



(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 Ended 30 June 2017

- Total Revenue in the first quarter ended 30 June 2017 (“1QFY2018”) increased by 6.8% compared to the immediate preceding quarter (“4QFY2017”). The growth is driven by the contractual annual 3% increase in Base Fee, as well as the increased volume of higher end medical treatments performed during the quarter, which helped to push up the Variable Fee.
- Net Service Fee and Hospital Income was higher by 4.0% for 1QFY2018 against 4QFY2017.
- Distribution per Unit (“DPU”) of 1.22 Singapore cents for 1QFY2018, an increase of 8.9% against the immediate preceding quarter due to a stronger Indian Rupee against the Singapore dollar. This was slightly offset by an increase in professional fees incurred in 1QFY2018 for refinancing related activities and higher tax incurred by the associate, FHTL.

Summary of RHT Results

	4Q FY2017 S\$'000	1Q FY2018 S\$'000	1Q FY2018 vs 4Q FY2017	1Q FY2017 ¹	1Q FY2018 vs 1Q FY2017
Total Revenue ²	22,567	24,108	6.8%	21,985	9.7%
Net Service Fee and Hospital Income	13,059	13,581	4.0%	12,480	8.8%
Cash flow from FHTL ³	4,352	4,474	2.8%	4,492	(0.4%)
RHT Income available for distribution	5,172	5,971	15.4%	6,267	(4.7%)
Total Distributable Income	9,524	10,445	9.7%	10,759	(2.9%)
Distribution	9,048	9,923	9.7%	10,221	(2.9%)
Distribution per Unit (“DPU”)	1.12 cts	1.22 cts	8.9%	1.28 cts	(4.7%)
INR/SGD exchange rate used for translating the financial results	47.33	46.59		49.44	

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

² Total Revenue figures excludes straight lining.

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

3 August 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 first quarter results ended 30 June 2017 (“1QFY2018”).

Total Revenue in 1QFY2018 was up against both the previous corresponding period (“1QFY2017”) and the immediate preceding quarter (“4QFY2017”). As 1QFY2018 marks the commencement of a new financial year, the Base Fee had been adjusted upwards by 3% in line with the contractual agreements with our operator, Fortis Healthcare Limited (“FHL”). Variable Fee also saw an uplift in 1QFY2018 due to the increased volume of higher end medical treatments performed in the first quarter. This has led to a growth in the Average Revenue Per Operating Bed (“ARPOB”) generated by FHL in the first quarter and consequently an increase in the Variable Fee.

Net Service Fee and Hospital Income increased by 4.0% over 4QFY2017. When compared to 1QFY2017, the increase was 8.8%. The increase in Net Service Fee and Hospital Income in 1QFY2018 against that of 4QFY2017 was due to the growth in Total Revenue, although the margin was slightly dampened as a result of an increase in the purchase of medical consumables before the implementation of Goods and Services Tax (“GST”) by the Indian Government on 1 July 2017. There has also been an increase in annual maintenance costs due to the increase in age of the machinery and equipment on some sites.

Apart from the increase in Net Service Fee and Hospital Income, Distributable Income increased between 1QFY2018 and 4QFY2017 due to a stronger Indian Rupee against the Singapore dollar. This was slightly offset by an increase in professional fees incurred in 1QFY18 for refinancing related activities and higher tax incurred by the associate, FHTL.

Mr. Gurpreet Dhillon, Chief Executive Officer of RHT TM said, “We are very pleased with the results for the first quarter of FY2018. The results are reflective that the Indian healthcare market is adjusting to the demonetisation policy which was introduced by the Indian Government in November 2016. At the same time, operating costs have remained constant for the last two quarters, thereby helping to bring up the Net Service Fee and Hospital Income. We have delivered a respectable increase in the Distribution Per Unit (“DPU”) this quarter to arrive at a DPU of 1.22 Singapore cents through pure organic growth alone. We look forward to the rest of FY2018 as it brings additional capacity into our portfolio, and we will continue to work to deliver such returns to Unitholders.”

As at 30 June 2017, RHT’s gearing was at 23%.

Outlook for the Coming Year

Since RHT was established to date, we have been continuously adding capacity to the existing portfolio through development projects as well as asset enhancement initiatives at various Clinical Establishments.

In the last quarter, the completion of asset enhancement initiatives at the Jaipur Clinical Establishment resulted in an addition of 59 operating beds to cater to the high demand for Mother and Child as well as Orthopedic programmes. The Mother and Child programme is one of the specialties on which our operator, Fortis Healthcare Limited ("FHL"), focuses on. This is due to the increase in demand for such specialised medical facilities in India as the population becomes increasingly affluent and the higher margins available compared to the other medical programmes. Demand for the Orthopedics programme has also been growing. Revenue from the Orthopedics programme across all Clinical Establishments was up 2.6% in Indian Rupee ("INR") terms in 1QFY2018 compared to 1QFY2017.

Mr. Dhillon further commented, "The Indian healthcare industry has been growing steadily over the years. With the recent implementation of Goods and Services Tax ("GST") in India, it is predicted that overall healthcare costs would increase¹ as certain products and services would be taxed 5% to 18%, although healthcare per se has been exempted from GST. The full impact of GST on the Indian healthcare market is yet to be seen, although experts believe that the implementation of GST will have long term benefits on India's economy². RHT will continue to monitor to impact of GST on our overall results over the upcoming quarters."

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¹ The Times of India, 'Healthcare cost may go up post GST: Apollo Hospitals', <http://timesofindia.indiatimes.com/business/india-business/healthcare-cost-may-go-up-post-gst-apollo-hospitals/articleshow/59235535.cms>, 2017, (accessed 26 July 2017).

² S R. Choudhury, 'India rolls out its biggest tax reform in 70 years. Here's what it means', <http://www.cnb.com/2017/06/30/india-gst-to-bring-short-term-implementation-challenges-and-uncertainty.html>, 2017, (accessed 26 July 2017).



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.