

Audited Full Year Financial Statement And Dividend Announcement For The Year Ended 31 December 2012

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 1(a) **An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Consolidated Income Statement	2012 S\$'000	2011 S\$'000	Change %
Revenue	311,633	272,783	14.2
Other operating income	4,026	2,180	84.7
Inventories and consumables used	(38,736)	(32,254)	20.1
Purchased and contracted services	(22,386)	(19,231)	16.4
Staff costs	(152,275)	(133,046)	14.5
Depreciation of property, plant and equipment	(7,903)	(7,240)	9.2
Operating lease expenses	(7,165)	(5,867)	22.1
Other operating expenses	(20,839)	(17,815)	17.0
Profit from operating activities	66,355	59,510	11.5
Finance income	465	182	155.5
Finance expenses	(235)	(252)	(6.7)
Profit before tax	66,585	59,440	12.0
Tax expense	(9,376)	(8,819)	6.3
Profit for the year	57,209	50,621	13.0
Attributable to :			
Owners of the Company	56,849	50,396	12.8
Non-controlling interests	360	225	60.0
Profit for the year	57,209	50,621	13.0

Excluding the fair value gain of investment properties, the Group's results showed a **10.0%** increase in profit after tax from **S\$48.4** million to **S\$53.3** million for the year ended 31 December 2012.

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- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

Consolidated Statement of Comprehensive Income	2012 S\$'000	2011 S\$'000	Change %
Profit for the year	57,209	50,621	13.0
Other comprehensive income			
Foreign currency translation differences for foreign operations	32	(170)	nm
Total comprehensive income for the year	<u>57,241</u>	<u>50,451</u>	13.5
Attributable to:			
Owners of the Company	56,881	50,226	13.3
Non-controlling interests	360	225	60.0
Total comprehensive income for the year	<u>57,241</u>	<u>50,451</u>	13.5

Note: nm denotes not meaningful

Explanatory notes to the Consolidated Income Statement

- Staff costs increased due to bigger workforce employed by the Group in 2012 to cater to expanded business operations as well as wage increment in line with industry-wide salary adjustments.
- Higher consumption of inventories and consumables was due to increased sales of medical supplies and services, coupled with change in mix of services provided.
- Higher purchased and contracted services was attributed to increased purchase of radiological and other specialist services to support business volume expansion.
- Operating lease expenses increased mainly due to the leasing of additional premises in Q4 2011 arising from business expansion.
- Higher other operating expenses in 2012 was largely attributable to increased advertising and promotional expenses.
- Profit from ordinary activities before taxation includes the following:

	2012 S\$'000	2011 S\$'000
(a) Other operating income		
Gain on disposal of property, plant and equipment	88	6
Change in fair value in investment properties	3,938	2,174
(b) Other operating expenses		
Allowance for doubtful trade receivables	649	1,038
Write-off for stock obsolescence	26	-
Impairment of intangible assets	152	-
Property, plant and equipment written off	102	155
7. The adjustment for under and over provision of tax in respect of prior years are as follows:		
	2012 S\$'000	2011 S\$'000
Deferred tax expense		
Under provision in respect of prior years	56	-
Current tax expense		
Over provision in respect of prior years	(251)	(91)

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1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	2012 S\$'000	2011 S\$'000	2012 S\$'000	2011 S\$'000
Non-current assets				
Property, plant and equipment	153,888	141,896	4,155	3,242
Intangible assets	164	316	93	245
Investment properties	194,500	199,700	-	-
Subsidiaries	-	-	263,070	258,985
	<u>348,552</u>	<u>341,912</u>	<u>267,318</u>	<u>262,472</u>
Current assets				
Inventories	5,442	5,136	1,270	1,356
Trade and other receivables	38,169	31,855	66,236	64,563
Cash and cash equivalents	102,482	49,691	77,223	28,860
	<u>146,093</u>	<u>86,682</u>	<u>144,729</u>	<u>94,779</u>
Total assets	<u>494,645</u>	<u>428,594</u>	<u>412,047</u>	<u>357,251</u>
Equity attributable to owners of the Company				
Share capital	207,188	190,344	207,188	190,344
Reserves	181,234	143,663	105,395	78,885
	<u>388,422</u>	<u>334,007</u>	<u>312,583</u>	<u>269,229</u>
Non-controlling interests	994	702	-	-
Total equity	<u>389,416</u>	<u>334,709</u>	<u>312,583</u>	<u>269,229</u>
Non-current liabilities				
Deferred tax liabilities	1,670	1,579	302	359
Interest-bearing liabilities	-	16,000	-	-
	<u>1,670</u>	<u>17,579</u>	<u>302</u>	<u>359</u>
Current liabilities				
Trade and other payables	66,318	54,746	94,372	82,364
Insurance contract provisions	6,162	5,019	-	-
Interest-bearing liabilities	19,747	5,451	3,747	3,451
Current tax payable	11,332	11,090	1,043	1,848
	<u>103,559</u>	<u>76,306</u>	<u>99,162</u>	<u>87,663</u>
Total liabilities	<u>105,229</u>	<u>93,885</u>	<u>99,464</u>	<u>88,022</u>
Total equity and liabilities	<u>494,645</u>	<u>428,594</u>	<u>412,047</u>	<u>357,251</u>

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Explanatory notes to the Statement of Financial Position

- Property, plant and equipment for the Group increased by S\$12.0 million from S\$141.9 million as at 31 December 2011 to S\$153.9 million as at 31 December 2012, largely due to reclassification of assets from investment properties. Premises previously leased to third party are now owner-occupied to meet increasing demand for more medical and dental services. Investment properties also decreased accordingly, offset partially by fair value gain from assets revaluation.
- The Group's net cash position increased from S\$28.2 million as at 31 December 2011 to S\$82.7 million as at 31 December 2012. This was attributed mainly to strong operating cash flows generated by the Group from its increased business operations, offset by the payments for the purchase of property, plant and equipment amounting to S\$9.7 million and cash dividends of S\$9.1 million.
- The increase in group trade and other payables as well as trade and other receivables were mainly driven by higher business volume.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	19,747	-	5,451

Amount repayable after one year

As at 31/12/2012		As at 31/12/2011	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	-	-	16,000

Details of any collateral

Nil.

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1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	2012	2011
	S\$'000	S\$'000
Cash flows from operating activities		
Profit before tax	66,585	59,440
<i>Adjustments for :-</i>		
Change in fair value of investment properties	(3,938)	(2,174)
Depreciation of property, plant and equipment	7,903	7,240
Equity-settled share-based payment transactions	2,236	2,558
Finance expenses	235	252
Finance income	(465)	(182)
Gain on disposal of property, plant and equipment	(88)	(6)
Impairment of intangible assets	152	-
Property, plant and equipment written off	102	155
	<u>72,722</u>	<u>67,283</u>
<i>Changes in working capital :-</i>		
Inventories	(306)	(53)
Trade and other receivables	(6,228)	(5,803)
Trade and other payables	11,434	8,110
Insurance contract provisions	1,143	424
Cash generated from operations	<u>78,765</u>	<u>69,961</u>
Taxes paid	(9,043)	(6,494)
Interest paid	(177)	(209)
Net cash from operating activities	<u>69,545</u>	<u>63,258</u>
Cash flows from investing activities		
Interest received	379	196
Proceeds from sale of property, plant and equipment	97	9
Purchase of property, plant and equipment	(9,737)	(5,017)
Purchase of investment properties	-	(109,526)
Payment for development related cost of investment property	(1,200)	-
Net cash used in investing activities	<u>(10,461)</u>	<u>(114,338)</u>
Cash flows from financing activities		
Dividends paid to owners of the Company	(9,111)	(8,696)
Dividends paid to non-controlling shareholder of the subsidiary	(68)	(65)
Proceeds from issue of shares under share option scheme	4,409	3,499
Proceeds from bank loan	19,188	21,385
Repayment of bank loan	(20,668)	(22,527)
Net cash used in financing activities	<u>(6,250)</u>	<u>(6,404)</u>
Net increase/(decrease) in cash and cash equivalents	52,834	(57,484)
Cash and cash equivalents at 1 January	49,691	107,137
Effect of exchange rate changes on balances held in foreign currency	(43)	38
Cash and cash equivalents at 31 December	<u>102,482</u>	<u>49,691</u>

Explanatory note to the Statement of Cash Flows

The Group's cash and cash equivalents increased from S\$49.7 million as at 31 December 2011 to S\$102.5 million as at 31 December 2012. This was attributed mainly to strong operating cash flows generated by the Group from its increased business operations, offset by the payments for the purchase of property, plant and equipment amounting to S\$9.7 million and cash dividends of S\$9.1 million.

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital S\$'000	Currency translation reserve S\$'000	Share option reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2011	177,006	53	7,781	101,580	286,420	542	286,962
Comprehensive income for the year							
Profit for the year	-	-	-	50,396	50,396	225	50,621
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	(170)	-	-	(170)	-	(170)
Total comprehensive income for the year	-	(170)	-	50,396	50,226	225	50,451
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	3,499	-	-	-	3,499	-	3,499
Issue of shares in lieu of cash dividends of 2.5 cents per ordinary share pursuant to Raffles Medical Group Ltd Scrip Dividend Scheme	9,839	-	-	-	9,839	-	9,839
Value of employee services received for issue of share options	-	-	2,558	-	2,558	-	2,558
Final dividend paid of 2.5 cents per ordinary share - Cash	-	-	-	(3,359)	(3,359)	-	(3,359)
Final dividend paid of 2.5 cents per ordinary share - Scrip	-	-	-	(9,839)	(9,839)	-	(9,839)
Interim dividend paid of 1.0 cent per ordinary share - Cash	-	-	-	(5,337)	(5,337)	-	(5,337)
Dividends distributed to non-controlling shareholder of a subsidiary	-	-	-	-	-	(65)	(65)
Total contributions by and distributions to owners	13,338	-	2,558	(18,535)	(2,639)	(65)	(2,704)
At 31 December 2011	190,344	(117)	10,339	133,441	334,007	702	334,709

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

Group	Share capital S\$'000	Currency translation reserve S\$'000	Share option reserve S\$'000	Accumulated profits S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
At 1 January 2012	190,344	(117)	10,339	133,441	334,007	702	334,709
Comprehensive income for the year							
Profit for the year	-	-	-	56,849	56,849	360	57,209
Other comprehensive income							
Foreign currency translation differences for foreign operations	-	32	-	-	32	-	32
Total comprehensive income for the year	-	32	-	56,849	56,881	360	57,241
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners							
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	4,409	-	-	-	4,409	-	4,409
Issue of shares in lieu of cash dividends of 3.0 cents per ordinary share pursuant to Raffles Medical Group Ltd Scrip Dividend Scheme	12,435	-	-	-	12,435	-	12,435
Value of employee services received for issue of share options	-	-	2,236	-	2,236	-	2,236
Final dividend paid of 3.0 cents per ordinary share - Cash	-	-	-	(3,673)	(3,673)	-	(3,673)
Final dividend paid of 3.0 cents per ordinary share - Scrip	-	-	-	(12,435)	(12,435)	-	(12,435)
Interim dividend paid of 1.0 cent per ordinary share - Cash	-	-	-	(5,438)	(5,438)	-	(5,438)
Dividends distributed to non-controlling shareholder of a subsidiary	-	-	-	-	-	(68)	(68)
Total contributions by and distributions to owners	16,844	-	2,236	(21,546)	(2,466)	(68)	(2,534)
At 31 December 2012	207,188	(85)	12,575	168,744	388,422	994	389,416

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1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd).

Company	Share capital S\$'000	Share option reserve S\$'000	Accumulated profits S\$'000	Total S\$'000
At 1 January 2011	177,006	7,781	48,174	232,961
Comprehensive income for the year				
Profit for the year	-	-	38,907	38,907
Total comprehensive income for the year	-	-	38,907	38,907
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	3,499	-	-	3,499
Issue of shares in lieu of cash dividends of 2.5 cents per ordinary share pursuant to Raffles Medical Group Ltd Scrip Dividend Scheme	9,839	-	-	9,839
Value of employee services received for issue of share options	-	2,558	-	2,558
Final dividend paid of 2.5 cents per ordinary share - Cash	-	-	(3,359)	(3,359)
Final dividend paid of 2.5 cents per ordinary share - Scrip	-	-	(9,839)	(9,839)
Interim dividend paid of 1.0 cent per ordinary share - Cash	-	-	(5,337)	(5,337)
Total contributions by and distributions to owners	13,338	2,558	(18,535)	(2,639)
At 31 December 2011	190,344	10,339	68,546	269,229
At 1 January 2012	190,344	10,339	68,546	269,229
Comprehensive income for the year				
Profit for the year	-	-	45,820	45,820
Total comprehensive income for the year	-	-	45,820	45,820
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Issue of shares upon the exercise of options under Raffles Medical Group Employees' Share Option Scheme	4,409	-	-	4,409
Issue of shares in lieu of cash dividends of 3.0 cents per ordinary share pursuant to Raffles Medical Group Ltd Scrip Dividend Scheme	12,435	-	-	12,435
Value of employee services received for issue of share options	-	2,236	-	2,236
Final dividend paid of 3.0 cents per ordinary share - Cash	-	-	(3,673)	(3,673)
Final dividend paid of 3.0 cents per ordinary share - Scrip	-	-	(12,435)	(12,435)
Interim dividend paid of 1.0 cent per ordinary share - Cash	-	-	(5,438)	(5,438)
Total contributions by and distributions to owners	16,844	2,236	(21,546)	(2,466)
At 31 December 2012	207,188	12,575	92,820	312,583

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- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

During the year ended 31 December 2012, the Company issued 6,065,666 new shares due to the allotment and issue of ordinary shares arising from the application of Raffles Medical Group Ltd Scrip Dividend Scheme in respect of the final dividend for the financial year ended 31 December 2011, as well as the allotment and issue of 4,418,000 new ordinary shares pursuant to the exercise by option holders under the Raffles Medical Group share option schemes.

Exercise price per share	S\$0.23	S\$0.185	S\$0.33	S\$0.42	S\$0.71
Number of new shares issued	216,000	158,000	242,000	309,000	280,000

Exercise price per share	S\$1.14	S\$1.15	S\$1.24	S\$0.78	S\$1.66	S\$2.20
Number of new shares issued	120,000	337,000	420,000	1,276,000	836,000	224,000

On 2 April 2012, options to subscribe for 6,000,000 ordinary shares at an exercise price of S\$2.34 were granted to 453 eligible participants pursuant to the Raffles Medical Group (2010) Share Option Scheme.

As at 31 December 2012, there were outstanding options for conversion into 19,966,000 (2011 : 20,111,000) ordinary shares.

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at end of the immediately preceding year.

	31/12/2012	31/12/2011
Number of issued shares excluding treasury shares	544,817,317	534,333,651

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2012 (31 December 2011 : Nil).

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The financial statements on consolidated results for the year ended 31 December 2012 have been audited in accordance with Singapore Standards on Auditing.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

As per attached.

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4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Accounting policies and methods of computation used in the consolidated financial statements for the year ended 31 December 2012 were consistent with those applied in the financial statements for the year ended 31 December 2011, except for the adoption of accounting standards (including its consequential amendments) and interpretations applicable for the financial period beginning 1 January 2012. The adoption of the new/revised accounting standards and interpretations did not have any material effect on the financial statements of the Group.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Please refer to Item 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	2012	2011
Earnings per ordinary share for the period based on 1(a) above :-		
(i) Basic earnings per share [A]	10.53 cents	9.50 cents
(ii) Diluted earnings per share [B]	10.42 cents	9.36 cents

[A] The calculation of earnings per ordinary share was based on weighted average number of shares of 539,872,516 (2011 : 530,300,257) in issue during the year.

[B] The calculation of earnings per ordinary share (on a fully diluted basis) was based on weighted average number of shares of 545,406,361 (2011 : 538,191,490) in issue during the year.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	31/12/2012	31/12/2011	31/12/2012	31/12/2011
Net asset value per ordinary share [C]	71.29 cents	62.51 cents	57.37 cents	50.39 cents

[C] The calculation of net asset value per ordinary share was based on 544,817,317 shares as at 31 December 2012 (31 December 2011 : 534,333,651).

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8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

The Group recorded revenue of **S\$311.6** million for the full year ended 2012, an increase of **14.2%** as compared to **S\$272.8** million in 2011. The growth in revenue was attributed to positive contributions in all segments of the Group. Hospital and Healthcare Services segments increased their revenues by **16.1%** and **11.4%** respectively. Revenue growth is driven by higher patient load and addition of specialist consultants thereby expanding the depth and breadth of medical services provided by the Group. The Group's profit from operating activities increased **11.5%** from **S\$59.5** million in 2011 to **S\$66.4** million in 2012.

The Group registered a net profit after tax growth of **13.0%**, increasing from **S\$50.6** million in 2011 to **S\$57.2** million in 2012. This is in spite of healthcare manpower cost increases arising from industry-wide salary adjustments, as well as higher other operating costs.

With strong cashflow from operations, the Group is in a healthy cash position of **S\$102.5** million as at 31 December 2012. This cash position will support the Group's growth and expansion plans.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The current financial period's results are in line with the Directors' expectations as disclosed in the Group's Q3 2012 results announcement.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

RafflesHospital performed well and contributed positively to the Group's performance. Twelve years after its opening in 2001, **RafflesHospital** is now a tertiary centre of medical excellence in the region, well known for its unique multidisciplinary physician group practice in the private sector.

Following the successful re-accreditation by Joint Commission International (JCI) in late 2011, the hospital continues to focus on the provision of high quality care, with particular emphasis on building clinical governance, expertise and management. New services were developed throughout the year at the hospital with the addition of new consultant specialists in several fields such as Radiology, Nuclear Medicine, Haematology, Medical Oncology, Neurosurgery and Neurology. Overseas patient numbers from associate networks, international insurance companies, medical assistance organisations and other partners grew further in 2012.

The Group is making progress with its team of consultants and the relevant Government authorities on the extension of the Raffles Hospital premises at North Bridge Road. The Hospital extension will enable the Group to increase and build on its clinical services and specialist offerings on the Raffles Hospital site.

The Group continues to work with the relevant authorities on its proposal for change of use at 30 Bideford Road to medical clinics. This proposal is currently being processed.

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10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months (cont'd).

In 2012, **RafflesMedical** saw organic growth and expansion of our medical centres. **RafflesHealthScreeners** and the **RafflesExecutive Medical Centre** relocated to larger and dedicated premises on level 12 of Raffles Hospital. The new **HealthCheck** centre was relocated at level 1 to cater exclusively for statutory and employment related medical checks, thus freeing up space for the expansion of the General Practice and Emergency centres.

The clinic at Raffles Place, relocated to larger premises with the introduction of the **RafflesExecutive Medical Centre** at Singapore Land Tower. Similarly, the Tampines One and Causeway Point centres saw increased capacity to serve our patients better.

RafflesMedical continued to increase its corporate clientele portfolio in the hoteling, food & beverage, fashion as well as financial & governmental sectors and continued to benefit from the government initiated Community Health Assistance Scheme (CHAS). All of **RafflesMedical's** clinics are accredited to serve Singaporeans under the CHAS.

The more measured pace in China's economic growth may have a dampening effect on healthcare demand from the region. Coupled with additional beds of new public and private hospitals coming on-stream in Singapore and the region, the healthcare landscape will remain competitive. The Group continues to be vigilant and responsive to new opportunities that may arise.

Barring unforeseen circumstances, the Directors are optimistic that the Group will continue to grow in the year 2013.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	1.0 cent per ordinary share (one tier tax)
Tax Rate	Tax Exempt

Name of Dividend	Proposed Final
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	3.5 cents per ordinary share (one tier tax)
Tax Rate	Tax Exempt

11. Dividend (cont'd)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	1.0 cent per ordinary share (one tier tax)
Tax Rate	Tax Exempt

Name of Dividend	Final
Dividend Type	Ordinary
Dividend Amount per Share (in cents)	3.0 cents per ordinary share (one tier tax)
Tax Rate	Tax Exempt

(c) Date payable

The Directors are pleased to recommend a final dividend of 3.5 cents per share amounting approximately to S\$19.1 million in respect of the financial year ended 31 December 2012 for approval by the shareholders at the next Annual General Meeting to be convened on 23 April 2013. Including the interim net dividend of 1 cent per share paid in August 2012, the total dividends for the financial year ended 31 December 2012 would amount to 4.5 cents per share, an increase of 0.5 cent (12.5%) as compared to financial year ended 31 December 2011.

The date of payment of the proposed dividends, if approved at the Annual General Meeting, will be announced at a later date.

(d) Books closure date

The books closure date will be announced at a later date.

(e) Scrip dividend scheme

The Scrip Dividend Scheme will be applicable to the final dividend. The issue price of a new share shall not be set at more than 10% discount to, nor shall it exceed the average of the last dealt prices of a share on the SGX-ST for each of the market days during the price determination period (being the period commencing on the day on which the shares are first quoted ex-dividend and ending on the books closure date to determine the entitlements to the final dividend). Further details will be announced at a later date.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

13. If the Group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company did not obtain a general mandate from shareholders for IPTs.

RafflesMedicalGroup

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

14.(a) Business Segments

	Healthcare services S\$'000	Hospital services S\$'000	Investment holdings S\$'000	Total S\$'000
2012				
Revenue and expenses				
External revenue	117,186	205,753	11,045	333,984
Inter-segment revenue	2,542	11,411	8,398	22,351
Finance expenses	(37)	-	(198)	(235)
Depreciation of property, plant and equipment	(2,026)	(3,249)	(158)	(5,433)
Impairment of intangible assets	(152)	-	-	(152)
Reportable segment profit before tax	10,240	47,720	11,095	69,055
Reportable segment assets	426,775	103,829	339,521	870,125
Capital expenditure	3,972	5,465	1,500	10,937
Reportable segment liabilities	120,658	49,679	299,924	470,261
2011				
Revenue and expenses				
External revenue	105,163	177,167	10,472	292,802
Inter-segment revenue	1,990	9,939	8,090	20,019
Finance expenses	(25)	-	(227)	(252)
Depreciation of property, plant and equipment	(1,725)	(3,085)	(158)	(4,968)
Reportable segment profit before tax	9,677	42,888	9,147	61,712
Reportable segment assets	318,706	93,325	457,479	869,510
Capital expenditure	2,079	2,938	109,526	114,543
Reportable segment liabilities	104,639	42,537	301,591	448,767

RafflesMedicalGroup

14.(a) Business Segments (cont'd)

Reconciliation of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2012 S\$'000	2011 S\$'000
Revenues		
Total revenue for reportable segments	333,984	292,802
Elimination of inter-segment revenue	(22,351)	(20,019)
Consolidated revenue	<u>311,633</u>	<u>272,783</u>
Profit or loss		
Total profit for reportable segments	69,055	61,712
Adjustment for depreciation of property, plant and equipment	(2,470)	(2,272)
Consolidated profit before tax	<u>66,585</u>	<u>59,440</u>
Assets		
Total assets for reportable segments	870,125	869,510
Elimination of inter-segment assets	(375,480)	(440,916)
Consolidated total assets	<u>494,645</u>	<u>428,594</u>
Liabilities		
Total liabilities for reportable segments	470,261	448,767
Elimination of inter-segment liabilities	(378,034)	(367,551)
Unallocated amounts – current and deferred tax liabilities	13,002	12,669
Consolidated total liabilities	<u>105,229</u>	<u>93,885</u>

Other material items

	Reportable segment totals S\$'000	Adjustment S\$'000	Consolidated totals S\$'000
2012			
Depreciation of property, plant and equipment	5,433	2,470	<u>7,903</u>
2011			
Depreciation of property, plant and equipment	4,968	2,272	<u>7,240</u>

The hospital building at North Bridge Road is owned by a subsidiary and classified as Investment Property in the subsidiary's standalone financial statements. In accordance with the Group's accounting policies, investment property is measured at fair value and not depreciated.

For the preparation of the consolidated financial statements, the hospital building is reclassified from Investment Property to Property, Plant and Equipment as the building is used in the supply of hospital services by the Group. Accordingly, the carrying value of the hospital building is depreciated over its useful life in the consolidated financial statements of the Group.

The amount of \$2,470,000 (2011: \$2,272,000) relates to the depreciation of the hospital building for the year ended 31 December 2012.

RafflesMedicalGroup

15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

Please refer to Item 8.

16. A breakdown of sales.

		Group		
		2012 S\$'000	2011 S\$'000	Change %
16(a)	Revenue reported for first half year	149,850	131,396	14.0
16(b)	Operating profit after tax before deducting non-controlling interests reported for second half year	24,183	22,245	8.7
16(c)	Revenue reported for second half year	161,783	141,387	14.4
16(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	33,026	28,376	16.4

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	2012 S\$'000	2011 S\$'000
Interim Ordinary Dividend	5,438	5,337
Final Ordinary Dividend	19,069 *	16,108
Total	24,507	21,445

* Financial year 2012 final proposed ordinary dividend, which is based on estimated number of shares outstanding as at the end of the financial year.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.

The Board of Directors hereby confirms that none of the personnel occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Tay Kim Choon Kimmy
Company Secretary
25 February 2013