

## NEWS RELEASE

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### PARKWAY EARNINGS SOAR FROM STRONG OPERATING PERFORMANCE & REAL ESTATE GAINS

**Highlights:**

- PATMI rose 570% to S\$271.3m over YTD September 2006;
- Singapore Hospitals' revenue rose by 33% to S\$344.4m YTD September 2007;
- International Hospitals' revenue grew by 25% to S\$128.2m YTD September 2007 on a proforma basis;
- Disposal of Singapore hospital properties into Parkway Life REIT generated gains of S\$221.0m;
- Payout of special dividends of S\$85.0 million and special bonus to non-executive staff of S\$8.0 million out of the exceptional gains.

**SINGAPORE, 13 November 2007** - Parkway Holdings Limited ("Parkway" or "the Group") listed in the Singapore Stock Exchange (SGX) reported a growth rate of 570% in net profit for YTD September 2007. The significant gains were derived from the disposal of the Group's Singapore hospital properties into Parkway Life REIT and continued strong performance from across core business segments.

#### Proforma Group Financial Highlights

	YTD September 2007 (S\$ millions)	YTD September 2006 (S\$ millions)	Change (%)
Revenue	637.1	494.2	29
EBITDAR (excludes REIT rental)	143.6	116.0	24
PATMI	271.3	40.5	570

Revenue for the Singapore Hospitals division rose 33% to S\$344.4 million from S\$258.9 million. The division's EBITDAR (ie. excludes REIT rental) rose by 13% to S\$86.9 million in YTD September 2007.

The Singapore hospital division revenue growth was largely driven by increased foreign patient volume and higher consumption of outpatient services especially that of Parkway Cancer Centre's.

The Board has declared a special dividend of 13.45 cents as well as an interim dividend of 2 cents per ordinary share less tax, to be paid out on 11 December 2007. With this dividend payout, the Group's Section 44A tax credits would be fully utilised. This brings the total dividend payout for the current financial period to 18.95 cents per ordinary share less tax.

Mr Richard Seow, Chairman of Parkway Holdings Limited said: "The highlight of quarter three was the launch of the REIT, with Parkway Trust Management Limited appointed as its manager, which the Group retains full interest in. Through the REIT, the Group plans to expand its reach further across Asia and the Pacific.

"Our growth strategy for the Group will be fuelled by both the changing economics and demographics in Asia, leveraging our ability to transfer know-how and successful business model to these regional markets."

Dr Lim Cheok Peng, Group President and Chief Executive Officer of Parkway Holdings Limited said: "Indeed, we have also intensified our marketing programme targetting multi-national corporations and insurance companies with co-branded products.

"Meanwhile, we will continue to explore consultancy and management contracts overseas, especially in markets where we have a long established reputation for our clinical outcomes and medical services."

The Group's International Hospitals division's revenue grew by 25% from S\$102.4m to S\$128.2m on a proforma basis, mainly driven by the Pantai, Kolkata and Penang operations.

Dr Lim Cheok Peng, Group President and Chief Executive Officer of Parkway Holdings Limited added: "Throughout this year of transformation, we have brought about significant changes to the people in ParkwayHealth. To demonstrate the benefits of the changes in place, we are rewarding our non-executive staff in November 2007 with a special one-off payout for their admirable loyalty and commitment."

During Q3 2007, the Company sponsored the establishment of an Real Estate Investment Trust (REIT), Parkway Life REIT, to invest primarily in health care related income producing real estate assets in the Asia Pacific region. As a result, the Group disposed its interest in the Singapore hospital properties comprising the hospital and medical centre units of Mount Elizabeth Hospital, Gleneagles Hospital and East Shore Hospitals to Parkway Life REIT. On 23 August 2007, the Parkway Life REIT was listed on the Main Board of SGX-ST. The Group retains an equity interest of 35.46% in the REIT as of end-September 2007.

Parkway Holdings Limited (PHL) owns Parkway Hospitals Singapore Pte Ltd which runs the East Shore Hospital, Gleneagles Hospital, Mount Elizabeth Hospital and the ParkwayHealth Day Surgery and Medical Centre. The Group also includes Parkway Shenton Pte Ltd, a major

provider of primary healthcare services; Medi-Rad Associates Ltd, a leading radiology services provider; and Parkway Laboratory Services Ltd, a major provider of laboratory services. Contract research services are also provided by Gleneagles CRC Pte Ltd. Parkway Group Healthcare Pte Ltd also operates over 45 International Patient Assistance Centres across the globe, accessible via [www.ipac.sg](http://www.ipac.sg) and a 24-hour hotline +65 67355000.

Over 1500 accredited medical specialists support Parkway's Clinical Programmes in Heart and Vascular, Neuroscience, Oncology, Musculoskeletal, Transplant and Cellular Therapy, Women and Children, Chronic Disease Management and Surgery. These clinical programmes involve renowned experts in their fields to provide comprehensive, integrated care and are founded on a reputation for quality clinical outcomes and service excellence.

*For more information please visit our websites at:  
[www.ParkwayHealth.com](http://www.ParkwayHealth.com) or [www.parkwayholdings.com](http://www.parkwayholdings.com)*

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For media queries, please contact:

Andrea Lim  
Telephone: +65 6796 0636  
Email: [andrea.lim@parkway.sg](mailto:andrea.lim@parkway.sg)

Thomas TB Tay  
+65 6854 6659  
[thomas.tay@parkway.sg](mailto:thomas.tay@parkway.sg)