



(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.**

## RHT Health Trust Announces Results for the Quarter and Full Year ended 31 March 2017

- Total Revenue up for the full year ended 31 March 2017 (“FY2017”) as Base Fee adjusts upwards by 3%, combined with a higher Variable Fee as operator’s revenue increases.
- Net Service Fee and Hospital Income was higher by 3.0% for 4QFY17 against 4QFY16 following cost monitoring measures implemented during the last two quarters.
- Achieved a Distribution per Unit (“DPU”) of 5.97 Singapore cents for the full year FY2017.

### Summary of RHT Results

	4Q FY17 S\$'000	4QFY16 <sup>1</sup> S\$'000	4Q FY17 Vs 4Q FY16	FY17	FY16 <sup>1</sup>	FY17 vs FY16
Total Revenue <sup>2</sup>	22,567	21,543	4.8%	89,919	88,689	1.4%
Net Service Fee and Hospital Income <sup>3</sup>	13,059	12,682	3.0%	50,924	52,347	(2.7%)
Cash flow from FHTL <sup>4</sup>	4,352	5,981	(27.2%)	27,858	31,999	(12.9%)
RHT Income available for distribution	5,172	5,035	2.7%	22,644	21,653	4.6%
Total Distributable Income	9,524	11,016	(13.5%)	50,502	53,652	(5.9%)
Distribution <sup>5</sup>	9,048	11,016	(17.9%)	47,977	53,652	(10.6%)
<b>Distribution per Unit (“DPU”)</b>	<b>1.12 cts</b>	<b>1.38 cts</b>	<b>(18.8%)</b>	<b>5.97 cts</b>	<b>6.72 cts</b>	<b>(11.2%)</b>
INR/SGD exchange rate used for translating the financial results	47.33	48.50		48.39	47.36	

<sup>1</sup> Assuming that the Disposal and Related Arrangements relating to Fortis Hospotel Limited (“FHTL”) had occurred in FY2016.

<sup>2</sup> Total Revenue figures excludes straight lining.

<sup>3</sup> From 2HFY2017 onwards, share from FHTL is 49% instead of 100% following the final completion of the Disposal and Related Arrangements on 14 October 2016.

<sup>4</sup> RHT’s share of cashflow from FHTL, where it owns 49% with effect from 12 October 2016.

<sup>5</sup> In FY2016, 100% of Distributable Income was paid out to unitholders of RHT. In FY2017, 95% of Distributable Income was paid out, with the remaining retained for capital expenditure.

<sup>5</sup> Assuming that a unitholder had invested into RHT at the time of the initial public offering (“IPO”), and participated in the distributions accruing to FHTL between the time of the IPO and the Disposal.



**22 May 2017, 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 fourth quarter and full year results for the financial year ended 31 March 2017 (“4QFY2017” and “FY2017” respectively).

Total Revenue in both SGD and INR terms grew in FY2017 as compared to FY2016. This was mainly due to the contracted annual increase of 3% in Base Fee across all the Clinical Establishments, as well as higher Variable Fee due to higher revenue generated by RHT’s operator, Fortis Healthcare Limited (“FHL”). FHL’s increase in operating revenue follows an increase in their Average Revenue per Operating Bed (“ARPOB”), which grew from INR 13 million in FY2016 to INR 14 million in FY2017. The growth in ARPOB helped mitigate lower patient volumes in the second half of FY2017 due to the demonetisation policy which came into effect in India in November 2016. For the full financial year 2017, occupancy was still up slightly at 77% against 75% the previous year.

The increase in Total Revenue of RHT was partly offset by the demonetisation policy implemented in India, which led to a drop in the volume of patients to the Clinical Establishments. At the same time, there was a restriction imposed on the maximum price that can be charged by medical services providers on coronary stents. These occurred towards the end of FY2017, and moderated the increase in Total Revenue for 4QFY2017 as compared to the previous year’s corresponding quarter.

Net Service Fee and Hospital Income in INR terms remained at approximately the same level as FY2016. It did not increase in line with that of Total Revenue largely due to an overall increase in costs during FY2017, including doctor charges and operational related expenses such as housekeeping and security. This resulted in a slight drop in net service fee margin from 68% in FY2016 to 64%. However, for 4QFY2017, the Net Service Fee and Hospital Income showed an increase against 4QFY2016. This improvement in the last quarter of FY2017 was a result of cost monitoring measures implemented by management during the last two quarters.

On an overall basis, Distributable Income was 18.0% lower for FY2017 compared to FY2016. This was largely attributable to the reduced share in FHTL of 49% (compared to 100% previously), and also higher corporate taxes and loan interests costs. Management had also decided to reduce the payout from Distributable Income from 100% in FY2016 to 95% in FY2017, where the retained Distributable Income would be used for capital expenditure and further growth.

Mr. Gurpreet Dhillon, Chief Executive Officer of RHT TM said, “We are satisfied with this set of results for the year ended 31 March 2017. The highlight for the financial year had been the disposal of RHT’s 51% economic interests in FHTL which holds the Gurgaon Clinical Establishment and the Shalimar Bagh Clinical Establishment. Together with the returns from the disposal and the income from the existing portfolio, we will be distributing a total of 30.77 Singapore cents to Unitholders this financial year. A substantial portion of the distributions was from realising a good return from our investment in FHTL. We will continue to work at maximizing returns to Unitholders.”

As at 31 March 2017, RHT’s gearing was at 20.5%.

## **Outlook for the Coming Year**

In the last three years, we had been working on the development of two major projects, as well as various asset enhancement initiatives. The two major projects, namely the Ludhiana Greenfield Clinical Establishment as well as the expansion of the BG Road Brownfield Clinical Establishment are close to completion. Negotiations are also underway with respect to the new Hospital and Medical Services Agreement to be signed for the commencement of operations at the Ludhiana Greenfield Clinical Establishment.

The asset enhancement initiatives at various Clinical Establishments will also help to augment the steady increase in ARPOB of the operator, FHL. The steady increase in ARPOB has helped to boost the operating revenue of FHL over the last few years, and is expected to be a key driver of growth for the future as well.

Mr. Dhillon further commented, "We are excited about the impending commencement of operations at the Ludhiana Greenfield Clinical Establishment and the new expansion at the BG Road Clinical Establishment in FY2018. These two new facilities are equipped to handle super specialty medical programmes for mother and child as well as oncology care respectively. They will serve to augment both RHT and FHL's positions in the healthcare industry in India, in addition to enhancing the income of RHT. We are looking forward to their official launch."

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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.