

Results Announcement for Q2 2016
(unaudited figures S\$'000)

	Q2 2016 (S\$'000)	Q2 2015 (S\$'000)	% change
Revenue	118,953	99,253	19.8
EBITDA	23,592	22,210	6.2
Operating Profit	19,953	19,161	4.1
PATMI	16,672	15,948	4.5
Diluted Earnings per Share (cts)	0.95	0.93 [^]	2.2
Net Assets Value per Share (cts)	36.32	34.96 ^{*^}	3.9

* As at 31 December 2015

[^] Adjusted for Share Split in May 2016 (3 for 1)

Highlights of Q2 2016 Performance

- Group achieved a strong **19.8%** growth in revenue to **S\$119.0 million**
- Profit After Tax and Minority Interests (**PATMI**) showed an increase of **4.5%**
- Revenue from Healthcare Services Division grew **42.2%**
- Revenue from Hospital Services Division increased by **7.9%**
- Healthy cash position of **S\$123.6 million**
- **Interim Dividend** payable on 31 August 2016

***RafflesMedicalGroup* Celebrates 40th Anniversary In The Pink Of Health**

Singapore, 25 July 2016 – *RafflesMedicalGroup* (**Group**), a leading integrated healthcare organisation in Asia, celebrated its 40th anniversary with a good set of financial results. Revenue grew **19.8%** from **S\$99.3** million in Q2 2015 to **S\$119.0** million in Q2 2016.

Both Healthcare Services and Hospital Services divisions contributed positively to the revenue growth, increasing by **42.2%** and **7.9%** respectively. The growth was driven by an increased patient load, an expanding *RafflesMedical* clinic network, and higher revenue contributed by more specialists, as well as contribution from the acquired International SOS (MC Holdings) Pte Ltd and its subsidiaries (**MCH**).

The Group registered a growth in Profit After Tax and Minority Interests (**PATMI**) of **4.5%**, increasing from **S\$15.9** million in Q2 2015 to **S\$16.7** million in Q2 2016. The higher costs were attributable to greater staff costs, operating expenses and supplies used. Increased staff costs were due to recruitment for the opening of the new medical centre at *Raffles Holland V*.

The Group continued to generate strong operating cash flows from its various business units, maintaining a strong cash position **S\$123.6** million as at 30 June 2016, after accounting for payment of **S\$6.5** million for investment in *RafflesHospital Extension* and *Raffles Holland V* as well as the Group's final dividend distribution of **S\$5.2** million for the financial year ended 31 December 2015.

The Directors are pleased to declare for the financial year ending 31 December 2016, an interim ordinary dividend of 0.5 Singapore cent per ordinary share. The dividend will be paid on 31 August 2016.

Raffles Holland V, the Group's commercial building at Holland Village obtained the Temporary Occupation Permit in March 2016 and opened for business in June 2016. Commercial spaces at the mall have been leased to tenants such as DBS Bank, Hoshino Coffee, Sushi Tei, Haakon, Provence Bakery & Cafe, Café O, Patissez, Face Bistro and

Soup Restaurant. Some of them have opened for business while other units are being fitted out. As of 25 July 2016, 60% of the space has been committed. If units currently under negotiation are taken up, the occupancy rate would be 90%. **Raffles Holland V** represents the Group's new initiative of locating comprehensive healthcare services with other lifestyle attractions in prime suburban regions.

RafflesMedicalCentre Holland V, a 9,000 square feet multi-disciplinary medical centre opened at level 5 of the new **Raffles Holland V** mall in June 2016. The centre builds upon the Group's integrated medical solution to provide a wide spectrum of healthcare services to patients, including family medicine, specialist, dental, health screening, radiology and traditional Chinese medicine.

RafflesHospital performed well in Q2 2016 with consistent growth from inpatient services and growing specialist and emergency outpatient services. New specialists were recruited in specialty areas such as Psychiatry, Geriatrics and Diagnostic Radiology as the hospital ramps up capacity for the **RafflesHospital Extension**.

RafflesMedical expanded its clinic network with new locations at Holland Village and Bukit Batok Central, and an in-house clinic at SATS in Changi Airport. Loyang Point clinic was moved to a better location in the newly upgraded wing of the mall in April 2016. **RafflesMedical** continues to expand its portfolio of corporate clients, and new contracts with organisations from the services, engineering, property and retail industries such as SATS, SIA Engineering Company, Surbana Jurong and City Development Limited, were added to the Group's extensive portfolio of corporate clients. Similarly, **RafflesHealthinsurance** grew its corporate employee benefits business by leveraging on the Group's **RafflesOne** programme.

MCH saw patient visits grow as compared to the first quarter. New healthcare membership plans are being offered to clients in China. Further growth in revenue is expected for the rest of the year, arising from the offering of similar plans and expanded scope of medical services in the other countries where MCH operates.

The **RafflesHospital Extension** is progressing according to schedule. 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 moderation of the economic growth in Singapore and the region may have a dampening effect on the healthcare sector. However, the Group is well positioned to grow and expand in Singapore and the region through its branch network, MCH Clinics and the opening of **RafflesHospital Extension** next year. The Group will continue to be vigilant to respond to new opportunities that may arise in Singapore and the region.

Says Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: “Looking back at the past 40 years, we have grown together with our patients. From a two-clinic practice with eight staff, we now have medical facilities in 13 cities - a remarkable feat for a home-grown brand. In the next 10 years, we will be expanding in and beyond these cities, so that more patients may experience the **Raffles** brand of quality care and service across Asia.”

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About Us

RafflesMedicalGroup (SGX: BSL) is a leading integrated private healthcare provider in the region, operating medical facilities in thirteen cities in Singapore, China, Japan, Vietnam and Cambodia.

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.