



Audited Results Announcement for Year Ended 2006

	2006 (S\$'000)	2005 (S\$'000)	% change
Revenue	134,248	112,898	18.9
EBITDA	21,873	17,176	27.3
Operating Profit	19,210	13,502	42.3
Profit Before Tax	20,044	14,796	35.5
Profit After Tax	15,767	12,038	31.0
Diluted Earnings per Share (cts)	3.78	2.96	27.7
Net Asset Value per Share (cts)	27.36	26.85	1.9

Highlights of 2006 Performance

- Profit after tax grew **31.0%** to **S\$15.8 million**
- Group achieved **18.9%** growth in revenue to **S\$134.2 million**
- Revenue from Hospital Services division increased by **22.4%**
- Revenue from Healthcare Services grew **15.5%**
- Healthcare Service division acquired major corporate clients and secured significant contracts
- Raffles Hospital recruited more new specialists and opened new centres



PRESS RELEASE

9 February 2007

***RafflesMedicalGroup* Achieves Record Profit of \$15.8 million, a Growth of 31%**

RafflesMedicalGroup ended 2006 on a confident note, with stellar results from its key operating units.

The Group experienced a healthy **18.9%** growth in revenue from **\$112.9 million** in 2005 to **\$134.2 million** for the year ended 31 December 2006.

Profit after tax for the Group grew by **31.0%** to **\$15.8 million**, compared to the year before.

All divisions contributed positively to the growth of the Group with revenue from Hospital Services division increasing by **22.4%** whilst Healthcare Services grew by **15.5%**.

Healthcare Service division contributed positively as it acquired major corporate clients and secured significant contracts.

In December 2006, *RafflesMedical* was awarded a major contract by the Ministry of Home Affairs to continue to provide medical services to departments under the Ministry, which includes the Singapore Prison Service, Singapore Police Force, Internal Security Department and Central Narcotics Bureau.

The \$84.5m contract - which runs for a renewable period – was extended to cover not only general, medical and dental services but also specialist outpatient and psychiatric rehabilitation services.

The strong economic recovery in Singapore and the region, together with strong economic growth in China and India, augur well for the Group.

RafflesHospital will continue to attract an increasing number of foreign patients. Currently, international patients comprise about a third of all hospital attendance.

In addition to the traditional regional countries like Indonesia and Malaysia whose numbers have risen in the past year, patients from new markets like Vietnam, Mongolia and Russia are being seen in increasing numbers at Raffles Hospital.

In 2006, **RafflesHospital** recruited more new specialists from different disciplines including gastroenterology, endocrinology, developmental paediatrics, ophthalmology, and obstetrics and gynaecology.

The growth in the number of Raffles specialists had led not only to the establishment of new centres but lent greater depth to its clinical sub-specialties.

With the recruitment of new Obstetrics and Gynaecology sub-specialists, the Raffles Women's Centre now offers foetal screening services, high risk pregnancy management and treatment for infertility.

RafflesChinese Medicine, which was set up on 1 April 2006, has expanded into a 2-unit centre and has recruited new Chinese physicians. The center offers treatment for a variety of conditions using acupuncture, acupressure and Chinese medicine and looks forward to working with more specialists to provide complementary treatment for more medical conditions in the near future.

International Medical Insurers (IMI), the Group's specialist healthcare insurance business, has grown from strength to strength since its inception in 2005.

IMI was granted a life insurance licence by the Monetary Authority of Singapore in March 2006. With a Life licence, IMI now provides long-term health insurance, including portable medical health plans and Group Term Life insurance for corporate clients.

The Group will continue to strengthen its marketing and business development efforts both locally and in the region.

It is exploring investment and co-ownership opportunities in regional hospitals and medical centers in China and the Middle East.

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

“We have just begun our journey towards the next 30 years.

I am confident that we will continue to grow and become recognized as one of the leading healthcare organizations in Asia - offering quality and compassionate healthcare to more people in more communities.”

As **RafflesMedicalGroup** enters its 31st year of operations, and in commemoration of the 10th year of its corporate listing on the Stock Exchange of Singapore, the Directors are pleased to announce - subject to shareholders' approval - a final ordinary dividend of 2.0 cents and a final special dividend of 1 cent as well as a bonus share issue of one share for every ten shares held in the company.

For clarification, please contact:

Liang Hwee Ting (Ms)

Senior Corporate Communications Manager

Tel: 6311 1312 / 97628572

Email: liang_hweeting@rafflesmedical.com