

## Results Announcement for Q2 2010 (unaudited figures S\$'000)

	Q2 2010 (S\$'000)	Q2 2009 (S\$'000)	% change
Revenue	58,576	53,910	8.7
EBITDA	14,616	12,669	15.4
Operating Profit	13,011	10,982	18.5
Profit Before Tax	12,948	10,881	19.0
Profit After Tax	10,601	8,804	20.4
Diluted Earnings per Share (cts)	1.99	1.68	18.5
Net Asset Value per Share (cts)	50.17	48.04*	4.4

\*As at 31 December 2009

- **Highlights of Q2 2010 performance**
  - Profit after tax grew **20.4%** to **S\$10.6 million**
  - Group achieved **8.7%** growth in record revenue to **S\$58.6 million**
  - Revenue from Hospital Division increased by **11.2%**
  - Revenue from Healthcare Services Division grew **3.7%**
- **Hospital obtains outline permission to expand space**
- **Group starts operations in China**

## MEDIA RELEASE

*RafflesMedicalGroup*

### *RafflesMedicalGroup* Announces Expansion of Singapore Hospital and Start of Operations in China

Singapore, 26 July 2010 – *RafflesMedicalGroup*, (“Group”) a leading integrated private healthcare provider in Singapore and the region, today announced new developments to boost its local and overseas business.

Its flagship facility, the *RafflesHospital* in Singapore, has received the grant of outline permission from the Urban Redevelopment Authority to build an additional 102,408 square feet of space on its site. This additional area will enable the Group to expand existing services as well as to develop new facilities and services at the hospital. Details regarding design are being finalised for further submission.

On the China front, Raffles has begun the management of a medical centre from June 2010, the *RafflesMedical Shanghai*. It will provide safe and professional medical and dental care to expatriates and the local population in Shanghai. The initial reception since opening has been encouraging.

Financially, the Group registered another record revenue for Q2 2010. Revenue grew **8.7%** from **S\$53.9 million** for Q2 2009 to **S\$58.6 million** for Q2 2010. Both Hospital Services and Healthcare Services divisions contributed positively to the growth, increasing in revenue by **11.2%** and **3.7%** respectively.

In the same quarter, profit after tax for the Group increased **20.4%** from **S\$8.8 million** in Q2 2009 to **S\$10.6 million**. Improvement in operating efficiencies, recruitment of more specialists, higher patient loads, and a wider range of clinical services and medical specialties led to an increase in operating profit to **S\$13.0 million** in Q2 2010.

As at 30 June 2010, the Group had a healthy net cash position of **S\$61.6 million**, which will allow the Group to fund its further growth.

*RafflesHospital* has been expanding the range and depth of its services continuously. With the additional space provided by the expansion of the hospital, more specialists will be

added to the existing multi-disciplinary group of doctors to further develop clinical services and programmes.

**RafflesUroRenalCentre**, the first centre in Singapore to combine the disciplines of urology and nephrology, opened in June. In addition to regular urology and nephrology services, the centre offers complete continence care for both men and women.

**RafflesMedical** opened a new clinic at One Marina Boulevard in Q2 2010. Located in Singapore's Central Business District, at the Marina Bay Downtown area, it offers corporate clients greater accessibility and convenience. More family medicine clinics are scheduled to open this year.

The strong recovery of the Singapore economy bodes well for **RafflesMedical's** corporate medical services, in particular corporate wellness programmes and occupational health management. Its comprehensive and cost-effective medical care solutions are highly sought after by both corporate clients and individual patients.

Although there are concerns over the Eurozone debt crisis and the sluggish American economy, Asian countries that form Raffles' foreign patient market are performing well. The Singapore economy is also growing at a fast pace and 2010 is slated to end with one of the fastest growth rates in decades. **RafflesMedicalGroup** expects to benefit from the demand for high quality healthcare services locally and regionally.

Commenting on the results, Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup** said, "We continue to focus on growing our healthcare business and consistently producing good results. The expansion of our hospital will enable us to add new services as we continue to expand our existing services. The start of operations in China signals a new and exciting phase in our growth story, and we plan to do more things in a country that clearly cannot be ignored."

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**RafflesMedicalGroup (SGX: RafflesMG)** is a leading integrated private healthcare provider in Singapore and the region.

**RafflesMedical** clinics form one of the largest network of private family medicine centres in Singapore. We also operate a clinic network in Hong Kong.

**RafflesHospital**, the flagship of Raffles Medical Group, is a 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, Cambodia, Brunei, Bangladesh and the Russian Far East, 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.rafflesmedicalgroup.com](http://www.rafflesmedicalgroup.com).