

Parkway Holdings Limited

First Quarter 2009 Financial Results

Friday, 15 May 2009

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Group Financial Highlights

PARKWAY REGISTERS CONTINUED GROWTH IN Q1 2009 DESPITE GLOBAL ECONOMIC DOWNTURN

- Group Revenue for Q1 2009 increases 4%:
 - Singapore Operations revenue down by 4% to \$150.3m;
 - International Operations revenue up by 20% to \$87.5m.
- EBITDAR increases 8% in Q1 2009 over Q1 2008
- Net profit excluding exceptional items jumps 20% to \$23.4m.
- Healthcare services performs strongly.

Performance At A Glance

	YTD 31 March 2009	YTD 31 March 2008 [^]	Variance
Revenue (\$'000)	237,783	228,744	↑ 4%
EBITDAR (\$'000)	52,658	48,854	↑ 8%
PATMI (\$'000)	21,285	19,532	↑ 9%
PATMI excluding exceptional items (\$'000)	23,428	19,592	↑ 20%
Basic EPS (cents)	1.89	2.25	↓ -16%
Basic EPS (cents) (Earnings excluding exceptional items)	2.08	2.25	↓ -8%

	31 March 2009	31 December 2008 [^]	Variance
NAV / share (\$)	1.22	1.19	↑ 3%
NTA / share (\$)	0.96	0.93	↑ 3%

Note:

[^]: Comparatives have been restated for change in accounting policy during the year.

Basic EPS comparatives have also been restated for the effects of the Rights Issue.



Parkway Holdings

Group Financial Highlights

	YTD 31 March 2009 \$'000	YTD 31 March 2008^ S'000	Variance %
REVENUE	237,783	228,744	4%
OTHER OPERATING INCOME¹	6,741	4,425	52%
EBITDAR	52,658	48,854	8%
REIT Rental	(12,622)	(11,874)	6%
Depreciation & Amortisation	(14,151)	(11,364)	25%
Finance Costs ²	(3,945)	(3,310)	19%
Interest Income	2,546	617	NM
Foreign Exchange Gains/(Losses)	1,972	(137)	NM
Share of Profits of Associates	4,374	3,006	46%
Exceptional Items	(2,143)	(60)	NM
PROFIT BEFORE TAX & MI	28,689	25,732	11%
Income Tax	(5,466)	(4,793)	14%
Minority Interest	(1,938)	(1,407)	38%
PROFIT AFTER TAX	21,285	19,532	9%
NET PROFIT			
(Excluding exceptional items)	23,428	19,592	20%

Note 1: Other operating income excludes foreign exchange gains and interest income.

Note 2: Finance costs include interest expense, bank charges, fees and the portion of changes in fair value of financial derivatives which has been recognised in the income statement.

^: Comparatives have been restated for change in accounting policy during the year.

Group Financial Highlights

	YTD 31 March 2009 \$'000	YTD 31 March 2008^ S'000	Variance %
NET PROFIT	21,285	19,532	9%
Add-back / (less-off) exceptional items:			
- Impairment loss on available-for-sale financial assets ¹	2,199	-	
- (Loss) / Gain on disposal of property, plant and equipment	(56)	60	
Exceptional items	2,143	60	
OPERATIONAL NET PROFIT (EXCLUDING EXCEPTIONAL ITEMS)	23,428	19,592	20%

Note 1: The Group recognised impairment loss on its investment in Auric Pacific Group Limited, in accordance with the Singapore Financial Reporting Standards.

^: Comparatives have been restated for change in accounting policy during the year.

Group Revenue

\$'000	Singapore	International	Group
Hospital	108,823	54,757	163,580
Healthcare	40,008	32,712	72,720
Non-Healthcare	1,481	2	1,483
YTD 31 Mar 2009	150,312	87,471	237,783
Hospital	119,934	43,511	163,445
Healthcare	34,785	29,375	64,160
Non-Healthcare	1,137	2	1,139
YTD 31 Mar 2008[^]	155,856	72,888	228,744
Hospital	-9%	26%	0%
Healthcare	15%	11%	13%
Non-Healthcare	30%	-	30%
YTD 31 Mar 2009 vs YTD Mar 2008[^]	-4%	20%	4%

[^]: Comparatives have been restated for change in accounting policy during the year.

Group EBITDAR

\$'000

	Singapore	International	Group
Hospital	25,038	9,399	34,437
Healthcare	8,037	8,701	16,738
Non-Healthcare	1,414	69	1,483
YTD 31 Mar 2009	34,489	18,169	52,658
Hospital	28,945	6,927	35,872
Healthcare	5,917	7,264	13,181
Non-Healthcare	(57)	(142)	(199)
YTD 31 Mar 2008[^]	34,805	14,049	48,854
Hospital	-13%	36%	-4%
Healthcare	36%	20%	27%
Non-Healthcare	NM	NM	NM
YTD 31 Mar 2009 vs YTD Mar 2008[^]	-1%	29%	8%

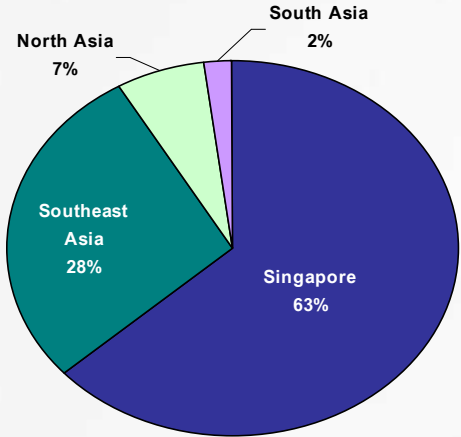


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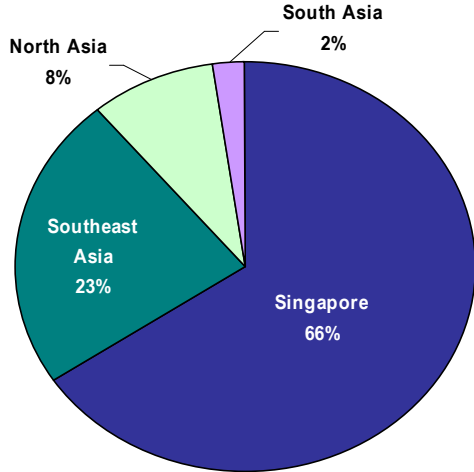
[^]: Comparatives have been restated for change in accounting policy during the year.

Contribution of Business

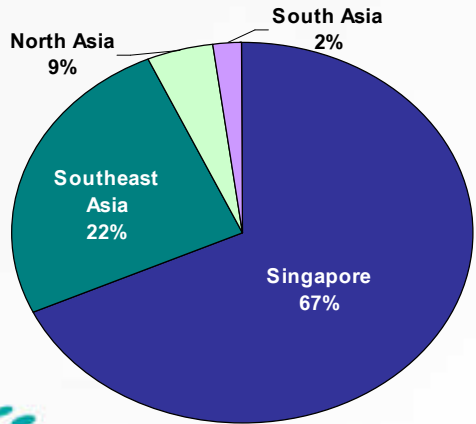
Revenue Contribution 31 March 2009



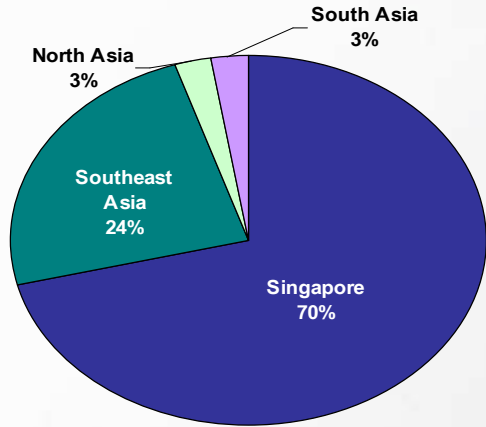
EBITDAR Contribution 31 March 2009



Revenue Contribution 31 March 2008



EBITDAR Contribution 31 March 2008



Gearing

Balance Sheet	31/03/09 \$'mil	31/12/08[^] S'mil
Total Assets	3,033	2,988
Total Liabilities	(1,586)	(1,575)
Total Equity	1,447	1,413
Total Debt ¹	(1,221)	(1,223)
Total Cash	554	542
Net Debt	(667)	(681)
Net Debt / Equity Ratio	0.46	0.48

With the strengthened capital structure post the rights issue, net debt to equity gearing ratio remains healthy at 0.46 as at 31 March 2009.

Note 1: Total debt includes

(a) \$500m due in July 2011

(b) \$560m due in July 2013

[^]: Comparatives have been restated for change in accounting policy during the year.

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Group Hospital Operations[^]

	Singapore	International	Group
No. of Hospitals	3	12	15
Admissions			
- FY2009 1Q	19,904*	39,282	59,186
- FY2008 1Q	19,654*	35,643	55,297
Average Occupancy (%)			
- FY2009 1Q	58.0%	64.6%	62.9%
- FY2008 1Q	64.0%	62.2%	63.1%
Operational Beds			
- FY2009 1Q	729	2,129	2,858
- FY2008 1Q	742	1,985	2,727

[^]: The information presented below is only for hospitals owned by the Group only.
Excludes hospitals managed by the Group on behalf of third parties.

*: Includes total inpatient admissions and day cases for Singapore hospitals only.

Singapore Hospitals

	FY2009 1Q	FY2008 1Q	Change %
Inpatient Admissions	11,397	11,838	↓ -3.7%
Day Cases	8,507	7,816	↑ 8.8%
Total Inpatient Admissions and Day Cases	19,904	19,654	↑ 1.3%
Net Revenue PAPD (All Facilities) <i>Per Adjusted Patient Day</i>	\$ 1,811	\$ 1,863	↓ -2.8%
Average Length of Stay (Days)	3.34	3.65	↓ -8.5%
Average Occupancy (%)	58.0%	64.0%	↓ -6.0%

Singapore Hospitals

- Slight drop in inpatient admissions is cushioned by rise in number of day cases.
- The Group aims to attract more patients with its recent launch of 34 fixed-fee packages.

Singapore Healthcare Services

- Parkway's healthcare services in Singapore showed strong growth in Q1 of 2009, with a 15% increase in revenue and 36% increase in EBITDAR.
- Growth was propelled by good performance across the healthcare services: Parkway Shenton, Parkway Lab Services, etc.

International Hospitals

Southeast Asia

	FY2009 1Q	FY2008 1Q	Change %
Admissions	34,761	31,490	↑ 10.4%
Net Revenue PAPD <i>Per Adjusted Patient Day</i>	S\$ 727	S\$ 668	↑ 8.8%
Average Length of Stay (Days)	2.83	2.84	↓ -0.3%
Average Occupancy (%)	62.8%	59.1%	↑ 3.7%

International Hospitals

South Asia

	FY2009 1Q	FY2008 1Q	Change %
Admissions	4,521	4,153	↑ 8.9%
Net Revenue PAPD (All Facilities) <i>Per Adjusted Patient Day</i>	Rp 8,129	Rp 7,262	↑ 12.0%
Average Length of Stay (Days)	5.63	5.55	↑ 1.4%
Average Occupancy (%)	69.9%	78.0%	↓ -8.1%

Operations Review: Singapore

- Implementation of cost control measures:
 - Consolidation of office space for corporate staff
 - Minimization of discretionary expenses, eg corporate travel
 - Cost reductions through enhanced purchasing processes
 - Continuation of cost savings from December '08's cost containment exercise
- Singapore hospitals achieved a perfect 5 score for our Clinical Quality Scorecard consisting of eight globally recognised clinical indicators, reflecting the quality clinical outcomes provided by Parkway.
 - This shows the significant improvement made since the Clinical Quality Scorecard was launched in 2007. (Score of 1.72 for Q1 '07)



Operations Review (cont'd): Singapore

- Growing on the Group's existing liver transplant programme at Gleneagles Hospital, Mount Elizabeth Hospital conducted its first liver transplant operation on 3 March 2009, on a patient from India.
- Parkway Shenton awarded contract by Ministry of Health to conduct temperature screening at all land, sea and air entry points into Singapore.
- Parkway Group Healthcare Pte Ltd signed an affiliation agreement with US Preventive Medicine to join the Global Prevention Network, offering preventive and executive health programmes to Network members worldwide.



Operations Review (cont'd): Singapore

- Parkway Group Healthcare Pte Ltd signed a deal with Australian company Mesoblast Limited to conduct a registry trial of Mesoblast's RepliCart stem cell product for treatment of knee osteoarthritis.
- Parkway College received full accreditation from the Singapore Nursing Board for its Diploma in Nursing course, making it the only private institution in Singapore to achieve this full accreditation.
- Gleneagles CRC Pte Ltd clinches BioSpectrum Asia's Editor's Choice Award for Emerging CRO Company of Singapore 2008.
- Parkway's hospitals achieved a 69.7 score in the Singapore Management University's Customer Satisfaction Index of Singapore 2008, which is higher than the 67.6 average for the healthcare sector.



Operations Review: Southeast Asia

- The Group's Pantai hospitals and Gleneagles JPMC Cardiac Centre in Brunei continue to do very well.
- Acquisition of Pantai Hospital Batu Pahat
 - Hospital was previously rented.
- Completion of purchase of Pantai Hospital Sungai Petani in progress.



Operations Review: South Asia

Apollo Gleneagles Hospital, Kolkata

- Patient intensity and volume continue to grow.
- New consultants are being recruited to support hospital expansion and growth.

ParkwayHealth Khubchandani Hospital, Mumbai

- Ground excavation works have begun.
- Architects and specialist consultants are working on hospital concept and design plans.

Operations Review: North Asia

- Opening of new suites at Tomorrow Square, Shanghai, offering specialty services in cardiology, dermatology, orthopaedics, ophthalmology and otolaryngology.
- Laparoscopic surgery services offered at Luwan facility.
- Upgrading of behavioural health and obstetrics programmes.
- Implementation of cost-cutting and revenue-maximising measures.

Operations Review: Middle East

Danat Al Emarat Women and Children's Hospital, Abu Dhabi

- Hospital design and development works are in the final stage.
- Groundbreaking and commencement of construction are expected to take place in May '09.



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Updates: Hospital at Novena

- Piling is progressing well.
- Provisional Permission obtained from URA; preparation of submission of Written Permission to URA in progress.
- Finalizing design for BCA / URA approval.

Updates: Use of Proceeds from Rights Issue

- As at 31 March 2009, approximately \$14 million of the \$755.6 million raised from the Rights Issue, which was completed in June 2008, has been used to fund the construction and development of the new hospital at Novena (being one of the specified uses for the Rights Issue proceeds).

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Moving Forward

Group

- Continue to improve service and clinical outcomes, and offer quality healthcare to patients

Singapore

- Joint Commission International (JCI) reaccreditation surveys for Gleneagles and Mount Elizabeth Hospitals in July

International

- Expansion of Pantai Hospital Klang due to high demand for its services



Thank You

For more information, please view: www.parkwayholdings.com



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