

Results Announcement for Q3 2015
(unaudited figures S\$'000)

	Q3 2015 (S\$'000)	Q3 2014 (S\$'000)	% change
Revenue	101,524	94,486	7.4
EBITDA	21,746	20,669	5.2
Operating Profit	18,510	18,150	2.0
Profit Before Tax	18,796	18,431	2.0
Profit After Tax	15,657	15,495	1.0

Highlights of Q3 2015 Performance

- Group achieved **7.4%** growth in revenue to **S\$101.5 million**
- Profit after tax grew **1.0%** to **S\$15.7 million**
- Revenue from Hospital Services Division increased by **11.7%**
- Revenue from Healthcare Services Division grew **3.5%**
- Healthy cash position of **S\$89.5 million**
- Presence in thirteen cities in five countries across Asia

***RafflesMedicalGroup* Expands to Serve Patients in Thirteen Cities across Asia**

Singapore, 26 October 2015 – ***RafflesMedicalGroup*** (Group), a leading integrated private healthcare provider in Singapore and the region, formed a joint venture (JV) on 16 October 2015 with International SOS to enhance and expand the services of ten clinics operating under International SOS (MC Holdings) Pte Ltd (MCH) in China, Vietnam and Cambodia.

In due course, the clinics will be operated and branded under ***RafflesMedicalGroup***. They will continue to serve International SOS member clients, and also expand their patient base to the general public and corporate clients, both local and foreign.

With this development, ***RafflesMedicalGroup*** will be present in the following cities:

- Singapore
- Beijing
- Shanghai
- Hong Kong
- Shenzhen
- Nanjing
- Tianjin
- Dalian
- Osaka
- Hanoi
- Ho Chi Minh City
- Vung Tau
- Phnom Penh

Financially, the Group's revenue increased by **7.4%** to **S\$101.5** million in Q3 2015 from **S\$94.5** million in Q3 2014. Revenue from Hospital Services increased by **11.7%** while Healthcare Services grew by **3.5%**.

Profit before tax grew **2.0%** from **S\$18.4** million in Q3 2014 to **S\$18.8** million in Q3 2015 on the back of a strong performance from the Hospital Services division. This was offset by higher depreciation and operating lease expenses, as well as increased costs from expansion and opening of new facilities and clinics. The Group's net profit after tax increased by **1.0%**, from **S\$15.5** million in Q3 2014 to **S\$15.7** million in Q3 2015.

The strong operating cash flows from its various business units allowed the Group to maintain a strong cash position of **S\$89.5** million as at 30 September 2015. This is after accounting for investment of S\$54.4 million in capital expenditure and deposit pertaining to the property for the Shanghai New Bund International Hospital Project as well as distribution of interim dividends of S\$8.6 million to shareholders during the quarter under review.

RafflesHospital completed the expansion and refurbishment of ten centres (Surgery, ENT, Heart, Cancer, Children's, Urology, Orthopaedics, Chinese Medicine, **RafflesMedical@RH** and Emergency Department) during the year, as it continues to provide more services and cater to patient growth in the run up to the opening of the hospital extension. New specialists in emergency medicine and dermatology were recruited to meet growing needs in these specialty areas.

RafflesHospital began to receive ambulance cases from 3 June 2015 under the Emergency Care Collaboration with the Ministry of Health. Under this collaboration, patients sent by Singapore Civil Defence Force ambulances to **RafflesHospital's** Emergency Department receive emergency, inpatient and specialist outpatient care at subsidised rates. With **RafflesHospital** joining the public hospitals in receiving emergency ambulance cases, more patients will have enhanced access to immediate medical care.

RafflesMedicalCentre Orchard, the 17,500 square feet one-stop multidisciplinary centre located at Shaw Centre, has seen progressive growth in patient numbers and complements **RafflesHospital** in providing comprehensive medical services to local and overseas patients. It brings together family medicine, health screening, dental, specialist and traditional Chinese medicine services in one convenient location.

The construction work for the **RafflesHospital Extension** is proceeding well since it commenced in December 2014. When completed in the first half of 2017, the integrated medical complex will offer significant scope for **RafflesHospital's** expansion.

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

RafflesMedical opened a new clinic at Rivervale Mall on 21 September 2015. Clinics in the Bishan–Toa Payoh cluster are being expanded and upgraded to meet increasing service demand and to serve our patients better. Continued growth is expected from the government initiated schemes, namely the Community Health Assist Scheme (CHAS), the Pioneer Generation (PG) package and the Flexi-Medisave scheme.

RafflesHealthinsurance continues to record growth on the back of the Group's **RafflesOne** corporate healthcare solution, which has gained positive traction with the Group's corporate clients.

The joint venture with Shanghai LuJiaZui Group for an international general hospital in Shanghai's Pudong Qiantan is progressing. 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 healthcare landscape will remain competitive, and the more measured pace of economic growth in Singapore and the region may have a dampening effect on healthcare demand. However, the Group has positioned well for the future. The Group is closely monitoring market conditions, and will continue to be vigilant and responsive to new opportunities that may arise both regionally and globally.

"Raffles is now truly a pan-Asian healthcare company. With our existing operations in Singapore, Hong Kong, Shanghai and Osaka, and the MCH clinics in nine different locations, Raffles has expanded its presence to thirteen cities in five countries across Asia," said Dr Loo Choon Yong, Executive Chairman of **RafflesMedicalGroup**.

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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.