RELIGARE | HEALTH TRUST

Values that bind

Religare Health Trust

Financial Results for the Quarter ended 31 December 2013

12 February 2014

STRICTLY PRIVATE AND CONFIDENTIAL

Disclaimer

This presentation is focused on comparing actual results from the period from 1 October 2013 to 31 December 2013 (“3Q FY 2014”) versus the projected figures for the financial year 2014. No other comparative figures will be presented as the acquisition of the Portfolio of RHT as well as listing on the Singapore Stock Exchange was completed on 19 October 2012.

This presentation may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other developments or companies, shifts in expected levels of income and occupancy rate, changes in operating expenses (including employee wages, benefits and training), governmental and public policy changes and the continued availability of financing in the amounts and the terms necessary to support future business. Investors are cautioned not to place undue reliance on these forward-looking statements.

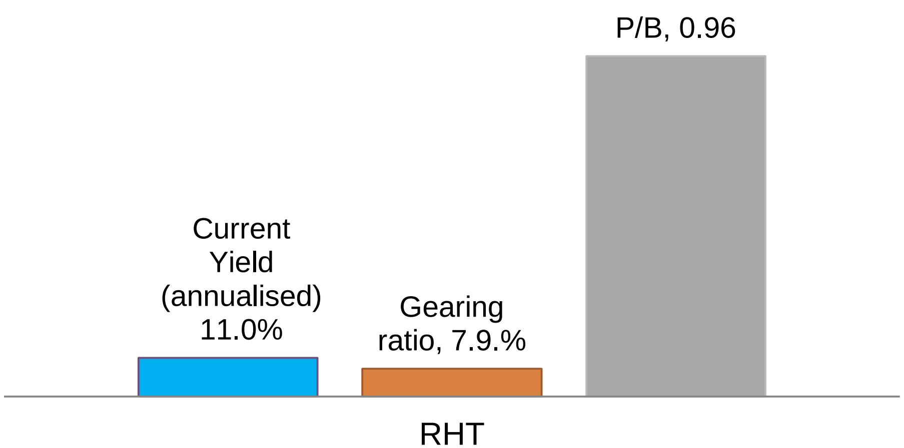
The Indian Rupee and Singapore Dollar are defined herein as “INR” and “S$” respectively. Any discrepancy between individual amounts and total shown in this presentation is due to rounding. Unless otherwise stated, all Indian Rupee amounts in this set of slides have been translated into Singapore dollars based on the fixed exchange rate of ₹49.62 = S$1.00.

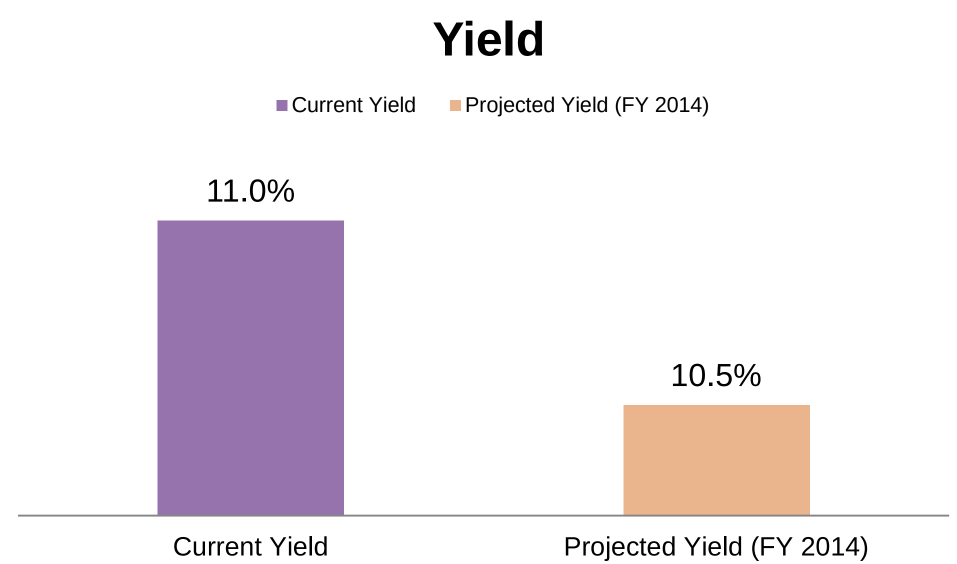
Agenda

- **3Q FY 2014 Key Highlights & Financial Review**
- Portfolio Highlights
- Acquisition of Mohali Clinical Establishment
- Growth Strategy
- Peer Analysis

Financial Highlights

- Distributable income 4.2% higher compared to the last quarter and 4.9% higher than projected
- DPU of 2.14 cents translates to an annualised yield of 11.0%
- Tighter cost controls helped improve the operating margin
- Hedging helps provide stability to Distribution





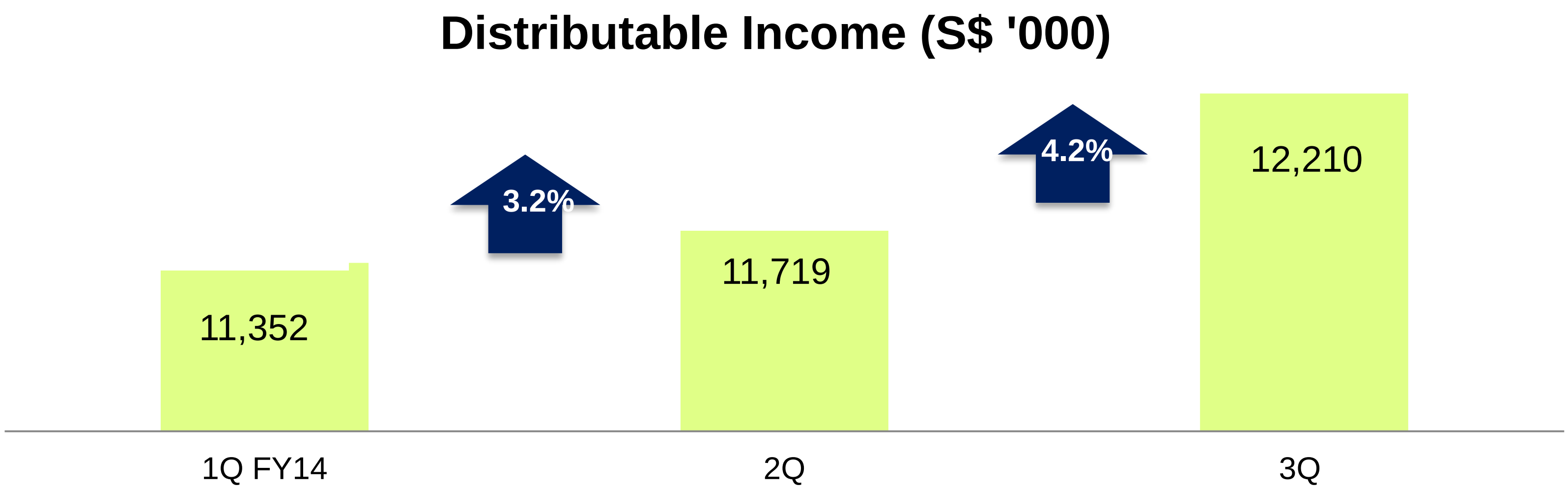
Both Current Yield and P/B are based on unit price of S$0.775 as at 31 December 2013

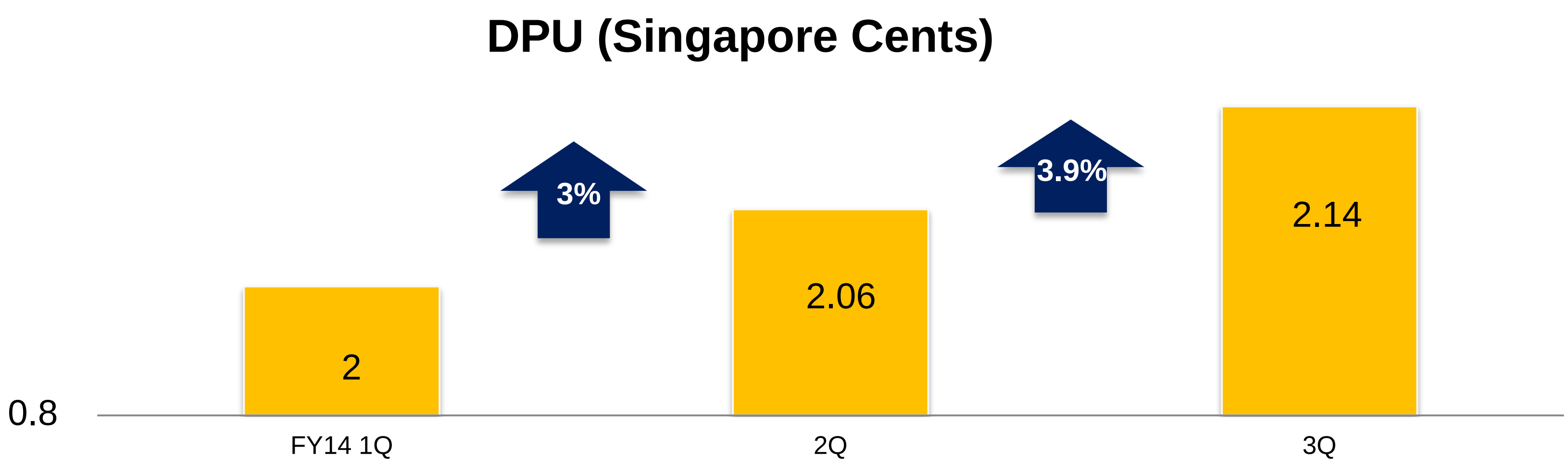
Figures for Current Yield and Projected Yield based on a total number of Common Units of 570,341,000 and results for the quarter ended 31 December 2013

P/B is based on NAV per unit of S$0.80 as of 31 December 2013

DPU of 2.14 cents as against 2.04 cents projected, translating to a 11.0% annualised yield as against 10.5% projected

Continued growth in DPU





Distributions are paid on a semi-annual basis for the six-month periods ending 31 March and 30 September of each year.

Review of FY14 Quarter Comparisons

^Actual FY14 3Q against Projected FY14 3Q	Actual FY14 3Q	Actual FY14 2Q	Projected FY14 3Q
Total Revenue (S$ '000)	26,862	26,505	27,363
Net Service and Hospital Income (S$ '000)	15,843	15,394	16,529
Distributable Income (S$ '000)	12,210	11,719	11,651

Actual FY14 3Q against Actual FY14 2Q	Actual FY14 3Q	Actual FY14 2Q	Variance (%)
Total Revenue (S$ '000)	26,862	26,505	1.3
Net Service and Hospital Income (S$ '000)	15,843	15,394	2.9
Distributable Income (S$ '000)	12,210	11,719	4.2

*Actual FY14 YTD against Projected FY14 YTD	Actual FY14 YTD	Actual FY13 YTD	Projected FY14 YTD
Total Revenue (S$ '000)	81,339	21,932	82,089
Net Service and Hospital Income (S$ '000)	47,492	13,892	49,591
Distributable Income (S$ '000)	35,281	9,394	34,956

^Exchange rate for actual FY14 3Q was S$ 1 = ₹ 49.62, Exchange rate for actual FY14 2Q was S$1 = ₹ 49.69. Exchange rate for projected FY14 3Q was S$1 = ₹ 46.7

**Exchange rate for actual FY14 YTD was S$ 1 = ₹ 48.19, Exchange rate for actual FY13 YTD was S$1 = ₹ 47.79. Exchange rate for projected FY14 YTD was S$1 = ₹ 46.7*

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Variance from Forecast Statement

For the quarter ended 31 December 2013	FY 14 3Q Actual S$'000	FY14 3Q Projection S$'000	Variance S$'000
Service fee	23,816	25,569	(1,753)
Hospital income	1,800	1,311	489
Other income	1,246	483	763
Total revenue	**26,862**	**27,363**	**(501)**
Total service fee and hospital expenses	**(11,019)**	**(10,834)**	**(185)**
Finance income	195	5	190
Finance expenses	(647)	(566)	(81)
Trustee-Manager fee	(1,310)	(1,217)	(93)
Other trust expenses	(252)	(368)	116
Foreign exchange gain	2,007	-	2,007
Total expenses	**(11,026)**	**(12,980)**	**1,954**
Profit before changes in fair value of financial derivatives	**15,836**	**14,383**	**1,453**
Fair value loss on financial derivatives	(3,262)	-	(3,262)
Profit Before Taxes	**12,574**	**14,383**	**(1,809)**
Taxes	(5,026)	(3,216)	(1,810)
Net Profit	**7,548**	**11,167**	**(3,619)**

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Variance from Forecast Statement

For the quarter ended 31 December 2013	FY 14 3Q Actual S$'000	FY 14 3Q Projection S$'000	Variance S$'000
Net profit for the period attributable to unitholders of the Trust	**7,548**	**11,167**	**(3,619)**
Distribution Adjustments:			
Impact of non-cash Straight Lining	(2,888)	(3,079)	191
Technology Renewal Fee	(151)	(164)	13
Depreciation and Amortisation	3,282	2,794	488
Amortisation of debt arrangement fee	196	158	38
Trustee-Manager Fees payable in Units	656	608	48
Foreign exchange differences	1,764	-	1,764
Deferred Tax	1,803	167	1,636
Total distributable income attributable to the unitholders of the Trust	**12,210**	**11,651**	**559**

Balance Sheet

For the quarter ended 31 December 2013	31-Dec-13 (S$'000)	31-Mar-13 (S$'000)	Variance (S'$'000)
Intangibles	142,547	149,594	(7,047)
PPE	589,765	666,107	(76,342)
Other Long term Assets	38,394	25,882	12,512
Long Term Liabilities	(142,842)	(150,728)	7,886
Net Current Assets	8,214	23,654	(15,440)
Total Net Assets attributable to Unit Holders	**636,078**	**714,509**	**(78,431)**

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Portfolio

Clinical Establishment Performance for quarter ended 31 December 2013

Average^	FY 14 2Q	FY 14 3Q	% increase
ARPOB (INR Mn)	9.93	10.44	5.1%
Occupancy	86%	78%	(8%)

^excluding Gurgaon

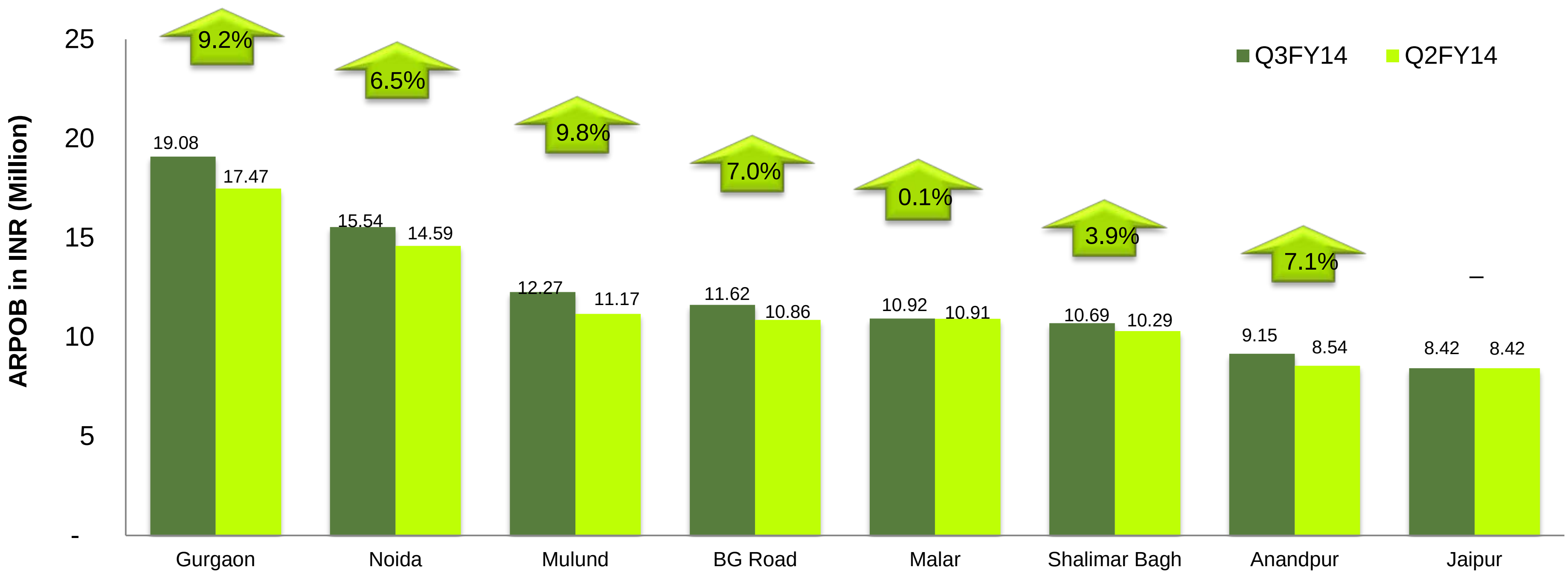
For the 3rd quarter, increase in ARPOB mainly due to income generated from the Mulund and Kalyan Clinical Establishment

Mulund CE

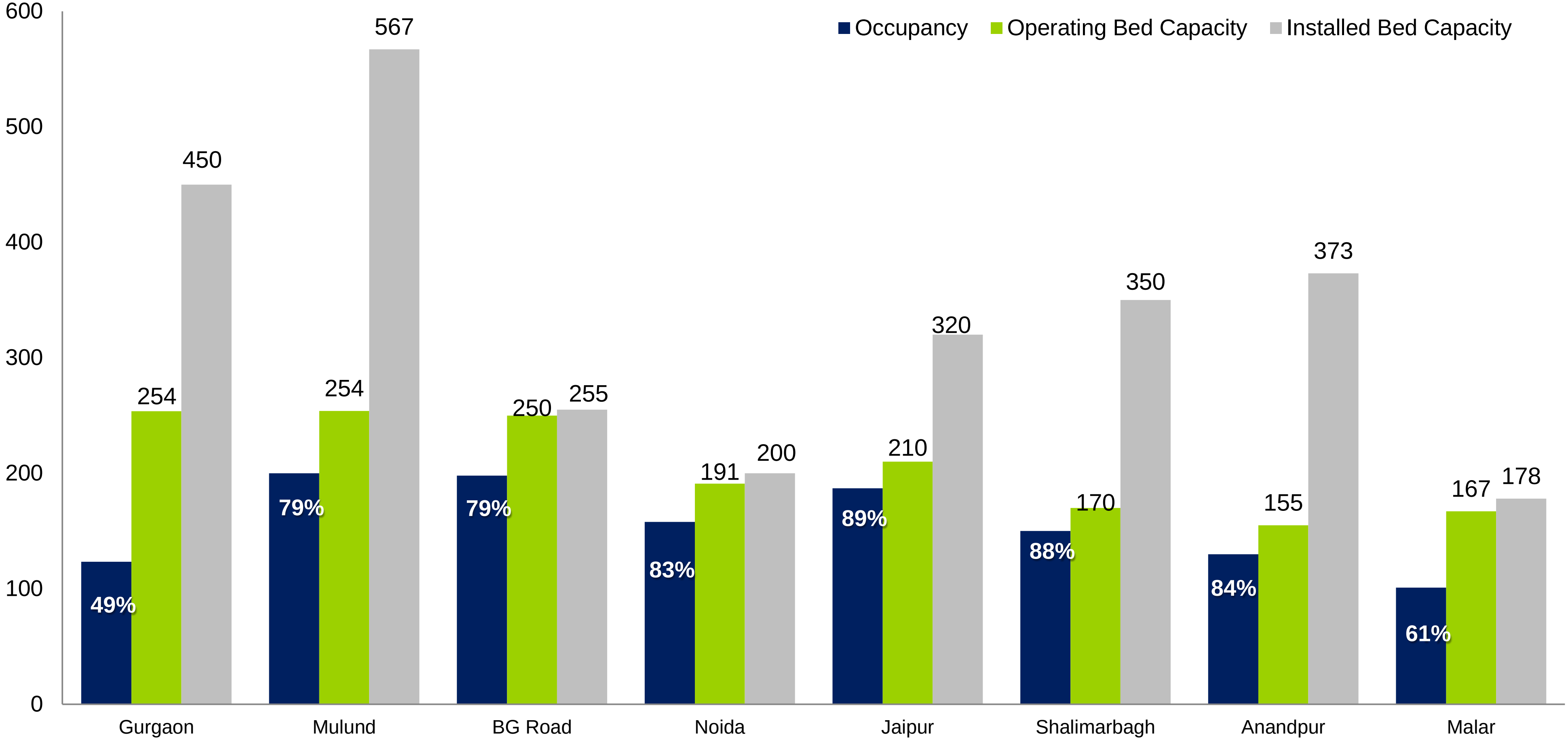
- Price increase with effect from October 2013 onwards resulted in higher revenue generated

Kalyan CE

- Increase in income due to revenue generated from Cardiology income and bypass surgeries



Strong Portfolio Occupancy



Figures as of 31 December 2013

Occupancy for the period ended 31 December 2013

Current Portfolio for quarter ended 31 December 2013

Hospitals	Operational Bed Capacity	Installed Bed Capacity
Amritsar	153	166
Anandapur, Kolkata	155	373
BG Road, Bengaluru	250	255
Gurgaon	254	450
Faridabad	210	210
Jaipur	210	320
Kalyan, Mumbai	49	52
Malar, Chennai	167	178
Mulund, Mumbai	254	567
Nagarbhavi, Bengaluru	45	62
Noida	191	200
Rajajinagar, Bengaluru	52	52
Shalimar Bagh, New Delhi	170	350
Total	**2,164**	**3,235**

Development Project Status

	Ludhiana	BG Road
Estimated Time of Completion	2016	2016
No. of Beds Planned	79	200
Specialities	Obstetrics & Gynaecology, IVF services, Cosmetology, Neonatology, Health Checks	Oncology, OT
Current Status	Government approval process has been initiated and will take at least a month. Demolition work started on 6 January 2014 and will take 45 days to complete. Ground Breaking Ceremony was held on 16 January 2014	Revised layout designs see an increase of 200 in Bed Capacity. Government approvals will take at least 3 months for approval.
		

Ground Breaking Ceremony held on 16 January 2014

Hedging - Foreign currency exposure

RHT has hedged the following foreign exchange exposures

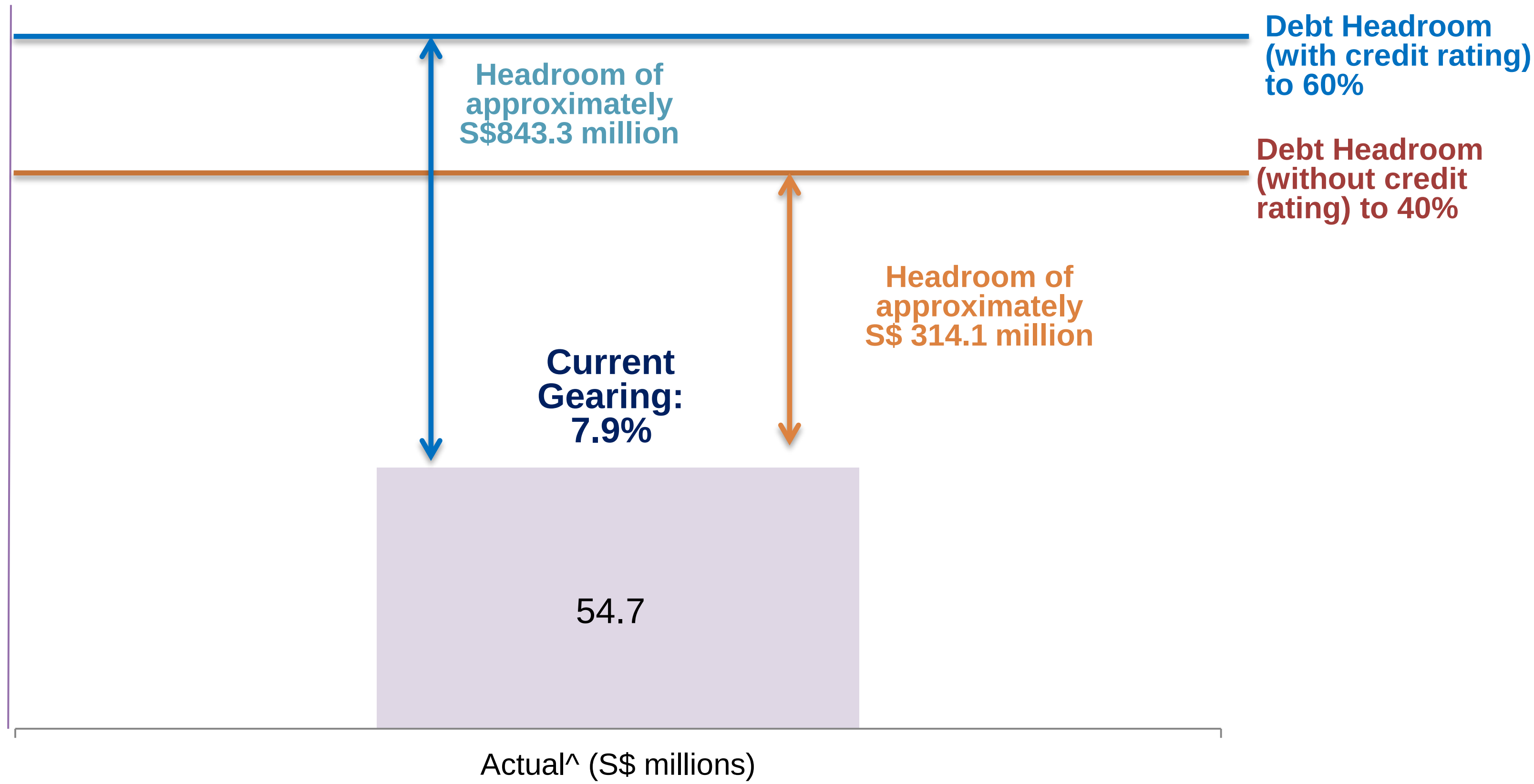
Particulars	Minimum Hedging (percentage to total exposure)
Semi-annual distributions	100% (on one year forward basis)

Forward contracts already entered

Contracted rate	Settlement
INR 47.79 to SGD 1	15-May-14
INR 53.36 to SGD 1	05-Dec-14

Ample Debt Headroom Post Acquisition

Gearing remains low with ample headroom for future growth opportunities



^Net of Cash (Based on audited financial statements of RHT Group as of 31 December 2013)

About Mohali Clinical Establishment

Asset Overview

Fortis Hospital, Mohali	
Operator	Fortis Healthcare Limited (“Fortis”)
Nature of Interest	Freehold
Care Type	Tertiary
Operational Bed Capacity (as of 31 December 2013)	298
Installed Bed Capacity (as of 31 December 2013)	355 (including new Oncology block)
Independent Valuation as at 31 December 2013	INR 2,867 million
Purchase Price^	S$ 58.1 million (₹ 2,850 million)
Breakdown of Purchase Price:	
Sale Deed Consideration	*₹ 2,700 million*
Business Transfer Agreement Consideration	*₹ 38.8 million*
Asset Transfer Deed Consideration	*₹ 111.5 million*

Exchange Rate of $1=INR49

Investment Rationale

1. An internationally accredited hospital in a strategic location in North India

2. A hospital with a proven financial performance and strong operations

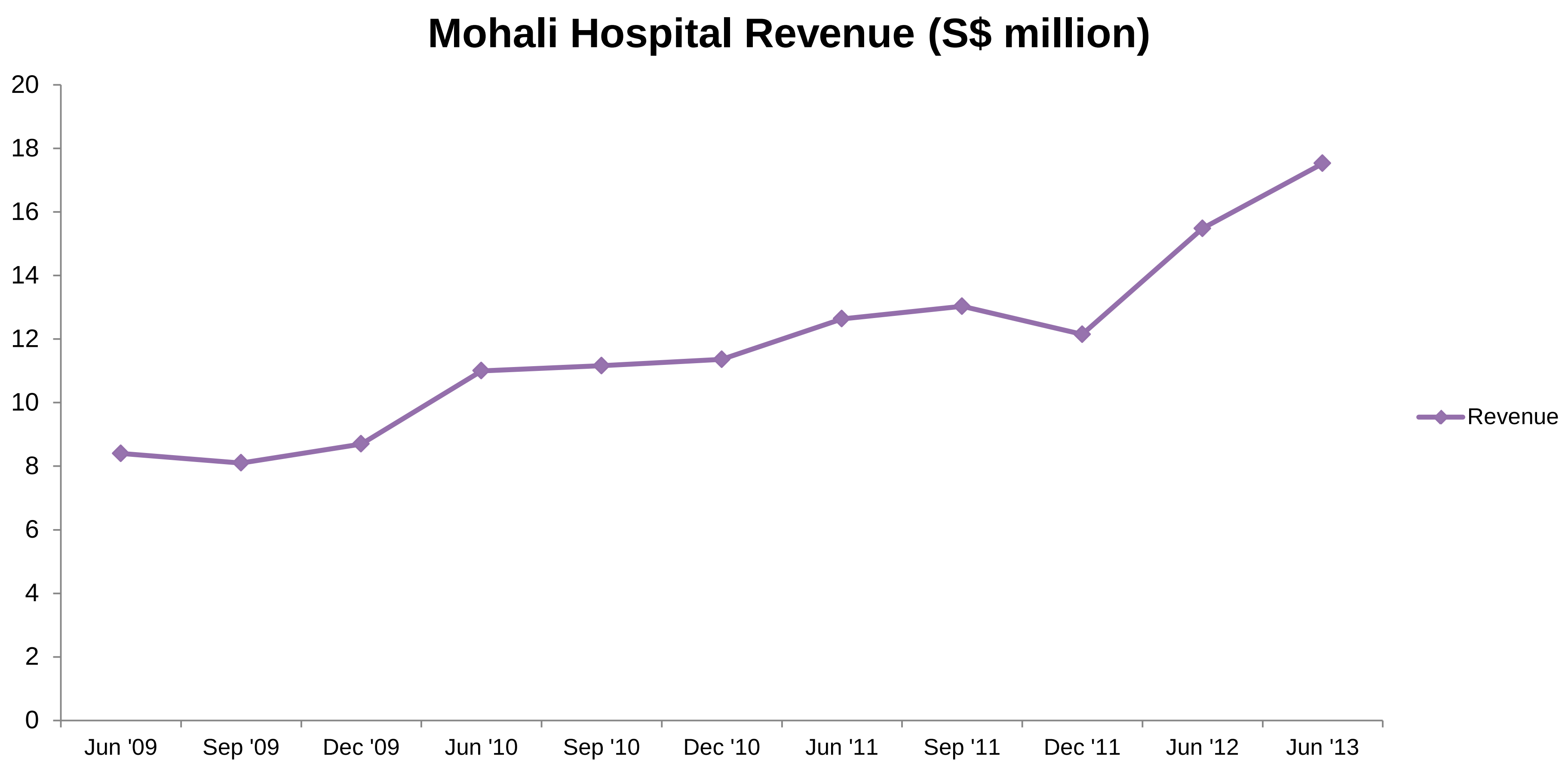
3. Enhanced Cashflow Stability

- 15 years agreement with a fixed base service fee component in addition to growth upside with variable fee participation

4. Yield Accretive acquisition

- Positive impact on distributable income

Historical Financial Performance (Q-o-Q)



Average operating margin for the quarters above ~ 23.2%

Note: Figures for quarters ending March are not available as Fortis releases full year figures in March.

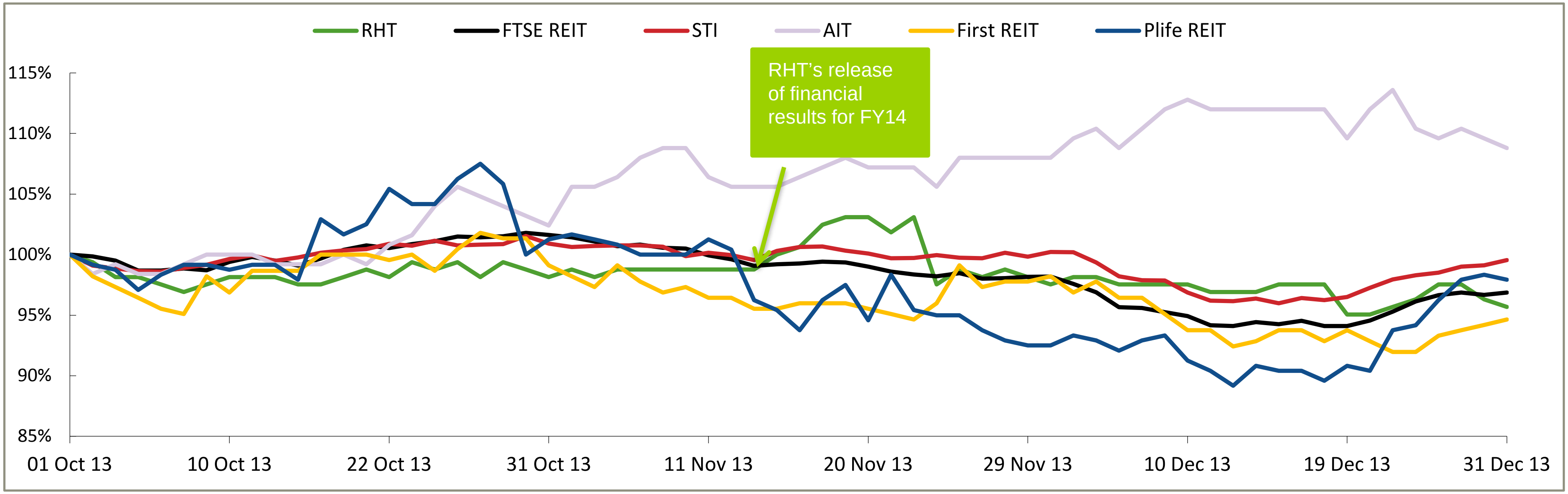
Figure for September 2012 and December 2012 were not publicly released by Fortis.

Revenue has been converted at SGD 1 = ₹49.62 as of 31 December 2013

Source: Results presentation slides from Fortis website

Peer Analysis

Unit Price Performance

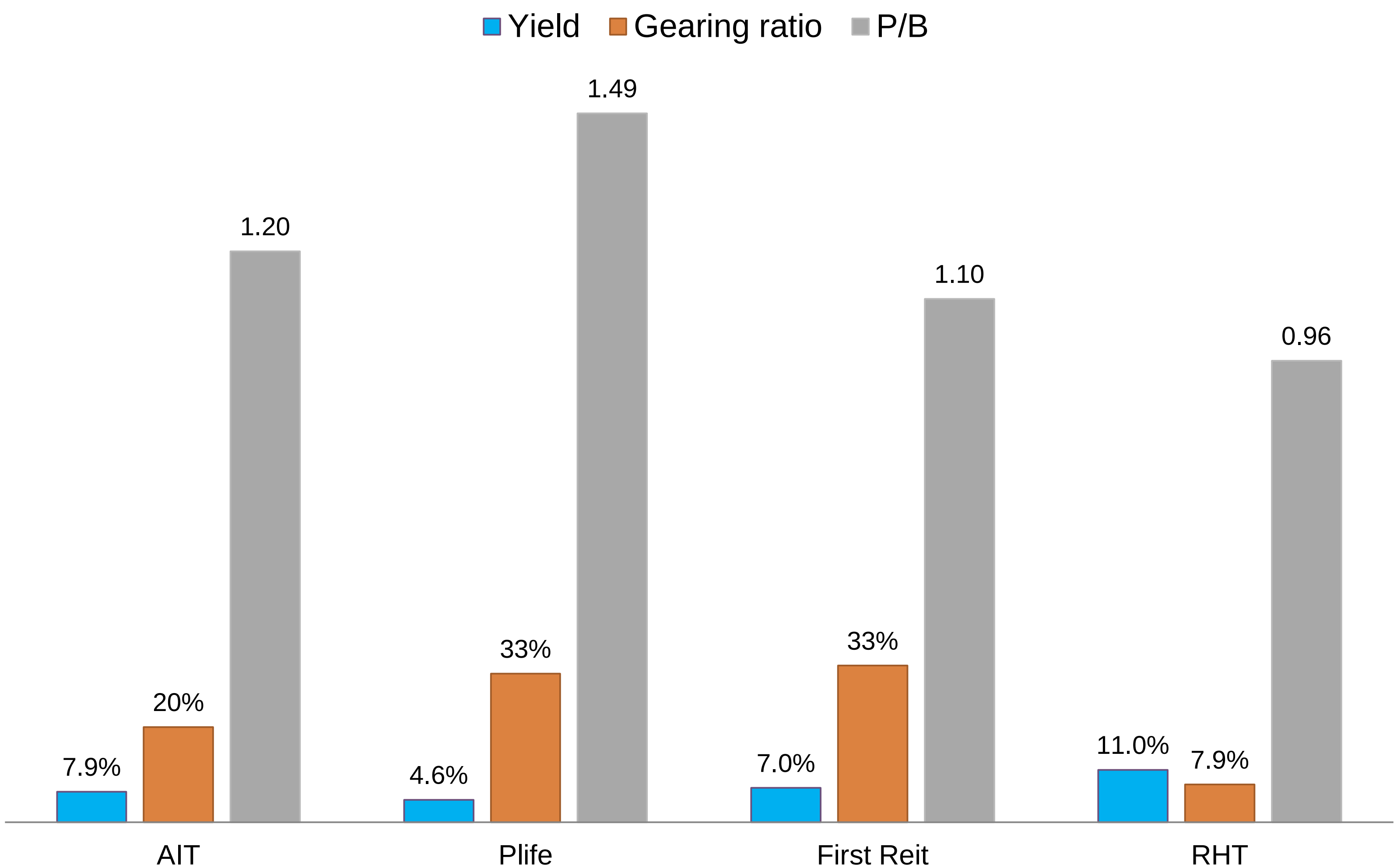


Name	Currency	Last Price	Open	Close	Change (%)	Total Volume*	Daily Average Volume*
Religare Health Trust	SGD	0.775	0.795	0.775	(2.52)	97,840,000	1,553,016
First Real Estate Investment Trust	SGD	1.06	1.11	1.06	(4.50)	58,314,000	925,619
Ascendas India Trust	SGD	0.68	0.625	0.68	8.80	53,540,000	849,841
Parkway Life REIT	SGD	2.35	2.32	2.35	1.29	21,987,000	349,000

Source: Miraqle

Figures as of 31 December 2013

Comparative Analysis – Financial Analysis



Yield figures as at 13 January 2014 (OCBC Investment Research Weekly SREITs), Gearing figures are as announced by respective REIT/BT

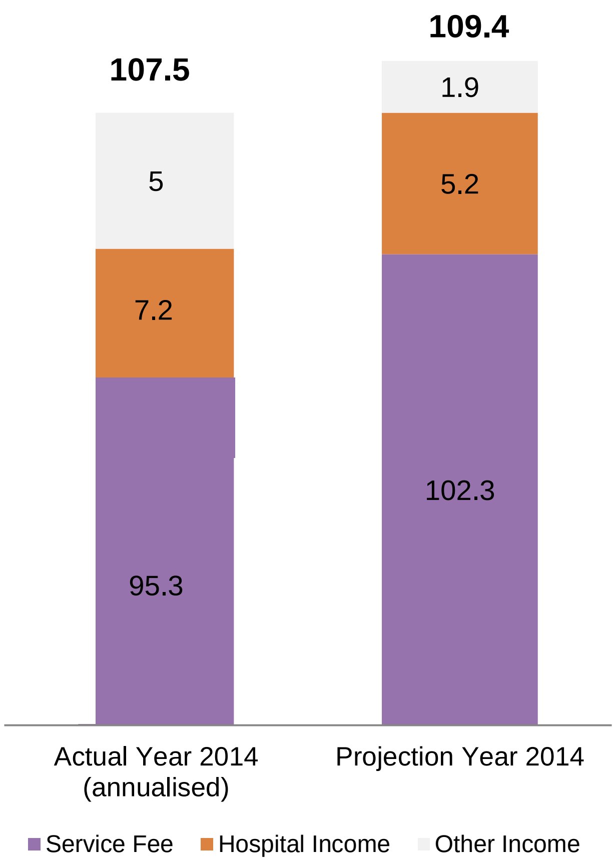
RHT figures based on actual numbers, annualised yield and using share price of $0.775 as at 31 December 2013

P/B is based on NAV per unit of S$0.80 as of 31 December 2013

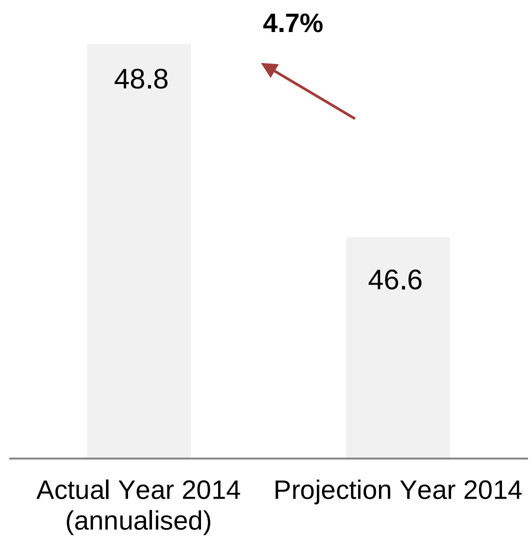
Figures for First Reit based on press release of their FY13 Q4 results released on 17 January 2014

Financial Projection FY2014

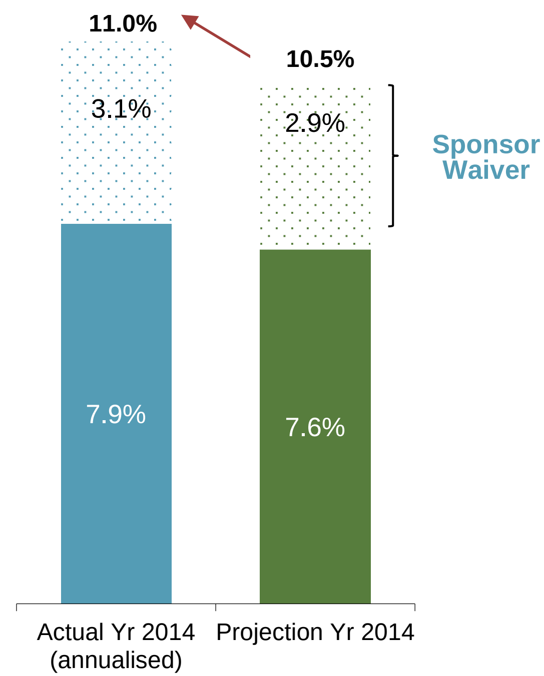
Revenue [1][2] (S$m)



Distributable Income [1] (S$m)



DPU Yield [3]



Gearing: 7.9%

Notes:
(1) Exchange rate for annualised actual FY14 was S$ 1 = ₹ 49.62, Exchange rate for projected FY14 was S$1 = ₹ 46.7
(2) Includes straight lining of Base Service Fee.
(3) DPU calculated based on unit price of S$ 0.775 as at 31 December 2013
(4) Annualised figures based on results for the quarter ended 31 December 2013

Appendix

Awards & Accolades

- Fortis Jaipur awarded ‘Six Sigma Healthcare Excellence Awards – 2013’ for Best Hospital in Patient Care, Best Hospital in Patient Safety and Best Hospital in Quality Initiatives.
- Fortis Hospital, Anandpur has been ranked as No.2 Best Hospital in Multi-specialty category in Kolkata in a survey conducted by AC Nielson for The Week Magazine (*Source: Fortis 3Q FY14 Presentation slides)*
- Fortis Hospital, Bannerghatta Road (BG Road), Bengaluru, has been ranked No. 4 on the 2013 World's Best Hospitals list for Medical Tourists.
  - The hospital has been recognised for the fourth consecutive year by the Medical Travel Quality Alliance (MTQUA).
- Fortis Healthcare Ltd has been conferred with the ‘Best Integrated Healthcare’ award for 2013 by Today’s Traveller.

Fortis – a stronger balance sheet

- **Sale of international assets in 2013**
  - ✓ Australia- Dental Corp for AUD 270 million
  - ✓ Vietnam- Hoan My Medical Medical Corp for US$80 million
  - ✓ Hong Kong- Quality Healthcare for US$355 million

- **Public Issue of Foreign Currency Convertible Bonds (FCCBs)**
  - ✓ Issue of US$30 million listed on Singapore Exchange Ltd (SGX)

- **International Financial Corporation (IFC)**
  - ✓ Invested a total of US$100 million through a mix of preferential allotment and FCCBs

- **Preferential Allotment of Equity Shares – Standard Chartered**
  - ✓ 3.7 million equity shares to Standard Chartered Pvt Equity Mauritius III (SCPE)
  - ✓ US$5.5 million raised

- **Gearing**
  - ✓ Net Debt-to-Equity ratio stood at 0.2 (Dec'13) vs 0.6(Sep '13)[1]

[1] Source: Fortis Q3 FY14 Presentation Slides

Fee Structure

Performance based management fees designed to align Management's interests with Unitholders

Base fee

- 0.4% p.a. of the value of the Trust Property
- 50% to be paid in Units (1)

Performance fee

- 4.5% p.a. of Distributable Income (2)
- 50% to be paid in Units (1)

Acquisition / divestment fee

- 0.5% - 1.0% of acquisition price
- 0.5% of the sale price (Divestment to 3rd party)
- No divestment fee (Divestment to Sponsor)

Development fee

- 2.0% of total development project costs
- Payable in the form of cash and/ or units

Asset management fee

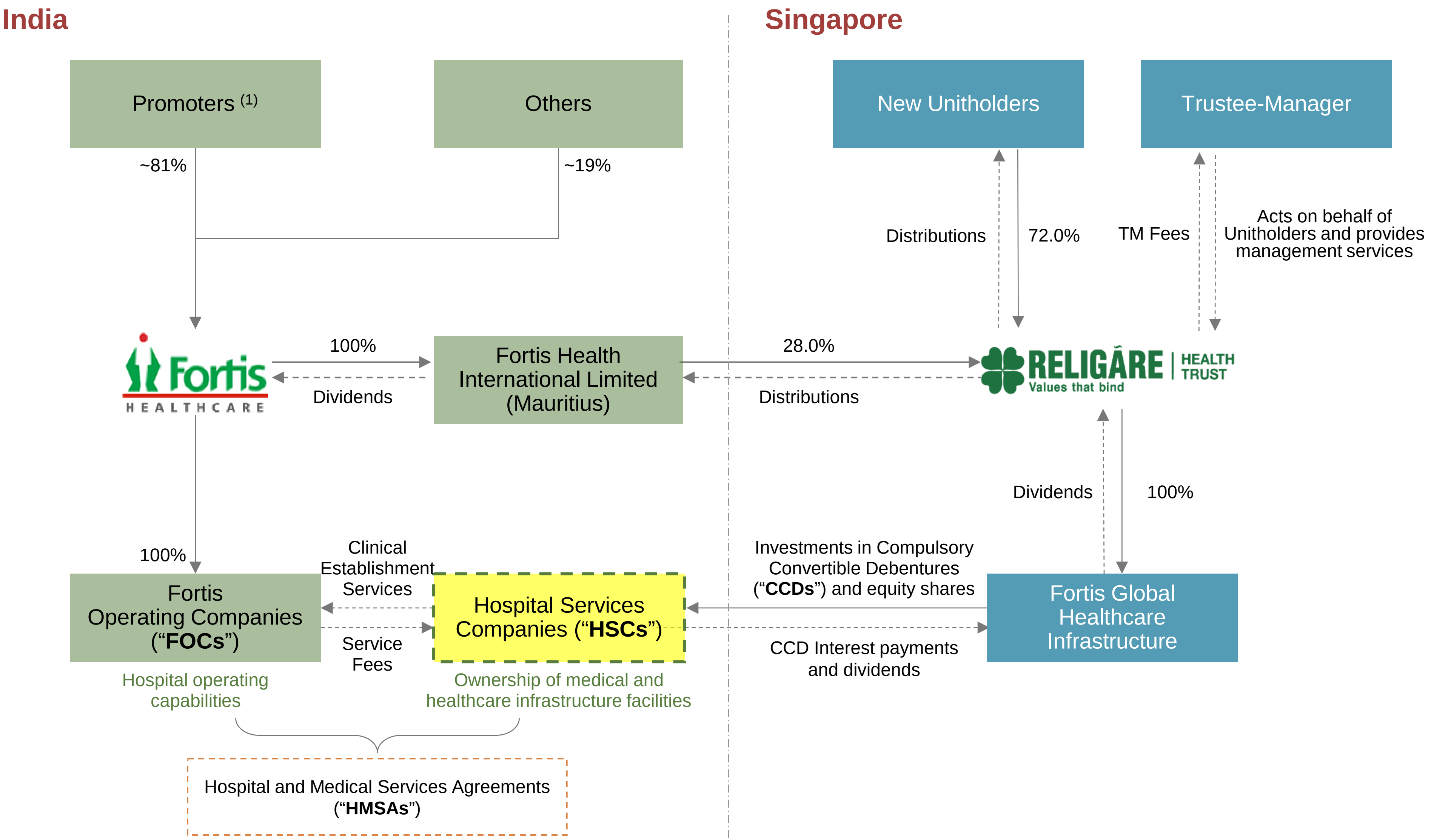
- 1.0% of gross revenue
- Paid quarterly in arrears
- No asset management fee paid for assets operated by Sponsor

Note

(1) For the Forecast Year 2013 and Projection Year 2014

(2) Distributable Income means the distributable amount determined by the Trustee-Manager in accordance with the terms of the Trust Deed to be distributable for the relevant distribution period (pro-rated if applicable based on the number of months the relevant financial quarter bears to such distribution period)

Efficient Trust Structure

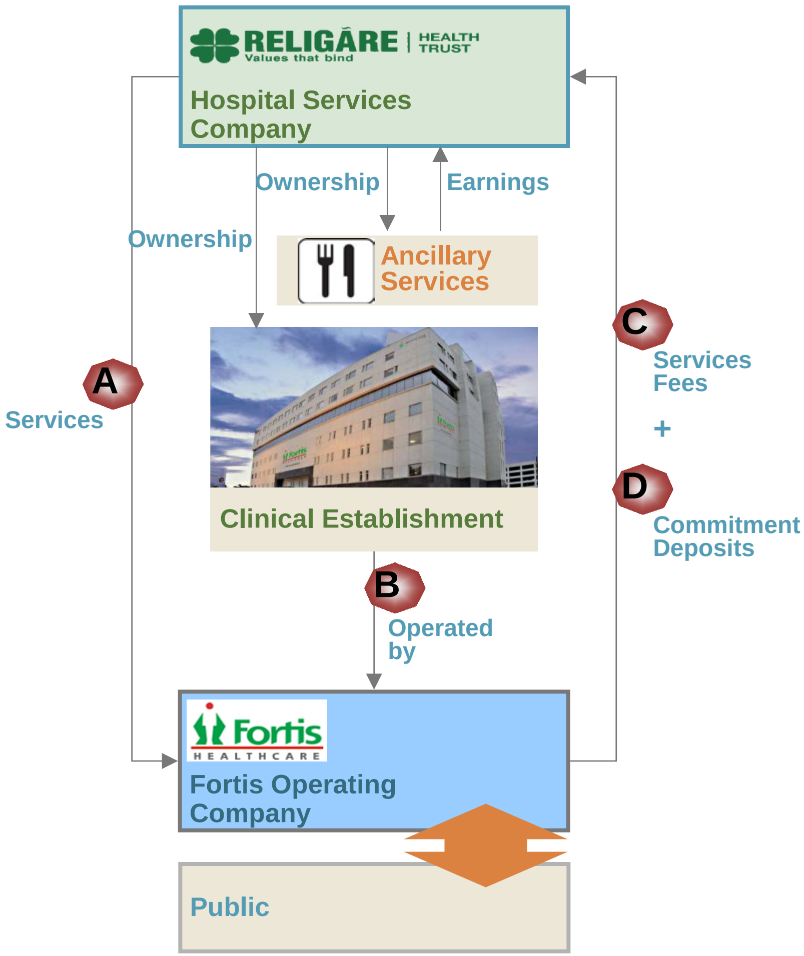


Note:
(1) Promoters comprise Malvinder Mohan Singh, Shivinder Mohan Singh and their associates.

Income Secured Through Long Term Working Agreements

Prior to listing, the Hospital Services Companies ("HSCos") will enter into Hospital and Medical Services Agreements ("HMSAs") with the Fortis Operating Companies ("FOCs") to operate the healthcare infrastructure assets (1).

Mechanics of the HMSA



Key Terms of the HMSA

Term of Agreement	• 15 years with option to extend by another 15 years by mutual consent
A Primary Obligations of HSCos	• Making available and maintaining the Clinical Establishments • Provision of outpatient services • Provision of radio diagnostic services
B Primary Obligations of FOCs	• Provision of healthcare services at the Clinical Establishments • Pay to HSCos the Services Fees and Commitment Deposits
C Services Fee	• Base Service Fee – Increased by 3% p.a. – Upward revision for any capex / expansion – Provision for capex to replace medical equipment ("Technology Renewal Fee") added to Base Fee (2) – HSCos entitled to request for an advance of up to 60% of the Base Service Fee • Variable Service Fee – 7.5% of the operating income of the FOC
D Commitment Deposits	• FOC to pay to HSCo 25% of cost for expansions of capacity / modification of Fortis Hospitals as an interest free refundable commitment deposit

Source: TM
Notes:
(1) Fortis has signed commitment agreements to enter into similar HMSAs for the greenfield healthcare infrastructure assets.
(2) Technology Renewal Fee will be paid into a Technology Renewal Fund to be maintained by Fortis.

Thank You