

FORTIS MALAR HOSPITALS LIMITED
 Regd. Office: 52, Gandhi Nagar First Main Road, Adyar, Chennai 600 020
 UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013

(Rs. in lakhs except EPS and shareholding data)

| PART I | Particulars | Standalone | | | | Standalone Period ended September 30, 2012 | Standalone September 30, 2012 (unaudited) | Standalone March 31, 2013 (Audited) |
|------------------------------------|---|--|------------------------------|-----------------------------------|-----------------------------------|--|---|---|
| | | September 30, 2013 (unaudited) | June 30, 2013 (Unaudited) | September 30, 2012 (unaudited) | September 30, 2012 (unaudited) | | | |
| PART I | 1 | a) Income from Operations | 2,808.04 | 2,590.33 | 2,341.66 | 5,398.37 | 4,704.05 | 9,692.81 |
| | | b) Other Operating Income | 11.40 | 7.44 | 29.19 | 18.84 | 97.76 | 152.30 |
| | | Net Income from Operations | 2,819.44 | 2,597.77 | 2,370.85 | 5,417.21 | 4,801.81 | 9,845.11 |
| | 2 | a) Drugs and Consumables | 639.12 | 571.16 | 491.67 | 1,210.28 | 962.12 | 2,025.60 |
| | | b) Employees Cost | 370.71 | 350.75 | 338.20 | 721.46 | 681.87 | 1,326.60 |
| | | c) Professional Charges-Doctors | 646.20 | 637.89 | 628.69 | 1,284.09 | 1,236.53 | 2,467.58 |
| | | d) Clinical Establishment Fee | 425.02 | 410.02 | 835.04 | 835.04 | - | 730.57 |
| | | e) Other Expenditure | 51.41 | 46.75 | 79.43 | 98.16 | 153.05 | 249.04 |
| | | Total Expenditure | 2,648.32 | 2,491.63 | 2,074.44 | 5,139.95 | 4,235.98 | 8,886.55 |
| | 3 | Profit from operations before other income, interest & exceptional items (1-2) | 171.12 | 106.14 | 296.41 | 277.26 | 565.83 | 958.56 |
| | 4 | Other Income | 165.26 | 159.44 | 0.18 | 324.70 | 0.18 | 278.20 |
| | 5 | Profit before Interest & Exceptional Items (3 + 4) | 336.38 | 265.58 | 296.59 | 601.96 | 566.01 | 1,236.76 |
| | 6 | Finance Cost | 14.25 | 8.44 | 22.12 | 22.69 | 55.06 | 80.04 |
| | 7 | Profit from ordinary activities after Finance cost but before Exceptional items and Tax (5 - 6) | 322.13 | 257.14 | 274.47 | 579.27 | 510.95 | 1,156.72 |
| | 8 | Exceptional items - Interest Income (Refer Note 4 below) | - | - | 163.84 | - | 325.89 | 353.28 |
| | 9 | Profit from Ordinary Activities before Tax (7 - 8) | 322.13 | 257.14 | 438.31 | 579.27 | 836.84 | 1,510.00 |
| | 10 | Tax expense | 116.77 | 87.24 | 142.21 | 204.01 | 271.52 | 492.58 |
| 11 | Net Profit from Ordinary Activities after Tax | 205.36 | 169.90 | 296.10 | 375.26 | 565.32 | 1,017.42 | |
| 12 | Extraordinary Items | | | | | | | |
| 13 | Profit on Sale of Clinical Establishment Business (Refer Note 5 below) | 205.36 | 169.90 | 296.10 | 375.26 | 565.32 | 3,300.54 | |
| 14 | Net Profit after tax | 1,860.95 | 1,860.95 | 1,860.95 | 1,860.95 | 1,860.95 | 4,317.96 | |
| 15 | Paid up Equity Share Capital (Face Value Rs. 10 each) | | | | | | 1,860.95 | |
| 16 | Reserves excluding Revaluation Reserves | | | | | | 5,814.97 | |
| 17 | Earnings Per Share (EPS) - Basic (Rs.) | 1.10 | 0.91 | 1.59 | 2.02 | 3.04 | 5.47 | |
| | - Before Extraordinary Items | 1.10 | 0.91 | 1.59 | 2.02 | 3.04 | 3.04 | |
| | - After Extraordinary Items | 1.10 | 0.91 | 1.59 | 2.02 | 3.04 | 5.46 | |
| | Earnings Per Share (EPS) - Diluted (Rs.) | 1.10 | 0.91 | 1.59 | 2.02 | 3.04 | 23.16 | |
| | - After Extraordinary Items | 1.10 | 0.91 | 1.59 | 2.02 | 3.04 | 23.16 | |
| PART II | | | | | | | | |
| PARTICULARS OF SHAREHOLDING | | | | | | | | |
| A | Public Shareholding | 6,841,857 | 6,841,857 | 6,841,857 | 6,841,857 | 6,841,857 | 6,841,857 | |
| | - Number of Shares | 36.80% | 36.80% | 36.80% | 36.80% | 36.80% | 36.80% | |
| 2 | Promoters and promoters group Shareholding | | | | | | | |
| | 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 | | | | | | | |
| | - No. of shares | 11,752,402 | 11,752,402 | 11,752,402 | 11,752,402 | 11,752,402 | 11,752,402 | |
| | - % 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 | | | | | | | |
| | Particulars | Quarter ended 30-09-2013 | | | | | | |
| | Pending at the beginning of the quarter | Nil | | | | | | |
| | Received during the quarter | 15 | | | | | | |
| | Disposed off during the quarter | 15 | | | | | | |
| | Remaining unresolved at the end of the quarter | Nil | | | | | | |

STATEMENT OF ASSETS AND LIABILITIES

| Particulars | As at September 30, 2013 | As at March 31, 2013 |
|----------------------------------|--------------------------|----------------------|
| | (Unaudited) | (Audited) |
| I. EQUITY AND LIABILITIES | | |
| Shareholders' funds | 7,942.39 | 7,675.92 |
| Share capital | 1,860.95 | 1,860.95 |
| Reserves and surplus | 6,081.44 | 5,814.97 |
| Non-current liabilities | 64.92 | 63.01 |
| Deferred tax liabilities (net) | 64.92 | 63.01 |
| Current liabilities | 1,937.64 | 1,241.30 |
| Trade payables | 1,390.03 | 885.86 |
| Other current liabilities | 362.65 | 234.77 |
| Short-term provisions | 184.96 | 120.67 |
| Total | 9,944.95 | 8,980.23 |
| II. ASSETS | | |
| Non-current assets | 1,845.19 | 1,752.51 |
| Tangible assets | 1,734.50 | 1,728.04 |
| Intangible assets | 21.13 | 8.87 |
| Capital work in progress | 73.96 | - |
| Non-current investments | 5.00 | 5.00 |
| Long term loans and advances | 10.60 | 10.60 |
| Current assets | 8,099.76 | 7,227.72 |
| Inventories | 32.92 | 39.43 |
| Trade receivables | 491.50 | 320.65 |
| Cash and cash equivalents | 943.16 | 292.22 |
| Short term loans and advances | 6,360.02 | 6,305.20 |
| Other current assets | 272.16 | 270.22 |
| Total | 9,944.95 | 8,980.23 |

Notes

- The above unaudited 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 October 26, 2013.
- The Company operates in one reportable segment i.e., Multi specialty Hospital Services in terms of Accounting Standard 17.
- The Board has declared an Interim Dividend of 50 paise per share in its meeting held on August 30, 2013.
- Interest income aggregating Rs. 163.84 Lakhs relating to quarter ended September 30, 2012 (year ended September 2012 - Rs 325.89 lakhs), earned on Inter corporate Deposit placed out of advance money received from Fortis Malar Hospitals Limited Health Management Limited ("FHML") towards sale of 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 pertaining to the period subsequent to October 16, 2012 has been included as part of other income.
- During the financial year March 2013, 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 2,308.93 Lakhs of the clinical establishment business have been transferred as a going concern on a slump 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 expenses - Rs 839.51 Lakhs arising from the sale of the said business has been disclosed as an " extraordinary item".
- Previous period figures have been regrouped, wherever considered necessary.

By Order of the Board
For and on Behalf of Board of Directors


Vijayarathna.V
Whole Time Director

Place: Chennai

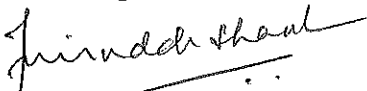
Date: October 26, 2013

Limited Review Report

**Review Report to
The Board of Directors
Fortis Malar Hospitals Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Fortis Malar Hospitals Limited ('the Company') for the quarter ended September 30, 2013 ('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. The 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 provide 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", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) 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
Chartered Accountants
ICAI Firm registration number: 301003E



per **Aniruddh Sankaran**
Partner
Membership No.: 211107

Place: Chennai
Date: October 26, 2013



**FORTIS MALAR REPORTS 19% REVENUE GROWTH AT RS 28.19 CR, for Q2FY14
OPERATING EBITDA AT RS 2.23 CR
NET PROFIT AT RS 2.05 CR**

Chennai, October 26, 2013: Fortis Malar Hospitals Ltd., a subsidiary of Fortis Healthcare Ltd., today announced its unaudited financial results for the quarter ended September 30, 2013.

Financial Highlights for the Quarter (Q2FY2014)

- Fortis Malar Hospitals recorded an Operating revenue of Rs 28.19 Cr., a growth of 19% over the corresponding quarter of the previous year.
- Operating Profit (EBIDTA) for the period stood at Rs.2.23 Cr against Rs. 3.76 Cr reported during the same period last year. The decline is primarily due to the lumped clinical establishment fee of Rs. 4.25 Cr paid during the quarter.
- Profit from ordinary activities before tax was at Rs. 3.22 Cr as compared with Rs. 2.74 Cr, a growth of 17%.
- Net profit for the quarter was at Rs.2.05 Cr against Rs.2.96 Cr reported during the same period last fiscal.
- Top line growth was mainly driven by better performances of CTVS, Orthopedics, Renal, Neuro, Gastroenterology and Gynaecology, which grew by 48%, 100%, 56%, 17%, 28% and 49% respectively.

Operational Highlights for the quarter

- Our expert Cardiac team at Fortis Malar successfully performed India's first HVAD (Heartware Ventricular Assist Device) Surgery on a 42 year old patient who suffered from end stage heart failure.
- A dedicated centre for Gastro Intestinal (GI) bleed was launched at Fortis Malar, to perform path-breaking procedures in the field of Gastroenterology.
- The Hospital performed 20 renal transplants during the quarter against 11 transplants during the same period last year.
- The Hospital also performed 22 Knee replacements and 2 Hip replacements during the current quarter against 2 Knee replacements and 1 Hip replacement in the same period last fiscal.

Corporate Social Responsibility

Playing its part as a good social corporate citizen, Fortis Malar has been involved in activities that contribute to society. The following CSR activities were undertaken during the quarter:

- As part of the Fortis Heart Saver initiative, Free Cardio Pulmonary Resuscitation (CPR) training programs were conducted for the general public benefitting more than 300 people, so far.
- On the occasion of the World Breast Feeding Week, a poster competition was organized to spread awareness regarding the importance of breast feeding.
- A free Paediatric Cardiac screening camp was organized in association with DDH (Thiruvapur) and Aishwarya Trust and over 175 pediatric patients benefitted.
- Health awareness talks and First Aid training programs were organized at various Corporates and Government organizations.
- An awareness drive was organized on the occasion of World Heart day. Pamphlets and balloons were distributed and a 'Heart day' cycle ride was also organized where more than 150 cycling enthusiasts participated to spread the awareness of the benefits of a healthy heart.

Commenting on the results Mr Aditya Vij, Chairman, Fortis Malar Hospitals Limited, said, "The Company declared an unprecedented growth in quarterly revenue which is a testimony to the clinical and operational standards that are being set. We have witnessed growth across our major specialties and we expect this momentum to continue. We have also reiterated our focus on the health of the community by introducing novel initiatives such as the Healthy Heart awareness program, highlighting the role of prevention and wellness, in containing the disease."

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, Paediatrics, 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

Press Release



Paediatric 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 7 countries. 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, 240 diagnostic centres and a team strength of more than 17000 people.

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 MORE INFORMATION PLEASE CONTACT

Mr. V. Vijayarathna

Fortis Malar Hospitals Ltd

Mobile : 9920932428

vijayarathna.v@fortishealthcare.com

Ms. P.S. Ramya Gourri

Executive PR & Communications

Fortis Malar Hospitals Ltd

Mobile: 8939831218

ramya.gourri@fortishealthcare.com