



(a business trust constituted on 29 July 2011 and registered on 25 September 2012
under the laws of the Republic of Singapore)
managed by
RHT Health Trust Manager Pte. Ltd.

1. RHT Health Trust Announces Results for the 3rd Quarter Ended 31 December 2017

2. Update on the Outstanding Amounts due for the 6 months ended 30 September 2017 and Distribution

- Total Revenue increased by 3.1% in the quarter ended 31 December 2017 (“3QFY2018”) against the corresponding quarter in the previous financial year (“3QFY2017”), due to the annual 3% increase in Base Fee as per the contractual agreements with the operator.
- Correspondingly, Net Service Fee and Hospital Income grew by 2% in 3QFY2018 against 3QFY2017 following the growth in Total Revenue.
- A Distributable Income per Unit (“DPU”) of 1.09 cents was recorded for 3QFY2018. There was a decrease compared to the 3QFY2017 largely due to increased financing related expenses and higher taxes at the associate level.
- Further amounts have been received from Fortis in respect of the Outstanding Amounts (as defined herein) for the 6 months ended 30 September 2017 (“1HFY2018”).
- A Distribution per Unit of 1.22 cents has been declared and will be paid on the 1 March 2018.

Summary of RHT Results

	3Q FY2018 S\$'000	2Q FY2018 S\$'000	3Q FY2018 vs 2Q FY2018	3Q FY2017 ¹	3Q FY2018 vs 3Q FY2017
Total Revenue ²	23,238	23,948	(3.0)	22,544	3.1
Net Service Fee and Hospital Income	13,043	13,405	(2.7)	12,781	2.0
Cash flow from FHTL ³	4,185	4,492	(6.8)	4,446	(5.9)
RHT Income available for distribution	5,036	5,181	(2.8)	5,644	(10.8)
Total Distributable Income	9,221	9,673	(4.7)	10,090	(8.6)
Distributable Income attributable for Distribution	8,760	9,189	(4.7)	9,586	(8.6)
Distributable Income attributable for Distribution - Per Unit (“DPU”)⁴	1.09 cts	1.14 cts	(4.4)	1.19 cts	(8.4)
INR/SGD exchange rate used for translating the financial results	47.70	47.43		47.57	

¹ Assuming that the Disposal and Related Arrangements relating to Fortis Hospotel Limited (“FHTL”) had occurred at the beginning of 3QFY2017.

² Total Revenue figures excludes straight lining.

³ RHT’s share of cashflow from FHTL, where it owns 49.0%.

⁴ For illustrative purposes only.



8 February 2018, Singapore – RHT Health Trust Manager Pte. Ltd. (“RHT TM”), the Trustee-Manager of RHT Health Trust (“RHT” or the “Trust”), is pleased to announce the Trust’s third quarter results ended 31 December 2017 (“3QFY2018”).

RHT’s Service Fee in the 3QFY2018 increased over 3QFY2017 primarily due to the increase in Base Fee which is up 3% this financial year. The contractual annual 3% increase in Base Fee led to a 3.1% increase in Service Fee in the third quarter, which was slightly offset by the dip in Variable Fee. The operator, Fortis Healthcare Limited (“FHL” or “Fortis”) had recorded a slight drop in its revenue at the Clinical Establishments as a result of less activity. There was however an increase in the average revenue per operating bed (“ARPOB”) of 3.4%, which helped to minimize the impact of the drop in activity.

Comparing the 3QFY2018 against that of the last quarter ended 30 September 2017 (“2QFY2018”), there was a decrease in the amount of Variable Fees received again due to holiday effect in the third quarter of the financial year leading to a quarter on quarter drop in the amount of Service Fees. The third quarter of each financial year tends to see less activity at the Clinical Establishments, due to the various festivities and holiday season. Furthermore, in 2QFY2018, there was a prolonged monsoon season which led to an increase in the number of viral and malaria cases in the preceding last quarter.

Net Service Fee and Hospital Income increased by approximately 2% between 3QFY2018 and 3QFY2017 following the increase in Total Revenue over the period. The net service fee margin had remained constant during the 3QFY2018 when compared to 3QFY2017, although there were some one off costs relating to the upgrading of information technology which were incurred in the latest quarter.

Total Distributable Income for 3QFY2018 was S\$9.2 million. While this is comparable to that of 2QFY2018 which amounted to S\$9.7 million, it is lower than that of 3QFY2017. The drop on a corresponding quarter basis, is due largely to the increase in borrowings as well as the interest expenses. The Total Distributable Income recorded translates to a Distribution per unit attributable to unitholders of 1.09¹ cents for 3QFY2018.

As at 31 December 2017, RHT’s gearing was at 25.5%.

Update on the Outstanding Amounts Due for 1HFY2018 and Distribution

As stated in the 1 February 2018 SGXNET announcement, certain service fees and interest income on the Compulsorily Convertible Debentures (“CCDs”) amounting to INR 660.7 million remained outstanding from the relevant Fortis entities in respect of the six months ended 30 September 2017 (the “Outstanding Amounts”). On the 8 February 2018, RHT has received INR 280.0 million, of which INR 169.3 million is towards the payment of the Outstanding Amounts, and INR 110.7 million is towards the payment of part of the Base Fees of 3QFY2018. The Trustee-Manager is continuing to actively follow up with the Fortis entities on the remaining Outstanding Amounts and that due for 3QFY2018. The Variable Fees and interest income on CCDs for 3QFY2018 are not yet due as of 8 February 2018.

For the 9 months ended 31 December 2017 (“9MFY2018”), the Trustee-Manager has estimated, that based on the Distributable Income, the amount available for distribution is 3.45 cents² per unit

¹ Based on total units issued as at 31 December 2017

² The Distributable Amount per Unit of 3.45 cents is estimated based on the effective forward rate of INR49.62: 1 SGD. The actual amount of distribution, if any, of the remaining amount reflective of the Distributable Amount for 9MFY2018 may differ as the outstanding service fees and interest income on the CCDs to be received will be converted at the spot rate when received.



("Distributable Amount"). In view of the amounts received from Fortis, the Trustee-Manager is pleased to declare a distribution per unit of 1.22 cents which is reflective of the Distributable Amount for the 3 months ended 30 June 2017 (the "Distribution"). The Distribution will be paid on 1 March 2018. The Trustee-Manager will consider the distribution of the remaining amount reflective of the Distributable Amount for 9MFY2018 (less the Distribution) when it receives the remainder of the Outstanding Amounts and the service fees and interest income on the CCDs for 3QFY2018 from the relevant Fortis entities.

In line with the payment of the Distribution, the Trustee-Manager will also be paid its Trustee-Manager fees in respect of 1QFY2018. The balance of the Trustee-Manager fees due will be paid along with any distribution of the remaining amount reflective of the 9MFY2018 Distributable Amount (less the Distribution).

Mr Gurpreet Dhillon, Chief Executive Officer of RHT TM said, "The first three quarters of this financial year ending 31 March 2018 has been fairly eventful for RHT. We have had challenges with our operator, Fortis Healthcare Limited, in the settlement of outstanding Service Fees, which we are still working on to resolve. Our negotiations with Fortis to sell the entire portfolio of assets back to them is continuing and we believe that the price represents an attractive return for our unitholders. Timing wise, it is also a good opportunity to realise this return. Upon conclusion of the discussions, we will update unitholders about the transaction."

Outlook for the Coming Year

There are also some headwinds within the Indian healthcare industry recently owing to new rules and regulations which are being introduced by the Indian government. These new rules and regulations may impact the pricing of medical devices, require the provision of free beds to the needy, as well as new licences imposed on healthcare operators. Such regulations may impact the margins of the healthcare operators, which may affect RHT's Variable Fee.

We continue to engage with Fortis to conclude our discussions on the sale of RHT assets. The discussions are expected to conclude soon.

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About RHT Health Trust

RHT is the first business trust with an initial portfolio comprising of healthcare assets in India to be listed on the Main Board of the Singapore Exchange Securities Trading Limited. Its focus is to invest into medical and healthcare assets and services in Asia, Australasia and emerging markets in the rest of the world. RHT may also from time to time be involved in the development of medical and healthcare assets.

RHT's current portfolio comprises interests in 12 RHT Clinical Establishments, 4 Greenfield Clinical Establishments and 2 Operating Hospitals throughout India, which were valued at approximately S\$1,120.8 million as at 31 March 2017 (after adjusting for the disposal of 51% economic interests in Fortis Hospotel Limited).

About the Trustee-Manager - RHT Health Trust Manager Pte. Ltd.

The Trustee-Manager is an indirect wholly-owned subsidiary of Stellant Capital Advisory Services Private Limited ("Stellant"). Stellant is a Category I Merchant Banker registered with Securities and Exchange Board of India ("SEBI") and engaged in Management of Issues, Determination of Financial Structure, Underwriting of Issues, Investment Advisory Services and Corporate Advisory Services, specifically in Healthcare Arena. Stellant is a wholly-owned step down subsidiary of Fortis Healthcare Limited, which is a key integrated healthcare delivery service provider in India with a leading presence in hospital business and diagnostics. Stellant, being engaged in the merchant banking activities primarily focus on imparting advisory services in the "healthcare sector" arena and providing consultancy services across the healthcare delivery services.

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 facilities. Fortis Healthcare Limited operates its healthcare delivery services in India, Dubai, Mauritius and Sri Lanka with 54 healthcare facilities (including projects under development), approximately 10,000 potential beds and over 350 diagnostic centres.