

Results Announcement for Q1 2016

(unaudited figures S\$'000)

	Q1 2016 (S\$'000)	Q1 2015 (S\$'000)	% change
Revenue	116,859	95,023	23.0
EBITDA	22,353	20,619	8.4
Operating Profit	18,725	17,663	6.0
PATMI	15,526	14,979	3.7
Diluted Earnings per Share (cts)	2.67	2.62	1.9
Net Assets Value per Share (cts)	107.61	104.88*	2.6

*As at 31 December 2015

Highlights of Q1 2016 Performance

- Group achieved a strong **23.0%** growth in revenue to **S\$116.9 million**
- Profit After Tax and Minority Interests (**PATMI**) showed an increase of **3.7%**
- Revenue from Healthcare Services Division grew **36.3%**
- Revenue from Hospital Services Division increased by **15.2%**
- Healthy cash position of **S\$110.6 million**

***RafflesMedicalGroup* Announces Strong 23% Revenue Growth**

Singapore, 25 April 2016 – *RafflesMedicalGroup* (**Group**) announced a strong **23.0%** growth in revenue from **S\$95.0** million in Q1 2015 to **S\$116.9** million in Q1 2016. Both Healthcare Services and Hospital Services divisions contributed significantly to the revenue growth, increasing by **36.3%** and **15.2%** respectively.

The growth was driven by an increased patient load, greater intensity of medical care, and more specialists, as well as contribution from the recently acquired International SOS (MC Holdings) Pte Ltd and its subsidiaries (**MCH**). Excluding the contribution from MCH, the Group's revenue would have grown by **11.6%**.

The Group registered a growth in Profit After Tax and Minority Interests (**PATMI**) of **3.7%**, increasing from **S\$15.0** million in Q1 2015 to **S\$15.5** million in Q1 2016. The higher costs were attributable to increased staff expenses, inventories, consumables, operating lease and other operating expenses. In particular, the growth in staff costs was due to the recruitment of more specialists and staff in preparation for the opening of new facilities, as well as increased staff costs at MCH. On a comparable basis, excluding the performance of MCH, the Group's operating profit growth would have increased from **6.0%** to **7.8%**.

The Group continued to generate strong operating cash flows from its various business units, maintaining a strong cash position **S\$110.6** million as at 31 March 2016, after accounting for payment of **S\$10.5** million for investment in *Raffles Holland V* and *RafflesHospital Extension*.

RafflesHospital's ambulatory, diagnostic laboratory and radiology, and inpatient services contributed to its strong performance in Q1 2016. New specialists were recruited in specialty areas such as Orthopaedics, Radiology, Urology, ENT and Dermatology as the hospital ramps up capacity for the new *RafflesHospital Extension*.

RafflesMedicalCentre Orchard is attracting a diverse range of patients, both local and foreign patients seeking an integrated medical centre with specialist, family medicine and dental services, as well as health screening, radiology and traditional Chinese medicine.

RafflesMedical opened a multi-disciplinary medical centre at Waterway Point in Punggol in January 2016. It upgraded its Toa Payoh clinic to provide for more consultation rooms and added dental services. The government's Community Health Assist Scheme (**CHAS**) and the Pioneer Generation (**PG**) package continue to add to the growth of the clinic network.

RafflesMedical continues to expand its portfolio of corporate clients through the **RafflesOne** concept whereby clients can subscribe to integrated corporate programmes spanning preventive, primary, specialist and inpatient care, as well as health insurance, corporate healthcare education and training, and nutraceuticals. The Group's facilities in 13 cities across Asia makes it an increasingly compelling choice for clients seeking local and regional health care.

RafflesHealthinsurance, leveraging on the Group's **RafflesOne** programme, grew its group employee benefits business significantly in Q1 2016.

Raffles Holland V, a five-storey commercial building with three basements, obtained the Temporary Occupation Permit in March 2016 and is scheduled to open for business in June 2016. The 9,000 square feet **RafflesMedicalCentre** at Level 5 of the mall will offer family medicine, health screening, dental, traditional Chinese medicine, and radiology services, as well as specialist care (paediatrics, obstetrics and gynaecology, and dermatology). The remaining commercial space will be leased to DBS Bank and other tenants offering specialty lifestyle, food and beverage and retail services.

The **RafflesHospital Extension** project is progressing according to schedule with foundation works completed at the end of 2015. When completed in 2017, the integrated medical complex will contribute an additional 220,000 square feet in gross floor area facilitating **RafflesHospital's** growth and expansion in tertiary medical care, healthcare training and clinical research.

The more measured economic growth in Singapore and the region may have a dampening effect on healthcare demand in general. However, the Group is well positioned for the future with the opening of **Raffles Holland V** and its regional expansion through the MCH clinics.

Says Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: “We have integrated the MCH clinics into Raffles and successfully rebranded them in China and Cambodia. We are looking for opportunities to expand in and beyond the 13 cities that we currently operate in, so that our patients and clients can seamlessly experience the Raffles brand of quality care and service across our network.”

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RafflesMedicalGroup (SGX: R01) is a leading integrated private healthcare provider in the region, operating medical facilities in thirteen cities in Singapore, China, Japan, Vietnam and Cambodia. The Group is the first Asian member of the Mayo Clinic Care Network.

RafflesMedical clinics form one of the largest networks of private family medicine centres in Singapore.

RafflesHospital, the flagship of Raffles Medical Group, is a private tertiary hospital located in the heart of Singapore offering a wide range of specialist medical and diagnostic services for both inpatients and outpatients. Representing more than 30 disciplines, our team of specialists constitutes a group practice combining sub-specialty expertise and teamwork to ensure optimal, affordable and high quality care for our patients. The Group also has representative offices in Indonesia, Vietnam, Cambodia, Brunei, Bangladesh and the Russian Far East, as well as associates throughout the Asia-Pacific region.

RafflesDental is a team-based dental group in Singapore comprising of a specialist dental practice at Raffles Hospital and a network of general dental clinics.

RafflesHealthInsurance provides healthcare insurance to corporate and individual clients.

For more information, please refer to our website at www.rafflesmedicalgroup.com.