

Results Announcement for Q3 2008

(unaudited figures S\$'000)

	Third Quarter		
	Q3 2008	Q3 2007	% change
Revenue	51,309	43,841	17.0
Operating Profit	10,232	7,581	35.0
Profit Before Tax	10,074	8,112	24.2
Profit After Tax And Minority Interests	8,188	6,550	25.0

Highlights of Q3 2008 Performance

- Profit after tax and minority interests grew **25.0%** to **S\$8.2 million**;
- Operating profit grew by **35.0%** to exceed **S\$10 million** for the first time
- Group achieved **17.0%** growth in revenue to **S\$51.3 million**
- Revenue from Healthcare Services Division grew **17.1%**
- Revenue from Hospital Services Division increased by **16.9%**
- Healthy net cash position of more than **S\$9.0 million**

MEDIA RELEASE

RafflesMedicalGroup

RafflesMedicalGroup Reports Record Revenue and Operating Profit for Third Quarter 2008

Singapore, 30 October 2008 – *RafflesMedicalGroup*, (“Group”) a leading integrated private healthcare provider in Singapore and the region, announced its third quarter 2008 financial results today. The Group’s profit and revenue continued to reach new heights, bolstered by its key drivers, Hospital Services and Healthcare Services.

The Group’s revenue grew by **17.0%**, achieving a record revenue of **S\$51.3** million in the third quarter this year as compared to **S\$43.8** million the corresponding quarter last year.

Operating profit for the Group grew by **35.0%** from **S\$7.6** million in Q3 2007 to a record **S\$10.2** million in Q3 2008, a result of increasing local and foreign patient load, the recruitment of more specialist consultants and improved operating efficiencies.

Profit after tax and minority interests for the Group increased **25.0%**, from **S\$6.6 million** in Q3 2007 to **S\$8.2 million** for same period this year.

All divisions contributed positively to the growth, with revenue from Healthcare Services and Hospital Services divisions increasing by **17.1%** and **16.9%** respectively.

The current financial turmoil and global economic slowdown will pose challenges ahead. However, the Group’s sound underlying business fundamentals will continue to underpin its performance.

Patient loads at *RafflesHospital* are expected to continue growing. This will enhance margins arising from operating leverage.

RafflesHospital has stepped up its recruitment of specialist consultants and more are expected to join the hospital in the coming months.

Over the years, measures have also been taken to diversify **RafflesHospital's** patient base, to avoid over-reliance on a single market. Currently, foreign patients call in from more than 100 countries to **RafflesHospital**.

The Group will continue to benefit from a full year's effect of the acquisition of the remaining 50% ownership of Raffles Hospital building which has enabled optimisation of hospital and clinic space as well as reduced its operating lease expenses.

RafflesMedical sustained its growth by providing more customised services to its corporate and private patients. Its service offerings include family medicine, corporate healthcare, occupational health, executive medical care, preventive screening, emergency services, travel and aviation medicine, healthcare insurance, dental and aesthetic services.

RafflesMedical continues to explore locations to open new clinics and expand its clinic network.

Following the launch of the IMI-BUPA International Health plan in May, **International Medical Insurers** is expanding its corporate and customer base. The health plans providing global coverage would benefit multinational corporations with regional offices and executives who travel frequently or are stationed in overseas locations. **International Medical Insurers** has received positive response to the plans, with strong demand coming from corporate clients, particularly from the oil and gas industry as well as high net worth individuals.

Said Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: "The continuing global financial crisis and weaker economic environment will make 2009 a more challenging year. However, with a sustainable business model, strong operating cash flows, a net-cash balance sheet and an experienced management team, the Group is better positioned to weather the difficulties ahead."

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

RafflesMedical clinics has one of the largest network of private family medicine centres in Singapore. We also operate a clinic network 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.rafflesmedicalgroup.com