



PRESS RELEASE

Pacific Healthcare Continues Its Asset-Light Strategy

- *Signs MOU on Sale & Leaseback of Remaining Singapore Property*
- *Cash to be re-invested to enhance Group's profitability*

Singapore, Friday, 29 September 2006 – Mainboard-listed Pacific Healthcare Holdings Ltd. (“Pacific Healthcare”), a leading Singapore healthcare provider offering a comprehensive range of services, continues with its strategy to restructure its investments with the memorandum of understanding (the “MOU”) with Bowsprit Capital Corporation Limited (“Bowsprit”) to sell and leaseback the land and building in Adam Road.

The MOU with Bowsprit involves the property located at 19 Adam Road which is owned by our associated company Pacific Hospital Consultants Pte Ltd (“PHCPL”). Pacific Healthcare has a 40% stake in PHCPL. The premise is presently occupied by Pacific Healthcare’s wholly-owned subsidiary, Adam Road Hospital Pte Ltd. which provides psychiatric care with inpatient services.

The property has a land area of about 1,800 sq m. The MOU provide for an exclusivity period of six months during which the relevant parties will negotiate the purchase price and the terms of the construction and leaseback. The contemplated transaction will also be subject to final agreement and other conditions.

“The arrangement allows Pacific Healthcare to continue to operate the hospital while freeing up funds for our expansion at home and abroad,” said Dr William Chong, its Executive Director & CEO. “The sale will allow Pacific Healthcare to improve returns to our shareholders and is also in line with the Group’s asset-light strategy.” he added.

About Pacific Healthcare Holdings

Incorporated in 2001 in Singapore, Pacific Healthcare Holdings Ltd. is an integrated healthcare provider offering a comprehensive range of healthcare services; encompassing specialist medical care, general practice medicine, dentistry, health screening, wellness services as well as the operation of nursing homes, day surgery centres, and a psychiatric hospital.

Pacific Healthcare aims to be the premier healthcare group in Singapore and Asia, renowned for its Care, Compassion and Medical Excellence. Through a team of more than 100 dedicated professionals and a wide network of clinics and facilities, it focuses on the total health and well-being of patients.

It has operations in Singapore, Hong Kong and Hyderabad and will commence operations in Shanghai and Mumbai by 4Q, 2006. Its competencies lie in Specialist Healthcare, in particular the fields of Plastic Surgery, Cosmetic and Implant Dentistry, Obstetrics and Gynaecology and Cardiology.

Pacific Healthcare is listed on the Mainboard of the Singapore Exchange.

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