

Results Announcement for Q2 2014
(unaudited figures S\$'000)

	Q2 2014 (S\$'000)	Q2 2013 (S\$'000)	% change
Revenue	92,594	86,824	6.6
EBITDA	20,926	19,660	6.4
Operating Profit	18,734	17,631	6.3
Profit Before Tax	18,931	17,778	6.5
Profit After Tax	15,663	14,483	8.1
Diluted Earnings per Share (cts)	2.78	2.59	7.3
Net Assets Value per Share (cts)	89.67	85.31*	5.1

*As at 31 December 2013

Highlights of Q2 2014 Performance

- Profit after tax grew **8.1%** to **S\$15.7 million**
- Group achieved **6.6%** growth in revenue to **S\$92.6 million**
- Revenue from Hospital Services Division increased by **4.9%**
- Revenue from Healthcare Services Division grew **14.7%**
- Healthy cash position of **S\$130.6 million**

RafflesMedicalGroup Continues with Steady All-Round Growth

Singapore, 29 July 2014 – **RafflesMedicalGroup**, (“Group”) a leading integrated private healthcare provider in Singapore and the region achieved revenue growth of **6.6%** from **S\$86.8** million in Q2 2013 to **S\$92.6** million in Q2 2014. Healthcare Services and Hospital Services divisions registered growth of **14.7%** and **4.9%** respectively.

Profit after tax for the Group increased by **8.1%** from **S\$14.5** million in Q2 2013 to **S\$15.7** million in Q2 2014. In addition, the Group continued to generate strong operating cash flow from its various business units, maintaining a strong cash position of **S\$130.6** million as at 30 June 2014 after accounting for the Group’s final dividend distribution and investment in capital expenditure as well as land purchases in the first half of 2014.

There will be an interim ordinary dividend of 1.5 Singapore cents per ordinary share for the financial year ending 31 December 2014, an increase of 0.5 cent (50%) as compared to the corresponding period last year. The dividend will be paid on 29 August 2014.

The Group’s Q2 2014 revenue increase can be attributed to higher patient load as the **RafflesMedical** clinic network continues to expand. Other contributory factors include the securing of new corporate contracts both locally and overseas and the addition of more specialists to the hospital. The Group’s healthcare insurance services also generated higher sales in the second quarter.

RafflesHospital opened its **RafflesNuclearMedicineCentre** on 21 July 2014. The new centre boasts the state-of-the-art Siemens mCT flow Positron Emission Tomography (PET), the first such installation in Southeast Asia; and the top of the line Siemens Skyra 3T Magnetic Resonance Imaging (MRI) modality. The Centre will enhance the hospital’s cancer diagnostics and treatment capability and concurrently increase its capacity for advanced imaging modalities.

The investment in advanced technologies and the refurbishment of the inpatient areas in **RafflesHospital** when completed will improve the patients’ experience as the hospital strives to maintain its position as a premier private hospital delivering high quality healthcare.

The Group and its consultants are working to finalise the development plans for the hospital extension project. This development, on the site adjacent to the current hospital site, will add an additional 220,000 square feet to its present 300,000 square feet of gross floor area.

Construction work on the 5-storey commercial building on the site of the former POSB Building in Holland Village is in progress. When the project is completed, approximately 9,000 square feet from a total gross floor area of 65,000 square feet will be dedicated to the expansion of medical and specialist services to cater to both local and expatriate patients. The remaining commercial space will be leased to DBS Bank and other upmarket retail as well as reputable food and beverage tenants.

Already one of the largest primary care clinic networks in Singapore, **RafflesMedical** did not let up on its growth and expansion plans in the second quarter of 2014. A new clinic was opened in June at Marina Bay Financial Centre (MBFC) Tower 3. The 3,000 square feet integrated clinic offers a wide range of medical services, namely Family Medicine, Health Screening, Dental, Obstetrics & Gynaecology and Radiology services.

RafflesMedical was also awarded a contract by the Civil Aviation Medical Board in April 2014 to handle pilot licensing examinations for the Civil Aviation Authority of Singapore.

Both **RafflesMedical** and **RafflesDental** continued to benefit from the Community Health Assist Scheme (CHAS) through our wide network of clinics.

RafflesHealthInsurance maintained strong revenue growth contributed by the expansion of Singapore group employee benefits business and the international health insurance business.

The more measured rate of economic growth in Singapore and the region may dampen general demand for healthcare. However, the ageing population in Singapore and the region will continue to increase the overall demand for reliable curative healthcare services. The Group is well positioned for the future given its investments in its two developments as well as its healthy cash flow and net cash position.

Says Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: “Quality healthcare is always in demand. We are investing in the hospital expansion and the Holland Village development to comprehensively serve the needs of our patients and corporate clients over the long term.”

For media queries, please contact:

Magdalene Lee (Ms)

Senior Manager, Corporate Communications

Raffles Medical Group

Tel: 6311 1318 Mobile: 9673 7403

Email: lee_magdalene@rafflesmedical.com

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. The Group also operates a clinic network in Hong Kong and a medical centre in Shanghai.

RafflesHospital, the flagship of Raffles Medical Group, is a private tertiary hospital located in the heart of Singapore offering 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. The Group also has representative offices in Indonesia, Vietnam, Cambodia, Brunei, Bangladesh and the Russian Far East, as well as associates throughout the Asia-Pacific region.

RafflesDental is a team-based dental group in Singapore comprising of a specialist dental practice at Raffles Hospital and a network of general dental clinics.

RafflesHealthinsurance provides healthcare insurance to corporate and individual clients.

For more information, please refer to our website at www.rafflesmedicalgroup.com.