



Thomson Medical 1H FY2008 Net Profit Jumps 28.4% to \$5.69m; Revenue Increases by 21.8% to \$29.54m

- Two record highs: 818 babies in November 2007 and 4,413 babies for 1H FY2008
- Declares one-tier tax exempt interim dividend of 1.0 cent per share

Singapore – 10 April 2008 – Singapore Exchange Main Board-listed Thomson Medical Centre Limited (“Thomson Medical” or the “Group”), a niche premium healthcare provider for women and children, announced today that its net profit attributable to shareholders for the first half financial year ended 29 February 2008 (“1H FY2008”) rose 28.4% to \$5.69 million, outpacing revenue growth of 21.8% to \$29.54 million.

Financial Highlights:

\$	1H2008	1H2007	Change %
Revenue	29.54m	24.26m	21.8
Net Profit After Tax	5.69m	4.43m	28.4
Gross Profit Margin (%)	44.6	42.3	5.4 %
Net Profit Margin (%)	19.3	18.3	5.5 %
Cash Generated from Operations	8.09m	5.37m	50.6
Earnings Per Share* (cents)	1.95	1.52	28.3
Net Asset Value Per Share* (cents)	32.68	27.23	20.0

(*Based on 291,977,434 shares)

The impressive performance by the Group was attributed to the higher revenue contributions of 20.5% and 26.8% by its *Hospital Operations and Ancillary Services*, and *Specialised and Other Services* respectively.

Net profit after tax of \$5.69 million was 28.4% higher than that recorded for 1H FY2007. At operating level, excluding the one-off gain on disposal of associated company recorded for 1H FY2007, the net profit after tax for 1H FY2008 would have been a significant increase of 49.3%.

In spite of increased operating expenses including generally higher business costs and staff salaries in Singapore, the Group saw healthy 2.3 and 1.0 percentage-point improvements in gross margin and net margin to 44.6% and 19.3%, respectively. This is mainly attributed to strong revenue and prudent cost management. Thus, net cash inflow from operating activities rose by a healthy 50.6% to \$8.09 million.

For the 1H FY2008, the Directors declare a one-tier tax exempt interim dividend of 1.0 cent per ordinary share.

Segmental Review

\$	1H FY2008	1H FY2007	Change %
Hospital Operations & Ancillary services			
Revenue	23.55m	19.54m	20.5
Net Profit after Tax	4.85m	3.64m	33.2
Specialised & Other Services			
Revenue	5.99m	4.72m	26.8
Net Profit After Tax	0.84m	0.79m	6.2

Hospital Operations and Ancillary Services:

Segmental revenue in 1H FY2008 was 20.5% higher at \$23.55 million. The completion of the upgrading of two inpatient wards in FY2007 attracted patients drawn to the new resort-style ambience and premium-priced single rooms.

The full operation of the upgraded wards, higher baby deliveries and increased referrals from its tenant specialists, peripheral specialists and network of Thomson Women's Clinics have also led to better utilisation of its inpatient facilities and our diagnostic and ancillary services in the 1H FY2008.

We also experienced a healthy increase in foreign patient load.

Specialised and Other Services:

Revenue from subsidiaries – Thomson Fertility Centre, Thomson Pre-Natal Diagnostic Laboratory, Thomson Women's Clinic, Thomson International Health Services and Thomson Aesthetics Centre – rose 26.8% to \$5.99 million in 1H FY2008.

Both local and foreign patient load at Thomson Fertility Centre, have increased in 1H FY2008. The number of foreign patients, mainly Indonesians, has increased by 28% compared to same period last year.

The Group continues to recognise fee income from its consultancy project for Vietnam's first purpose-designed private women and children's hospital – the 260-bed Hanh Phuc International Women and Children Hospital in Binh Duong Province, Vietnam. In 1H FY2008, a further \$0.3 million in fees has been recognised in addition

to the \$0.2 million in FY2007. Construction work started in August 2007 and the project is on track for planned completion in third quarter of Year 2009.

Going Forward

The progressive hospital upgrading programme will continue in 2H FY2008 at Level 3 in-patient wards. The hospital will also be adding another two operating theatres to the current four operating theatres to meet the increasing demand for surgical procedures.

The conversion of the hospital's former administrative offices into six patient rooms, of which four are suites, will cater to the growing demand for premium services and facilities. In addition, the Thomson Lifestyle Centre on Level 5 will be relocated to the nearby Novena Medical Centre to make way for more clinic space. The new Lifestyle Centre will offer better convenience to its customers.

To increase patient referral to our facilities, the Group is committed to expand its current network of satellite Thomson Women's Clinics and to attract O&G specialists to set up clinic at our hospital. In March 2008, the Group opened a new Thomson Women's Clinic offering obstetric and gynaecology services at AMK Hub. In April 2008, a senior O&G specialist also commenced practice in Thomson Medical Centre as one of its tenants.

The Group will continue its marketing activities locally and in the region. These include enhancing its patient loyalty programmes, as well as seeking further strategic referral collaboration with regional doctors and partners. Regionally, a business plan has been completed on the setting up of a proposed fertility centre in Vietnam to tap the significant unmet demand.

Executive Chairman, Dr Cheng Wei Chen said, "It was another good performance by the Group in 1H FY2008. We continue to benefit from our upgrading and hospital expansion programmes that were initiated in FY2007. By relocating non-clinical departments off-site, we are able to free up space for clinical and patient use.

We posted new all-time highs of 818 babies in November 2007 and 4,413 babies delivered in 1H FY2008. Our average monthly delivery rate has increased from 640 babies in 1H FY2007 to 740 babies in 1H FY2008.

Looking ahead, we are confident that the Government's pro-family initiatives will reap positive results. The Group is well-positioned to benefit from this effort, increasing medical tourism, and the recent changes in healthcare policies such as means testing for subsidised care, which could potentially increase demand for private healthcare services."

In view of the abovementioned positive developments and barring unforeseen circumstances, the Board of Directors is optimistic that Thomson Medical and its subsidiaries will continue to perform well in 2H FY2008.

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About Thomson Medical Centre Limited (“*Thomson Medical*”)

Incorporated in 1977, Thomson Medical Centre Limited (“Thomson Medical”) is one of Singapore’s leading providers of healthcare services for women and children. It provides a comprehensive range of facilities and services for primary, secondary and tertiary healthcare, with focus in the areas of Obstetrics and Gynaecology (“O&G”) and paediatric services.

Thomson Medical has been in operation since 1979 and offers quality healthcare by a team of highly experienced O&G specialists and paediatricians. It also operates the Thomson Fertility Centre, which offers state-of-the-art In-Vitro Fertilisation (“IVF”) programmes to aspiring parents, as well as a chain of Thomson Women’s Clinics island-wide. Other subsidiary companies include Thomson Pre-Natal Diagnostic Laboratory, Thomson Aesthetics Centre and Thomson International Health Services.

Following its successful listing on the Singapore Exchange Dealing and Automated Quotation System (“SGX-SESDAQ”) in January 2005, Thomson Medical is also expanding beyond Singapore. It has secured a hospital consultancy and hospital management project in Vietnam and will continue to expand its regional reach. In December 2007, the Company’s listing on SGX was upgraded to the Main Board.

As a testament to Thomson Medical’s market dominance, longevity and goodwill, the Company was awarded the 2006 “Superbrands Consumers’ Choice” status for the second year running when it was voted by consumers to be a brand symbolic of quality and trust. In 2006 it was also awarded the “Singapore Promising Brand (SPBA)” Silver Award for winning the SPBA award for the third year running as well as the 2006 SPBA Distinctive Award for its outstanding branding. Thomson Medical also received recognition of its brand performance in business and service excellence when it was conferred the prestigious status of being a Singapore Quality Class organization by Spring Singapore in May 2006. In September 2006, Thomson Medical was a runner-up winner of the Securities Investors Association (Singapore) (SIAS) “Most Transparent Company Award 2006” in the SESDAQ category. In 2007, Thomson Medical was accredited the Pro-Family Business Mark by the “Making Business Pro-Family Workgroup” and supported by the Ministry of Community Development, Youth & Sports. The Group was a winner of the Singapore Prestige Brand Award 2007 and the overall winner in the Established Brands category. It also won the Bronze award for the Best Investor Relations (SESDAQ), under the Singapore Corporate Awards 2008.

For more information, please visit Thomson Medical’s corporate website at www.thomsonmedical.com

Contact for Media & Investor Relations:

WeR1 Consultants Pte Ltd

29 Scotts Road, Singapore 228224

Tel: (65) 6737 4844, Fax: (65) 6737 4944, Hp: (65) 8200 9339

Mona Leong, monaleong@wer1.net, Roger Ng, rogerng@wer1.net, Woo Joen Wai, woojw@wer1.net