

Results Announcement for Third Quarter Ended 30 September 2009 (unaudited figures S\$'000)

	Q3 2009 (S\$'000)	Q3 2008 (S\$'000)	% change
Revenue	55,411	51,309	8.0
EBITDA	13,615	11,872	14.7
Operating Profit	11,898	10,232	16.3
Profit Before Tax	11,799	10,074	17.1
Profit After Tax	9,498	8,214	15.6
Diluted Earnings per Share (cts)	1.80	1.57	14.6
Net Asset Value per Share (cts)	45.65	42.87*	6.5

* As at 31 December 2008

Highlights of Q3 2009 Performance

- Group achieved **8.0%** growth in quarterly revenue to a record **S\$55.4 million**
- Profit after tax grew **15.6%** to **S\$9.5 million**
- Revenue from Healthcare Services division grew **9.3%**
- Revenue from Hospital Services division increased by **8.1%**

MEDIA RELEASE

RafflesMedicalGroup

RafflesMedicalGroup Grows Net Profit by 15.6% in Q3 2009

Singapore, 5 November 2009 – *RafflesMedicalGroup*, (“Group”) a leading integrated private healthcare provider in Singapore and the region, continued to do well in 2009, notching up another quarter of record revenue.

Revenue for the Group grew **8.0%** from **S\$51.3 million** in the third quarter of 2008 to a new high of **S\$55.4 million** for the same quarter in 2009. All divisions contributed positively to the growth with the Healthcare Services and Hospital Services divisions growing in revenue by **9.3%** and **8.1%** respectively.

The Group’s operating profit grew by **16.3%** to **S\$11.9 million** from **S\$10.2 million**. The increase is a result of better operating efficiencies, higher patient load and enhanced operating leverage. Net profit after tax grew **15.6%** to **S\$9.5 million**.

The Group has built up a healthy net cash position of **S\$34.8 million** as at 30 September 2009 resulting from continued strong cash flow of **S\$13.1 million** in Q3 2009 from the Group’s operating activities and after distributing interim dividends of **S\$5.2 million**.

In the third quarter of 2009, *RafflesMedical* opened a new clinic at Sixth Avenue in Singapore’s prime residential district. More clinics are slated to open in the next few months.

Although the first wave of H1N1 cases has tapered off, *RafflesMedical* is continuing to work with its corporate clients to prepare for a possible second wave. These include sale of flu-related medical supplies and services, such as the FluProtect kit, seasonal flu vaccinations and the anti-viral drug Tamiflu. *RafflesMedical* will be vaccinating its patients and staff with the first batch of H1N1 vaccines.

All **RafflesMedical** clinics are Pandemic Preparedness Clinics (PPCs) under the Health Ministry's Flu Pandemic Response Framework. **RafflesMedical** has started a medication delivery service for selected groups of patients who may not want to visit clinics or hospitals as a safety precaution.

The **RafflesJapaneseClinic** at International Building, one of three such clinics in Singapore, was relocated to Wheelock Place. Dental and dermatology services were added to the existing family medicine clinic to provide more comprehensive services for the Japanese clientele.

Keeping pace with the growing needs of its patients, **RafflesHospital** continued the recruitment of staff specialists. In the third quarter, more specialists in colorectal surgery and urology were added to beef up the surgical team in **RafflesHospital**.

RafflesHealth developed 5 new products in the last quarter to meet patients' lifestyle demands. *Men's Vitality* was particularly well-received. **RafflesHealth** also grew its S-club card members by 20% over the past 1 year, and to reward its members, a loyalty programme will be launched from next month.

RafflesAesthetics launched its own range of skincare products under the *Equilibre* brand name. Sold through its clinics to patients, the products have received a favourable response and plans are underway to extend the range to therapeutic products.

As Singapore comes out of the recession, the market appears to be stabilising and business sentiments are positive. That said, recovery of the real economy remains fragile and downside risks remain. The Monetary Authority of Singapore (MAS) expects growth in the next few quarters to be moderate, and the external environment to remain challenging.

Said Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**: "Raffles weathered the economic slowdown quite well. Now that the economy appears to be improving, with a small GDP growth in Q3 after three successive contractions, we are hopeful that the Group will continue to show good growth and profits."

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RafflesMedicalGroup 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. We also operate a clinic network in Hong Kong.

RafflesHospital, the flagship of Raffles Medical Group, is a 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