



Results Announcement for Q1 2007

(unaudited figures S\$'000)

	First Quarter		% change
	Q1 2007	Q1 2006	
Revenue	37,681	30,912	21.9
EBITDA	5,587	4,221	32.4
Operating Profit	4,982	3,446	44.6
Profit Before Tax	5,148	3,748	37.4
Profit After Tax	4,134	2,901	42.5
Diluted Earnings per Share (cts)	0.97	0.71	36.6

Highlights of Q1 2007 Performance

- Profit after tax grew **42.5%** to **S\$4.1 million**
- Group achieved **21.9%** growth in revenue to **S\$37.7 million**
- Revenue from Hospital Division increased by **27.6%**
- Revenue from Healthcare Services Division grew **16.2%**
- Raffles Hospital achieves record patient volumes as it continues to attract more local and international patients



PRESS RELEASE

30 April 2007

RafflesMedicalGroup Achieves 42.5% surge in profits; Record Quarterly Revenue of S\$37.7 million

RafflesMedicalGroup started year 2007 with a bang with stellar performances by its Hospital and Healthcare Services divisions.

A rise in patient volumes coupled with the development of a wider range of medical specialties resulted in a record quarterly revenue of **S\$37.7 million** in Q1 2007 - an increase of **21.9%** over the same period last year.

Profit after tax for the Group surged by **42.5%** to **S\$4.1 million** as compared to Q1 2006.

All divisions contributed positively to the growth of the Group with revenue from the Hospital Division increasing by **27.6%** whilst the Healthcare Services Division grew by **16.2%**.

Healthcare Services Division – which includes the Group's network of 60 family medicine clinics and **International Medical Insurers**, the Group's specialist healthcare insurer – continued to grow.

The current buoyant economic climate has resulted in more new hirings by employers, and more companies seeking quality healthcare for their employees, thus broadening **RafflesMedical's** corporate client base.

In addition, changes in government policy are beginning to impact the Group positively. The government's upward revision of the daily hospital limit for Medisave claims together with the extension of Medisave use for chronic diseases like diabetes and hypertension now enable more local patients to seek private care.

To cater to patients' needs, **RafflesMedicalClinics** have rolled out comprehensive chronic disease management packages to ensure that patients receive seamless and holistic care for their conditions.

International Medical Insurers is poised for greater growth as it expands its corporate and personal client base. With active encouragement from the government and increasing awareness, the health insurance market is set to grow strongly in 2007.

Patient visits and admissions in **RafflesHospital** continued to grow in Q1 2007.

Underlying the growth in patient volume is a change in the case mix towards a higher level of complexity of diagnoses and acuity in the types of treatments sought in **RafflesHospital**. These have resulted in an increase in the utilization of higher intensity, and higher value services.

Improvements in the economic climate of regional countries have resulted in more foreign patients seeking treatment at **RafflesHospital**. Foreign patients now comprise more than a third of all hospital attendances.

In addition to the traditional regional countries like Indonesia and Malaysia whose numbers have risen in the past year, patients from new markets like Vietnam, Mongolia and Russia are being seen in increasing numbers at **RafflesHospital**.

RafflesHospital has also been successful in attracting eminent Consultant Specialists with various sub-specialty skills to the Raffles Group Practice. This has enabled the Hospital to expand its range and depth of services.

RafflesChineseMedicine is now expanded into a 2-unit centre and has recruited new Chinese physicians. It aims to work closely with the specialist centres to provide complementary treatment for medical conditions such as back pain, infertility, asthma and migraine.

Going forward, the Group will continue to strengthen its marketing and business development efforts both locally and in the region.

Under its newly formed ***Raffles Hospital International*** arm, the Group is exploring investment, consulting and management opportunities in regional hospitals and medical centers in China, Malaysia and the Middle East.

Said Dr Loo Choon Yong, Executive Chairman of ***RafflesMedicalGroup***:

“In the light of a buoyant economy, I am optimistic that we can look forward to many new opportunities in Singapore and the region.

We want to make the Raffles brand of compassionate, team-based care accessible to more people in more communities.

Putting our patients above all else, we pride ourselves as being an organization with strong values and a deep commitment to society.”

For clarification, please contact:

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RafflesMedicalGroup is a leading integrated private healthcare provider in Singapore and the region.

RafflesMedical clinics form the largest network of private GP clinics with more than 60 facilities spread across the island. We also have 4 clinics in Hong Kong.

RafflesHospital, the flagship hospital of Raffles Medical Group, is a 380-bed private tertiary hospital located in the heart of Singapore. We offer 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. We also have representative offices in Indonesia, Vietnam and Bangladesh.

International Medical Insurers provides healthcare insurance to corporate and individual clients.

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