

PRESS RELEASE

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Profits from Hospital Services Increase 105 per cent

RafflesMedicalGroup's revenue grew **1.2%** from **S\$24.9 million** in Q1 2004 to **S\$25.2 million** in Q1 this year. Excluding the non-recurrent revenue associated with SARS screening in Q1 2004, the Group's turnover this quarter would have grown by **10.8%**.

Net profit after tax and minority interests increased to **\$2.3 million** in Q1 2005, from \$2.2 million in Q1 2004, a 5% increase.

Hospital Services Division continues to be a key business driver in Q1 2005, with a revenue growth of **23.7 %** over the same period last year.

This resulted in the Hospital Services Division recording Profit Before Tax of **S\$1.7 million**, up from **S\$0.8 million** in Q1 2004 – a surge of **105.5%**.

Specialist outpatient visits grew by **11.3%**, while hospital admissions grew by a robust **20.2%**.

The Group will continue to market hospital services to local and regional patients aggressively.

It is also actively recruiting Consultants to join the ever-growing family of Raffles Specialists.

Such growth areas are projected to have a positive impact on the revenue of the Hospital Services division, which in turn, is expected to contribute more significantly to the Group's overall results.

Given the optimistic outlook for Singapore and the region, the Directors expect the Group to perform well in 2005.

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