

PRESS RELEASE

Thomson Medical continues strong growth trend with 25.1% jump in 1Q FY2010 net profit to \$3.55 million

- *Revenue for Hospital Operations and Ancillary Services rose 10.9% to \$14.24 million while Specialised and Other Services surged 28.2% to \$4.55 million in Q1 FY2010*
- *Net profit margin expanded from 17.3% to 18.9%*
- *Number of deliveries in Q1 FY2010 increased 5.0% to 2,478 babies*
- *Group consolidates its position as premier women and children healthcare provider with latest inroad to paediatric services*

<i>First Quarter Ended</i>	30 Nov 2009	30 Nov 2008	% Change
Revenue (S\$'m)	18.79	16.39	14.6
Net Profit (S\$'m)	3.55	2.84	25.1
Gross Profit Margin (%)	43.0	43.3	-
Net Profit Margin (%)	18.9	17.3	-
EPS* (Singapore cents)	1.21	0.98	23.5

*(*Based on 292,022,434 and 291,977,434 ordinary shares, on a fully diluted basis, in Q1 FY2010 and Q1 FY2009 respectively)*

SINGAPORE – 11 January 2010 – Singapore Exchange Main Board-listed Thomson Medical Centre Limited (“Thomson Medical” or the “Group”), a niche healthcare provider for women and children, kicked off FY2010 with a 25.1% jump in net profit to \$3.55 million and a 14.6% increase in revenue to \$18.79 million for the first quarter ended 30 November 2009 (“Q1 FY2010”), over 1QFY2009.

The improvement in the Group’s performance was driven by increases in inpatient admissions, deliveries and ancillary services.

The latest set of results underscored the Group’s leading position in the management of women’s and children’s health as it witnessed continued strong performance by its two core businesses. Revenue of the Group’s *Hospital Operations and Ancillary Services* rose 10.9% to \$14.24 million while revenue from *Specialised and Other Services* surged 28.2% to \$4.55 million.

Profit margins remained robust despite the expanded operations. Q1 FY2010 gross profit margin stood above 43% level. Net profit margin expanded to 18.9%, from 17.3% in the corresponding period last year.

Segmental Review

Hospital Operations and Ancillary Services

Revenue from *Hospital Operations and Ancillary Services* in Q1 FY2009 increased by 10.9% to \$14.24 million, representing 75.8% of the Group's total revenue.

Growth in this business segment was due to:

- (i) A 14.6% rise in revenue from obstetrics, paediatric and neonatology services;
- (ii) Increased patient referrals from tenant specialists, peripheral specialists and the network of Thomson Women's clinics;
- (iii) Higher number of deliveries from 2,359 babies in Q1 FY2009 to 2,478 babies in Q1 FY2010, a 5.0% increase year-on-year; and
- (iv) 13.0% rise in revenue derived from diagnostic and fetal assessment services to \$1.39 million.

Specialised and Other Services

Revenue from *Specialised and Other Services* surged 28.2% to \$4.55 million in Q1 FY2010 as the Group's network of Thomson Women's clinics continued to attract more patients.

In addition, Thomson Women Cancer Centre ("TWCC"), which commenced operations in February 2009, continued to improve in its operations and has begun to contribute positively to the Group's bottomline. TWCC, with its patient referrals to the hospital, also contributed to the higher revenue achieved by the *Hospital and Ancillary Services* business segment. TWCC will continue to attract patients locally as well as regionally.

Shareholders' Equity and Cash Flows

The Group's shareholders' equity increased to \$115.00 million as at 30 November 2009 from \$111.30 million as at 31 August 2009, mainly as a result of higher operating profit recorded for the quarter.

It continues to enjoy a strong financial position with a fixed deposits and cash and bank balance of \$24.78 million as at 30 November 2009, up from \$20.57 million as at 31 August 2009.

Update on Hanh Phuc International Women and Children Hospital

The Hanh Phuc International Women and Children Hospital, the Group's hospital consultancy and management project in Binh Duong Province, Vietnam is slated to commence operations in Q3 FY2010.

Additionally, the Group has completed the business plan for the proposed development of its second hospital consultancy project for the proposed women and children's hospital in Hanoi, Vietnam. The next phase of consultancy work for this project will commence after a suitable land site in Hanoi has been identified.

Looking Ahead

Thomson Medical expects new growth drivers, such as its regional hospital consultancy services, new resort-style wards and TWCC, which will augment the overall performance in FY2010.

“The Group has been enjoying consistent growth in deliveries and admissions as well as high occupancy rate and we believe the demand for our healthcare services will continue to be strong. Our strategic intent is to leverage on our premier brand name to attract more senior O&G specialists to take up clinic tenancy and expand our reach via a wider network of satellite clinics island-wide. At the same time, we will continue to work with specialists and suitable business partners to grow organically and develop more value-added, efficient and effective services for our patients. All of these will help to drive up the utilisation of our hospital's services and facilities,” explained Dr Cheng Wei Chen, Executive Chairman.

A senior O&G specialist is expected to take up clinic tenancy in Thomson Medical in Q3 FY2010 while a new satellite clinic is targeted to commence operations in Q3 FY2010.

Thomson Medical has on 1 January 2010 established a joint venture, Thomson Paediatric Centre Pte Ltd, with two senior paediatric consultants, Dr Ang Poon Liat and Dr Ang Ai Tin, to provide paediatric services in Thomson Medical Centre. The joint venture company, Thomson Paediatric Centre Pte Ltd, will cater to the growing demand for paediatric services in Singapore and the region.

Dr Ang Poon Liat and Dr Ang Ai Tin are senior paediatric consultants with many years of experience in private practice. Besides his practice in general paediatrics, Dr Ang Poon Liat also attends to children with nutritional and behavioural problems.

Dr Ang Ai Tin specializes in managing pre-mature and sick babies who require tertiary intensive care and has a keen interest in childhood skin disorders.

The joint venture is in line with the Group's strategy to grow organically by entering into the management of children's health and tapping the strong brand name of Thomson Medical.

In December 2009, the Group was named the overall winner of the Singapore Prestige Brand Award 2009 ("SPBA") - Heritage Brands category. The SPBA Heritage Brands category pays tribute to time-honoured homegrown brands which have embraced exceptional brand practices for more than 30 years.

A 6-time winner of the SPBA from 2004 to 2009, Thomson Medical was also the first company to be inducted into the SPBA - Hall of Fame - a prestigious and elite circle of brands which are recognized and honoured for consistent and extraordinary effectiveness in developing and managing their brands.

Added Dr Cheng Wei Chen, Executive Chairman, "We are encouraged by the improving economic environment and the progress we have made in expanding the breadth of our operations both locally and regionally. Barring unforeseen circumstances, we are optimistic with our prospects in this new financial year."

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About Thomson Medical Centre Limited

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 In-Vitro Fertilisation ("IVF") programmes to aspiring parents, as well as a chain of Thomson Women's Clinics islandwide. Thomson Medical's other subsidiaries include Thomson Women Cancer Centre, Thomson Chinese Medicine, Thomson Pre-Natal Diagnostic Laboratory, Thomson Aesthetics Centre and Thomson International Health Services.

A 6-time winner of the Singapore Prestige Brand Award ("SPBA") from 2004 to 2009, Thomson Medical is the first company to be inducted into the SPBA - Hall of Fame - a prestigious and elite circle of brands which are recognized and honoured for consistent and extraordinary effectiveness in developing and managing their brands. SPBA is jointly organised by the Association of Small and Medium Enterprises (ASME) and Lianhe Zaobao and supported by SPRING Singapore, International Enterprise Singapore, Economic Development Board and the Intellectual Property Office of Singapore.

Thomson Medical was a fourth time winner of the "Most Transparent Company Award 2009" (Mainboard Small Caps Category) by the Securities Investors' Association Singapore (SIAS). The Group was also listed as one of the "Best

Under A Billion” companies by Forbes Asia in September 2009. Additionally, Group Chief Executive was a winner of the “Outstanding Entrepreneur of the Year” category of the Asia Pacific Entrepreneurship Awards 2009.

Thomson Medical is also expanding beyond Singapore. To date, it has secured two hospital consultancy projects in Vietnam and will continue to expand its regional reach.

About Thomson Medical’s partnership with Hanh Phuc JSC in Vietnam

1) Hanh Phuc International Women and Children Hospital – Binh Duong Province

In October 2005, Thomson International was appointed as the Hospital Project Consultant for Hanh Phuc Hospital providing the following services:

- hospital planning and design brief;
- design development and project management;
- technical advisory services;
- operational resource planning; and
- hospital commissioning.

In November 2006, Hanh Phuc JSC appointed Thomson International as the Hospital Management Consultant for Hanh Phuc Hospital for a five-year term, with Thomson International having the first right of refusal to renew the said agreement for a further period of five years on terms and conditions to be mutually agreed between Hanh Phuc JSC and Thomson International.

As set out in the Hospital Management Agreement, Thomson International and Hanh Phuc JSC agreed to enter into an exclusive arrangement on the planning, development and management of women and children’s hospitals in Vietnam. In this regard, Hanh Phuc JSC has committed to Thomson International on the development of three women and children’s hospitals in Vietnam with Thomson International as the Hospital Project Consultant and Hospital Management Consultant.

In May 2008, Thomson International entered into: (a) an option with Hanh Phuc JSC to subscribe for a 25% equity stake in Hanh Phuc JSC, and (b) a Put Option with Prosper Joint Stock Company in respect of the right to require Prosper Joint Stock Company to purchase the said equity stake based on agreed terms and conditions.

2) Proposed Women & Children’s Hospital – Hanoi

In September 2008, Thomson International entered into a Memorandum of Understanding (“MOU”) and an Agreement to Establish Business Plan (the “Agreement”) with Hanh Phuc JSC. Pursuant to the MOU and the Agreement, Thomson International will establish a business plan for the proposed development of a women and children’s hospital in Hanoi, Vietnam (“Proposed Hospital”). If the findings demonstrate good potential, Thomson International will be appointed the hospital’s project and management consultant to oversee the development. Hanh Phuc JSC is currently identifying and securing a suitable land site in Hanoi for the development of the Proposed Hospital. It is also the Group’s intention to acquire up to 25% equity stake in the Proposed Hospital. When developed, the Proposed Hospital will represent Hanh Phuc JSC’s second women and children’s hospital in Vietnam.

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

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