

## Thomson Medical's Q3 FY2008 Net Profit improves 16.0% to \$2.85m; Revenue Increases by 12.9% to \$15.69m

- 2,115 babies delivered in Q3 FY2008 – an increase of 14.7% over 1,844 babies delivered in Q3 FY2007;
- One more satellite Thomson Women's Clinic set up at AMK Hub

Singapore – 26 June 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 3<sup>rd</sup> quarter of the financial year ending 31 August 2008 (“FY2008”) rose 16.0% to \$2.85 million, and revenue growth of 12.9% to \$15.69 million.

### Financial Highlights:

\$	Q3 FY2008	Q3 FY2007	Change %
Revenue	15.69m	13.90m	12.9
Net Profit After Tax	2.85m	2.46m	16.0
Gross Profit Margin (%)	44.8	44.3	1.1
Net Profit Margin (%)	18.1	17.7	2.3
Earnings Per Share* (cents)	0.98	0.84	16.7

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

The improved performance of the Group for the Q3 FY 2008 was attributed to the higher revenue contributions of 13.2% and 11.5% by its *Hospital Operations and Ancillary Services* and *Specialised and Other Services* respectively.

Net profit after tax of \$2.85 million was 16.0% higher than that recorded for Q3 FY2007. In spite of increased operating expenses including generally higher business costs and staff salaries in Singapore, the gross margin and net margin improved by 0.5 percentage point each to 44.8% and 18.1%, respectively. This is mainly attributed to strong revenue and prudent cost management.

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

Revenue from Hospital Operations and Ancillary Services for Q3 FY2008 was 13.2% higher at \$12.39 million compared to same quarter last year. The opening of another

satellite Thomson Women's Clinic at AMK Hub, the addition of another tenant senior O&G consultant at Thomson Medical Centre and increase in our foreign patients had contributed to the overall improved performance for Q3 FY2008. Coupled with these, the enhanced FBI/SBI maternity programmes launched since October 2007 have also succeeded in increasing membership. These initiatives led to increased deliveries and better utilisation of the hospital's inpatient facilities and its diagnostic and ancillary services in Q3 FY2008.

***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 11.5% to \$3.29 million in Q3 FY2008.

Both local and foreign patient load at Thomson Fertility Centre, have increased in Q3 FY2008 compared to same quarter last year. The number of foreign patients, mainly Indonesians, has increased by 35% 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. Construction work started in August 2007 and the project is on track for completion in third quarter of Year 2009.

**Going Forward**

The conversion of the hospital's former administrative offices into a premier ward with 6 well appointed patient rooms, of which four are suites, was completed in May 2008. This will cater to the growing demand for premium facilities and services.

In addition, the Thomson Lifestyle Centre on Level 5 has been relocated to the nearby Novena Medical Centre to make way to meet the demand for more clinic space. The new Thomson Lifestyle Centre offers better accessibility and convenience to its customers.

The hospital will continue its upgrading programme. Renovation to the Level 3 inpatient ward will commence in Q4 FY2008. In FY2009, the hospital intends to upgrade its Level 5 into a premier ward to meet the increasing patients' demand for premium facilities and services. The hospital is also planning to add another two operating theatres to the current four operating theatres to meet the increasing numbers of surgical procedures.

To increase patient referral to our facilities, the Group will continue to expand its current network of satellite Thomson Women's Clinics and attract established O&G specialists to set up their clinic practices at our hospital.

On the regional front, the Group has announced recently the signing of the option agreement for the subscription of 25% equity stake in the Hanh Phuc International Women and Children Hospital in Binh Duong province, Vietnam. The Group will continue to explore opportunities, both locally and in the region. These include seeking strategic alliances with regional partners and collaboration with regional doctors for patient referral to Thomson Medical Centre.

Executive Chairman, Dr Cheng Wei Chen said, "We have done well in the first nine months of FY2008. For the same period, our number of baby deliveries has gone up from 5,788 to 6,528. The upgrading and hospital expansion programmes that were initiated in FY2007 have contributed to the improved performance and will continue to attract patients to use Thomson Medical Centre as their preferred hospital. Barring any unforeseen circumstances, the Board of Directors is optimistic that the Group will perform well for FY2008."

---- The End ----

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

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