



Audited Results Announcement for Year Ended 2007

	2007 (S\$'000)	2006 (S\$'000)	% change
Revenue	168,659	134,248	25.6
EBITDA	31,749	21,873	45.2
Operating Profit	28,216	19,210	46.9
Profit Before Tax	41,422	20,044	106.7
Profit After Tax	35,924	15,767	127.8
Diluted Earnings per Share (cts)	7.23	3.44*	110.2
Net Asset Value per Share (cts)	38.98	24.87*	56.7

** Figure restated due to the one for ten bonus shares issued*

Highlights of 2007 Performance

- Profit after tax grew **127.8%** to **S\$35.9 million**
- Group achieved **25.6%** growth in revenue to **S\$168.7 million**
- Profit from operating activities increased by **46.9%**
- Revenue from Hospital Services division increased by **34.3%**
- Revenue from Healthcare Services grew **14.4%**



PRESS RELEASE

18 February 2007

RafflesMedicalGroup Has Another Record Breaking Year

- **Achieves Record Profit of \$35.9 million, a Growth of 127.8%**
- **Strong Revenue Growth of 25.6% to \$168.7 million**

RafflesMedicalGroup ended 2007 on a triumphant note, with outstanding results from its major operating units.

The Group's revenue grew **25.6%** from **\$134.2 million** in 2006 to **\$168.7 million** for the year ended 31 December 2007.

There was good all round growth, with revenue from Hospital Services division increasing by **34.3%** whilst Healthcare Services division grew by **14.4%**.

The Group's profit after tax increased by **127.8%** from **\$15.8 million** in 2006 to **\$35.9 million** in 2007. This outstanding performance is due to a **46.9%** increase in profit from operating activities, and an increased share of profits from Raffles Hospital Properties Pte Ltd (formerly known as CapitalLand-Raffles Properties Pte Ltd).

The improved profitability from operating activities of **46.9%** was due to strong revenue growth from increasing patient load, a wider range of medical specialties and improved operating efficiencies.

The strength of the Singapore and regional economies has benefited the Group.

Patient visits and admissions at **RafflesHospital** continued its double-digit growth in 2007. This was due to an increase in the number of consultant specialists and the expansion of specialist programmes and services.

RafflesHospital's increasing subspecialty focus and its reputation as a provider of high quality tertiary care further fuelled the growth. The increasing complexity of the cases and treatment sought at the hospital resulted in the utilisation of higher intensity, and higher value services

The year 2007 also marked a new phase in the life of **RafflesHospital**, with drug giant Pfizer setting up Singapore's biggest clinical research unit at the hospital. The S\$67 million facility is just one of three Phase 1 laboratories that Pfizer has worldwide, with the other two located in Brussels, Belgium and New Haven in the United States.

Healthcare Services division continues to grow with improving margins.

2007 saw progressive growth in **RafflesMedical's** business with the renewal of key corporate contracts.

RafflesMedical has been the medical service provider at Singapore Changi Airport for the past 17 years. In June 2007, it was awarded the contract to continue providing medical services at the airport for the next 5 years.

The new Terminal 3 houses a full service 24-hour medical centre with multi-disciplinary services in the areas of family medicine, health screening, occupational medicine, aesthetics, dentistry, obstetrics & gynaecology and emergency services. There are now seven clinics in the entire airport complex.

Three clinics were opened in technology parks in 2007 - in Science Park (Ayer Rajah), TechPark and TechPlace (Ang Mo Kio), continuing **RafflesMedical's** strength in occupational and industrial medicine.

A significant amount of time and effort was spent in 2007 on developing the Group's newer business areas such as aesthetics, alternative medicine and specialty clinics.

In response to the increasing demand for lifestyle and wellness services, **Raffles Aesthetics** moved into new and larger premises at the hospital in July 2007. With this move, the range of services offered expanded to include a wider range of medical aesthetic services, as well as massage therapy services. The centre also added weight detoxification programmes and anti-ageing screening programmes to its service range.

In 2007, **Raffles Japanese Clinic's** main centre in Raffles Hospital as well as its Liang Court branch moved to larger premises to cater to increasing patient numbers. A third clinic was started in the International Building in the centre of the popular shopping area, Orchard Road.

Raffles Chinese Medicine engaged new physicians and therapists with specialties in different areas. With the doubling of the number of physicians, the clinic now provides a more complete range of complementary medicine in the areas of pain management, spinal problems, fertility, man's health, skin conditions, eye, women's health, body and facial rejuvenation, migraine and other wellness treatments.

Raffles Dental now has 6 clinics strategically situated island-wide - OUB Centre, Marina Square, Tampines Junction, Causeway Point, Changi Airport Terminal 3, and the Dental Specialist Centre in Raffles Hospital.

As part of its aim to develop as a training centre and contribute to continuing education, Raffles Dental obtained CPE Accreditation from the Singapore Dental Council to conduct its own dental courses and seminars in 2008.

International Medical Insurers, the Group's specialist healthcare insurer, has acquired more corporate and personal clients and grew strongly in 2007.

Recent publicity on health insurance issues augur well for IMI. It is poised to tap the growing individual market with new and innovative products that will provide life-long health insurance products to meet the growing concern about healthcare costs.

2007 was a significant year for **RafflesMedicalGroup**, with the entry of Temasek Holdings and Qatar Investment Authority as shareholders of the Group. The Group expects to leverage on their expertise, advice and goodwill to explore the significant healthcare opportunities in the region.

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

“2007 has been a good year for the Group. We brought in new shareholders who will add a lot of value to us. The robust performance of the Singapore and regional economies augured well for the Group, and we are growing in all areas of our operations”

“Raffles has become a well known and trusted healthcare brand. In addition to our loyal regional patients, we now see patients from as far away as Russia, the United States and Europe. We will continue to be responsive to the varied needs of all our patients”

The Directors are pleased to announce - subject to shareholders' approval - a final ordinary dividend of 1.5 cents.

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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, as well as associates throughout the Asia-Pacific region.

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

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