About RHT Health Trust

RHT Health Trust ("RHT") is a registered Business Trust with an investment mandate to invest principally in medical and healthcare assets and services, in Asia, Australasia and emerging markets in the rest of the world. RHT may also develop medical and healthcare assets. It is expected that the medical services will be provided directly by RHT or in collaboration with third parties.

Key Information on the Portfolio

RHT's Portfolio as of 31 March 2018 comprises interest in twelve RHT Clinical Establishments, four Greenfield Clinical Establishments and two Operating Hospitals located across India.

Clinical Establishments

Amritsar
Bengaluru, BG Road
Chennai, Malar
Faridabad
Jaipur
Kolkata
Mohali (including land acquired as an extension)
Mumbai, Kalyan
Mumbai, Mulund
Noida
Gurgaon (Associate)
New Delhi, Shalimar Bagh (Associate)

Greenfield Clinical Establishments

Ludhiana
Chennai
Hyderabad
Greater Noida

Operating Hospitals

Bengaluru, Nagarbhavi
Bengaluru, Rajajinagar

Developments in FY18 Q4

Update on proposed disposal transaction ("Proposed Disposal")

On 12 February 2018, RHT Health Trust Manager Pte. Ltd. (in its capacity as trustee-manager of RHT) (the "Trustee-Manager") entered into a master purchase agreement with Fortis. The Proposed Disposal is conditional upon, among others, approval from the Unitholders of RHT at an Extraordinary General Meeting of RHT. The Notice of the Extraordinary General Meeting will be sent out at a later date. Please refer to the announcement on 13 February 2018 for more details.

Update in respect of the payment of outstanding amounts due from Fortis Healthcare Limited ("FHL") and other matters

As stated in the 9 May 2018 announcement, there are certain service fees and interest on Compulsorily Convertible Debentures ("CCDs") which have yet to be paid by the FHL entities. The Trustee-Manager had on 18 April 2018 served notices to the FHL entities to inform them of the service fees and interest on CCDs due. FHL has provided an undertaking to RHT entities and the Trustee-Manager to settle the outstanding amount thereon, in tranches, and by 20 June 2018. The relevant FHL entities have also issued post-dated cheques dated 31 July 2018, in respect of the amounts owing. As of the date of this announcement, we have received INR 550.9 million.

Under the terms of the Hospital and Medical Services Agreements ("HMSAs") entered into between the RHT entities and the FHL entities, the FHL entities are required to provide bank guarantees to secure the respective FHL entities' obligations in respect of the total service fees under the respective HMSAs, for an amount equivalent to two months of the actual annual service fee paid for the preceding financial year ("the Bank Guarantees"). The Bank Guarantees had expired on 30 April 2018 and have yet to be renewed. FHL has provided an undertaking to procure that its subsidiary, Fortis Healthcare International Pte Ltd ("FHIPL"), pledges its holdings of 64,120,195 shares in Lankan Hospital Corporation Plc ("Lanka"), representing 28.66% of the total number of issued shares of Lanka ("Lanka Shares") in favour of the RHT entities and FHL to secure the payment obligations of FHL under HMSAs. The Lanka shares represent approximately 1.5 times of the value of Bank Guarantees which were to be renewed as of 9 May 2018. Please refer to the announcement on 9 May 2018 for more details.

Banking facilities of RHT Health Trust and its subsidiaries ("the Group") and S$120 million 4.5 per cent. fixed rate notes due July 2018

The Group has an amount outstanding (excluding interest) of (i) an aggregate of S$55 million with United Overseas Bank Limited and Siemens Bank GMBH, Singapore Branch ("UOB/Siemens facilities"), (ii) an USD equivalent of S$53 million with IndusInd Bank Limited, IFSC City Branch, (iii) INR480 million (approximately S$9.8 million) with IndusInd Bank Limited and (iv) S$120 million 4.5 per cent. fixed rate notes under S$500 million Multicurrency Medium Term Note Programme. Under the UOB/Siemens facilities, it is an event of default if Mr. Malvinder Mohan Singh and Mr. Shivinder Mohan Singh (together, the "FHL Promoter") together do not or cease to beneficially own (directly or indirectly) and control at least 35 per cent. of the entire issued and paid up share capital of Fortis Healthcare Limited ("FHL"). The Trustee-Manager was first informed that the shareholding of the FHL Promoters in FHL dropped to 8.84 per cent and further to 0.77 per cent. The fore-going constituted an event of default under the UOB/Siemens Facilities. The event of defaults triggered cross-defaults in respect of the other borrowings of the RHT Group. The default was waived by the banks and noteholders on 30 April 2018.

Foreign exchange rate

	FY18 Q4	FY17 Q4	FY18 YTD	FY17 YTD
Average rate	49.17	47.33	47.72	48.39
Closing rate	49.68	46.43	49.68	46.43
Effective forward rate(1)	51.75	52.03	50.20	52.03

(1) The effective forward rate represent the average forward rate based on 50% of hedged distributable income and 50% of unhedged distributable income. Any difference between the actual spot rate and the estimated forward rate will be adjusted in the next distribution.

Hedging policy

The Trustee-Manager has not and will not be entering into any hedge for the INR cash flow of six months ending December 2018 and for the future periods, considering the Proposed Disposal.

Since 1 April 2017, the Trustee-Manager had hedged a maximum of 50% of the INR cash flow against receivable by RHT every 6 months from India. This change in hedging policy was arrived at in consultation with our stakeholders, and will serve to balance the interests of different stakeholders, while managing risks and costs more efficiently. Prior to this, the Trustee-Manager hedged 100% of the INR cash flow.

Distribution policy

RHT's policy is to distribute at least 90.0% of its distributable income on a semi-annual basis, for every six-month period ending 30 September and 31 March. For the year ended 31 March 2018, the Trustee-Manager announced its intention to distribute 95.0% of RHT's distributable income. The 5.0% which is retained will be used to fund existing asset enhancement initiatives as well as for operational requirements. Please see paragraph 11 and 12 for more details on distributions.

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1 Unaudited Results for the quarter ended 31 March 2018

The Board of Directors of the Trustee-Manager announces the following unaudited results of RHT and its subsidiary companies ("RHT Group") for the quarter and year ended 31 March 2018.

1(a) Consolidated Statement of Comprehensive Income and Distributable Income Statement

	Notes	FY 18 Q4 S$'000	FY 17 Q4 S$'000	Var	FY 18 YTD S$'000	FY 17 YTD S$'000	Var
Revenue:							
Service fee	2	18,978	19,986	-5%	80,758	79,610	1%
Hospital income	3	2,873	2,161	33%	10,887	9,583	14%
Other income	4	1,655	947	75%	4,361	2,827	54%
Total revenue		**23,506**	**23,094**	**2%**	**96,006**	**92,020**	**4%**
Service fee and hospital expenses:							
Medical consumables	5	(1,959)	(2,106)	-7%	(8,682)	(8,279)	5%
Employee benefits expense	6	(666)	(817)	-18%	(3,062)	(2,941)	4%
Doctor charges	7	(1,795)	(1,985)	-10%	(7,889)	(7,856)	0%
Depreciation and amortisation		(2,806)	(2,969)	-5%	(11,877)	(11,735)	1%
Other service fee expenses	8	(2,534)	(2,683)	-6%	(11,905)	(11,596)	3%
Hospital expenses	3	(2,496)	(1,917)	30%	(9,177)	(8,323)	10%
Total service fee and hospital expenses		**(12,256)**	**(12,477)**	**-2%**	**(52,592)**	**(50,730)**	**4%**
Finance Income	9	3,790	4,091	-7%	15,904	7,895	n.m
Finance Expenses	10	(6,089)	(5,064)	20%	(20,899)	(13,549)	n.m
Trustee-Manager Fee	11	(1,380)	(1,174)	18%	(5,532)	(10,502)	-47%
Other Trust Expenses	12	(424)	(627)	-32%	(2,464)	(2,375)	4%
Foreign exchange (loss)/gain	13	(3,927)	1,111	n.m	(9,652)	1,858	n.m
Total expenses		**(20,286)**	**(14,140)**	**43%**	**(75,235)**	**(67,403)**	**12%**
Share of results of an associate	1	3,137	2,726	15%	10,532	4,714	n.m
Profit before changes in fair value of financial derivatives		**6,357**	**11,680**	**-46%**	**31,303**	**29,331**	**7%**
Fair value gain/(loss) on financial derivatives	14	401	(1,318)	n.m	4,004	(4,506)	n.m
Profit before taxes		**6,758**	**10,362**	**-35%**	**35,307**	**24,825**	**42%**
Income tax expense	15	(2,542)	(1,157)	120%	(19,771)	(1,374)	1339%
Profit from continuing operations		**4,216**	**9,205**	**-54%**	**15,536**	**23,451**	**-34%**
Discontinued Operations							
Gain on disposal of 51% interest in a subsidiary	16	-	602	n.m	-	96,631	n.m
Profit after tax for the period from discontinued operations	1	-	135	n.m	-	14,869	n.m
Profit for the period attributable to Unitholders of the Trust		**4,216**	**9,942**	**-58%**	**15,536**	**134,951**	**-88%**
Other Comprehensive Income							
Items that may be reclassified subsequently to profit or loss							
Foreign currency translation		(16,844)	3,376	n.m	(29,270)	31,899	n.m
Items that will not be reclassified to profit or loss							
Net surplus on revaluation of land and building		6,820	7,773	n.m	6,820	7,773	n.m
Remeasurement of defined benefit plan		(33)	(85)	n.m	(33)	(85)	n.m
Other Comprehensive Income for the period, net of tax		(10,057)	11,064	n.m	(22,483)	39,587	n.m
Total Comprehensive Income for the period attributable to Unitholders of the Trust		**(5,841)**	**21,006**	**n.m**	**(6,947)**	**174,538**	**n.m**

^ n.m – not meaningful.

1(a) Consolidated Statement of Comprehensive Income and Distributable Income Statement (Cont'd)

Reconciliation to Unitholders Distributable Income	Notes	FY 18 Q4 S$'000	FY 17 Q4 S$'000	FY 18 YTD S$'000	FY 17 YTD S$'000
Profit for the period attributable to Unitholders of the Trust		**4,216**	**9,942**	**15,536**	**134,951**
Distribution adjustments:					
Impact of non-cash straight-lining		(378)	(527)	(1,584)	(2,101)
Technology renewal fee		(159)	(165)	(654)	(645)
Depreciation and amortisation		2,806	2,969	11,877	11,735
Trustee-Manager fees payable in units	11	690	566	2,766	7,451
Tax adjustment	15	(19)	(1,515)	9,221	(9,947)
Foreign exchange differences	17	2,673	(944)	2,709	194
Compulsorily Convertible Debentures ("CCD") interest income	9	(3,736)	(3,827)	(15,640)	(7,183)
Non-Convertible Debentures ("NCD") interest expense	10	1,678	1,613	7,025	3,138
Non-cash adjustments of discontinued operations	1	-	10	-	5,015
Non-cash adjustments of an associate		2,244	1,481	8,000	3,260
Others		(924)	(79)	(826)	(95,366)
Total Distributable Income attributable to Unitholders of the Trust		**9,091**	**9,524**	**38,430**	**50,502**

Notes to Consolidated Statement of Comprehensive Income and Distributable Income Statement

1. On 12 October 2016, the Group disposed 51.0% economic interest in Fortis Hospotel Limited ("FHTL"). The results of FHTL are presented separately on the Consolidated Statement of Comprehensive Income as "Profit from discontinued operations" up to 12 October 2016. The comparative results and non-cash adjustments below represents 100.0% of FHTL for the period up to 12 October 2016 and excludes any allocation of any common expenses.

<u>**Results of discontinued operations**</u>	**FY 17 YTD (1 Apr 16 - 12 Oct 16) S$'000**
Total revenue	**28,144**
Total expenses	**(5,925)**
Profit before tax	**22,219**
Income tax expense	(7,350)
Profit for the period	**14,869**
Non-cash adjustments:	
Impact of non-cash straight-lining	(751)
Technology renewal fee	(21)
Depreciation and amortisation	1,541
Deferred tax expense	4,929
Capital expenditure	(683)
FHTL's non-cash adjustments	**5,015**
Net cash flow from FHTL	**19,884**

Notes to Consolidated Statement of Comprehensive Income and Distributable Income Statement (Cont'd)

As the Group retains 49.0% of economic interest in FHTL, results of FHTL will be accounted as "Share of results of an associate" post the disposal of 51.0% economic interest. The results and non-cash adjustments of 100.0% as well as 49.0% economic interest in FHTL for FY18 Q4 and FY 18 YTD have been presented below.

Results of an associate	FY 18 Q4	FY17 Q4	FY 18 YTD	FY 17 YTD (13 Oct 16 - 31 Mar 17)
Revenue:	S$'000	S$'000	S$'000	S$'000
Total revenue	**13,794**	**13,757**	**57,692**	**25,808**
Total expenses	**(3,826)**	**(6,310)**	**(26,885)**	**(12,132)**
Profit before tax	**9,968**	**7,447**	**30,807**	**13,676**
Income tax expenses	(3,566)	(1,884)	(9,313)	(4,056)
Profit for the period	**6,402**	**5,563**	**21,494**	**9,620**
Share of 49.0% of profit for the period	**3,137**	**2,726**	**10,532**	**4,714**
Non-cash adjustments:				
Impact of non-cash straight-lining	(842)	(903)	(3,522)	(1,903)
Technology renewal fee	(10)	(10)	(40)	(18)
Depreciation and amortisation	287	1,290	5,187	2,376
Deferred tax expense	1,864	260	623	1,129
Capital expenditure	(57)	(228)	(226)	(508)
Interest income and expense with related parties	3,337	2,613	14,304	5,578
FHTL's non-cash adjustments	**4,579**	**3,022**	**16,326**	**6,654**
Share of 49.0% of non-cash adjustment	**2,244**	**1,481**	**8,000**	**3,260**
Net cash flow from FHTL	**10,981**	**8,585**	**37,820**	**16,274**
Share of 49.0% of net cash flow from FHTL	**5,381**	**4,207**	**18,532**	**7,974**

Note: The following notes do not include a performance analysis of FHTL. Please refer to relevant sections of paragraph 8 on pages 16 to 19 for FHTL's performance analysis.

2. The service fee is the aggregate of the base and variable service fees for the provision of the Clinical Establishment services, including but not limited to the Out-Patient Department services ("OPD") and the Radio Diagnostic Services ("RDS").

INR mn	FY18 Q4	FY17 Q4	Variance (%)	FY18 YTD	FY17 YTD	Variance (%)
Base Fee*	571	555	3	2,285	2,221	3
Variable Fee	346	367	(6)	1,493	1,530	(2)
Total Fee	**917**	**922**	**(1)**	**3,778**	**3,751**	1

*Excluding impact of straight-lining.

The service fee for the quarter in INR terms is lower for the quarter but higher for the year-to-date. Base Fee is higher for both the quarter and year-to-date as there is a contractual 3% increase in base fee. Lower variable fee for the quarter and year-to-date is because of a drop in revenue recorded by the Operator at the Clinical Establishments due to the lower occupancy rate of 64% for the quarter and 72% for the year.

3. RHT has 2 Operating Hospitals, Bengaluru, Rajajinagar Operating Hospital and the Bengaluru, Nagarbhavi Operating Hospital. The hospital income and expenses arise solely from the provision of medical services at these hospitals.

The net hospital income for both the quarter and year-to-date in INR terms is higher compared to the prior periods. This is mainly attributed to higher Average Revenue per Occupied Bed ("ARPOB") contributed by the increase of high value surgeries in medical programmes such as Cardiology and Orthopaedics. In addition, effective cost control measures have resulted in lower cost in for both the quarter and year-to-date in INR terms.

4. Other income includes income from pharmacy, cafeteria, bookshop, automated teller machines, and other amenities in the Clinical Establishments of the Group. The increase in other income during the quarter and year-to-date is mainly due to the recognition of interest on service fee charged to Fortis resulting from late payment of service fee.

5. Medical consumables expense in INR terms has remained consistent as a percentage of the variable fee compared to the corresponding quarter and year-to-date.

6. Employee benefits in INR terms for the year-to-date was slightly higher due to an increase in headcount and annual inflationary wage increases at the beginning of the financial year. Employee benefits for the quarter was lower due to a lower headcount compared to the corresponding quarter.

7. Doctor charges in INR terms has remained consistent as a percentage to the variable fee compared to the corresponding quarter and year-to-date.

8. Other service fee expenses mainly consist of housekeeping costs, security costs, power and fuel expenses, annual equipment maintenance charges for both medical and non-medical equipment owned by RHT Group, rent, property taxes and insurance, as well as administrative expenses.

   Other service fee expenses remain fairly consistent with prior year.

9. At the time of initial public offering, interest bearing CCDs were issued by entities in the RHT Group including, FHTL to one of the subsidiaries for the infusion of funds to complete the acquisition of the initial portfolio by RHT. As FHTL became an associate on 13 October 2016, such interest income of the subsidiary will no longer be eliminated. However, such CCD interest income is correspondingly recognised as CCD interest expense in the results of the associate and both the CCD interest income and expense are added back for distribution purpose.

10. Similarly, as stated above, interest bearing Optionally Convertible Debentures (“OCDs”) were issued by entities in the RHT Group including, one of the subsidiaries to FHTL for RHT Group’s internal funding requirements. Such OCDs were converted to Non-Convertible Debentures (“NCDs”) as part of the disposal. As FHTL has become an associate, such interest expense of the subsidiary will no longer be eliminated. However, such NCD interest expense is correspondingly recognised as NCD interest income in the results of the associate and both the NCD interest expense and income are added back for distribution purpose.

    Excluding the interest expense to FHTL, the higher finance expense for the quarter and year-to-date was due to increased borrowings and higher interest rates as well as consent fees paid to banks and noteholders.

11. The Trustee-Manager Fee for the year-to-date is lower as compared to the corresponding periods due to the reduction in Net Asset Value and Distributable Income post the disposal of 51.0% of economic interest in FHTL as well as the absence of disposal related performance fee. The higher Trustee-Manager Fee compared to the corresponding quarter arose due to the revaluation of assets at the end of 31 March 2018 which resulted in a higher net asset value.

12. The higher other trust expenses for the year-to-date is mainly due to refinancing activities and one-off consent exercise as mentioned in the announcements on 28 July 2017, 8 August 2017 and 12 April 2018. The lower other trust expenses for the quarter is due to the reversal of overprovision of professional fees in earlier quarters.

13. The foreign exchange gain/(loss) are on the account of:
    (i) unrealised differences from interest receivables denominated in INR; and
    (ii) realised differences from the settlement of forward contracts and interest received.

    The foreign exchange loss for the quarter and year-to-date arose from the depreciation in INR against SGD for the INR denominated net receivables and realised loss from the settlement of forward contracts.

14. RHT Group has forward contracts outstanding only in relation to the distribution for 2HFY18 to manage its INR denominated cash flows from India. The forward contracts are carried at fair value. The fair value gain recorded during the quarter was the result of the depreciation of the expected INR against SGD at the time of settlement compared to the contracted INR/SGD rate.

15. This relates to withholding tax expense on the offshore interest payment from the India subsidiary companies to the Singapore holding company, and deferred tax in certain India subsidiary companies for the respective periods.

INR mn	FY18 Q4	FY17 Q4	FY18 YTD	FY17 YTD
Current tax	125	126	480	547
Deferred tax	5	(70)	464	(481)

Withholding tax expense for the year-to-date is lower due the disposal of CCDs in FY17 Q3.

The deferred tax expense recognised for the year-to-date is due to the utilisation of unabsorbed tax losses previously recognised. Deferred tax credit in the prior year was a result of changes in the book bases arising from changes in local GAAP computation of certain tax bases.

16. Profit from continuing operations for the year-to-date comparative period includes the gain on disposal of FHTL amounting to S$96.6 million.

17. Included in foreign exchange differences are:
(i) adjustments for the year-to-date distributable income based on the average forward INR/SGD rate of 50.20[1] against the INR/SGD rate of 47.72 for the translation of the Statement of Comprehensive Income, (ii) changes in fair value on financial derivatives and; (iii) foreign exchange differences recorded in the Statement of Comprehensive Income.

[1] The Trustee-Manager has hedged 50% of the expected INR cash flow, leaving the remaining unhedged portion of INR cash flow to be realised at the spot rate on the date the forward contracts are settled. The Trustee-Manager assumes a forward rate in conjunction with the forward contract settlement date for the unhedged INR cashflow to determine the Distributable Income. Any difference between the actual spot rate on realisation of INR cashflow and the estimated forward rate will be adjusted in the next distribution. The average forward rate disclosed is the weighted average of the contracted forward rate and the estimated forward rate. Please see paragraph 11 and 12 for additional details.

1(b)(i) Balance Sheets

	Notes	Group 31 March 2018 S$'000	Group 31 March 2017 S$'000	Trust 31 March 2018 S$'000	Trust 31 March 2017 S$'000
ASSETS					
Non-current assets					
Intangible assets	2	86,781	94,640	-	-
Property, plant and equipment	3	539,011	562,074	-	-
Invesment in subsidiary		-	-	12,634	12,634
Loan to a subsidiary		-	-	413,050	441,959
Investment in an associate	1	363,557	352,717	-	-
Financial assets	4	17,290	30,550	-	-
Deferred tax assets	5	15,785	22,529	-	-
Other assets	6	23,846	25,024	-	-
Total non-current assets		1,046,270	1,087,534	425,684	454,593
Current assets					
Inventories		119	103	-	-
Financial assets	4	42,963	2,362	124,942	46,295
Trade receivables	7	19,290	10,606	-	-
Other assets		1,060	809	700	58
Derivative financial instruments		389	-	-	-
Cash and bank balances		8,047	7,246	18	255
Total current assets		71,868	21,126	125,660	46,608
Total assets		**1,118,138**	**1,108,660**	**551,344**	**501,201**
LIABILITIES					
Non-current liabilities					
Loans and borrowings		146,527	183,658	-	60,000
Other liabilities	9	18,749	12,299	-	-
Deferred tax liabilities	8	89,046	90,234	-	-
Total non-current liabilities		254,322	286,191	-	60,000
Current liabilities					
Loans and borrowings		181,370	104,607	120,742	517
Trade and other payables		6,417	5,502	-	-
Other liabilities	9	13,492	12,371	2,743	2,157
Derivative financial instruments	10	-	3,615	-	-
Total current liabilities		201,279	126,095	123,485	2,674
Total liabilities		**455,601**	**412,286**	**123,485**	**62,674**
Net assets		**662,537**	**696,374**	**427,859**	**438,527**
Unitholders' funds					
Represented by:					
Units in issue (net of Unit issue cost)		520,191	518,114	520,191	518,114
Capital reserve	11	210,216	210,216	-	-
Foreign currency translation reserve		(47,588)	(18,318)	-	-
Revaluation reserve		48,944	43,096	-	-
Other reserves	12	(85)	(52)	-	-
Accumulated losses		(69,141)	(56,682)	(92,332)	(79,587)
Total Unitholders' fund		**662,537**	**696,374**	**427,859**	**438,527**

Notes to Balance Sheets

1. Investment in an associate

The investment in an associate relates to investment in 49% of Fortis Hospotel Limited (“FHTL”). The increase in investment in an associate relates to the recognition of the share of profits from FHTL for the year.

2. Intangible assets

Intangible assets comprises of:

(i) Customer related intangibles – arose from the Hospital and Medical Services Agreements which RHT Group entered into with the Sponsor, Fortis Healthcare Limited, to provide medical and Clinical Establishment services.

(ii) Rights to use "Fortis" brand – The two Operating Hospitals owned by RHT Group will continue to use the “Fortis” brand name for a period of 15 years from the date of transfer.

(iii) Goodwill – Goodwill mainly arose from the recognition of the deferred tax liability, being the difference between the tax effect of the value of acquired assets and liabilities and their respective tax bases. The balance of goodwill comprises the value of synergies arising from the acquisition.

The decrease in intangible assets is due to the amortisation of intangible assets for the period as well as the depreciation of INR against SGD.

3. Property, plant and equipment

Property, plant and equipment comprises land and buildings, plant and machinery, medical equipment and other assets of the Clinical Establishment and the 2 Operating Hospitals.

Property, plant and equipment in INR terms has increased due to the additions during the year. The increase was negated by the depreciation of INR against SGD and depreciation charges during the year.

4. Financial assets

The non-current financial assets mainly relate to accrued income on straight-lining of the base service fee, CCD interest receivable from an associate and security deposits paid. The decrease in financial assets is mainly attributable to the reclassification of CCD interest from FHTL from non-current to current as these receivables are foreseeable to be recovered within a year. The impact is offset with the recognition of accrued income on straight-lining of the base service fee.

The current financial assets mainly relate to fixed deposits, recoverable advances, CCD interest receivable from an associate, security deposits as well as interest receivables from Fortis. The increase is mainly due to the placement of unutilised proceeds from the IndusInd loan in quoted mutual funds, reclassification of CCD interest from FHTL from non-current to current and interest receivables from Fortis resulting from late payment of service fee.

5. Deferred tax assets

Deferred tax assets are made up of unabsorbed tax losses to be utilised against future taxable profits. The unabsorbed tax losses was recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilised.

The decrease in deferred tax assets was mainly due to the utilisation of unabsorbed tax losses.

6. Other non-current assets

Other non-current assets comprise of prepaid expenses and prepaid taxes deducted at source on service fee, hospital income and interest income on inter-company debt instrument. The non-current assets have decreased due to the refund of prepaid taxes and realisation of prepaid expenses.

7. Trade receivables

Trade receivables comprises of service fees receivable from the Operators, rent receivable and receivables from corporate clients of the 2 Operating Hospitals.

The increase is mainly due to the recognition of service fees and hospital income during the period and service fees payable but not yet paid in full. Fortis Hospital Limited ("FHL") has provided an undertaking to RHT Entities and the Trustee-Manager to settle the outstanding amounts thereon, in tranches, by 20 June 2018. The relevant FHL entities have also issued post-dated cheques dated 31 July 2018, in respect of the amounts owing. Refer to the announcement on 9 May 2018 for more details.

8. Deferred tax liabilities

The deferred tax liabilities arose from the fair value adjustments arising from the acquisition of subsidiaries at the time of Initial Public Offering, revaluation of land, differences in depreciation and accrued income for tax purpose. The increase in INR terms is due to the recognition of deferred tax liabilities in relation to differences in depreciation.

9. Other liabilities

Other non-current liabilities comprise mainly of interest payable on NCDs owing to an associate and retention amounts owing to creditors (capital in nature) as a result of ongoing capital expenditure for expansion and upgrading projects. The increase is mainly due to the accrual of interest payable to an associate and increase in retention amounts to capital creditors.

Other current liabilities comprise of statutory dues and other creditors. The increase in current liabilities is mainly due to the delay in various payments.

10. Derivative financial instruments

RHT Group has entered into forward contracts to hedge its INR denominated cash flows from India. The forward contracts are carried at fair value.

11. Capital reserve

The capital reserve represents the excess of interest of associates in the fair value of the net identifiable assets and liabilities transferred over the consideration paid. This reserve in substance represents the Sponsor's contribution to the Group for the Sponsor's retained interest. Please refer to page A-9 of the Prospectus dated 15 October 2012 for more details.

12. Other reserves

Other reserves comprise of:

(i) Capital redemption reserve is a statutory reserve created in accordance with India's Companies Act 2013 in connection to redemption of preference shares of an India subsidiary company. The reserve is not considered a free reserve for distribution of dividend and can be utilised only for the purpose of issuing bonus shares.

(ii) Re-measurement of defined benefit plan reserve is a reserve to record the actuarial gain or loss under a defined benefit plan which is recorded in other comprehensive income.

1(b)(ii) Group's Borrowings and Debt Securities

	31 March 2018		31 March 2017	
	Secured	Unsecured	Secured	Unsecured
	S$'000	S$'000	S$'000	S$'000
Amount Repayable in One Year or Less, or on Demand	61,999	119,371	104,090	517
Amount Repayable after One Year	51,940	94,587	22,096	161,562
	113,939	213,958	126,186	162,079

Details of Collateral

Singapore

Secured

The Group has loan facilities with United Overseas Bank Limited and Siemens Bank GMBH, Singapore Branch for an aggregate amount of S$55 million to refinance an existing loan facility as well as for working capital purposes. These loan facilities are due on 28 June 2020.

On 30 October 2017, the Group entered into a loan agreement with IndusInd Bank Limited, IFSC GIFT City Branch for a term loan equivalent of S$53 million to replace the secured loan facilities with Axis Bank Limited.

Each term loan facility is secured by an irrevocable pledge on the shares of Fortis Global Healthcare Infrastructure Pte Ltd ("FGHIPL") and RHT Health Trust Services Pte. Ltd. ("RHSPL") on a pari passu basis, a non-disposal undertaking on the hospital infrastructure companies owned by FGHIPL on a pari passu basis and a first pari passu legal assignment over the interest, benefits and rights over all existing and future loans granted by the borrower to its subsidiaries, a debenture over substantially all the assets of FGHIPL and RHSPL. The amount of unamortised upfront fees as of 31 March 2018 is S$4.5 million.

As mentioned, there was an event of default under the UOB/Siemens Facilities which triggered a cross default in respect to the notes outstanding. As the waiver of default was received subsequent to year end, the Siemens and UOB loans are classified as current as per the accounting standards as of 31 March 2018. These loans will be reclassified to non-current in FY19 Q1.

Unsecured

On 24 May 2017, the Trustee-Manager issued S$60 million 4.50% fixed rate notes due 2018 payable semi-annually in arrears (the "Series 1 Tranche 2 Notes"). The Series 1 Tranche 2 Notes have been consolidated to form a single series with the existing S$60 million 4.50% fixed rate notes issued on 22 July 2015, aggregating to a total of S$120 million. The notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Trustee-Manager and at all times rank pari passu and rateably, without any preference or priority amongst themselves, and pari passu with all other present and future secured obligations (other than subordinated obligations and priorities created by law) of the Trustee-Manager. The amount of unamortised bond expense as of 31 March 2018 is S$0.6 million.

India

Secured

The overdraft facilities from IndusInd Bank are secured by corporate guarantees and the Malar Clinical Establishment. As of 31 March 2018, the overdraft facilities amounted to INR 312.4 million (approximately S$ 6.3 million).

One of the subsidiaries has a loan amounting to INR 53.2 million (approximately S$ 1.1 million) secured against the asset purchased from the lender for which INR 9.1 million (approximately S$ 0.2 million) is repayable in one year or less.

Unsecured

The Group received an unsecured and interest-free loan amounting to INR 175.7 million (approximately S$ 3.5 million) from the Sponsor for the development of the Ludhiana Greenfield Clinical Establishment. This loan is repayable upon completion of the Ludhiana Greenfield Clinical Establishment. The Group also received unsecured and interest-free loans amounting to INR 8.1 million (approximately S$ 0.2 million) from an associate.

At the time of initial public offering, unsecured and interest-bearing OCDs were issued by one of the subsidiaries in RHT Group to FHTL for RHT Group's internal funding requirements. The OCDs were converted to NCDs as part of the Disposal. As FHTL became an associate, the liability of the subsidiary which amounted to INR 4,523.5 million (approximately S$91.1 million) is no longer eliminated. In addition, the NCDs are subordinated to all other creditors of the subsidiary whether secured or unsecured.

1(c) Consolidated Cash Flow Statement

	Group		Group	
	FY18 Q4 S$'000	FY17 Q4 S$'000	FY18 YTD S$'000	FY17 YTD S$'000
Profit before tax from continuing operation	**6,758**	**10,362**	**35,307**	**24,825**
Profit before tax from discontinued operation	**-**	**766**	**-**	**118,850**
Adjustments for:				
Depreciation and amortisation expense	2,806	2,980	11,877	13,276
Finance income	(3,790)	(4,095)	(15,904)	(8,416)
Finance expenses	6,089	5,065	20,899	13,644
Unrealised loss/(gain) on financial assets	(5)	234	(103)	224
Fair value gain on financial derivatives	(401)	1,318	(4,004)	4,506
Gain on disposal of 51% interetst in a subsidiary	-	(602)	-	(96,631)
Share of results of an associate	(3,137)	(2,716)	(10,532)	(4,714)
Fixed asset written off	-	-	-	396
Foreign exchange loss	3,929	-	5,959	-
Foreign currency alignment	641	1,087	267	24
Operating cash flow before working capital changes	**12,890**	**14,399**	**43,766**	**65,984**
Changes in working capital:				
Decrease/(increase) in trade receivables	14,066	(7,039)	(9,763)	(7,102)
Decrease/(increase) in financial assets and other assets	781	(4,108)	(1,163)	13,696
Increase in inventories	(32)	-	(24)	34
(Decrease)/Increase in trade and other payables and other liabilities	(3,298)	(4,570)	(870)	10,227
Cash flow generated from/(used in) operations	**24,407**	**(1,318)**	**31,946**	**82,839**
Interest received	9,927	267	13,972	1,233
Tax paid	(1,957)	(827)	(5,858)	(20,602)
Net cash generated from/(used in) operating activities	**32,377**	**(1,878)**	**40,060**	**63,470**
Cash flow from investing activities				
Purchase of property, plant and equipment	(3,790)	(4,623)	(17,219)	(17,147)
Net cash flow from disposal of 51.0% economic interest in a subsidiary	-	-	-	201,254
(Purchase)/sale of short term investments	(8,643)	1,360	(27,789)	3,945
Net cash (used in)/generated from investing activities	**(12,433)**	**(3,263)**	**(45,008)**	**188,052**
Cash flow from financing activities				
Distribution paid to Unitholders	(9,857)	-	(28,967)	(257,739)
Interest paid	(5,657)	(3,027)	(14,255)	(9,675)
Net proceeds from borrowings	29	3,562	49,022	17,205
Net cash generated from/(used in) financing activities	**(15,485)**	**535**	**5,800**	**(250,209)**
Net increase/(decrease) in cash and cash equivalents	**4,459**	**(4,606)**	**852**	**1,313**
Effects of currency translation on cash and cash equivalents	(30)	-	(51)	102
Cash and cash equivalent at beginning of period	3,618	11,852	7,246	5,831
Cash and cash equivalents at end of period	**8,047**	**7,246**	**8,047**	**7,246**

1(d)(i) Statement of Changes in Unitholders' Funds

Group S$'000	Units in issue (net of units issue cost)	Capital reserve	Foreign currency translation reserve	Revaluation reserve	Other reserve	(Accumulated losses)/ Revenue reserves	Total
At 1 April 2017	**518,114**	**210,216**	**(18,318)**	**43,096**	**(52)**	**(56,682)**	**696,374**
Profit for the period	-	-	-	-	-	9,181	**9,181**
Other Comprehensive Income							
Foreign currency translation	-	-	(5,471)	-	-	-	**(5,471)**
Net surplus revaluation of land and buildings	-	-	-	103	-	(103)	**-**
Total Comprehensive Income	-	-	(5,471)	103	-	9,078	**3,710**
Payment of Trustee-Manager fees in Units	1,374	-	-	-	-	-	**1,374**
Distribution on Units in issue	-	-	-	-	-	(19,110)	**(19,110)**
At 30 June 2017	**519,488**	**210,216**	**(23,789)**	**43,199**	**(52)**	**(66,714)**	**682,348**
Profit for the period	-	-	-	-	-	(376)	**(376)**
Other Comprehensive Income							
Foreign currency translation	-	-	(7,478)	-	-	-	**(7,478)**
Net surplus revaluation of land and buildings	-	-	-	(205)	-	205	**-**
Total Comprehensive Income	-	-	(7,478)	(205)	-	(171)	**(7,854)**
At 30 September 2017	**519,488**	**210,216**	**(31,267)**	**42,994**	**(52)**	**(66,885)**	**674,494**
Profit for the period	-	-	-	-	-	2,515	**2,515**
Other comprehensive income							
Foreign currency translation	-	-	523	-	-	-	**523**
Net surplus revaluation of land and buildings	-	-	-	(202)	-	202	**-**
Total comprehensive income	-	-	523	(202)	-	2,717	**3,038**
At 31 December 2017	**519,488**	**210,216**	**(30,744)**	**42,792**	**(52)**	**(64,168)**	**677,532**
Profit for the period	-	-	-	-	-	4,216	**4,216**
Other comprehensive income							
Foreign currency translation	-	-	(16,844)	-	-	-	**(16,844)**
Net surplus revaluation of land and buildings	-	-	-	6,152	-	668	**6,820**
Remeasurement of defined benefit plan	-	-	-	-	(33)	-	**(33)**
Total comprehensive income	-	-	(16,844)	6,152	(33)	4,884	**(5,841)**
Payment of Trustee-Manager fees in Units	703	-	-	-	-	-	**703**
Distribution on Units in issue	-	-	-	-	-	(9,857)	**(9,857)**
At 31 March 2018	**520,191**	**210,216**	**(47,588)**	**48,944**	**(85)**	**(69,141)**	**662,537**

Group S$'000	Units in issue (net of Units issue cost)	Capital reserve	Foreign currency translation reserve	Revaluation reserve	Other reserve	(Accumulated losses)/ Revenue reserves	Total
At 1 April 2016	**510,399**	**210,216**	**(82,469)**	**142,911**	**33**	**(41,482)**	**739,608**
Profit for the period	-	-	-	-	-	10,666	**10,666**
Other Comprehensive Income							
Foreign currency translation	-	-	(16,578)	-	-	-	**(16,578)**
Depreciation transfer for land and building	-	-	-	(1,740)	-	1,740	**-**
Total Comprehensive Income	-	-	(16,578)	(1,740)	-	12,406	**(5,912)**
Payment of Trustee-Manager fees in Units	1,658	-	-	-	-	-	**1,658**
Distribution on Units in issue	-	-	-	-	-	(30,478)	**(30,478)**
At 30 June 2016	**512,057**	**210,216**	**(99,047)**	**141,171**	**33**	**(59,554)**	**704,876**
Profit for the period	-	-	-	-	-	11,283	**11,283**
Other Comprehensive Income							
Foreign currency translation	-	-	21,899	-	-	-	**21,899**
Net surplus revaluation of land and buildings	-	-	-	(287)	-	287	**-**
Total Comprehensive Income	-	-	21,899	(287)	-	11,570	**33,182**
At 30 September 2016	**512,057**	**210,216**	**(77,148)**	**140,884**	**33**	**(47,984)**	**738,058**
Profit for the period	-	-	-	-	-	103,060	**103,060**
Other comprehensive income							
Foreign currency translation	-	-	23,202	-	-	-	**23,202**
Dilution of 51% interest in a subsidiary				(104,845)		104,845	**-**
Net surplus revaluation of land and buildings	-	-	-	(251)	-	251	**-**
Total comprehensive income	-	-	23,202	(105,096)	-	208,156	**126,262**
Dilution of 51% interest in a subsidiary	-	-	32,252	-	-	-	**32,252**
Payment of Trustee-Manager fees in Units	6,057	-	-	-	-	-	**6,057**
Distribution on Units in issue	-	-	-	-	-	(227,261)	**(227,261)**
At 31 December 2016	**518,114**	**210,216**	**(21,694)**	**35,788**	**33**	**(67,089)**	**675,368**
Profit for the period	-	-	-	-	-	9,942	**9,942**
Other comprehensive income							**-**
Foreign currency translation	-	-	3,376	-	-	-	**3,376**
Changes in revaluation reserve	-	-	-	7,308	-	465	**7,773**
Remeasurement of defined benefit plan	-	-	-	-	(85)	-	**(85)**
Total comprehensive income	-	-	3,376	7,308	(85)	10,407	**21,006**
At 31 March 2017	**518,114**	**210,216**	**(18,318)**	**43,096**	**(52)**	**(56,682)**	**696,374**

1(d)(i) Statement of Changes in Unitholders' Funds (Cont'd)

	Units in issue (net of Unit issue cost)	Revenue reserves/ (Accumulated losses)	Total
	S$'000	S$'000	S$'000
Trust			
At 1 April 2017	**518,114**	**(79,587)**	**438,527**
Loss for the period, representing total Comprehensive Income for the period	-	(7,847)	**(7,847)**
Payment of Trustee-Manager fees in Units	1,374	-	**1,374**
Distribution on Units in issue	-	(19,110)	**(19,110)**
At 30 June 2017	**519,488**	**(106,544)**	**412,944**
Profit for the period, representing total Comprehensive Income for the period	-	10,106	**10,106**
At 30 September 2017	**519,488**	**(96,438)**	**423,050**
Profit for the period, representing total comprehensive income for the period	-	8,129	**8,129**
At 31 December 2017	**519,488**	**(88,309)**	**431,179**
Profit for the period, representing total comprehensive income for the period	-	5,834	**5,834**
Payment of Trustee-Manager fees in Units	703	-	**703**
Distribution on Units in issue	-	(9,857)	**(9,857)**
At 31 March 2018	**520,191**	**(92,332)**	**427,859**

	Units in issue (net of Unit issue cost)	Revenue reserves/ (Accumulated losses)	Total
	S$'000	S$'000	S$'000
Trust			
At 1 April 2016	**510,399**	**(32,972)**	**477,427**
Loss for the period, representing total Comprehensive Income for the period	-	(12,044)	**(12,044)**
Payment of Trustee-Manager fees in Units	1,658	-	**1,658**
Distribution on Units in issue	-	(30,478)	**(30,478)**
At 30 June 2016	**512,057**	**(75,494)**	**436,563**
Profit for the period, representing total Comprehensive Income for the period	-	43,705	**43,705**
At 30 September 2016	**512,057**	**(31,789)**	**480,268**
Profit for the period, representing total comprehensive income for the period	-	146,288	**146,288**
Contributions by and distributions to owners			
Distribution on Units in issue	-	(227,261)	**(227,261)**
Payment of Trustee-Manager fees in Units	6,057	-	**6,057**
Total transactions with owners in their capacity as owners	6,057	(227,261)	**(221,204)**
At 31 December 2016	**518,114**	**(112,762)**	**405,352**
Profit for the period, representing total comprehensive income for the period	-	33,175	**33,175**
At 31 March 2017	**518,114**	**(79,587)**	**438,527**

1(d)(ii) Units in issue

	FY18		FY17	
	Number of Units		Number of Units	
	'000	S$'000	'000	S$'000
Balance as at 1 April	**806,332**	**518,114**	**797,842**	**510,399**
Issue of new Units				
- Payment of Trustee-Manager fees in Units	1,510	1,374	1,753	1,658
Balance as at 30 June and 30 September	**807,842**	**519,488**	**799,595**	**512,057**
Issue of new units				
- Payment of Trustee-Manager fees in Units	890	703	6,737	6,057
Balance as at 31 December and 31 March	**808,732**	**520,191**	**806,332**	**518,114**

2 Audit

The figures in this announcement have not been audited or reviewed by our auditor.

3 Auditors' Report

Not applicable.

4 Accounting Policies

The Group has applied the same accounting policies and methods of computation as in the Group's 31 March 2017 annual financial statement dated 23 June 2017 except for the adoption of all new and revised IFRS that are effective for annual periods beginning 1 April 2017. The changes in accounting standards do not have a material impact to the Group and its financial statements.

5 Changes in Accounting Policies

There is no change in the accounting policies and methods of computation adopted except as mentioned above.

6 Earnings Per Unit ("EPU") and Distribution Per Unit ("DPU")

	Group			
	FY18 Q4	FY17 Q4	FY18 YTD	FY17 YTD
Weighted number of Units	808,731,944	806,331,944	807,574,382	801,865,511
Total Units	808,731,944	806,331,944	808,731,944	806,331,994
EPU (cents)				
Net profit	4,216	9,942	15,536	134,951
Based on weighted number of Units as at 31 March 2018	**0.521**	**1.233**	**1.924**	**16.830**
Distributable Income attributable for Distribution per unit (cents)				
Distributable Income*	9,091	9,524	38,430	50,502
Distributable Income attributable for Distribution	8,636	9,048	36,509	47,977
Based on total Units as at 31 March	**1.068**	**1.122**	**4.514**	**5.950**

Diluted EPU is the same as the basic EPU as there were no dilutive instruments in issue during the financial period.

Excluded above for prior year is the special distribution of 24.8 cents in relation to the disposal of 51.0% economic interest in FHTL was recorded in the comparative periods.

*The lower Distributable Income for both the current quarter and year-to-date is on the account of;

(a) Higher finance cost due to increased borrowings and higher interest rates,
(b) Higher tax expense incurred by the associate, and
(c) Increase in non-recurring other trust expenses in relation to the refinancing activities and one-off consent solicitation exercise

Please see paragraph 8 for review of performance.

DPU is provided for illustration purposes only. Please see paragraph 11 and 12 for information on Distribution to Unitholders.

7 Net Asset Value ("NAV")

	Group	
	31 March 2018	31 March 2017
NAV	**662,537,000**	**696,374,000**
No. of Units in issue at end of period	**808,731,944**	**806,331,994**
NAV per Unit (S$)	**0.819**	**0.864**

The decrease in NAV per Unit by around 5.2% is mainly due to distributions to Unitholders and the depreciation of the closing INR against SGD from 46.43 to 49.68.

8 Review of Group's Performance

Quarter analysis

Portfolio							
	FY18 Q4	**FY18 Q3**	**Variance**		**FY17 Q4**	**Variance**	
	S$'000	**S$'000**	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
Total Revenue (excluding straight lining)	23,128	23,238	(110)	(0.5)	22,567	561	2.5
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	13,678	13,043	635	4.9	13,059	619	4.7
	INR'000	**INR'000**	**INR'000**	**%**	**INR'000**	**INR'000**	**%**
Total Revenue (excluding straight lining)	1,138,044	1,108,717	29,327	2.6	1,068,248	69,796	6.5
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	671,969	622,245	49,724	8.0	618,598	53,371	8.6

FHTL(1)							
	FY18 Q4	**FY18 Q3**	**Variance**		**FY17 Q4**	**Variance**	
	S$'000	**S$'000**	**S$'000**	**%**	**S$'000**	**S$'000**	**%**
Total Revenue (excluding straight lining)	12,952	13,509	(557)	(4.1)	12,854	98	0.8
Net Service Fee (excluding straight-lining, depreciation and amortisation)	11,158	11,125	33	0.3	10,621	537	5.1
	INR'000	**INR'000**	**INR'000**	**%**	**INR'000**	**INR'000**	**%**
Total Revenue (excluding straight lining)	637,993	644,410	(6,417)	(1.0)	618,138	19,855	3.2
Net Service Fee (excluding straight-lining, depreciation and amortisation)	548,992	530,802	18,190	3.4	502,852	46,140	9.2

Group(2)							
	FY18 Q4	**FY18 Q3**	**Variance**		**FY17 Q4**	**Variance**	
Adjusted net service fee margin	65%	62%		3.0	63%		2.0
Distributable Income (S$'000)	9,091	9,221	(130)	(1.4)	9,524	(433)	(4.5)

Note:

(1) The table showing FHTL's results represent the performance of FHTL on 100.0% basis before RHT's share. On 12 October 2016, the Group disposed 51.0% of its economic interest in FHTL and consequentially shares 49.0% of the results of FHTL going forward. Please refer to Note 1 of Paragraph 1(a) for the actual contribution from FHTL to the Group.

(2) This table takes into account the performance of FHTL which was accounted as an associate.

FY18 Q4 against FY18 Q3

Exchange rate

The foreign exchange rates used to translate the results of the Indian subsidiary companies are INR/SGD 49.17 and INR/SGD 47.70 for the quarter ended 31 March 2018 and 31 December 2017 respectively.

Total Revenue
Total Revenue for FY18 Q4 in INR terms is higher than FY18 Q3 mainly despite lower variable fees resulting from lower revenue recorded by the Operator at the Clinical Establishments mainly due to lower occupancy. The increase is due to recognition of interest on service fee charged to Fortis resulting from late payment of service fee.

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) increased in INR terms due to the increase in revenue as well as the decrease in cost which led to an improved net service fees margin from 56% to 59%.

Contribution from FHTL
Net Service Fee from FHTL increased against FY18 Q3 despite the drop in total revenue. This is mainly attributable to tight cost control implemented by the management which improved the margin from 82% to 86%.

Distributable Income
Distributable Income is slightly lower against the trailing quarter. This is due to
- (i) a depreciated effective forward rate, and
- (ii) higher finance cost as a result of increased borrowings, higher interest rates and consent fees paid to banks.

<u>FY18 Q4 against FY17 Q4</u>

Exchange rate
The foreign exchange rates used to translate the results of the Indian subsidiary companies are SGD/INR 49.17 and SGD/INR 47.33 for the quarter ended 31 March 2018 and 31 March 2017 respectively.

Total Revenue
Total Revenue for the quarter in INR terms is higher than the prior period mainly due to higher base fee (contractual 3% increase annually) and hospital income as well as recognition of interest on service fee charged to Fortis resulting from late payment of service fee. The increase is offset by lower variable fees resulting from lower revenue recorded by the Operator at the Clinical Establishments due to lower occupancy.

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) has slightly increased in INR terms as compared to FY17 Q4 due to the higher revenue. The net service fee margin of the portfolio excluding FHTL had slightly increase due to the higher revenue.

Contribution from FHTL
Net Service Fee from FHTL increased against FY17 Q4 due to higher total revenue recorded. The increase in revenue is a combination of the contractual 3% increase in base fees and higher variable fees. The higher variable fee is a result of an increase in occupied beds arising from an increase in both specialty and common cases.

Distributable Income
Distributable Income for the current quarter is 4.5% lower despite a slightly improved forward rate. This is mainly attributable to
- (i) Higher finance cost due to increased borrowings and higher interest rates,
- (ii) Higher tax expense incurred by the associate, and
- (iii) Increase in non-recurring other trust expenses in relation to the refinancing activities and one-off consent solicitation exercise

Year-to-date analysis

Portfolio				
	FY18 YTD	FY17 YTD	Variance	
	S$'000	S$'000	S$'000	%
Total Revenue (excluding straight lining)	94,422	89,919	4,503	5.0
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	53,707	50,924	2,783	5.5
	INR'000	INR'000	INR'000	%
Total Revenue (excluding straight lining)	4,505,932	4,351,591	154,341	3.5
Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)	2,562,890	2,464,500	98,390	4.0
FHTL(1)				
	FY18 YTD	FY17 YTD	Variance	
	S$'000	S$'000	S$'000	%
Total Revenue (excluding straight lining)	54,170	51,298	2,872	5.6
Net Service Fee (excluding straight-lining, depreciation and amortisation)	45,202	42,324	2,878	6.8
	INR'000	INR'000	INR'000	%
Total Revenue (excluding straight lining)	2,585,140	2,482,517	102,623	4.1
Net Service Fee (excluding straight-lining, depreciation and amortisation)	2,157,215	2,048,241	108,974	5.3

Group(2)				
	FY18 YTD	FY17 YTD	Variance	
Adjusted net service fee margin	63%	64%		(1)
Distributable Income (S$'000)	38,430	50,502	(12,072)	(23.9)
Distributable Income had the dilution occurred for the full comparative period (S$'000)		41,931	(3,501)	(8.3)

Note:

(1) The table showing FHTL's results represent the performance of FHTL on 100.0% basis before RHT's share. On 12 October 2016, the Group disposed 51.0% of its economic interest in FHTL and consequentially shares 49.0% of the results of FHTL going forward. Please refer to Note 1 of Paragraph 1(a) for actual contribution from FHTL to the Group.

(2) This table takes into account the performance of FHTL which was accounted as an associate for FY18 YTD.

FY18 YTD against FY17 YTD

Exchange rate

The foreign exchange rates used to translate the results of the Indian subsidiary companies are SGD/INR 47.72 and SGD/INR 48.39 for the year ended 31 March 2018 and 31 March 2017 respectively.

Total Revenue

Total revenue for FY18 YTD in INR terms has increased against FY17 YTD. This is due to the contractual 3% increase in base fee and increase in other income due to recognition of interest on service fee charged to Fortis resulting from late payment of service fee. The increase is offset by a slightly lower variable fee arising from lower operating revenue recorded by the Operator due to the lower occupancy.

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation)

Net Service Fee and Hospital Income (excluding straight-lining, depreciation and amortisation) has increased by 4.0% in INR terms as compared to FY17 YTD. The increase is contributed by an increase in revenue. The net service fee margin of the portfolio excluding FHTL had remained constant with FY17 YTD.

Contribution from FHTL

Net Service Fee from FHTL increased against FY17 YTD due to higher total revenue recorded. The increase in revenue is a combination of the contractual 3% increase in base fees and higher variable fees. The higher variable fee is a result of an increase in occupied beds arising from an increase in both specialty and common cases.

Distributable Income

Had the disposal taken place at the beginning of FY17 YTD, Distributable Income for the current quarter is 8.3% lower despite an improved forward rate. This is mainly attributable to

(a) non-recurring other trust expenses in connection with the refinancing activities and consent exercise during the period;
(b) higher finance cost from increased borrowings and higher interest rates; and
(c) higher tax expense incurred by the associate.

9 Variance from Forecast

No forecast has been provided.

10 Market and Industry Information

Over the last 12 months, there have been various new measures rolled out by the Indian government which are relevant for the healthcare industry. While some of these measures are aimed at enhancing the standard of healthcare in India, others serve to help meet some of the healthcare demand in the country. These include:

- The medical devices rule which took effect in January 2018, aims to bring in price control on critical medical devices such as stents and orthopaedic implants and certain diagnostic equipments.
- The capping of prices charged by hospitals for cardiac stents and knee implants procedures.
- The Clinical Establishment Act, 2010 ("Act") and the Amendment Bills have taken effect in some states within India. The Act has been enacted by the Central Government to provide for the registration and regulation of all clinical establishments in the country, with a view to prescribe the minimum standards of facilities and services provided by them.
- The private healthcare hospitals have been directed to increase the number of designated free/ subsidized beds in their hospitals for the downtrodden and poor.
- The Government's recent budget encourages the corporates to make corporate social responsibility funds available for programmes to address health goals.

The various measures may have an effect on the margins of the Operator and make the operating environment more challenging. At the same time, some of the increased challenges for healthcare operators in India to meet higher standards can also provide opportunities for operators who are already working towards such goals to move ahead of their competitors. We continue to monitor the situation and as and when there are new developments in the industry, we will keep you informed.

11 Information on Distribution

Any distribution declared for:

Current financial period

Yes. A distribution of 1.14 Singapore Cents per Unit referable to the Distributable Income attributable to Unitholders for 1 July 2017 to 30 September 2017, is declared which is equivalent to S$9.2 million.

Event	Date
Ex-distribution date and time	**4 June 2018 at 9.00 a.m.**
Books closure date and time	**6 June 2018 at 5.00 p.m.**
Payment date	**14 June 2018**

Corresponding period of the immediately preceding year

A distribution of 2.37 Singapore Cents per Unit was declared.

12 Distribution

For the period from 1 July 2017 to 31 March 2018, the Trustee-Manager has estimated, that based on the Distributable Income, the amount available for Distribution is 3.29 cents per Unit ("Distributable Amount"). In view of the amounts received from Fortis, the Trustee-Manager is pleased to declare a distribution per Unit of 1.14 cents which is referable to the Distributable Amount for the 3 months ended 30 September 2017 (the " Distribution"). The Distribution will be paid on 14 June 2018. The Trustee-Manager will consider the distribution of the remaining amount referable to the Distributable Amount for 1 July 2017 to 31 March 2018 (less the Distribution) when it receives the remainder of the service fees and interest income on the CCDs from the relevant Fortis entities.

The Distributable Amount per Unit of 3.29 cents is estimated based on the effective forward rate of INR:SGD rate for each periods. The actual amount of a distribution, if any, of the remaining amount referable to the Distributable Amount 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 rather than at a contracted forward rate.

In line with the payment of the Distribution, the Trustee-Manager will also be paid its Trustee-Manager fees in respect of the FY18 Q2, of which 50% will be paid in units. The balance of the Trustee-Manager fees due will be paid along with any distribution of the remaining amount referable to the Distributable Amount (less the Distribution).

13 Interested Person Transactions

The Group has not obtained any interested person transactions mandate from the Unitholders.

14 Segment revenue and results for business segments

The Group's property, plant and equipment collectively known as Clinical Establishment are located in India. The revenue from the Group is primarily derived from the provision of Clinical Establishment services to the operators of each hospital operating in each Clinical Establishment. The Manager considers that the Group operates within a single business segment and within a single geographical segment, being India.

15 Breakdown of revenue

	FY18 YTD S$'000	FY17 YTD S$'000	Variance (%)
1st half year ("1H")			
Total revenue	48,862	45,838	7
Profit before tax*	19,129	9,861	94
Net profit after tax from continuing operation^	8,805	5,755	53
Net profit after tax from discontinued operation^	-	13,516	(100)
Profit for the period attributable to unitholder^	8,805	19,271	(54)
2nd half year ("2H")			
Total revenue	47,144	46,182	2
Profit before tax	16,178	14,964	8
Net profit after tax from continuing operation^	6,731	17,696	(62)
Net (loss) / profit after tax from discontinued operation^	-	1,353	(100)
Profit for the period attributable to unitholder^	6,731	19,049	(65)

* FY181H includes CCD interest income, NCD interest expense and share of associate.
^ Excludes gain on dilution of 51% interest in a subsidiary.

16 Disclosure pursuant to Rule 704(13) of the Listing Manual

Disclosure of person occupying a managerial position in RHT or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Ramnik Ahuja	47	Spouse of Mr Pawanpreet Singh, who is a Director of RHT TM	Vice President of Strategy and Research. Appointed 1 April 2015	Nil

17 Confirmation by Issuer

The issuer has procured undertakings from all its directors and executive officers under Rule 720(1).

Disclaimer:

This release 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. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

By Order of the Board
RHT Health Trust Manager Pte. Ltd.

Gurpreet Singh Dhillon
Executive Director & Chief Executive Officer
24 May 2018