



# FORTIS HEALTHCARE LIMITED

EARNINGS PRESENTATION – Q2 FY25 and H1 FY25

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November 08, 2024

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# About Fortis Healthcare

## National Capital Region

- FMRI, Gurugram
- FEHI, New Delhi
- Shalimar Bagh
- Noida
- Vasant Kunj (O&M)
- Faridabad
- Manesar, Gurugram
- La Femme GK
- Def Col
- C-DOC
- Greater Noida (O&M)

1,786

## Punjab

- Mohali
- Ludhiana
- Ludhiana 2
- Amritsar

771

## Rajasthan

Jaipur

275

## Maharashtra

- Mulund
- Vashi
- Kalyan
- SL Raheja (O&M)

770

## Karnataka

### Bengaluru

- BG Road
- CG Road
- NagarBhavi
- Rajaji Nagar
- Richmond Road

630

## West Bengal

### Kolkata

- Anandpur
- FHKI & FMC

362

## Chhattisgarh

- Raigarh (O&M)

70



28 Healthcare Facilities\*



4,650 + Operational Beds^



6,700+ Doctors



~6,500 Nurses



23,000+ employees  
(including Agilus)



4 JCI Accredited



25 NABH Accredited/  
Certified

Amongst the  
most accredited  
healthcare  
network in India

Beds

Note: \*Manesar facility is operationalized now  
^Including O&M beds



# AGENDA

1. Clinical Excellence at Fortis
2. Performance Highlights
  - Earnings and Financial Summary – Q2 FY25 and H1 FY25
3. Performance Review - Hospital Business
4. Performance Review - Diagnostics Business
5. Appendix





**CLINICAL EXCELLENCE**

**AT FORTIS**

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**KEY HIGHLIGHTS**

# CLINICAL EXCELLENCE

- **Fortis Hospital, Mohali**, became the first hospital in north of Delhi NCR to perform Robotic Trans-Axillary Nipple Sparing Mastectomy with Implant Reconstruction Surgery on two patients. While the first patient was suffering from multifocal mucinous breast cancer, the other had multifocal locally advanced breast cancer post neoadjuvant chemotherapy.
- **Fortis Hospital, Vasant Kunj**, successfully treated a 39-year-old Kenyan woman suffering from facial nerve schwannoma, an extremely rare tumour that grows on the facial nerve, eventually causing facial weakness, headache as well as hearing and vision loss.
- **Fortis Hospital, Mohali**, conducted the first **PIPAC** (Pressurized Intraperitoneal Aerosolised Chemotherapy), a novel technique useful in advanced stage abdominal cancers, available at a select few centers in India.
- **Fortis Hospital, Mohali**, performed its first ever ABO incompatible Living Donor Liver Transplant in the North Region on a 49-year old male patient suffering from liver failure.



*\*Above data pertains to Q2FY25*

# AUGMENTING MEDICAL PROGRAMS

- **Fortis Hospital, Manesar, Gurugram**, a 350 bedded facility, commenced its operations in September 2024. The hospital offers entire spectrum of clinical services including all key specialties and latest state-of-the-art medical equipment.
- **Fortis Memorial, Gurugram** launched North & Central India's first MR LINAC, a technology that integrates Magnetic Resonance Imaging (MRI) with high-energy radiation therapy to target and treat tumors with unparalleled precision.
- **Fortis Escorts, Okhla Road, Delhi**, launched Fortis Cancer Institute & Oncology Day Care that will offer comprehensive cancer care, combining advanced medical technology including advanced imaging, pathology labs, and radiation therapy.
- **Fortis Gurugram** achieved a significant milestone in genomic testing, reporting 110 myeloid NGS (Next-Generation Sequencing) samples, using advanced Genexus machine. The median turnaround time for myeloid NGS is 5.3 days compared to industry standard of 15+/-6 days.
- **Fortis Vasant Kunj** inaugurated the Department of Medical Genetics that will offer genetic counseling services along with diagnosis and management of genetic disorders.
- **Fortis CG Road** launched a Bone Marrow Transplant facility for treatment of hematological disorders and malignancies.





**Q2FY25 and H1FY25**  
**PERFORMANCE HIGHLIGHTS**



# Q2FY25 SNAPSHOT

Consolidated Revenue

**1,988 Crores**

 12.3%

Consolidated Op EBITDA

**435 Crores**  
(21.9% Margin)

 31.9%

Consolidated PBT<sup>1</sup>

**321 Crores**

 40.1%

Consolidated PAT<sup>1</sup>

**253 Crores**

 40.3%

Net Debt / (Cash)<sup>3</sup>

**281 Crores**

Net Debt to EBITDA<sup>2,3</sup>

**0.16x vs 0.29x**

1. Excluding exceptional items

2. Basis Q2FY25 annualized EBITDA; 3. Net Debt as on 30<sup>th</sup> Sep 2024

# H1FY25 SNAPSHOT

Consolidated Revenue

**3,847 Crores**

 12.3%

Consolidated Op EBITDA

**777 Crores**  
(20.2% Margin)

 29.0%

Consolidated PBT<sup>1</sup>

**551 Crores**

 38.2%

Consolidated PAT<sup>1</sup>

**426 Crores**

 40.9%

Net Debt / (Cash)<sup>3</sup>

**281 Crores**

Net Debt to EBITDA<sup>2,3</sup>

**0.16x vs 0.29x**

1. Excluding exceptional items

2. Basis Q2FY25 annualized EBITDA; 3. Net Debt as on 30<sup>th</sup> Sep 2024

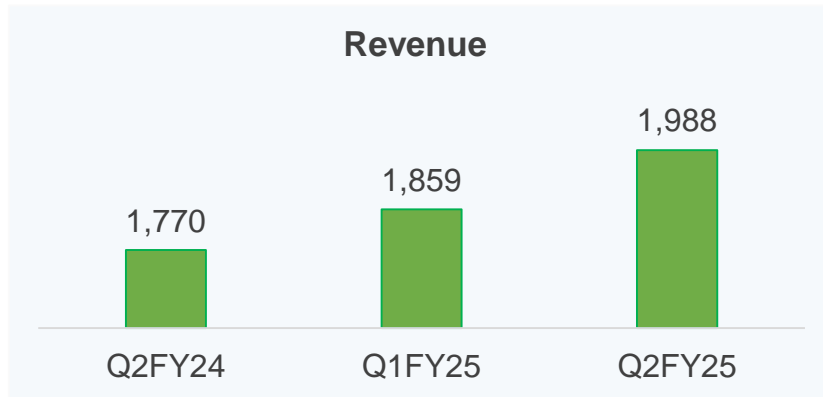
# Q2FY25 SNAPSHOT

- Hospital business revenues grew 13.9% to INR 1,655 Cr versus INR 1,453 Cr in Q2FY24
- Hospital Business Operating EBITDA stood at INR 355 Cr, up 32.5%; while operating margin was at 21.4% versus 18.4% in Q2FY24
- Q2FY25 hospital business ARPOB was at INR 2.37 Cr per annum vs INR 2.21 Cr in Q2FY24, up 7.6%; Surgical : Non-Surgical mix stood at 58:42, compared to 59:41 in Q2FY24.
- Occupancy for the quarter stood at 72% versus 69% in Q2FY24
- The company's diagnostics business reported gross revenues of INR 372.5 Cr versus INR 360.3 Cr in Q2FY24.
- Operating EBITDA Margin of the diagnostics business (basis gross revenues) stood at 21.5% versus 17.2% in Q2FY24.

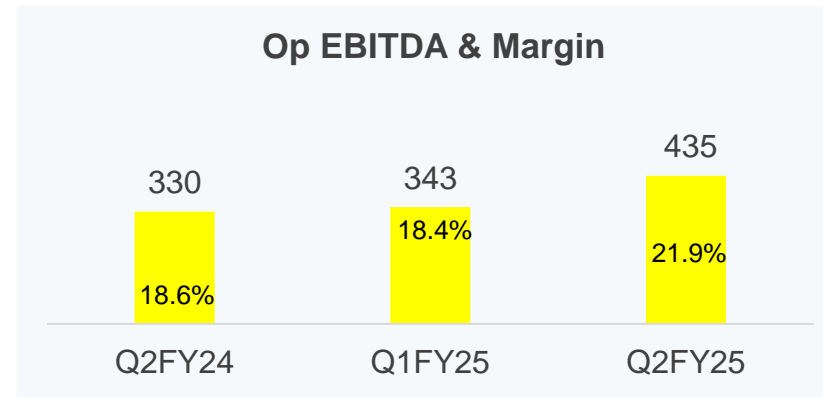


# CONSOLIDATED EARNINGS SUMMARY – Q2FY25

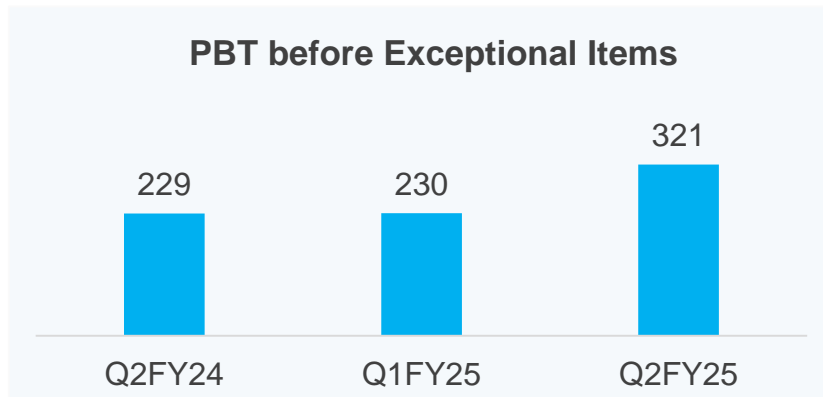
All figures in INR Cr



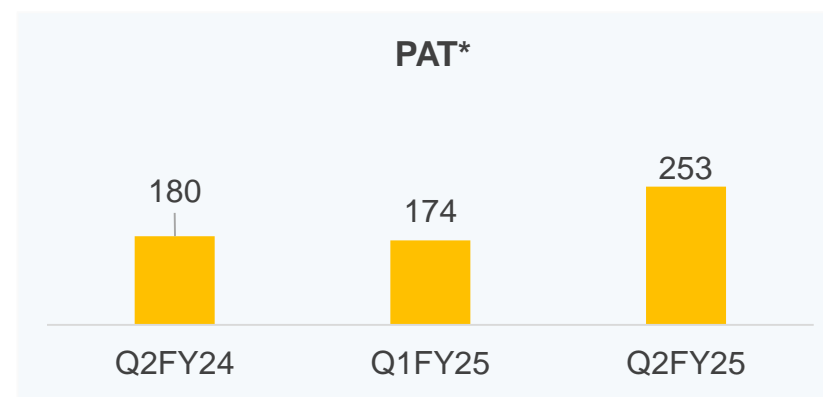
Up 12.3%



Up 31.9%



Up 40.1%

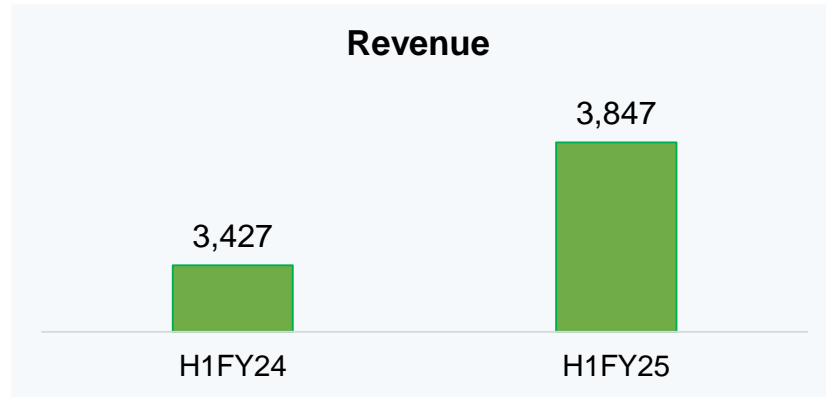


Up 40.3%

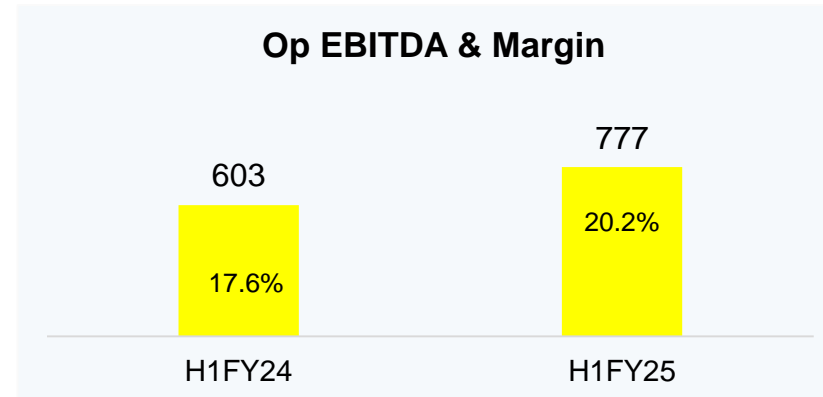
- Q1FY25 PAT excludes exceptional gain of INR 0.2 Cr and Q2FY25 PAT excludes exceptional loss of 59.8 Cr, both of which pertain primarily to the impairment movement in an associate company
- Q2FY24 PAT excludes exceptional net gain of INR 3.7 Cr related to the divestment of the Vadapalani, Chennai facility in July 2023

# CONSOLIDATED EARNINGS SUMMARY – H1FY25

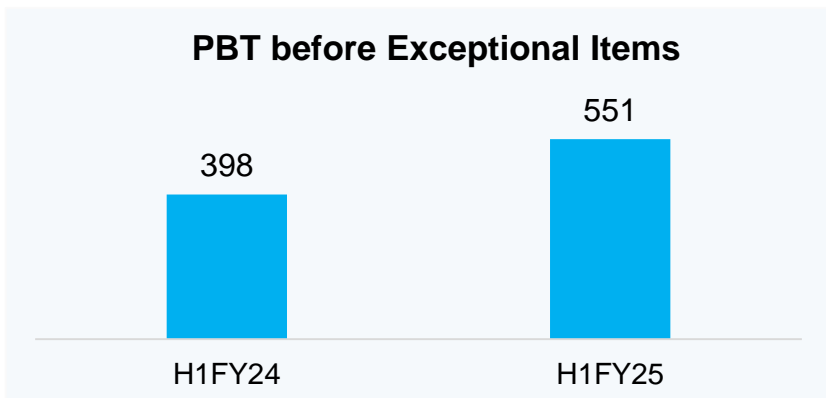
All figures in INR Cr.



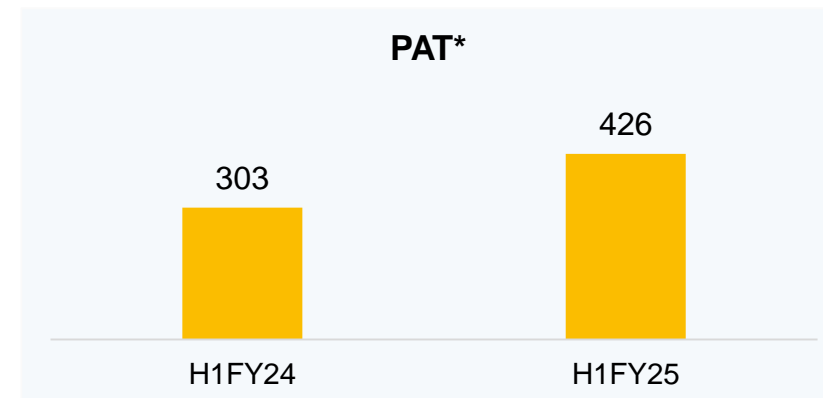
Up 12.3%



Up 29.0%



Up 38.2%



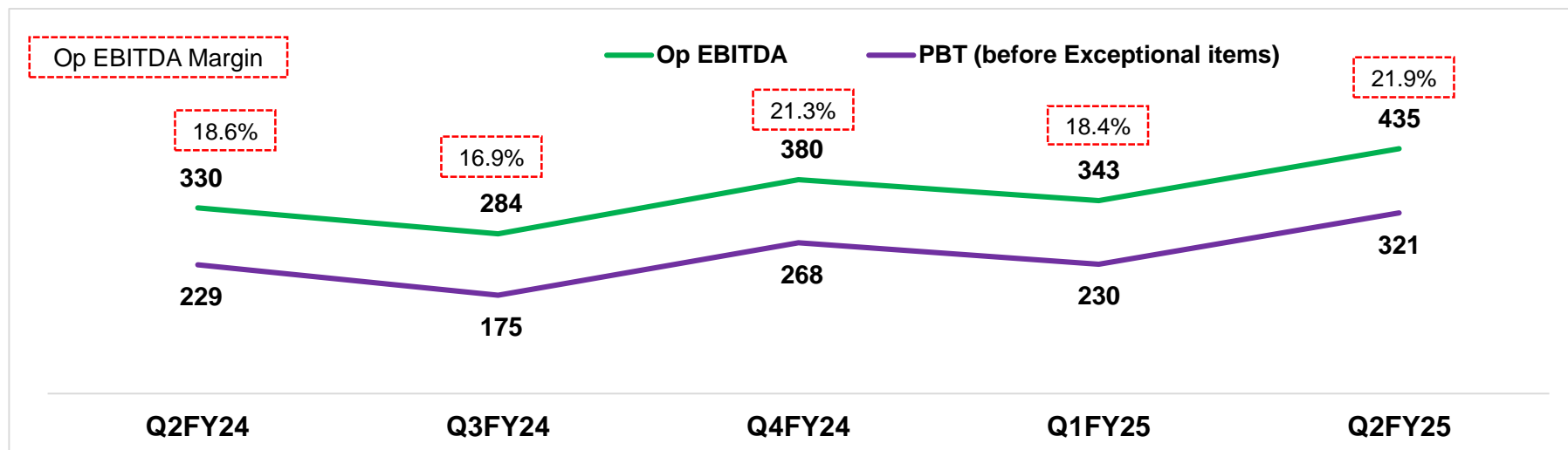
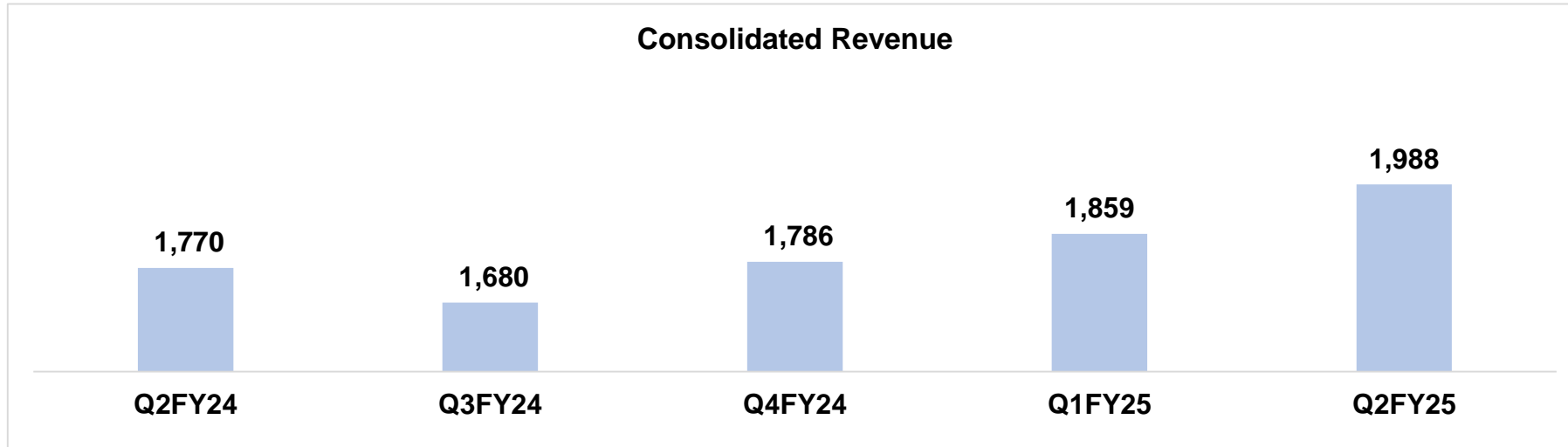
Up 40.9%

\*H1FY24 PAT excludes exceptional net gain of INR 5.2 Cr related to the divestment of the Vadapalani, Chennai facility in July 2023 and reversal of impairment in an associate Company.

\*H1FY25 PAT excludes exceptional net loss of INR 59.6 Cr which pertains primarily to impairment movement in an associate Company

# CONSOLIDATED EARNINGS SUMMARY

All figures in INR Cr

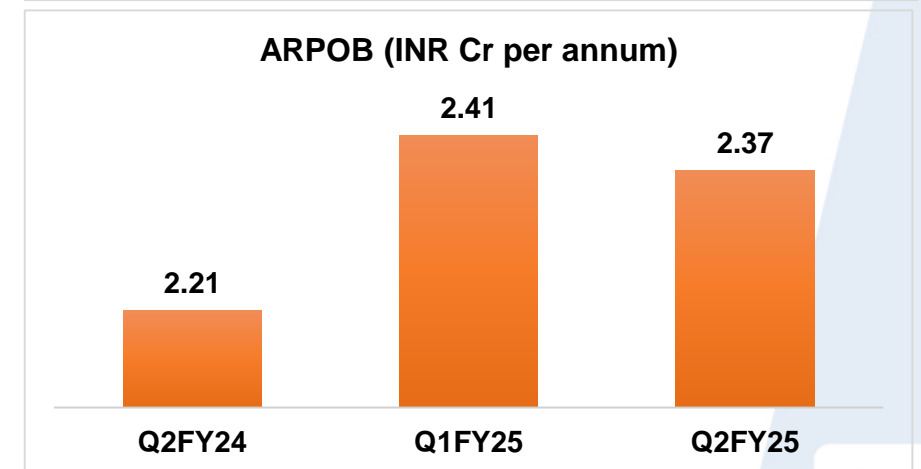
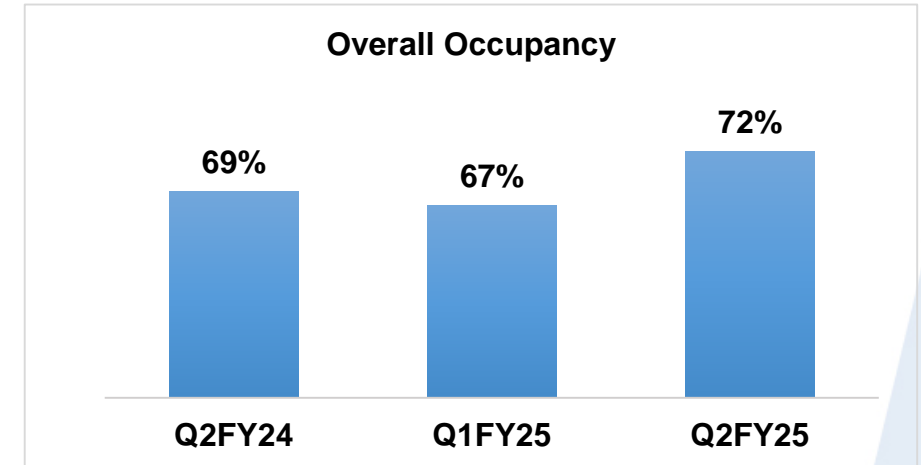


# Q2FY25

## HOSPITAL BUSINESS HIGHLIGHTS

- Occupancy was at 72%, compared to 69% in Q2FY24. Occupied beds increased to 2,939 compared to 2,779 in Q2FY24, a growth of 5.8%.
- Revenue from focus specialties comprising Oncology, Gastroenterology, Neurosciences, Renal Sciences, Orthopaedics and Cardiac Sciences grew 13.6% and contributed 61% to overall hospital business revenues, similar to Q2 FY24.
- International Patient revenues grew 6% to INR 134 Cr in Q2FY25 vs INR 127 Cr in Q2FY24. The business contributed 7.7% to overall hospital business revenues versus 8.3% in Q2FY24 and 7.8% in Q1FY25.
- Company further strengthened its medical talent with the onboarding of specialists in the areas of Cardiac Sciences, Renal Sciences, Gastroenterology, Internal Medicine and Obstetrics & Gynecology.

### Key Performance Indicators



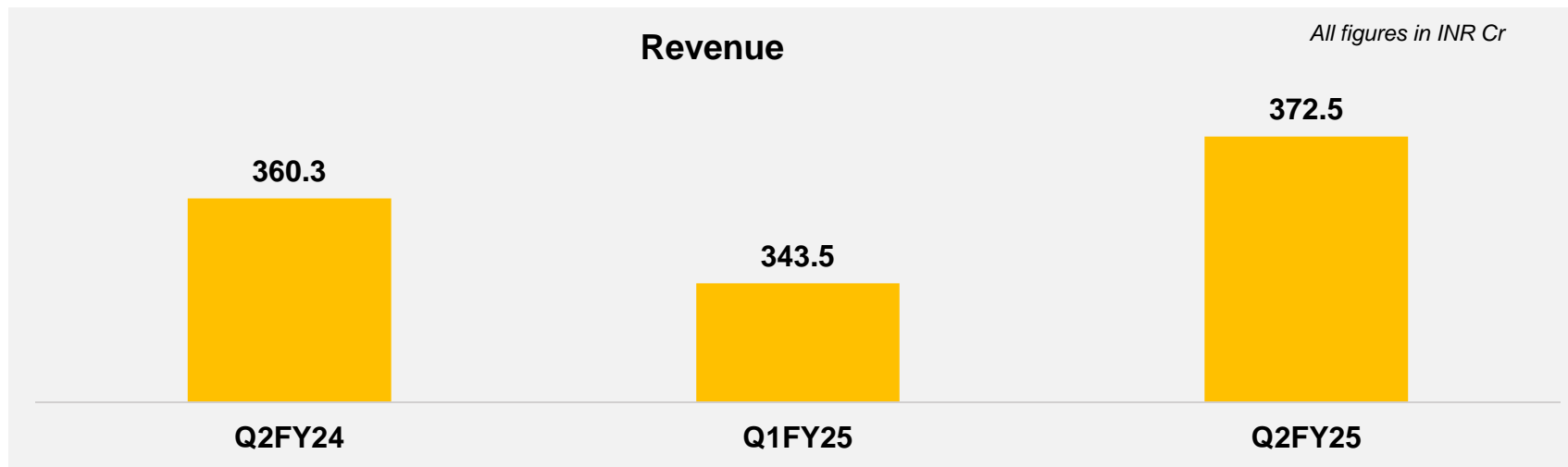
Up 7.6%



# Q2FY25

## DIAGNOSTIC BUSINESS HIGHLIGHTS

- Agilus reported gross revenue of INR 372.5 Cr in Q2 FY25 as compared to INR 360.3 Cr in Q2FY24. Revenues for Q1FY25 were at INR 343.5 Cr, resulting in QoQ growth of 8.4%.
- Operating EBITDA (basis gross revenues) stood at INR 80.0 Cr versus INR 62.1 Cr in Q2FY24 (21.5% versus 17.2% EBITDA margin) and versus INR 55.4 Cr in Q1FY25 (16.1% margin).
- Operating EBITDA before one-off expenses\* was at INR 89 Cr versus INR 82 Cr in Q2FY24 (24.0% versus 22.7% EBITDA margin basis gross revenues) and versus INR 60 Cr in Q1FY25 (17.6% margin basis gross revenues).



Note: One off expenses pertains primarily to rebranding cost in Q2FY24: For Q1FY25, one off expenses pertain primarily to both rebranding costs and provision related to certain government businesses. In Q2FY25 it primarily includes rebranding expenses, reversal of provision related to certain government business and a contingent consideration payment for an earlier lab acquisition



# OPERATING PERFORMANCE

## HOSPITAL BUSINESS

Particulars (INR Cr)	Hospital Business				
	Q2FY24	Q1FY25	Q2FY25	H1FY24	H1FY25
<b>Operating Revenue</b>	<b>1,453</b>	<b>1,549</b>	<b>1,655</b>	<b>2,807</b>	<b>3,204</b>
Revenue Growth vs LY	12.0%	14.4%	13.9%	12.7%	14.2%
<b>Reported EBITDA</b>	<b>289</b>	<b>295</b>	<b>369</b>	<b>498</b>	<b>664</b>
EBITDA growth vs LY	8.3%	41.9%	27.5%	4.8%	33.5%
<b>Margin</b>	<b>19.9%</b>	<b>19.1%</b>	<b>22.3%</b>	<b>17.7%</b>	<b>20.7%</b>
Adj: Other Income <sup>^</sup>	22	8	14	23	22
<b>Operating EBITDA</b>	<b>268</b>	<b>287</b>	<b>355</b>	<b>474</b>	<b>642</b>
<b>Margin</b>	<b>18.4%</b>	<b>18.5%</b>	<b>21.4%</b>	<b>16.9%</b>	<b>20.0%</b>

- Above financials includes financials of International entities which are part of Fortis group; mainly RHTTM.
- <sup>^</sup>Hospital business reported EBITDA for Q2FY24 and Q2FY25 includes other income primarily as a result of the dividend income received from the Company's majority owned (57%) subsidiary Agilus Diagnostics

# OPERATING PERFORMANCE

## DIAGNOSTIC BUSINESS

Particulars (INR Cr)	Diagnostic Business				
	Q2FY24	Q1FY25	Q2FY25	H1FY24	H1FY25
<b>Operating Revenue</b>	<b>360</b>	<b>343</b>	<b>372</b>	<b>703</b>	<b>716</b>
Revenue Growth vs LY		0.2%	3.4%		1.9%
<b>Reported EBITDA</b>	<b>68</b>	<b>60</b>	<b>87</b>	<b>140</b>	<b>147</b>
EBITDA growth vs LY		(16.8%)	27.9%		4.8%
<b>Margin</b>	<b>18.8%</b>	<b>17.6%</b>	<b>23.3%</b>	<b>19.9%</b>	<b>20.5%</b>
Adj: Other Income incl FX	6	5	7	12	11
<b>Operating EBITDA</b>	<b>62</b>	<b>55</b>	<b>80</b>	<b>128</b>	<b>135</b>
<b>Margin</b>	<b>17.2%</b>	<b>16.1%</b>	<b>21.5%</b>	<b>18.3%</b>	<b>18.9%</b>
Adj: One off expenses*	20	4 <sup>^</sup>	9	25	14
<b>Operating EBITDA before one off exp</b>	<b>82</b>	<b>60</b>	<b>89</b>	<b>153</b>	<b>149</b>
<b>Margin</b>	<b>22.7%</b>	<b>17.6%</b>	<b>24.0%</b>	<b>21.8%</b>	<b>21.0%</b>

- \*One off expenses pertain primarily to rebranding cost in Q2FY24; In Q2FY25 it primarily includes rebranding expenses, reversal of provision related to certain government business and a contingent consideration payment for an earlier lab acquisition.
- <sup>^</sup>For Q1FY25, one off expenses pertain primarily to rebranding costs and provision related to certain government businesses; These expenses have been adjusted for unclaimed balances written back (more than 3 years) that were INR 4.5 Cr during the quarter; Margin has been calculated by adjusting the same amount from Operating Revenue (Rs 339 Cr); same adjustment has been done for H1FY25
- Diagnostics business revenue is on Gross Basis; Diagnostic business Q2FY25 net revenue (net of inter company elimination) stood at INR 333.7 Cr versus INR 317.4 Cr in Q2FY24 and INR 309.5 Cr in Q1FY25.

# BALANCE SHEET (CONSOLIDATED)

September 30, 2024

Balance Sheet (INR Cr)	March 31, 2024	June 30, 2024	Sep 30, 2024
Shareholder's Equity	8,556	8,615	8,729
Debt	859	866	878
Lease Liabilities (Ind AS 116)*	297	298	309
<b>Total Capital Employed</b>	<b>9,711</b>	<b>9,779</b>	<b>9,916</b>
Net Fixed Assets (including intangibles & CWIP)	6,221	6,283	6,413
Goodwill	4,194	4,194	4,194
Investments	230	230	175
Cash and Cash Equivalents	595	557	597
Net Other Assets^	(1,529)	(1,485)	(1,464)
<b>Total Assets</b>	<b>9,711</b>	<b>9,779</b>	<b>9,916</b>
Net Debt / (cash)	264	308	281
<b>Net Debt to Equity</b>	<b>0.03x</b>	<b>0.04x</b>	<b>0.03x</b>

- \*Pertains to lease liability on account of adoption of new accounting standard on leases w.e.f. April 1, 2019.
- Net Debt excludes lease liabilities
- Net Debt to EBITDA was at 0.16x vs 0.29x for Q2FY25 and Q2FY24 (basis annualized EBITDA of Q2FY25 and Q2FY24, respectively)
- ^Includes PUT option liability pertaining to Agilus' 31.52% Stake held by private equity investors.



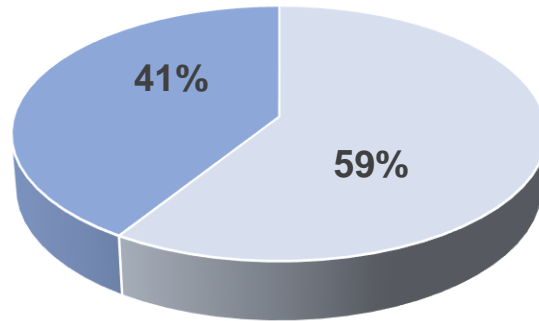
# PERFORMANCE REVIEW

HOSPITALS BUSINESS

# REVENUE MIX

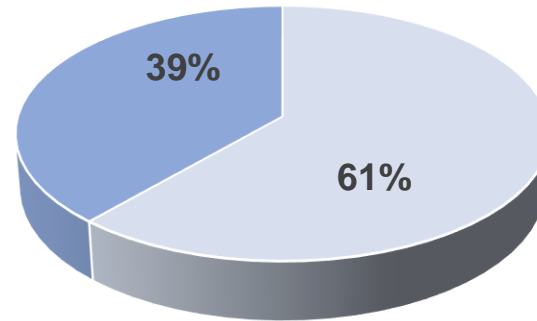
Q2FY24

Gross Revenue : INR 1,532 CR



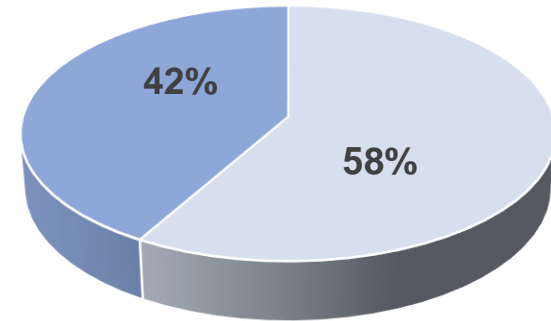
Q1FY25

Gross Revenue : INR 1,633 CR



Q2FY25

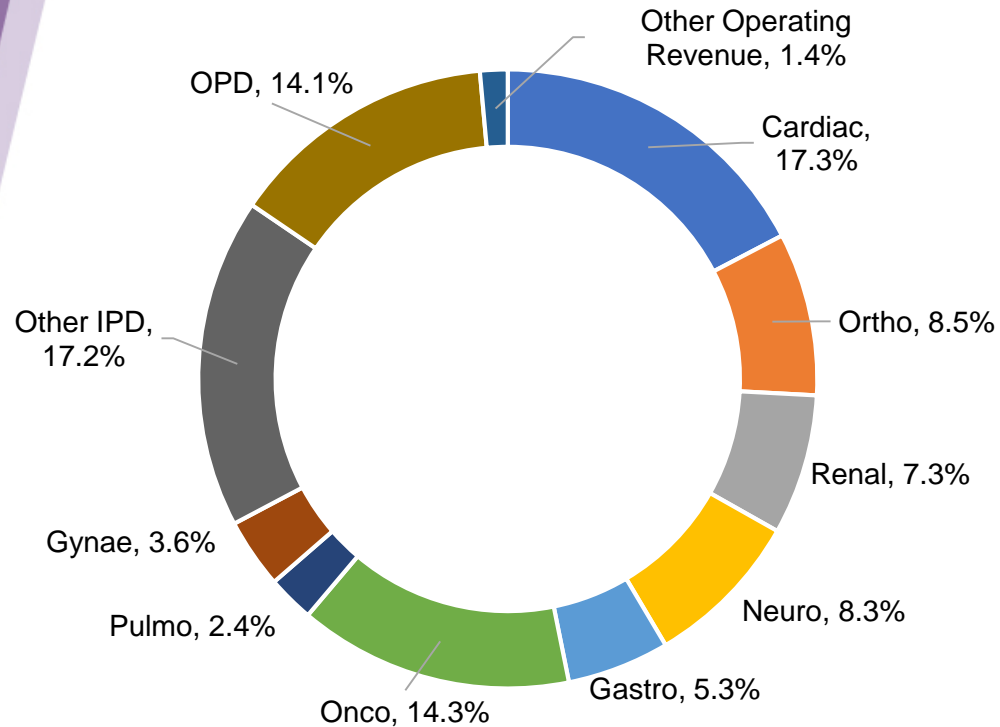
Gross Revenue : INR 1,744 CR



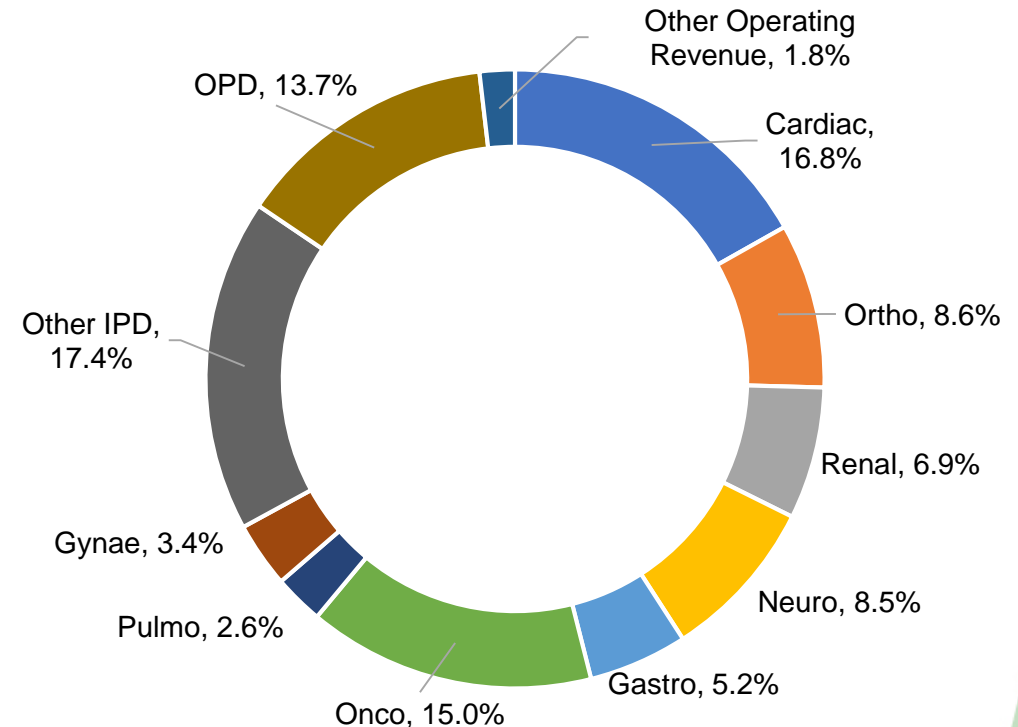
■ Non Surgical Revenue    ■ Surgical Revenue

# SPECIALTY MIX

## Q2FY24



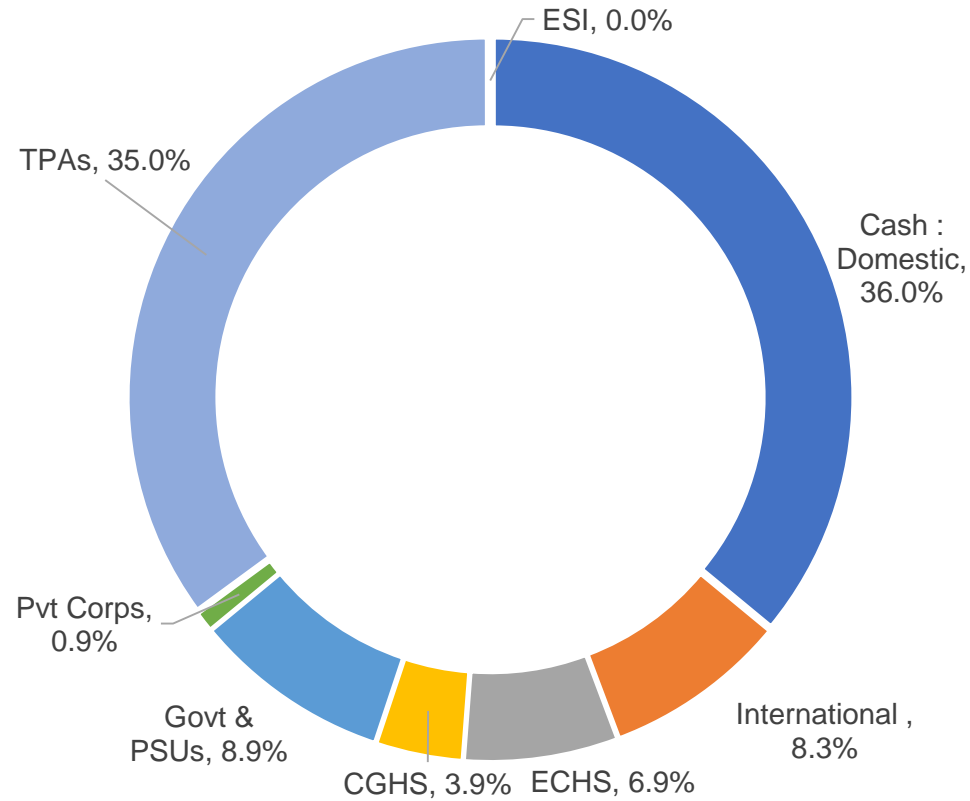
## Q2FY25



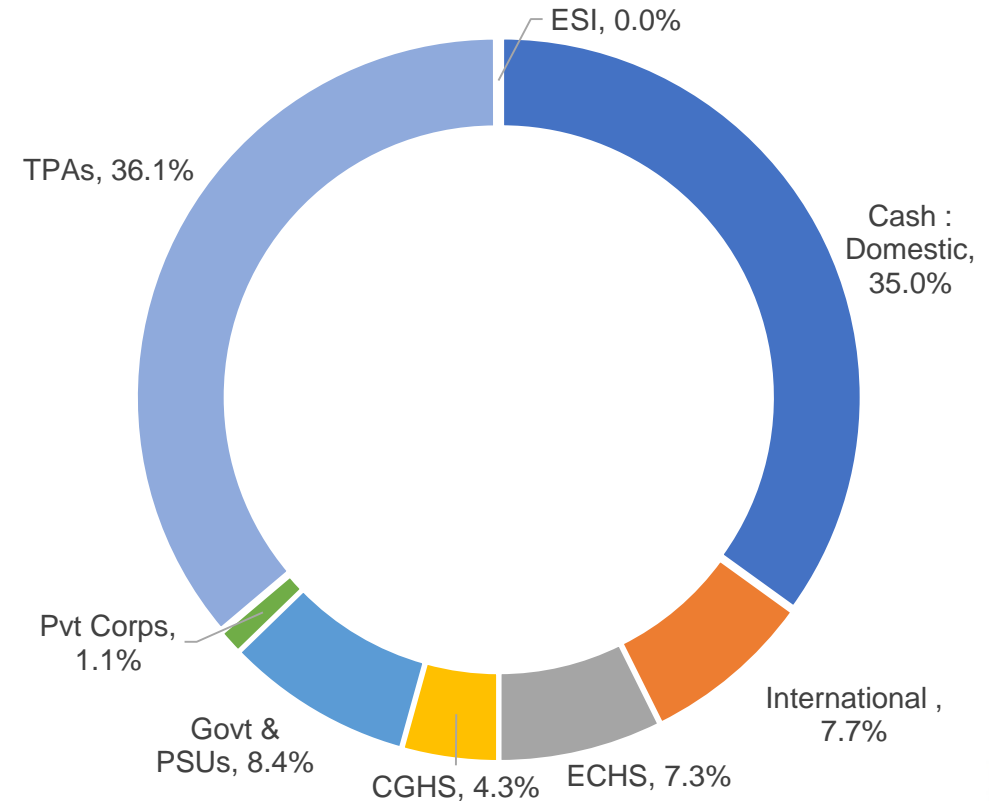
Specialties such as Pulmonology, Oncology, Neurology and Orthopedics witnessed revenue growth of 21%, 19%, 17% and 15%, respectively

# PAYOR MIX

## Q2FY24

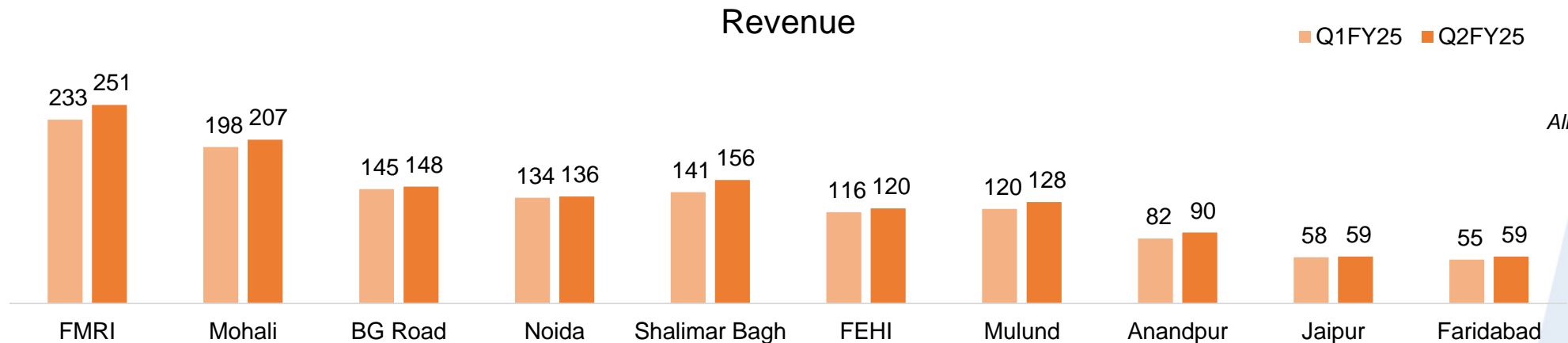
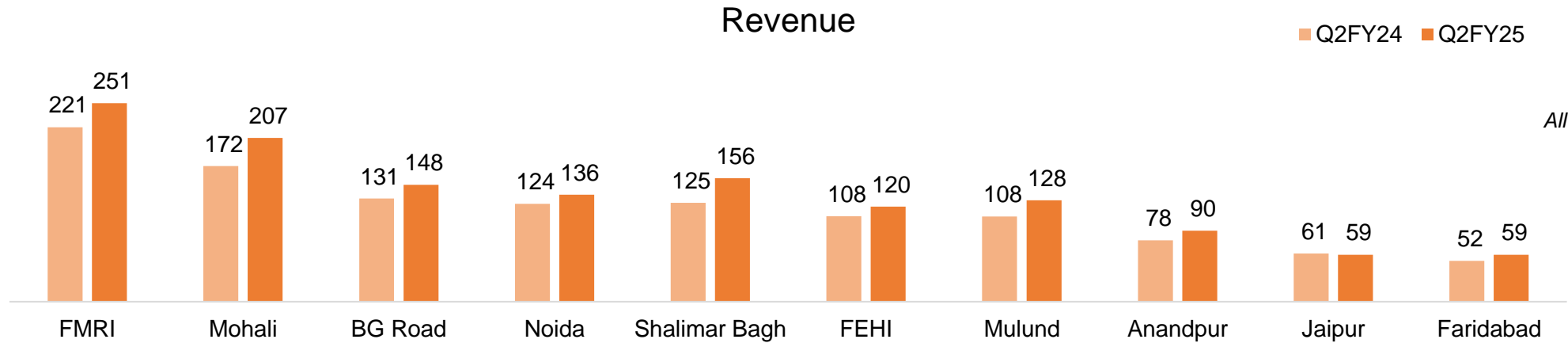


## Q2FY25



# HOSPITAL BUSINESS PERFORMANCE – Q2FY25

All the key healthcare facilities continue to witness a YoY upward momentum in revenues\*



\*Note: Excluding Jaipur



# HOSPITAL MARGIN MATRIX

H1FY25

EBITDA	No of Facilities	Revenue Contribution	Operational beds	ARPOB (INR Cr)	Occupancy
20%-25%	10	71.8%	2467	2.68	73%
15% - 20%	3	9.0%	552	1.43	77%
10% - 15%	1	0.6%	46	1.58	58%
<10%	7	17.5%	983	2.11	58%

FY24\*

EBITDA	No of Facilities	Revenue Contribution	Operational beds	ARPOB (INR Cr)	Occupancy
20% - 25%	8	62.2%	1,998	2.56	72%
15% - 20%	5	13.4%	745	1.76	62%
10% - 15%	3	13.8%	640	1.89	70%
<10%	5	8.1%	551	1.81	50%

Note: \*FY24 numbers exclude Vadapalani, Malar facilities and include Ludhiana 2 facility



# **BEDS EXPANSION UPDATE**

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# Key Ongoing Expansion Projects

*Manesar Facility (~300 Beds)\* –  
Phase 1 Operationalized (~75 Beds)  
Expected Phase 2 Capacity Addition: H2FY25*



*Faridabad New Tower (50 Beds) – Expected operationalization H2FY25*



*Noida New Tower (~145 Beds) –  
Expected operationalization: Phase 1 H2FY25 (~50 Beds) |  
Phase 2 H1FY26*



*FMRI New Tower (220 Beds) – Expected operationalization H1FY26*



*Note: \*Manesar facility's total capacity is ~350 beds.*

*In addition to the bed expansion in Manesar, Faridabad and Noida, capacity of approx. 80 beds has been added across Shalimar Bagh, Anandpur, NagarBhavi in H1FY25; An additional capacity of approx. 210 beds will be added across following facilities in H2FY25 - BG Road, FMRI, Shalimar Bagh and Anandpur.*



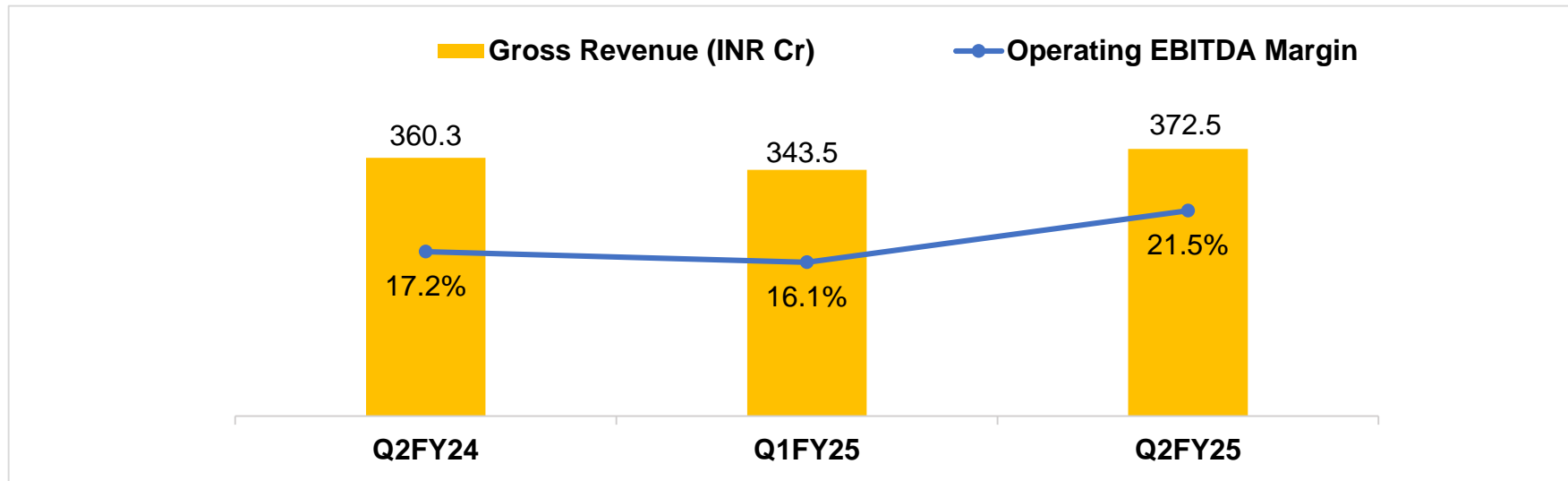
# PERFORMANCE REVIEW

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DIAGNOSTICS BUSINESS

# DIAGNOSTICS BUSINESS

- During Q2FY25, Agilus conducted 11.11 Mn tests, versus 10.59 Mn in Q2FY24. In Q1FY25 Agilus conducted 9.92 Mn tests.
- Agilus added 150+ Customer touchpoints to its network in Q2FY25. Total CTPs as on 30th September 2024 stood at 4085.
- Agilus' B2C: B2B revenue mix stood at 54:46 in the quarter vs 53:47 in Q2FY24.

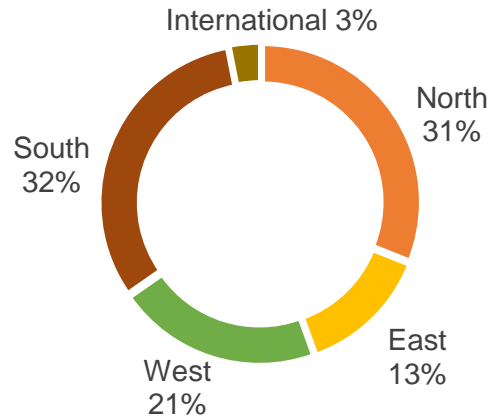


\*Note: Gross additions

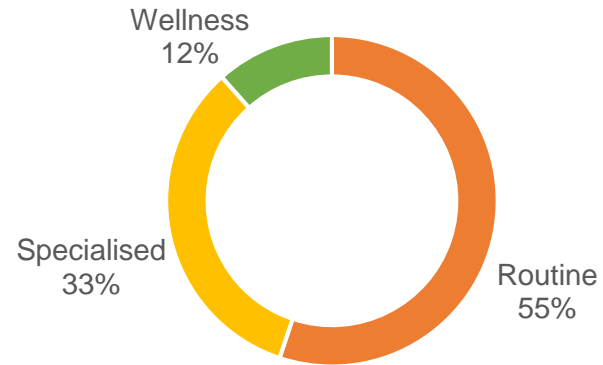
# QUARTERLY REVENUE MIX

Q2FY25

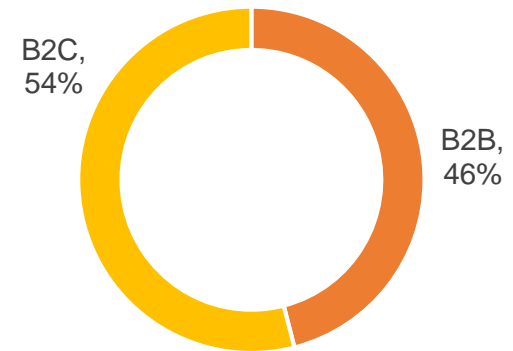
Geographic mix



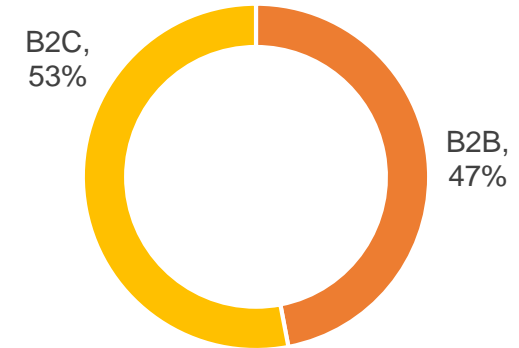
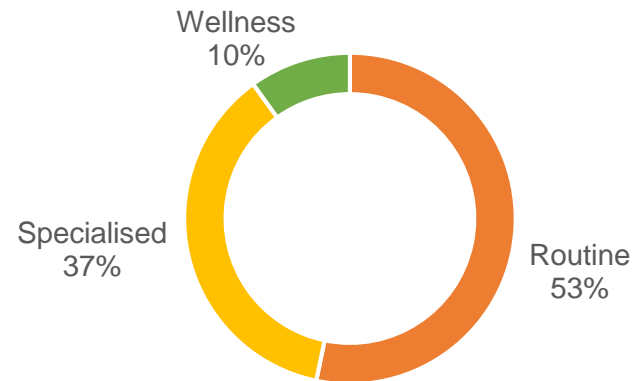
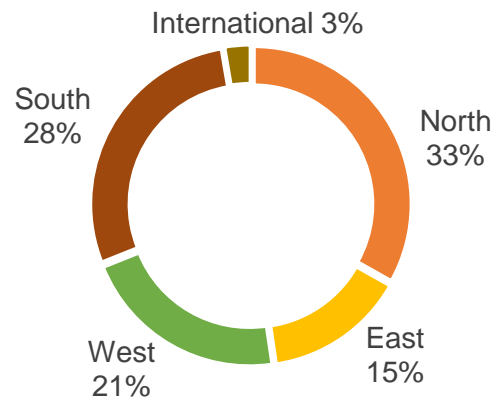
Product Mix



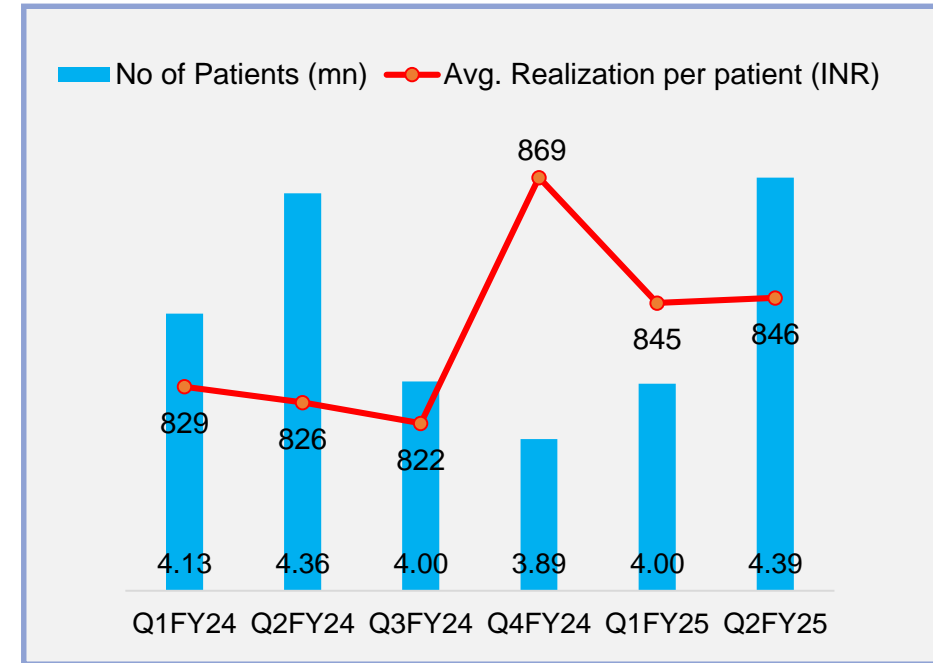
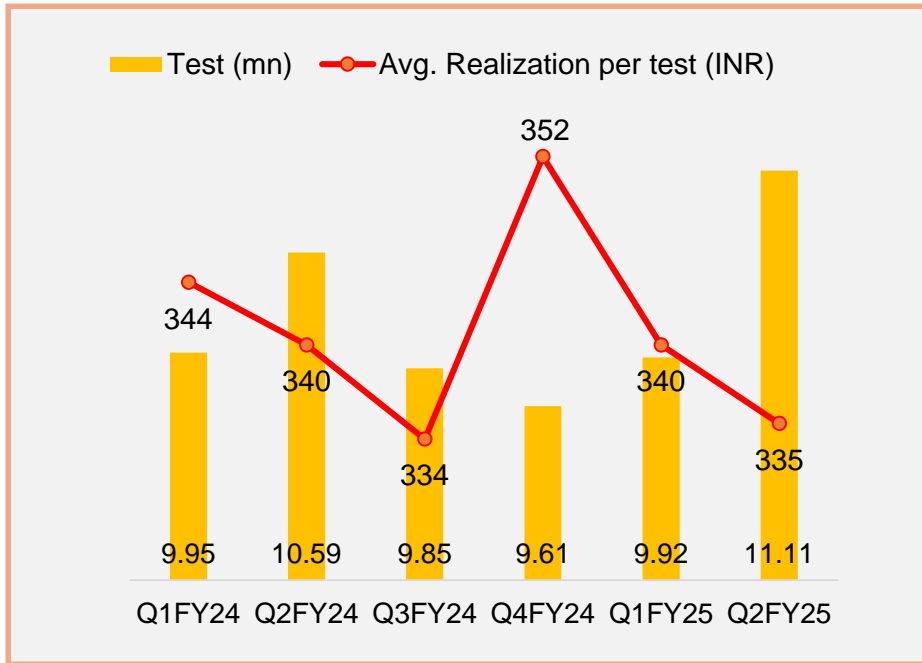
Segment Mix



Q2FY24



# QUATERLY KEY PERFORMANCE METRICS





# APPENDIX



# GROUP CONSOLIDATED P&L – Q2FY25

Particulars ( INR Cr)	Q2FY24	Q1FY25	Q2FY25
<b>Revenue from operations</b>	<b>1,769.9</b>	<b>1,858.9</b>	<b>1,988.4</b>
Other income	13.5	13.0	13.2
<b>Total income</b>	<b>1,783.5</b>	<b>1,871.9</b>	<b>2,001.6</b>
Expenses	1,439.8	1,516.4	1,553.6
<b>EBITDA*</b>	<b>343.7</b>	<b>355.5</b>	<b>448.1</b>
<b>Margin</b>	<b>19.4%</b>	<b>19.1%</b>	<b>22.5%</b>
Finance costs	31.8	35.3	36.4
Depreciation and amortisation expense	84.1	91.0	95.1
<b>PBT</b>	<b>227.7</b>	<b>229.3</b>	<b>316.6</b>
Share of profit / (loss) of associates and joint ventures (net)	1.3	0.6	4.2
<b>Net profit / (loss) before exceptional items and tax</b>	<b>229.0</b>	<b>229.9</b>	<b>320.8</b>
Exceptional gain/loss**	3.7	0.2	-59.8
<b>Profit / (loss) before tax from continuing operations</b>	<b>232.7</b>	<b>230.1</b>	<b>261.1</b>
Tax expense / (credit)	48.8	56.1	68.0
<b>Net profit / (loss) for the period from continuing operations</b>	<b>183.9</b>	<b>174.0</b>	<b>193.1</b>
<b>Profit / (loss) from continuing operations attributable to Owners of the company</b>	<b>173.7</b>	<b>166.0</b>	<b>176.5</b>

\*EBITDA includes other income, forex and exceptional/non-recurring expenses

\*\*Q2FY24 exceptional net gain related to the divestment of the Vadapalani, Chennai facility in July 2023.

\*\*Q1FY25 exceptional gain of INR 0.2 Cr and Q2FY25 exceptional loss of INR 59.8 Cr, pertain primarily to the impairment movement in an associate company

# GROUP CONSOLIDATED P&L – H1FY25

Particulars (INR Cr)	H1FY24	H1FY25
<b>Revenue from operations</b>	<b>3,427.4</b>	<b>3,847.3</b>
Other income	21.6	26.3
<b>Total income</b>	<b>3,449.0</b>	<b>3,873.5</b>
Expenses	2,824.7	3,069.9
<b>EBITDA*</b>	<b>624.3</b>	<b>803.6</b>
<b>Margin</b>	<b>18.2%</b>	<b>20.9%</b>
Finance costs	63.3	71.7
Depreciation and amortisation expense	163.4	186.1
<b>PBT</b>	<b>397.6</b>	<b>545.8</b>
Share of profit / (loss) of associates and joint ventures (net)	0.7	4.8
<b>Net profit / (loss) before exceptional items and tax</b>	<b>398.3</b>	<b>550.7</b>
Exceptional gain**	5.2	-59.6
<b>Profit / (loss) before tax from continuing operations</b>	<b>403.4</b>	<b>491.1</b>
Tax expense / (credit)	95.6	124.0
<b>Net profit / (loss) for the period from continuing operations</b>	<b>307.9</b>	<b>367.1</b>
<b>Profit / (loss) from continuing operations attributable to Owners of the company</b>	<b>285.5</b>	<b>342.4</b>

\*EBITDA includes other income, forex and exceptional/non-recurring expenses

\*\*H1FY24 exceptional net gain of INR 5.2 Cr relates to the divestment of the Vadapalani, Chennai facility in July 2023, and reversal of impairment in an associate Company

\*\*H1FY25 exceptional net loss of INR 59.6 Cr, pertains primarily to the impairment movement in an associate company



**THANK YOU**

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