

Raffles Medical posts 20% profit rise

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PRIVATE healthcare provider Raffles Medical Group posted a 20.1 per cent increase in net profit to \$37.88 million for the full year ended Dec 31, 2009, helped by a higher patient load and better operating efficiencies.

Revenue grew 8.9 per cent to \$218.6 million, on the back of growth from both its healthcare services and hospital services segments. Earnings per share was 7.3 cents, up from 6.1 cents in 2008.

“Raffles Medical concentrates on curative services,” executive chairman Loo Choon Yong said, adding that this helped cushion the impact of the economic recession last year.

While the group did not implement staff cuts or salary cuts, a salary freeze was put into place for senior management from January last year. This was lifted in the latter half of the year once the recession proved less prolonged than anticipated, Dr Loo said.

While the outbreak of H1N1 last year adversely impacted clinical

services initially, there was increased demand from patients seeking protection against the virus. The flu pandemic also boosted sales of flu-related medical supplies and services.

The group’s nutraceuticals arm, Raffles Health, which currently distributes to Singapore, Indonesia and Brunei, is aiming to widen its network to other markets.

Meanwhile, Raffles Hospital continued to receive a “significant number” of international patients from markets such as Indonesia, Malaysia, Vietnam, Russia and Brunei. However, the number of foreign patients grew at a “slower pace” compared to previous years.

About a third of the total number of patients are foreign, Dr Loo said.

The group launched three new clinics last year and is opening four new clinics this year – Changi Business Park, One Marina Boulevard (Q2), Maple Tree Business City (Q3) and Serangoon NEX (Q3/Q4).

As at Dec 31, 2009, the group had a net cash position of \$49.9 million.

A final dividend of two cents per share has been proposed.

Raffles Medical’s shares closed at \$1.36 yesterday, down two cents.



FILE PHOTO

RAFFLES HOSPITAL

It continues to receive a ‘significant number’ of international patients