)							
b) Non-Encumbered		1,17,52,402	1,17,52,402	1,17,52,402	1,17,52,402	1,17,52,402	1,17,52,402
- No. of shares							
- % of shares (as a % of total shareholding of promoter and promoter group)		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
% of shares (as a % of total share capital of the company)		63.20%	63.20%	63.20%	63.20%	63.20%	63.20%
B INVESTOR COMPLAINTS		Nil		Nil		Nil	
Particulars		Quarter ended March 31, 2013		Quarter ended March 31, 2013		Quarter ended March 31, 2013	
Pending at the beginning of the quarter		Nil		Nil		Nil	
Received during the quarter		8		8		8	
Disposed off during the quarter		8		8		8	
Remaining unresolved at the end of the quarter		Nil		Nil		Nil	



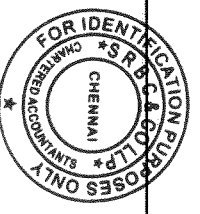
FORTIS MALAR HOSPITALS LIMITED
 Regd. Office: 52, Gandhi Nagar First Main Road, Adyar, Chennai 600 020
AUDITED/ UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2013

Particulars	Shareholders		Consolidated	
	As at March 31, 2013 (Audited)	As at March 31, 2012 (Audited)	As at March 31, 2013 (Audited)	As at March 31, 2012 (Audited)
I. EQUITY AND LIABILITIES				
Shareholders' Funds:				
Share capital	7,675.92	3,357.97	7,712.26	3,354.43
Reserves and surplus	1,860.95	1,860.95	1,860.95	1,860.95
Non-current liabilities	5,814.97	1,497.02	5,851.31	1,503.48
Long term borrowings	63.01	697.39	63.01	697.07
Deferred tax liabilities (net)	63.01	455.39	63.01	455.39
Long term provisions	63.01	242.00	63.01	241.68
Current liabilities	1,241.30	7,761.35	1,306.68	7,773.79
Short-term borrowings	775.56	1,501.96	777.11	1,501.96
Trade payables	345.07	6,541.84	407.05	6,561.39
Other current liabilities	120.67	6,922.93	122.42	6,932.69
Short-term provisions	8,980.23	32.62	9,081.65	33.76
Total	17,921.51	11,816.71	17,921.51	11,835.29
II. ASSETS				
Non-current assets				
Tangible assets	1,728.04	3,896.82	1,728.04	3,896.82
Intangible assets	8.87	13.65	8.87	13.65
Capital work in progress	5.00	49.21	5.00	49.21
Non-current investments	10.60	395.58	0.71	410.81
Deferred tax asset (net)				
Long term loans and advances				
Current assets				
Inventories	7,227.72	7,456.25	7,265.74	7,464.08
Trade receivables	39.43	50.75	39.43	50.76
Cash and cash equivalents	320.65	3,781.51	320.65	3,781.51
Short term loans and advances	292.22	63.20	300.50	66.69
Other current assets	6,305.20	6,594.99	6,394.94	6,594.99
Total	17,921.51	11,816.71	17,921.51	11,835.29

NOTES:

- The above Audited financial results have been reviewed by the Audit, Risk and Controls Committee, approved and taken on record by the Board of Directors in their meeting held on May 27, 2013.
- The Company operates in one reportable segment in terms of Accounting Standard 17.
- Interest income aggregating Rs. 353.28 lakhs for the year, earned on Inter Corporate Deposit placed out of advance money received from Fortis Health Management Limited (FHML) towards sale of the Clinical Establishment Business (CEB) upto October 16, 2012, being the effective date of transfer of the CEB has been disclosed as an exceptional item and the related interest income aggregating Rs. 265.37 lakhs for the year pertaining to the period subsequent to October 16, 2012 has been included as part of other income.
- During the current year, the Company had completed the sale of its Clinical Establishment Business to Fortis Health Management Limited (FHML) (collectively, the parties) pursuant to the Business Transfer Agreement (BTA) dated August 27, 2012. Accordingly, the net assets of Rs. 2,308.83 lakhs of the clinical establishment business have been transferred as a going concern on a stamp sale basis effective October 17, 2012 for an aggregate consideration of Rs. 7,000 lakhs. The net profit aggregating Rs. 3,300.54 lakhs (net of tax expense - Rs. 839.51 lakhs) arising from the sale of the said business has been disclosed as an 'extraordinary item'.
- Extraordinary expense in the current quarter of Rs. 37.03 lakhs (net of tax benefit - Rs. 10.22 lakhs) represents additional stamp duty cost incurred on the transfer of land in respect of the sale of CEB.
- The Company has entered into a Hospital and Medical Services Agreement (HMSA) with FHML, whereby, the Company has engaged FHML to provide the clinical establishment services including the radiology and the out-patient consultation services on behalf of the Company.
- The amount for the quarter ended March 31, 2013 have been derived as a balancing figure between the amounts as per the annual audited accounts and the year to date results upto December 31, 2012.
- Previous period figures have been regrouped, wherever considered necessary.

Place: Gurgaon
 Date: 27 May, 2013



By Order of the Board
 For and on Behalf of Board of Directors
 V. Vijayaraman
 Whole Time Director

PRESS RELEASE

FORTIS MALAR REPORTS Q4FY13 REVENUE AT RS 24.49 CR
OPERATING PROFIT FOR THE QUARTER STOOD AT RS 1.96 CR
FY13 CONSOLIDATED REVENUE AT RS 98.45 CR
OPERATING PROFIT FOR FY13 AT RS 12.11 CR

Gurgaon, May 27, 2013: Fortis Malar Hospitals Limited, a subsidiary of Fortis Healthcare Limited, one of India's largest private healthcare chains with an international footprint, today announced its results for the quarter ended March 31, 2013 and for the full year ended March 31, 2013.

Key financial highlights for Q4 FY2013

- Fortis Malar Hospitals reported operating revenue of Rs 24.49 Cr
- Profit before tax (before exceptional items) stood at Rs 2.81 Cr compared to Rs 2.87 Cr in the corresponding quarter of last year.
- Net profit during the quarter was at Rs 1.50 Cr compared to Rs.2.70 Cr reported during the corresponding period last fiscal. The net profit in the corresponding period included exceptional items of Rs 0.96 Cr.
- Specialties such as renal transplant and Neuro Sciences continue to witness robust growth.

Key financial highlights for FY2013

- Consolidated operating revenue for the year ended March 31, 2013 stood at Rs 98.45 Cr.
- Profit before tax (before exceptional items) grew 18.4% at Rs 11.6 Cr compared to Rs 9.8 Cr in the previous year.
- Net profit for the year increased significantly to Rs 43.48 Cr compared to Rs.7.76 Cr reported during FY2012. This is mainly due to extraordinary item of Rs 33 Cr on account of capital gains on transferring clinical establishment to Religare Health Trust.

Operational Highlights for Q4 2013

- During the quarter, the expert medical team at the hospital continued to perform high risk and rare surgeries.
 - A high-risk surgery that lasted for 9-hours to remove 3 stone-like growths from inside and outside the heart of a 53-year-old gentleman
 - Critical care experts managed to rescue a viper bite victim from the jaws of death with the support of artificial heart machine i.e. Extra Corporeal Membrane Oxygenation (ECMO)
- Organized the Advanced Heart Failure and Mechanical Assist Meet 2013, a first-of-its-kind international conference on Heart failure, Cell therapy, Mechanical assist and Heart transplant. The meet witnessed the participation from over 150 renowned cardiologists and cardiovascular surgeons from India and across the world

Corporate Social Responsibility

Playing its part as a good social corporate citizen, Fortis Malar has been involved in activities that contribute to society.

- Health awareness talk and health checkups conducted at various corporate and Government organizations
- Conducted free Cardiac and Neuro camps at various towns, Government organizations and corporate across the state
- Rendered medical support for the participants in Chennai Cycling 2013 and promoted the benefits of cycling for a healthy living
- Organized in-house road-shows emphasizing the importance of kidney and its role in saving our heart on the occasion of World Kidney Day
- Organized in-house poster displays and health awareness talk to break the myth about Epilepsy on the occasion of Purple Day

Commenting on the results Mr Aditya Vij, Chairman, Fortis Malar Hospitals Limited, said,
“During the quarter, the Company focused on strengthening its clinical talent and improving its brand visibility which we believe will result in strong overall performance in the coming years”.

About Fortis Malar Hospitals Ltd

Fortis Malar Hospital (formerly known as Malar Hospital) was acquired by Fortis Healthcare (India) Limited in early 2008. The hospital founded in 1992, is established as one of the largest corporate hospitals in Chennai providing quality super specialty and multi specialty healthcare services. Fortis Malar Hospitals, with 180 beds, focuses on providing comprehensive medical care in the areas of Cardiology and Cardiac Surgery, Neuro Surgery, Gynaecology, Orthopaedics, Gastroenterology, Neurology, Pediatrics, Diabetics, Nephrology and Internal Medicine.

Fortis Malar Hospital has a state of the art Cath Lab and multiple dedicated cardiac operation theatres and intensive coronary care units. Several rare and complex Adult and Pediatric Cardiac surgeries, Orthopedic and Joint replacements, Neurosurgeries and Plastic reconstruction surgeries have been performed at this hospital. The hospital's Obstetrics and Gynaecology services are among the busiest in the city, successfully performing many complicated deliveries and surgeries. They are supported by a dedicated Neonatology unit.

About Fortis Healthcare Ltd

Fortis Healthcare Limited is an integrated healthcare delivery service provider in Asia. The healthcare verticals of the company span primary care, diagnostics, day care speciality and hospitals, with a healthcare network spanning 12 countries. Currently, the company operates its healthcare delivery network in India, Hong Kong, Singapore, Vietnam, Dubai, Mauritius, Sri Lanka, Australia, New Zealand with 70 healthcare facilities (including projects under development), over 11,000 potential beds, over 600 primary care centres, over 190 day care speciality centres, over 240 diagnostic centres, over 22,500 employees together with approximately 2,000 people employed at our managed healthcare facilities.

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.

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The Shares may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act. There will be no public offer of securities in any jurisdiction, including the United States and India."

FOR MORE INFORMATION PLEASE CONTACT

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