

RafflesMedicalGroup

Results Announcement for Q2 2008 (unaudited figures S\$'000)

	Second Quarter		
	Q2 2008	Q2 2007	% change
Revenue	50,626	41,393	22.3
Operating Profit	9,832	6,508	51.1
Profit Before Tax	9,674	*6,855	41.1
Profit After Tax And Minority Interests	7,717	*5,504	40.2

* Excludes fair value gain of an investment property amounting to \$12.5m and its associated deferred tax charge of \$2.3m in Q2 2007.

Highlights of Q2 2008 Performance

- Profit after tax and minority interests grew **40.2%** to **S\$7.7 million** while operating profit grew by **51.1%** to **S\$9.8 million**
- The Group achieved **22.3%** growth with a record quarterly revenue of **S\$50.6 million**
- Revenue from Hospital Services Division increased by **24.1%**
- Revenue from Healthcare Services Division grew **15.4%**

MEDIA RELEASE

RafflesMedicalGroup

RafflesMedicalGroup Recorded a 40% Increase in Profit and 22% Increase in Revenue for Second Quarter 2008

Singapore, 28 July 2008 – *RafflesMedicalGroup*, (“Group”) a leading integrated private healthcare provider in Singapore and the region, today announced its second quarter 2008 financial results. The Group’s profit and revenue continued to grow strongly, bolstered by the two key drivers of Hospital and Healthcare Services.

Profit after tax and minority interests for the Group grew **40.2%**, from **S\$5.5 million** in Q2 2007 (excluding a one-off fair value gain of an investment property) to **S\$7.7 million** same period this year.

Revenue is at a record **S\$50.6 million** as compared to **S\$41.4 million** in Q2 2007. This is an increase of **22.3%**.

Hospital Services and Healthcare Services Divisions continue to drive growth with revenue increasing by **24.1%** and **15.4%** respectively in Q2 2008.

RafflesHospital puts in a strong performance in Q2 2008 as it continues to experience favorable growth from local and foreign patients.

In addition to traditional foreign markets like Indonesia and Malaysia, *RafflesHospital* is seeing growth from newer markets such as Russia, Vietnam, Cambodia and Mongolia. The higher acuity of care that is being provided to this market segment is increasing, as patients come to *RafflesHospital* for more serious and complex conditions and treatments.

Healthcare Services Division, comprising the Group’s network of family medicine clinics and centres, also grew in the last quarter as it continues to expand its corporate clientele base.

International Medical Insurers, the Group's specialist healthcare insurer, partnered Bupa International, the world's largest international expatriate health insurer, in May 2008 to launch co-branded international health plans. The health plans provide global coverage and benefit multinational corporations with regional offices as well as executives who travel frequently or are stationed in overseas locations. **International Medical Insurers** has received very positive response to the plans since the launch, with strong demand coming from corporate clients, particularly from the oil and gas industry as well as high net worth individuals.

Moving forward, the Group's performance will continue to be driven by positive growth in both local and foreign patient loads at **RafflesHospital**. Measures taken over the years to diversify the patient base have helped to avoid over-reliance on any single market. Currently, the hospital's foreign patients come from more than 100 countries. The growing patient load will continue to enhance margins arising from operating leverage.

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

"**RafflesMedicalGroup** is now a well diversified healthcare organisation with several key growth drivers. **RafflesHospital** has the full spectrum of specialist and subspecialist services supported by comprehensive inpatient services. **RafflesMedical** has moved from traditional general practice to specialised areas as diverse as family medicine, corporate healthcare, occupational health, preventive screening, emergency services, travel and aviation medicine, healthcare insurance, dental and aesthetic services.

I believe **RafflesMedicalGroup** is well positioned to take advantage of the growing demand for the whole spectrum of high quality integrated healthcare services, both in Singapore and the region."

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.rafflesmedical.com