

**KPJ HEALTHCARE BERHAD**

(Incorporated in Malaysia)

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2014****B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES**

The profit before taxation for the current quarter of RM50.2 million has increased by 32% as compared to the corresponding quarter in 2013 of RM38.0 million. The increase is in line with the increase in revenue of the hospitals

**Additional Information As Required By Appendix 9B of Bursa Malaysia Listing Requirements****a. Current financial period compared to last financial period (six months)**

The Group recorded revenue of RM1,265.6 million for 6 months ended 30 June 2014 with an increase of 12% from RM1,132.7 million as reported for 2013. The higher revenue for the period is mainly due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

**Malaysia**

The Malaysian segment revenue for 6 months ended 30 June 2014 has increased by 11% to RM1,147.7 million compared with RM1,036.3 million as reported in 2013. The higher revenue reported is due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

**Indonesia**

The Indonesian segment revenue of RM21.0 million for 6 months ended 30 June 2014 is 24% higher than the revenue reported in 2013 of RM16.9 million. The increase in revenue from this segment is due to the increase in activity in both hospitals in Jakarta.

**Aged Care Facility**

The Aged Care Facility segment revenue for 6 months ended 30 June 2014 is RM17.1 million, 31% higher than the revenue reported in 2013 of RM13.1 million due to increase in the total commonwealth subsidy from AUD125 to AUD169 per resident day for the Aged Care Facility.

**Support Services, Corporate and Others**

The revenue from Support Services, Corporate and Others segment of RM299.3 million for 6 months ended 30 June 2014 is 6% higher, compared to revenue from the same period in 2013 of RM283.2 million. Marketing and distribution of pharmaceutical, medical and surgical products and pathology and also from the laboratory services contributed to the revenue growth of this segment, which has increased in line with the increase in revenue of the hospitals within the Group.

**b. Current quarter compared with the corresponding quarter of the preceding year (three months)**

The Group recorded revenue of RM662.8 million for 3 months ended 30 June 2014 with an increase of 13% from RM587.7 million as reported for 2013. The higher revenue for the period is mainly due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

**KPJ HEALTHCARE BERHAD**

(Incorporated in Malaysia)

**B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2014****B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES (CONTINUED)**

- b. Current quarter compared to the corresponding quarter of the preceding year (three months) (continued)

**Malaysia**

The Malaysian segment revenue for 3 months ended 30 June 2014 has increased by 13% to RM603.4 million compared with RM535.8 million as reported in 2013. The higher revenue reported is due to the increase in revenue of the existing hospitals and newly open hospitals in the group.

**Indonesia**

The Indonesian segment revenue of RM10.3 million for 3 months ended 30 June 2014 is 3% higher than the revenue reported in 2013 of RM10.0 million. The increase in revenue from this segment is due to the increase in activity in both hospitals in Jakarta.

**Aged Care Facility**

The Aged Care Facility segment revenue for 3 months ended 30 June 2014 is RM9.3 million, 72% higher than the revenue reported in 2013 of RM5.4 million due to increase in the total commonwealth subsidy from AUD125 to AUD169 per resident day for the Aged Care Facility.

**Support Services, Corporate and Others**

The revenue from Support Services, Corporate and Others segment of RM153.0 million for 3 months ended 30 June 2014 is 2% higher, compared to revenue from the same period in 2013 of RM149.3 million. Marketing and distribution of pharmaceutical, medical and surgical products and pathology and also from the laboratory services contributed to the revenue growth of this segment, which has increased in line with the increase in revenue of the hospitals within the Group.

**B2 MATERIAL CHANGE IN QUARTERLY RESULTS**

The profit before taxation for the current quarter of RM50.2 million increased by 10% as compared to the preceding quarter of RM45.5 million. The increase in the net profit before tax is in line with the increase in revenue and contribution from the hospitals.

**B3 CURRENT YEAR PROSPECTS**

Consistent with our performance reported in Quarter 1 2014, the activities at all KPJ hospitals in Quarter 2 2014 continue to increase in tandem with the continued public awareness about the importance of healthcare. This is supported by exceptionally high bed occupancy at all hospitals including the newly completed hospitals in Klang, Pasir Gudang, Kota Kinabalu, Rawang and Muar.

This positive impact will further support the Group core strategy in increasing and enhancing the capacity and improve service delivery for our patients within the network of KPJ hospitals.

Thus, based on the positive economic prospects, increasing demand by public and the financial achievements for the first half of the year, the Board of Directors is confident that the Group's performance will continue to improve.