

## **Thomson Medical continues to strengthen foothold in women and children healthcare on 43.5% growth in NPAT to S\$4.9 million in Q3 FY2010**

- Revenue in Q3 FY2010 grew 25.4% to S\$21.8 million boosted by higher obstetric cases and deliveries, inpatient admissions and increased patient load in outpatient clinics, satellite clinics and specialised centres
- Gross profit margin improved to 44.7% in Q3 FY2010 from 42.7% in Q3 FY2009 on better margins arising from both segments
- Financial position remained strong backed by increased cash and cash equivalents, operating cash flow and net cash position as at 31 May 2010

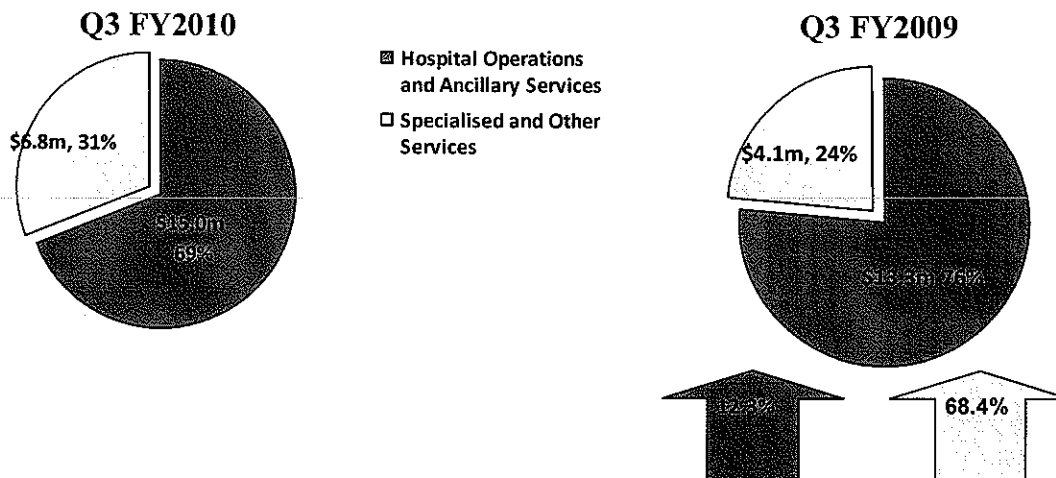
**Singapore – 12 July 2010 – Singapore Exchange Main Board-listed Thomson Medical Centre Limited (“Thomson Medical” or the “Group”)**, a leading private healthcare provider for women and children, is pleased to announce a 43.5% growth in net profit after tax (“NPAT”) to S\$4.9 million for the three months ended 31 May 2010 (“Q3 FY2010”). The growth was contributed by stronger performance from both of its core business segments, Hospital Operations and Ancillary Services and Specialised and Other Services. Group revenue increased by 25.4% to S\$21.8 million in Q3 FY2010 on the back of increased baby deliveries in the hospital, higher outpatient load as well as higher inpatient admissions from the increased referral by the network of O&G satellite clinics and specialised centres.

### **Financial Snapshot**

S\$m	Q3 FY10	Q3 FY09	% Change	9M FY10	9M FY09	% Change
Revenue	21.83	17.41	25.4	59.49	49.40	20.4
Gross Profit	9.76	7.44	31.2	25.73	21.29	20.9
Gross Profit Margin (%)	44.7	42.7	-	43.2	43.1	-
Net Profit after tax	4.90	3.42	43.5	12.09	9.31	29.9
Profit Margin (%)	22.5	19.6	-	20.3	18.8	-
Earnings Per Share (Singapore cents)*	1.63	1.18	38.1	4.02	3.21	25.2

\*Based on 294,652,100 and 291,977,434 ordinary shares for Q3 FY2010 and Q3 FY2009 respectively, on a fully diluted basis

**Q3 FY2010 Financial and Segmental Review**



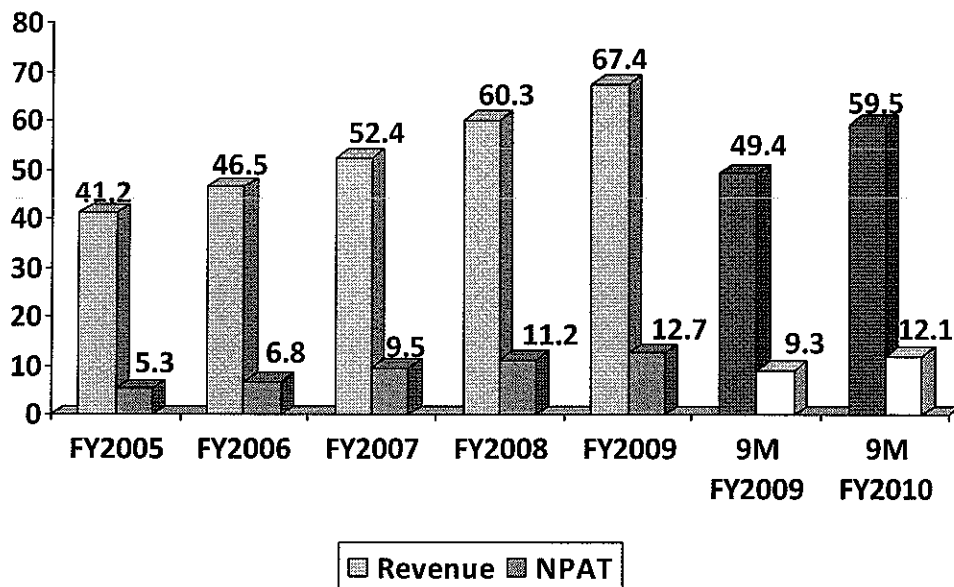
Revenue from Hospital Operations and Ancillary Services segment increased by 12.3% to S\$15.0 million in Q3 FY2010 with higher room occupancy driven by higher demand for inpatient and outpatient services. The Group delivered a total number of 2,291 babies in Q3 FY2010, up 2.7% from 2,231 babies in Q3 FY2009.

Revenue from Specialised and Other Services segment increased by 68.4% to S\$6.8 million in Q3 FY2010 as a result of increased patient load from Thomson Women's Clinics ("TWC"), and continued good performance from its newly established Thomson Women Cancer Centre ("TWCC") and Thomson Paediatric Centre ("TPC").

Total administrative expenses and other operating expenses in Q3 FY2010 increased by 11.6% to S\$4.3 million mainly due to the higher staff count and depreciation charges in relation to the renovation of the wards.

Year-to-date, the Group maintained its double-digit growth with 20.4% and 29.9% increase in revenue and NPAT respectively to S\$59.5 million and S\$12.1 million in 9M FY2010 respectively.

**Table: Revenue and NPAT Track Record**



The Group's financial position continued to strengthen where our cash and bank balances increased 59% from \$15.4 million as at 31 May 2009 to S\$24.5 million as at 31 May 2010. Bank borrowings were reduced by \$1.4 million from \$3.1 million as at 31 May 2009 to S\$1.7 million as at 31 May 2010. The Group maintained its net cash position and generated S\$15.2 million of operating cash flow in 9M FY2010, up 23.9% from S\$12.3 million in 9M FY2009.

**Building its Twin Growth Engines**

**Mr. Allan Yeo, Group Chief Executive, said:** "Due to better bed management, we have been able to increase our capacities and take in more deliveries. As a result, our market share continued to increase, consolidating our position as a leader in women and children's healthcare."

To further strengthen its market position and ensure continued growth, the Group aims to further expand its distribution channels to attract more patients, including foreigners, to use its facilities. It will also continue its strategy of developing more innovative services to broaden the existing scope of services, widen its network of satellite clinics, and improve its service experience while keeping prices affordable.

**Dr Cheng Wei Chen, Executive Chairman of the Group, added:** "TWCC and TPC have met our expectations and have been contributing to our growth since their establishment. We expect these specialised centres, together with TWC, to play a substantial role in driving our future growth."

Two senior O&G tenant specialists have commenced their clinic operations in the hospital this quarter. In this regard, the Group will continue to work towards attracting more senior doctors to take up tenancy in the hospital.

The Group's regional consultancy and hospital management project in Binh Duong Province in Vietnam, Hanh Phuc International Women and Children Hospital, is nearing completion and targeted to have its soft opening in October 2010. The Group will commence work on its second hospital consultancy project in Hanoi once a suitable site is found.

**END**

**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 Paediatric Centre, Thomson Women Cancer Centre, Thomson Chinese Medicine, Thomson Pre-Natal Diagnostic Laboratory, Thomson Aesthetics Centre and Thomson International Health Services.*

*Among other awards and accolades, Thomson Medical is the first company to be inducted into the SPBA Hall of Fame, being a 6-time consecutive winner of Singapore Prestige Brand Award ("SPBA") from 2004 to 2009. Thomson Medical is also a fourth-time winner of the "Most Transparent Company Award 2009" for Main Board Small Caps Category by the Securities Investors' Association Singapore in 2009. In 2008, Thomson Medical also became one of only five Singapore companies to be included in the Forbes Asia's 2009 list of the "Best Under A Billion Companies". The Forbes yearly ranking features the best 200 out of 12,000 Asia Pacific public-listed companies with less than US\$1 billion in annual income.*

*Demonstrating service excellence, Thomson Medical topped the healthcare sector in the Customer Satisfaction Index for Singapore (CSISG) released in January 2010, a national barometer of customer satisfaction in the Singapore economy. Thomson Medical scored 73.3, significantly higher than the healthcare sector average score of 68.9.*

*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 refer to Thomson Medical's corporate website at <http://www.thomsonmedical.com.sg>*

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