



PACIFIC HEALTHCARE HOLDINGS LTD.
(Incorporated in the Republic of Singapore on 26 January 2001)
(Company Registration No. 200100544H)
(the "**Company**")

**JOINT VENTURE TO ESTABLISH
INTEGRATED MEDICAL SPECIALIST AND DENTISTRY CENTRE IN JAKARTA, INDONESIA**

1. INTRODUCTION

The Company wishes to announce that its wholly-owned subsidiary, Pacific Healthcare (Indonesia) Pte Ltd ("**Subsidiary**"), has entered into a joint venture agreement with PT Plaza Medical Nusantara ("**PT Plaza Medical**") for the establishment of PT Pacific Healthcare Services Indonesia ("**PT Pacific Healthcare**") to operate and manage an integrated medical specialist and dentistry centre (including laboratory, pharmacy, and diagnostic, imaging and day surgery facilities) in downtown Jakarta to be known as Pacific Healthcare @ The Plaza.

2. PT PLAZA MEDICAL

PT Plaza Medical is held by PT Plaza Nusantara Reali ("**PT Plaza Nusantara**") and PT Medical Diagnostic Nusantara ("**PT Medical Diagnostic**") in the shareholding proportion of 75% and 25%, respectively. PT Plaza Nusantara is in turn wholly-owned by PT Plaza Indonesia Realty Tbk ("**PT Plaza Indonesia**"), which is one of Indonesia's leading prime property developers and is engaged in prime property development and management. PT Plaza Indonesia is listed on the Indonesia Stock Exchange and owns the Grand Hyatt Jakarta as well as the prominent Plaza Indonesia Complex in Jakarta's central business district.

3. JOINT VENTURE

The Subsidiary will hold 51% of PT Pacific Healthcare, with the balance 49% held by PT Plaza Medical. The Subsidiary will be entitled to appoint 2 out of 3 directors on the board of directors of PT Pacific Healthcare with one of its nominees designated as the president director. Each party will further be entitled to appoint 1 commissioner on the board of commissioners of PT Pacific Healthcare, with the nominee appointed by PT Plaza Medical designated as the president commissioner.

4. RATIONALE

The joint venture with a well-established local partner will help the Group extend its footprint into one of the most exciting healthcare markets in Asia, targeted at a clientele seeking reliable and premium specialist healthcare services.

With the Company's experience in setting up and successfully operating specialist medical centres as well as its core competencies in cardiology, cosmetic and implant dentistry, cosmetic surgery, dermatology, and obstetrics and gynaecology, it is well-placed to tap into the growing demand for such services in Indonesia.

5. FINANCIAL EFFECTS

The joint venture is not expected to have any material effect on the consolidated net tangible assets, gearing and earnings per share of the Group as at and for the financial year ended 31 December 2010.

6. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for Mr Kwan Benny Ahadi, whose spouse and brother hold the entire equity interest of PT Medical Diagnostic, none of the directors or controlling shareholders of the Company has an interest, direct or indirect, in the joint venture.

By order of the Board

Dr Chong Lai Leong William
Executive Director and Chief Executive Officer
28 January 2011