



IHH Healthcare Berhad

(formerly known as Integrated Healthcare Holdings Berhad)

IHH Posts Strong Growth in First-Half 2012 Financial Results

- Revenue grows 65% year-on-year to RM2.8 billion and profit after tax and minority interests ("PATMI") (excluding exceptional items) increases 35% to RM250.3 million. The numbers exclude the sale of medical suites
- Including the sale of medical suites, revenue rises 137% y-o-y to RM4.0 billion while total PATMI (excluding exceptional items) gains 139% to reach RM443.9 million
- Total growth driven by combination of factors:
 - Consolidation of Acibadem Holdings from 24 Jan 2012
 - One-time profit from sale of Mount Elizabeth Novena medical suites as well as fair valuation gain on Mount Elizabeth Novena's investment properties held for rental
 - Improved performance of existing operations
 - Greater demand for quality healthcare services in Asia

KUALA LUMPUR/SINGAPORE, 28 August 2012 – IHH Healthcare Berhad *(formerly known as Integrated Healthcare Holdings Berhad)* ("IHH" or the "Group"), today announced outstanding growth in its financial results for the six months ended 30 June 2012.

The group's normalized revenue for the first-half of 2012 rose 65% to RM2.8 billion, compared to RM1.7 billion for the same period in 2011. Normalized revenue for the three months ended 30 June 2012 was RM1.5 billion, up 82% from RM816 million for the same period in 2011. These revenue figures exclude the sale of Mount Elizabeth Novena medical suites.

EBITDA (excluding sale of medical suites) for the first half of 2012 rose 74% year-on-year to RM581.4 million, while profit after tax and minority interests ("PATMI") (excluding exceptional items) rose 35% year-on-year to RM250.3 million.

Including the sale of the medical suites, the group's total revenue for the first-half of 2012 rose 137% to RM4.0 billion, compared to RM1.7 billion for the same period in 2011. Revenue for the three months ended 30 June 2012 was RM2.7 billion, against RM816.0 million for the same period in 2011.

Total basic earnings per share (excluding exceptional items) for the first-half of 2012 grew 40% to 7.3 sen, up from 5.2 sen for the first-half of 2011.

IHH Chairman, Tan Sri Dato' Dr Abu Bakar Bin Suleiman, said, "We are delighted with what IHH has accomplished to date. Our successful dual listing in Malaysia and Singapore has significantly strengthened the Group's balance sheet and the Group's operations have achieved a robust performance in the first half of the year. Going forward, we expect earnings to continue to grow as a result of revenue growth and interest cost savings. We are confident that IHH will continue to create value for our shareholders and investors."

IHH Managing Director, Dr Lim Cheok Peng, said, "Our first financial report post-listing clearly reflects the real and growing demand for the quality healthcare that IHH companies are known for providing. We are seeing growth across the board in inpatient admissions, more complex medical cases undertaken by our hospitals, and rising student enrolment in our education programmes. We remain fully committed to leveraging on our scale and leading market positions to capture further opportunities and expand our presence and reach in our home markets."

While the consolidation of Acibadem Holdings from 24 January and the recognition of profits from the sale of 216 medical suites at Parkway Pantai's Mount Elizabeth Novena Specialist Centre helped boost the Group's results for the first half of 2012, improved performance in the Group's existing operations also contributed to the outstanding revenue and EBITDA growth.

The strong growth was driven by higher inpatient admissions at Parkway Pantai's hospitals in both Malaysia and Singapore, as demand for quality healthcare services in the region continued to grow and there were more local and foreign patients seeking treatment. In addition, revenue intensities at the Parkway Pantai hospitals increased to approximately RM19,467 and RM4,520 per inpatient admission in Singapore and Malaysia respectively, up from RM18,297 and RM4,131 respectively in the first-half of 2011. The higher revenue intensities resulted from more complex cases undertaken by the hospitals and price increases.

Parkway Pantai also incurred various pre-operating costs to prepare its newly constructed 333-bed Mount Elizabeth Novena Hospital in Singapore for commencement of operations on 28 June 2012. Such costs include the hiring and training of medical and administrative staff, marketing and promotion expenses, utilities etc. Excluding the effects of such pre-operating costs and the above-mentioned sale of medical suites, Parkway Pantai's EBITDA improved 31% to RM421.5 million for YTD 2012.

IMU Health, which operates the International Medical University, reported a 5% revenue growth to RM84.5 million for the first-half of 2012 on increased student enrolment for its academic programs.

Acibadem is also expanding existing facilities and building new ones to cater to the growing market demand, as Turkey becomes an increasingly popular destination for medical travel in the Central and Eastern Europe, Middle East and North African

region. Moreover, Acibadem is significantly growing its number of inpatient and outpatient admissions as well as revenues per admit. When compared to Q1 2012, the revenue per inpatient admission grew by 5% in Q2 2012. This expansion and the growth existing operations are expected to contribute positively to the Group. However, its earnings is largely dependent on the year-end USD:TL exchange rate and its impact on Acibadem Holding's unhedged US Dollar borrowings.

Looking ahead, IHH will continue to expand in its home markets of Malaysia, Singapore and Turkey, including increasing the number of beds across hospital networks through new developments, expansion of existing facilities and selective acquisitions. The Group will also look for suitable opportunities in China, India and Hong Kong, as well as in other parts of Asia and the Central and Eastern European, Middle East and North African regions.

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About IHH Healthcare Berhad ("IHH")

IHH Healthcare Berhad is a leading international provider of premium healthcare services in markets where the demand for quality healthcare is strong and rapidly growing. IHH's healthcare companies offer the full spectrum of integrated healthcare services from clinics to hospitals, quaternary care and post-operative rehabilitation centres and a wide range of ancillary services including diagnostic labs, imaging centres, ambulatory care and medical education. We are the leading player in our home markets of Singapore, Malaysia and Turkey, and key markets of the People's Republic of China (PRC), Hong Kong and India. We are also present in Vietnam, Brunei and Macedonia. We employ more than 24,000 people and operate over 4,900 licensed beds across 30 hospitals worldwide. Our "Mount Elizabeth", "Gleneagles", "Pantai" and "Acibadem" brands are among the most prestigious hospital and healthcare providers in Asia and Central and Eastern Europe, with a growing presence in the Middle East and North Africa. www.ihh-healthcare.com

APPENDIX I

Financial Results Highlights

Unaudited condensed consolidated statements of comprehensive income for the financial period ended 30 June 2012

Excluding Sale of Medical Suites

	2 nd Quarter ended		Variance	Six months ended		Variance
	<u>30 Jun 2012</u>	<u>30 Jun 2011</u>		<u>30 Jun 2012</u>	<u>30 Jun 2011</u>	
	RM million		%	RM million		%
Revenue	1,487.9	816.0	231	2,764.1	1,675.9	65
EBITDA	302.6	162.8	232	581.4	334.5	74
Profit after tax and minority interests	209.9	76.7	426	333.8	178.5	87
Profit after tax and minority interests (excluding exceptional items)	109.7	82.6	267	250.3	186.0	35
Basic earnings per share (excluding exceptional items) (sen)	1.8	1.9	158	7.3	5.2	-21%

Including Sale of Medical Suites

	2 nd Quarter ended		Variance	Six months ended		Variance
	<u>30 Jun 2012</u>	<u>30 Jun 2011</u>		<u>30 Jun 2012</u>	<u>30 Jun 2011</u>	
	RM million		%	RM million		%
Revenue	2,697.5	816.0	231	3,973.7	1,675.9	137
EBITDA	540.9	162.8	232	819.7	334.5	145
Profit after tax and minority interests	403.5	76.7	426	527.4	178.5	195
Profit after tax and minority interests (excluding exceptional items)	303.3	82.6	267	443.9	186.0	139
Profit for the Period	403.5	81.7	394	555.8	187.3	197
Basic earnings per share (sen)	6.5	1.7	282	8.6	5.0	72
Basic earnings per share (excluding exceptional items) (sen)	4.9	1.9	158	7.3	5.2	40