

Results Announcement for Q2 2015
(unaudited figures S\$'000)

	Q2 2015 (S\$'000)	Q2 2014 (S\$'000)	% change
Revenue	99,253	92,594	7.2
EBITDA	22,210	20,926	6.1
Operating Profit	19,161	18,734	2.3
Profit Before Tax	19,458	18,931	2.8
Profit After Tax	16,023	15,663	2.3
Diluted Earnings per Share (cts)	2.78	2.78	-
Net Assets Value per Share (cts)	100.56	95.50*	5.3

*As at 31 December 2014

Highlights of Q2 2015 Performance

- Group achieved **7.2%** growth in revenue to **S\$99.3 million**
- Profit after tax grew **2.3%** to **S\$16.0 million**
- Revenue from Hospital Services Division increased by **6.6%**
- Revenue from Healthcare Services Division grew **5.7%**
- Healthy cash position of **S\$119.5 million**
- **Interim Dividend** payable on 31 August 2015

RafflesMedicalGroup Continues Healthy Growth

Emergency Care Collaboration Progressing Smoothly

Singapore, 27 July 2015 – **RafflesMedicalGroup** (“Group”), a leading integrated private healthcare provider in Singapore and the region continued to stay on the growth path as it expanded operations at **RafflesHospital** and at the new **RafflesMedicalCentre Orchard**.

The Emergency Care Collaboration (ECC) between **RafflesHospital** and the Ministry of Health started on 3 June 2015 and is progressing smoothly. Singaporeans and Permanent Residents who are sent to **RafflesHospital** under the ECC are able to receive government subsidies, and pay fees similar to that in a public hospital. These subsidies cover all medical care, including emergency care at the emergency department and inpatient care, should the patient require admission to **RafflesHospital**, as well as follow-up care at **RafflesHospital's** Specialist Outpatient Clinics after discharge.

RafflesMedicalCentre Orchard served its first patients in June 2015. The one-stop multi-disciplinary centre of about 17,500 square feet spans across Level 4 and 5 at Shaw Centre, at the heart of Orchard and Scotts Road. It brings together family medicine, health screening, dental and specialist care, and traditional Chinese medicine in one location. The Centre aims to meet the total healthcare needs of our patients at a new and convenient location.

Financially, the Group’s revenue increased by **7.2%** from **S\$92.6** million in Q2 2014 to **S\$99.3** million in Q2 2015. All segments of the Group contributed to the growth in revenue. In particular, revenue from Healthcare Services grew by **5.7%** and Hospital Services increased by **6.6%**.

Higher patient load saw profit before tax grow **2.8%** from **S\$18.9** million in Q2 2014 to **S\$19.5** million in Q2 2015. This was offset by higher staff costs as well as depreciation and operating lease expenses. The Group’s net profit after tax increased by **2.3%** to **S\$16.0** million in Q2 2015 from **S\$15.7** million in Q2 2014.

The Group continues to generate strong operating cash flows from its various business units. It maintained a strong cash position of **S\$119.5** million as at 30 June 2015 after accounting for investment in capital expenditure for business expansion, payment for investment properties under development as well as the Group's final dividend distribution for the financial year ended 31 December 2014.

The Directors declared an interim ordinary dividend of 1.5 Singapore cents per ordinary share for the financial year ending 31 December 2015. This will be paid on 31 August 2015.

At the hospital, **RafflesChildren'sCentre** was relocated to a bigger centre. **RafflesHospital** continues to selectively expand its specialist centres to meet the growing demand from its local and regional patients. New specialists in Orthopaedic Surgery and Internal Medicine joined the hospital in Q2 2015.

Construction of the **RafflesHospital Extension** commenced in December 2014. When completed in the first half of 2017, the integrated medical complex will offer significant scope for **RafflesHospital's** expansion and growth for the next few years.

RafflesHolland V is currently on track to be completed in the first quarter of 2016. Approximately 9,000 square feet will be dedicated to the expansion of the Group's medical and specialist services to cater to both local and expatriate patients. The remaining commercial space will be leased to DBS Bank and other tenants offering specialty lifestyle, food and beverage and retail services.

RafflesMedical and **RafflesDental** continue to benefit from the government initiated Community Health Assist Scheme (CHAS), Pioneer Generation (PG) package and the Flexi-Medisave scheme. Most of the Group's clinics are accredited to serve Singaporeans under CHAS and PG.

In May 2015, the Group announced that it had formed a joint venture with Shanghai LuJiaZui Group for an international general hospital in Shanghai's Pudong New Area. The Group has set up a senior team to progress this project and they are working with the Group's consultants to finalise and submit plans for the hospital.

The more measured pace of economic growth in Singapore and the region may have a dampening effect on healthcare demand. However, with the planned completion of the

RafflesHolland V and **RafflesHospital Extension** projects, the Group is well positioned for future growth. It will continue to be vigilant and to proactively respond to new opportunities.

Says Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: “We are very happy that the Emergency Care Collaboration with Ministry of Health started smoothly, and that we are able to augment the care provided by public hospitals. Our new integrated medical centre at Shaw Centre further reinforces our plans to provide more accessibility to our patients and clients.”

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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.