

KPJ HEALTHCARE BERHAD
(Incorporated in Malaysia)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2007

B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

The profit before taxation for the current quarter has increased by 72.5% to RM21.27 million from RM12.33 million in the corresponding quarter 2006, mainly due to higher activities recorded by the hospitals and also contributions from the newly acquired hospitals.

B2 MATERIAL CHANGE IN QUARTERLY RESULTS

The profit before taxation for the current quarter of RM21.27 million has increased by 32.0% as compared to preceding quarter of RM16.11 million. The increase in the profit before tax is in line with the increase in revenue and contribution from the newly acquired hospitals.

B3 CURRENT YEAR PROSPECTS

In the current financial period, the expansion and renovation of existing hospitals and acquisition of the new hospitals, Selangor Medical Centre Sdn Bhd ("SMC") and Sentosa Medical Centre Sdn Bhd ("SKL"), acquired in March 2006 and December 2006 respectively has contributed to the growth in the number of operating beds and capacity. Additional consultants recruited in the various KPJ hospitals, complement the existing consultants with the increased in the number of both inpatients and outpatients, thus contributing to further growth of revenue.

For financial year 2007, the expected increase in revenue is also due to full contributions by both SMC and SKL as compared to financial year 2006.

The Group has also intensified its efforts to identify potential strategic alliances and/or acquisitions.

The Board is optimistic that Group's financial performance for the current year ending 31 December 2007 is going to be better and continue to be encouraging to achieve the internal revenue target of RM1 billion.

B4 PROFIT FORECAST / GUARANTEE

The Company is not subject to any variance of actual profit from forecast profit/profit guarantee for the current financial period under review.

B5 TAXATION

	<u>3 months ended</u>		<u>6 months ended</u>	
	<u>30.6.2007</u>	<u>30.6.2006</u>	<u>30.6.2007</u>	<u>30.6.2006</u>
	RM'000	RM'000	RM'000	RM'000
Taxation	5,842	3,784	10,002	6,294

The effective tax rate of the Group for the period ended 30 June 2007 is lower than the statutory tax rate due to availability of unutilised losses for offset against current period profit of certain subsidiaries.