

PRESS RELEASE

## Thomson Medical starts new financial year with improved performance

- *Q1FY2009 revenue grew 9.9% to \$16.4 million while net profit rose 5.7% to \$2.8 million*
- *Net profit margin stood at a commendable 17.3%*
- *Hospital consultancy project in Binh Duong province, Vietnam progressing as scheduled*

<i>First Quarter Ended</i>	<b>30 Nov 08</b>	<b>30 Nov 07</b>	<b>% Change</b>
<b>Revenue (S\$'m)</b>	16.39	14.92	9.9
<b>Net Profit (S\$'m)</b>	2.84	2.69	5.7
<b>Gross Profit Margin (%)</b>	43.3	43.6	-
<b>Net Profit Margin (%)</b>	17.3	18.0	-
<b>EPS* (Singapore cents)</b>	0.98	0.92	6.5

(\*Based on 291,977,434 ordinary shares)

**SINGAPORE – 13 January 2009 – Singapore Exchange Main Board-listed Thomson Medical Centre Limited (“Thomson Medical” or the “Group”),** a niche healthcare provider for women and children, today announced its financial results for the first quarter ended 30 November 2008 (“Q1FY2009”).

For the period under review, the Group’s net profit after tax grew 5.7% to \$2.84 million, up from \$2.69 million in the first quarter ended 30 November 2007 (“Q1 FY2008”). The increase in net profit after tax for Q1FY2009 was mainly due to increased inpatient admission, deliveries and ancillary services, reduction in finance costs as a result of loan repayment, and the recognition of regional hospital consultancy fees.

Correspondingly, Group revenue grew 9.9% to \$16.39 million, from \$14.92 million in the previous corresponding period. Thomson Medical also maintained healthy gross profit margin of 43.3% and net profit margin of 17.3%.

The Group’s good results was attributable to improved performance from both business segments – Hospital Operations and Ancillary Services, as well as Specialised and Other Services Business.

“Despite a challenging macro-economic environment, and the completion of the renovation to our Level 3 inpatient ward, we are pleased that the Group has achieved commendable results for the quarter. We will continue to be mindful of the economic challenges ahead as we work towards further growth.” said Dr Cheng Wei Chen, Executive Chairman.

## **Segmental Review**

### ***Hospital Operations and Ancillary Services***

For the quarter under review, this business segment recorded an 8.1% growth in revenue, up from \$11.88 million in Q1FY2008 to \$12.84 million in Q1FY2009. A total of 2,359 babies were delivered, which marked a 3.7% increase from 2,274 deliveries in Q1FY2008.

The improved performance was also attributable to the increase in gynaecology and other ancillary services such as diagnostic imaging and fetal assessment services. Patient referrals from tenant specialists, peripheral specialists and the network of Thomson Women’s Clinics also contributed to the revenue.

### ***Specialised and Other Services***

Revenue from Specialised and Other Services increased 16.8% or \$0.51 million from \$3.04 million in Q1FY2008 to \$3.55 million in Q1FY2009. This was mainly attributable to increased patient load in the Group’s network of Thomson Women’s Clinics.

Revenue contributions were also recognised from the recently set-up Thomson Women’s Clinic at AMK Hub, Thomson Aesthetics Centre, and the hospital consultancy fees for the Group’s projects in Vietnam.

## **Looking Ahead**

Upon the completion of the current upgrading of its Level 5 inpatient ward to a premier ward, the Group would have completed the upgrading of all its inpatient wards.

The Group will continue to expand its network of satellite Thomson Women’s Clinics and attract established O&G specialists to set up clinical practices at the hospital. Additionally, Thomson Medical will work in partnership with specialists to provide efficient and effective services to patients.

The establishment of the Thomson Women Cancer Centre (“TWCC”), scheduled for operations in Q3FY2009, is aligned to the Group’s strategy to grow organically. The new TWCC will cement Thomson Medical’s positioning as a pre-eminent women’s healthcare services provider both locally and regionally.

The Group’s consultancy project in Binh Duong Province in Vietnam is progressing as planned and the hospital is scheduled to be completed in the third quarter of 2009. The Group is also finalising the business plan for its second hospital consultancy project for the proposed women and children’s hospital in Hanoi, Vietnam.

In view of the global economic situation, the Group will be prudent in its business decisions and cost management. Barring unforeseen circumstances, the Board of Directors expects the Group to remain profitable in FY2009.

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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 state-of-the-art In-Vitro Fertilisation (“IVF”) programmes to aspiring parents, as well as a chain of Thomson Women’s Clinics islandwide. Other subsidiary companies include Thomson Pre-Natal Diagnostic Laboratory, Thomson Aesthetics Centre and Thomson International Health Services.*

*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](http://www.thomsonmedical.com).*

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