

FOR IMMEDIATE RELEASE

PRESS RELEASE

SMG RETURNS TO PROFITABILITY IN 1H 2014

Singapore, 14 August 2014 – Singapore Medical Group (SMG) reports a return to profitability with a net profit of \$0.4 million in 1H 2014 compared to a net loss of \$1.7 million in 1H 2013. This marks the Group's positive turnaround since full year losses were reported from FY2011.

The Group registered a revenue growth of 11.3% in 1H 2014 compared to 1H 2013 and gross profit growth of 28.6% from \$3.5 million to \$4.5 million in 1H 2014 compared to 1H 2013 after a promising start to the year.

SMG's new management team comprising of Non-Executive Chairman, Mr Tony Tan Choon Keat and Chief Executive Officer, Dr Beng Teck Liang put in place a series of cost management measures and implemented new strategic directions to consolidate and realign the Group's businesses.

The management team remains committed to the Group's turnaround and will continue to strengthen its business model by investing and growing our existing and complementary business verticals and services both in the local and overseas markets by bringing on board new medical specialists and developing new partnerships and business ventures.

The Group is pleased to announce the following developments:

- Overseas expansion in Indonesia via the Ciputra SMG Eye Clinic, a joint venture with Ciputra Group, Indonesia slated to start operations in Q4 2014
- Its partnership with ZEISS Southeast Asia that introduces ReLEx® SMILE, a new bladeless, flapless, micro incision and gentle laser vision correction procedure in the Group's flagship clinic, The Lasik Surgery Clinic, the first private healthcare provider to acquire and offer this service in Singapore
- Establishment of the Group's first primary healthcare service in Raffles Place scheduled to open in Q4 2014

While the private healthcare industry in Singapore remains competitive the next 12 months, SMG is pleased with the overall progress made so far and is cautiously optimistic moving forward.

For media enquiries, please contact:

Miss Felicia Hu

Director (Public Relations & Communications)

Singapore Medical Group (SMG)

Email: felicia.hu@smg.sg

Mobile: +65 9423 2973

Notes to Editor**About Singapore Medical Group (SMG)****Specialist Healthcare Provider**

Incorporated in 2005, Singapore Medical Group (SMG) is a private specialist healthcare provider with a network of 22 specialties. The Group is committed to its promise of providing patient centered medical care and experience to every individual.

The Group currently has a total of 14 clinics strategically located in Paragon, Mount Elizabeth Novena Specialist Centre, Parkway East Medical Centre, Novena Medical Centre and Gleneagles Medical Centre with a growing network of SMGAssociates clinics across the island.

SMG operates a 24-Hour patient assistance centre hotline service that serves Singapore and international patients.

SMG is listed on the Singapore Stock Exchange (SGX) Catalist since 2009.

SMG Clinics: The Lasik Surgery Clinic, The Dental Studio, Singapore Vision Centre, The Cancer Centre - Paragon, The Obstetrics & Gynaecology Centre - Paragon, The Obstetrics & Gynaecology Centre - Parkway East Hospital, SMG Orthopaedic Group, SMG Neuroscience Centre, SMG Surgery Centre, SMG Specialist Centre – Gleneagles Hospital, The Aesthetic Suite, an SMG Clinic, The Wellness Suite, an SMG Clinic, SMG Urology Centre with Beng Surgery and SMG Specialist Centre – Mount Elizabeth Novena Hospital.