

FORTIS HEALTHCARE LIMITED

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2010

Rs. In Lacs

Particulars	Consolidated					Standalone				
	Quarter Ended Sep 30		Six Months ended Sep 30		Year Ended March 31	Quarter Ended Sep 30		Six Months ended Sep 30		Year Ended March 31
	2010	2009	2010	2009	2010	2010	2009	2010	2009	2010
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from Operations	35,473	18,758	68,898	37,036	92,675	6,255	4,764	12,188	9,623	20,117
2. Other Operating Income	312	291	679	557	1,119	241	210	463	409	864
3. Total Income	35,785	19,049	69,577	37,593	93,794	6,496	4,974	12,651	10,032	20,981
4. Expenditure										
(a) Material Consumed	9,390	5,327	18,741	10,755	26,267	1,746	1,229	3,460	2,545	5,491
(b) Employees cost	6,719	4,197	12,992	8,447	19,500	1,477	1,049	2,679	2,324	4,723
(c) Net Depreciation & Amortization	2,329	1,176	4,481	2,311	5,994	274	261	541	518	1,079
(d) Other expenditure	31,166	6,540	44,579	12,596	33,979	2,790	2,125	5,126	4,152	8,561
(e) Total	49,604	17,240	80,793	34,109	85,740	6,287	4,664	11,806	9,539	19,854
5. Profit (+)/ Loss (-) from Operations before Other income & interest (3-4)	(13,819)	1,809	(11,216)	3,484	8,054	209	310	845	493	1,127
6. Other Income	35,826	359	39,192	667	5,012	5,487	394	9,756	779	4,115
7. Profit (+)/ Loss (-) from Operations before Interest (5-6)	22,007	2,168	27,976	4,151	13,066	5,696	704	10,601	1,272	5,242
8. Interest (including finance charges)	13,525	776	20,618	1,817	5,729	1,934	484	4,076	1,200	2,228
9. Profit (+)/ Loss (-) from Ordinary activities before tax (7-8)	8,482	1,392	7,358	2,334	7,337	3,762	220	6,525	72	3,014
10. Tax expense	303	93	520	275	336	-	(8)	-	-	-
11. Net Profit/ Loss (9-10)	8,179	1,299	6,838	2,059	7,001	3,762	228	6,525	72	3,014
12. Less : Minority Interest in profit / (loss)	(41)	83	60	141	209	-	-	-	-	-
13. Add : Share in profit/(loss) of associate companies	(742)	81	(731)	134	156	-	-	-	-	-
14. Net Profit / (Loss) attributable to the shareholders of the Company	7,478	1,297	6,047	2,052	6,948	3,762	228	6,525	72	3,014
15. Paid-up equity share capital (Face Value Rs.10 per Share)	40,506	22,667	40,506	22,667	31,732	40,506	22,667	40,506	22,667	31,732
16. Reserves excluding Revaluation Reserves					119,150					137,363
17. Earnings Per Share :- Basic	2.05	0.57	1.66	0.91	2.62	1.03	0.10	1.79	0.03	1.14
:- Diluted	2.05	0.57	1.66	0.91	2.61	1.03	0.10	1.79	0.03	1.14
18. Public shareholding - No of Shares	74,907,846	71,502,292	74,907,846	71,502,292	74,674,964	74,907,846	71,502,292	74,907,846	71,502,292	74,674,964
- Percentage of shareholding	18.5%	31.5%	18.5%	31.5%	23.5%	18.5%	31.5%	18.5%	31.5%	23.5%

19. Promoters and promoter group Shareholding										
a) Pledged/ Encumbered - No of Shares	127,190,500	39,340,500	127,190,500	39,340,500	164,817,692	127,190,500	39,340,500	127,190,500	39,340,500	164,817,692
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	38.5%	25.4%	38.5%	25.4%	67.9%	38.5%	25.4%	38.5%	25.4%	67.9%
- Percentage of shares (as a % of the total share capital of the company)	31.4%	17.4%	31.4%	17.4%	51.9%	31.4%	17.4%	31.4%	17.4%	51.9%
b) Non-encumbered - No of Shares	202,963,449	115,823,741	202,963,449	115,823,741	77,830,953	202,963,449	115,823,741	202,963,449	115,823,741	77,830,953
- Percentage of shares (as a % of total shareholding of promoter and promoter group)	61.5%	74.6%	61.5%	74.6%	32.1%	61.5%	74.6%	61.5%	74.6%	32.1%
- Percentage of shares (as a % of the total share capital of the company)	50.1%	51.1%	50.1%	51.1%	24.5%	50.1%	51.1%	50.1%	51.1%	24.5%

Notes:

- The financial results for the quarter ended September 30, 2010 have been reviewed by the Audit, Risk & Controls Committee and approved by the Board of Directors at their respective meetings held on November 2, 2010. The financial results have been subjected to the limited review by the Statutory Auditors in terms of Clause 41 of Listing Agreement.
- The Group is primarily engaged in the business of healthcare services, which as per Accounting Standard 17 on 'Segment Reporting' issued by the ICAI is considered to be the only reportable business segment. The Group's operating locations are based in India which is considered as a single geographical segment.
- Other income includes interest income, unclaimed balances and excess provisions written back, foreign exchange fluctuation gain, profit on sale of assets, profit on sale of investment; claim received against key man insurance policy and miscellaneous income, whichever is relevant for the period/year.
- The statutory auditors have reported in the auditor's report on consolidated financial statements for the year ended March 31, 2010 about their inability to express an opinion on the matter relating to land under leasehold arrangements with the Delhi Development Authority and certain demands raised by the income tax authorities in respect of a subsidiary aggregating to Rs. 9,608 lacs. As the matters are sub-judice, and appeals against the demands are pending at various stages and based on the advice received from legal counsels, the management is of the view that the matters shall get resolved in its favor.
- The funds raised through Initial Public Offer in April 2007 have been fully utilized in June 2010. The status of fund utilization out of Rights Issue Proceeds as at the end of September 30, 2010 is as follows:

			(Rs. in lacs)
S no.	Expenditure Program	Amount expended till September 30, 2010	
1	Investment in wholly owned subsidiary (Fortis Hospotel Limited) to finance the construction and development of a Greenfield hospital project in Gurgaon, Haryana	20,000	
2	Acquisitions and other strategic initiatives	20,000	
3	Redemption of Preference Shares (Class C), along with the premium on such redemption	26,000	
4	Repayment and prepayment of existing short term loans of the Company	17,100	
5	General corporate purpose	15,312	
6	Issue expenses	1,300	
	Total	99,712	

The Company has utilized entire amount of Rs. 99,712 lacs raised from the Rights Issue.

6. Statement of Assets & Liabilities of the Company

(Rs. In lacs)

Particulars	Consolidated		Standalone	
	September 30, 2010	September 30, 2009*	September 30, 2010	September 30, 2009*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
SOURCES OF FUNDS				
Share Capital	40,939	23,125	40,939	23,125
Share Application Money Pending Allotment	-	42,006	-	42,006
Reserves & Surplus	295,843	112,151	259,480	74,694
Minority Interest	3,510	2,295	-	-
Secured Loans	56,240	20,971	3,730	10,447
Unsecured Loans	85,178	4,260	73,877	4,000
TOTAL	481,710	204,808	378,026	154,272
APPLICATION OF FUNDS				
Goodwill arising on Consolidation	41,638	39,606	-	-
Goodwill on acquisition	44,624	-	-	-
Fixed Assets (including CWIP)	175,198	106,668	7,551	7,348
Investments	109,215	21,461	239,455	80,114
Deferred Tax Assets (Net)	1,240	245	-	-
Net Current Assets	96,608	14,044	126,238	52,540
Miscellaneous Expenditure (to the extent not written off or adjusted)	99	40	21	40
Profit and Loss Account	13,088	22,744	4,761	14,230
TOTAL	481,710	204,808	378,026	154,272

* Amounts pertaining to September 30, 2009 have not been audited or reviewed by the auditors.

7. During the quarter, the Company through one of its subsidiary, Fortis Global Healthcare (Mauritius) Limited has sold its entire stake of 24.88% in Parkways Holdings Limited at the price of SG\$ 3.95 per share to the Integrated Healthcare Holdings Limited, resulting in sale consideration of Rs. 383,981 lacs and gain on the sale of this investment and related transactions amounting to Rs 34,262 lacs has been reported under Other Income. Further, the other expenditure for the quarter includes Rs.17,430 lacs incurred for legal and professional charges, structuring fee paid to the merchant bankers & lawyers and exchange loss etc. related to the Parkway transaction.
8. During the quarter, the Company has commissioned two new tertiary care hospitals deepening its presence in the two Metros viz. a multidisciplinary tertiary care 350 bedded hospital at Shalimar Bagh, New Delhi and a 414 bedded Hospital, at Anandpura, Kolkata. In addition, Fortis Hospitals Mulund inaugurated its state-of-the-art Oncology Block and with this, the hospital is full equipped to provide holistic Cancer Care including Radiation therapy.
9. Number of Investors Complaints received and disposed off during the quarter ended September 30, 2010: (i) Pending at the beginning of the quarter – Nil. (ii) Received during

the quarter – Nil. (iii) Disposed of during the quarter – Nil (iv) Lying unresolved at the end of the quarter – Nil.

10. On August 6, 2010, the Company has allotted 4,600 Equity Shares of Rs. 10/- each, out of which 4,000 shares have been allotted at a premium of Rs. 61/- per share and 600 shares have been allotted at a premium of Rs. 67/- per share, to the eligible employees, upon exercise of vested stock options, under the 'Employee Stock Option Plan 2007' of the Company. Accordingly, the Paid up equity share capital of the Company has been increased from Rs. 40,505.72 lacs to Rs.40,506.18 lacs.
11. The Previous Periods figures have been regrouped and recasted, wherever considered necessary.

Date: November 02, 2010
Place: Gurgaon

for and on behalf of the Board of Directors

Sd/-
Shivinder Mohan Singh
Managing Director

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