

Prospectus : Translation



BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED

Offering the registered, unsecured and unsubordinated debentures
Par value of Baht 1,000 per unit, offering price of Baht 1,000 per unit

Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 1 Due B.E. 2559 ("Tranche 1")

Fixed interest rate 4.13% per annum, Offering amount not exceeding 1,500,000 units, total amount of not exceeding Baht 1,500 million

Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 2 Due B.E. 2561 ("Tranche 2")

Fixed interest rate 4.59% per annum, Offering amount not exceeding 1,000,000 units, total amount of not exceeding Baht 1,000 million

Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 3 Due B.E. 2564 ("Tranche 3")

Fixed interest rate 4.97% per annum, Offering amount not exceeding 2,500,000 units, total amount of not exceeding Baht 2,500 million

The total offering unit of all tranche 5,000,000 units, equivalent to total amount of not exceeding Baht 5,000 million

Offering to Institutional Investors and High Net-Worth Investors

Rating of A by TRIS Rating Co., Ltd. on 18 November 2011

Joint Lead Underwriters

The Siam Commercial Bank Public Company Limited
Bangkok Bank Public Company Limited

Registrar

The Siam Commercial Bank Public Company Limited

Subscription Period

15 – 16 December and 19 December 2011

Date of filing of the registration statement and draft prospectus 10 November 2011
Effective date of filing of the registration statement and draft prospectus 14 December 2011

Prior to making a decision to invest, investors should exercise their own judgment to consider detailed information relating to the debenture offeror and the conditions of debentures, including the suitability for investment and the relevant risk exposure. The effectiveness of this registration statement does not represent that the Securities and Exchange Commission or the Office of the Securities and Exchange Commission has suggested investment in the offered debentures nor shall they assure the value or returns on the offered debentures nor shall they certify the accuracy and completeness of information contained in this registration statement and draft prospectus. The liability for certification of the accuracy and completeness of information contained in this registration statement is vested in the debenture offeror.

Should any information in the registration statement contain any false statement or omission of any material information which should be disclosed, the subscribers, who purchased the securities within one year from the effective date of this registration statement, shall be entitled to claim damages from the debenture offeror pursuant to Section 82 of the Securities and Exchange Act B.E. 2535 (1992) within one year after the subscribers have learned or should have learned of such false statement or omission of material information, but not exceeding two years from the effective date of registration statement.

This document is not the prospectus in relation to the securities offering but is prepared to give information on the securities prior to the offering in order to provide investors with sufficient time before making investment decisions. The information appeared in this document is not deviated from the information appeared in the draft prospectus submitted to the Office of the Securities and Exchange Commission which has yet become effective. Therefore, the information under this document may be subject to change.

The offering of securities may be conducted after the registration statement and draft prospectus submitted to the Office of the Securities and Exchange Commission have become effective and may be conducted by delivering or distributing the prospectus to investors. Investors may examine or request a copy of this registration statement and prospectus at the Capital Market Information Center, the Office of the Securities and Exchange Commission 15th FL., GPF Witthayu Towers, 93/1 Wireless Road, Lumpini, Patumwan Bangkok on a business day between 9.00 – 12.00 and 13.00 – 16.00 or <http://www.sec.or.th>.

**Warning: Investment involves risk.
Investors should study the information prior to making decisions to invest.**

This Draft Prospectus is prepared for the purpose of providing preliminary information regarding the Debentures issued by Bumrungrad Hospital Public Company Limited (the "**Company**") to "Institutional Investors" and "High Net-Worth Investors" as defined in the Notification of the Securities and Exchange Commission No. Gor Jor. 5/2552 re: Prescribing Definitions for the Notifications relating to the Issuance and Offer for Sale of All Types of Debt Instruments dated 13 March 2009 (as amended). The Company and the Joint Lead Underwriters do not permit the use of any information in this Draft Prospectus for other purposes, except for those mentioned above.

The information regarding the Company and/or the Debentures including the information regarding the current business and past performances of the Company as well as estimated information and operational plan of the Company as stated in this Draft Prospectus has been retrieved from the Company and has been prepared as preliminary information for potential investors who are considering investment in the Debentures offered for sale at this time.

This Draft Prospectus contains statements that anticipate the future (the "**Forward-Looking Statements**") related to reviews and other information which the Company has obtained from predictions of future operational results and the approximate income in the future that cannot yet be determined at the moment. Furthermore, such statements related to opportunity, operational plan and business strategy of the Company in the future, which are Forward-Looking Statements, are the opinions of the Company at present about the future which cannot be considered as a guarantee for future operational results. Therefore, future operational result may be different from the Forward-Looking Statements due to different factors. Investors should only take into consideration but not adhere to the Forward-Looking Statements. The Joint Lead Underwriters do not guarantee nor assure the accuracy or completeness of the information in this Draft Prospectus. The information can also be modified or amended without advance notice.

Investment in the Debentures involves risk. Investors should properly study and understand the nature of securities and the information of the Company prior to making an investment decision. In receiving this Draft Prospectus, any person shall not consider the information in this Draft Prospectus as legal, business or tax advice. The investors, shall, on their own, consult with a legal, business or tax advisor in connection with the information on these Debentures.

The delivery of this Draft Prospectus or the offer of the Debentures for sale shall not be considered as a confirmation by the Joint Lead Underwriters of the accuracy and completeness of the information contained in the Draft Prospectus, either on the date of issue or on a later date. Finally, the Office of Securities and Exchange Commission of Thailand does not certify the accuracy and completeness of this Draft Prospectus in anyway.

"Important Disclaimer: This document is an unofficial translation for general information purpose only. It is not offered as an official translation of the Prospectus. Bumrungrad Hospital Public Company Limited does not assume liability for the accuracy of this unofficial translation, and expressly disclaims all liability to any person in respect of anything and in respect of the consequences of anything done or omitted to be done wholly or partly in reliance upon the whole or any part of the contents of this document."

Bumrungrad Hospital Public Company Limited

SECTION 1

Executive Summary

Part 1

Executive Summary

Bumrungrad Hospital Public Company Limited was listed on the Stock Exchange of Thailand on 15 December 1989. The Company operates a private hospital business in Bangkok with the current capacity of 484 beds and over 4,000 outpatients per day.

The Company has four 100%-owned subsidiaries, including Bumrungrad Medical Center Limited, Vitallife Corporation Limited, Asia Global Research Company Limited and Asia Global Health Limited, three associated companies, including 31.5%-owned Bumrungrad International Limited and 30%-owned CDE Trading Company Limited, 24.99%-owned Bangkok Chain Hospital Public Company Limited, and one related company, which is 14%-owned Global Care Solutions S.A. in Luxemburg. (For more information, please see section 2 part 3 – Business). The summary of company structure is as follows;

Bumrungrad Medical Center Limited (“BMC”) is currently a dormant company

Vitallife Corporation Limited (“Vitallife”) is a pioneer in wellness and anti-aging which provides preventive care services targeted at health-conscious individuals. The Vitallife program brings together experienced medical professionals and world-class technologies to provide customers with customized exercise programs, nutrition plans, and food and vitamin supplements for healthy living. Vitallife is also the center in providing anti-aging services for other wellness clinics.

Asia Global Health Limited (“AGH”) is a company that supports the strategy for regional investment in healthcare and related business.

Asia Global Research Company Limited (“AGR”) is the provider of clinical research, both within Thailand and Southeast Asia. The services include (1) contract research organization (“CRO”), which performs multicenter clinical trials for international biotech, pharmaceutical and device companies, and (2) site management organization (“SMO”), which manages groups of investigational sites to provide quality research and quality data.

Bumrungrad International Limited is the Company’s international investment arm. Bumrungrad International Limited focuses on core business of hospital ownership and hospital management. Bumrungrad International Limited has a 56.5% effective investment in Asian Hospital Inc. (“AHI”) in the Philippines as at 31 December 2010. In addition, Bumrungrad International Limited has a four-year management agreement with the Health Authority of Abu Dhabi to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates. Bumrungrad International Limited’s strategic partners are Istithmar, an investment arm of the United Arab Emirates government, Temasek of Singapore, Asia Financial Holdings in Hong Kong and Bangkok Bank Public Company Limited. These strategic partners are internationally well known with strong presences in their respective regions, thereby providing important sources of new investment opportunities and referral networks especially in the Middle East and Asia. On 4 November 2011, BIL, which is an associate of the Company, entered into a Share Purchase Agreement in relation to the sale of all of the shares comprising the investments in three subsidiaries in the Philippines, which are Bumrungrad International Philippines Inc. (BIPI), Neptune Stroika Holdings, Inc. (NSH) and Asian Hospital, Inc. (AHI) to Metro Pacific Investments Corporation, a company incorporated in Philippines. The associate's management expects that the sale transactions will be completed in December 2011 and January 2012. In addition, the management agreement to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates will end on 31 December 2011 and the Company will not extend such agreement.

CDE Trading Company Limited (“CDE Trading”) (previously Global Care Solutions (Thailand) Company Limited) was a software development company for healthcare business. In December 2007, Global Care Solutions (Thailand) Company Limited completed the sale of its core assets, which was the hospital software, and other assets to the Microsoft Group and changed its name from Global Care Solutions (Thailand) Company Limited to CDE Trading Company Limited. CDE Trading is currently a temporarily dormant company.

Bangkok Chain Hospital Public Company Limited is a hospital chain operator under the name of Kasemrad Hospital Group ("Kasemrad") and owns 6 large hospitals which are approved by ISO 9001 version 2000 providing a wide range of healthcare services to customers in Bangkok and other provinces. In addition, Kasemrad opens a specialized medical centers (Referral Base), providing entire diagnosis of heart disease by cardiac catheterization and operation, cancer chemotherapy, laser eye surgery, and treatment for underweight pediatric patients at Kasemrad Hospital (Prachachuen) in order to provide services for all customers of Kasemrad Hospital Group and patients from over 50 alliance hospitals in Thailand.

Global Care Solutions S.A. ("GCS Luxemburg") is currently a dormant company and already complete the liquidation in September 2011.

Summary of Financial Information

The operational result and financial information of the Company as stated in the consolidated financial statement for year ended 31 December 2009 to 2010 and nine-month ended 30 September 2011 can be summarized as follows:

Item	For year ended 31 December		For nine-month ended 30 September 2011
	2009	2010	
Total assets	8,567.0	9,151.7	13,338.08
Total liabilities	3,094.4	3,082.2	6,988.03
Total shareholders' equity	5,472.6	6,069.4	6,350.06
Total revenue	9,337.9	10,069.0	8,730.02
Net Profit	1,245.6	1,258.5	1,213.84

The Company reported total assets as at 31 December 2009 and 2010 of THB 8,567.0 mm and 9,151.7 mm, respectively. The increment of assets in 2010 was driven by an increase in cash and trade receivable which was primarily contributed from the increase in Middle East corporate account and international insurance contracts along with the increase in assets related to the renovation of inpatient wards and renovation of Women Center and Digestive Disease Center.

The Company reported total liabilities as at 31 December 2009 and 2010 of THB 3,094.4 mm and THB 3,082.2 mm, respectively. Total liabilities slightly dropped in 2010 was owing to decrease in current liabilities related to operations such as accrued expenses, short-term loan, and interest-bearing debt (short-term loan + long-term loans).

The Company reported shareholders' equity as at 31 December 2009 and 2010 of THB 5,472.6 mm and THB 6,069.4 mm, respectively. The increase in shareholders' equity in 2010 was mainly the result of higher retained earnings driven by continuous profitability of the Company.

The Company reported total revenue as at 31 December 2009 and 2010 of THB 9,337.9 mm and 10,069.0 mm, respectively. The revenue growth was driven by strong Revenues from hospital operation in the first quarter and third quarter of 2010. However, this was partially offset by weak performance in the second quarter of 2010 due to political unrest. The Company reported net profit as at 31 December 2009 and 2010 of THB 1,245.6 mm and 1,258.5 mm, respectively. However, if the extraordinary item was excluded, THB 63.0 mm loss on the translation adjustment from the sale of ARC Group, the Company's net profit in 2010 was THB 1,321.5 mm.

As at 30 September 2011, the Company reported total assets of THB 13,338.08 mm, total liabilities of THB 6,988.03 mm, and shareholders' equity of THB 6,350.06 mm. For the nine-month ended 30 September 2011, the Company reported total revenue of THB 8,730.02 mm and net profit of THB 1,213.84 mm.

(For more information, please see section 2 part 11 - Financial Position and Performance)

Risk factor

Investment involves risk. Investors should study the information prior to making decision to invest. The summary of some important risk factors are as follows;

1. Political and macroeconomic factors

In the past year, Thailand's tourism industry was affected by political unrest, particularly in the second quarter. Other external factors affecting the industry from time to time include global and domestic economic downturns and contractions in activity caused by incidents such as flu pandemics. Although medical tourism is not as easily affected as the typical tourism industry as there is often an established relationship between patients and the hospital and physicians, these events could cause a postponement or a reduction in the number of patients traveling to Thailand, and could in turn affect revenues from international patients.

In order to minimize the risk, the Company maintains a balanced portfolio of international and Thai patients so that the Company does not rely excessively on revenue from international patients. In the past year, the Company has focused on marketing activities for the domestic market while continuing to work to attract international patients. As a result, the Thai patient market was a major contributor in terms of volume, at 58% of total volume in 2010.

2. Intensified competition in the premium healthcare sector

As private hospitals in Thailand and the region continue to develop, competition in the private healthcare sector continues to intensify the risk of losing clients to competitors.

In order to maintain its leading position in Thailand and Asia and to mitigate risk, the Company has focused on continuing to recruit doctors of the highest caliber, invested in up-to-date equipment and information technology, upgraded and expanded both inpatient and outpatient facilities as well as continuously improved its quality of care. The Company's hospital was the first hospital in Asia to receive US standard accreditation from Joint Commission International Accreditation (JCIA). The hospital has also received JCI's Clinical Care Program Certification (CCPC) for specialty programs, including the Primary Stroke Program, Acute Myocardial Infarction, Diabetes Mellitus Type I and II, and Chronic Kidney Disease Stage I to IV. The hospital was also the first private hospital in Thailand to receive Thai Hospital Accreditation (HA) and award "Thailand Quality Class" from Thailand Productivity Institute. In 2010, the Company was recognized by third-party organizations for achievements in various areas and received awards including "Prime Minister's Export Award 2010" for Best Service Provider (Hospital Service) and Thailand Tourism Award: "Award of Outstanding Performance in Medically-Oriented Establishment" by The Tourism Authority of Thailand. In addition, the Company has a strong client base of referral patients both from within Thailand and internationally.

3. International investments

Currently Bumrungrad International Limited has an investment in a hospital in the Philippines and a management agreement in Abu Dhabi, United Arab Emirates. Such investment and operations carry the inherent risk of investment and expose the Company to country and currency risk outside Thailand.

To mitigate this risk, Bumrungrad International Limited's experienced international management team conducts extensive feasibility studies and carries out detailed due diligence using firms with local knowledge before recommending any investment. Risk is also reduced by engaging local equity partners in most overseas investments and entered into local credit facilities without guarantee from Bumrungrad International Limited or Bumrungrad Hospital Public Company Limited.

Summary details of debenture

Type of debenture	Registered, unsecured and unsubordinated without debenture holder representative
Amount	Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 1 Due B.E. 2559 ("Tranche 1") not exceeding 1,500,000 units Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 2 Due B.E. 2561 ("Tranche 2") not exceeding 1,000,000 units Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 SERIE 3 Due B.E. 2564 ("Tranche 3") not exceeding 2,500,000 units Total units of all tranche not exceeding 5,000,000 units
Par value per unit	1,000 Baht
Value	Tranche 1 not exceeding Baht 1,500 million Tranche 2 not exceeding Baht 1,000 million Tranche 3 not exceeding Baht 2,500 million Total value of all tranche not exceeding Baht 5,000 million
Offering price per unit	1,000 Baht
Term	Tranche 1: 5 years from the Issue date Tranche 2: 7 years from the Issue date Tranche 3: 10 years from the Issue date
Issue date	20 December 2011
Maturity date	Tranche 1: 20 December 2016 Tranche 2: 20 December 2018 Tranche 3: 20 December 2021 (If the exact Maturity date is not a business day, the new Maturity date shall be the next business day)
Status of the debentures	The Debentures constitute direct, general, unconditional, unsecured and unsubordinated indebtedness of the Issuer ranking <i>pari passu</i> , without any preference among themselves, with all other present and future unsecured and unsubordinated indebtedness of the Issuer, except for obligations mandatorily preferred by law applicable to the Issuer generally
Interest rate	Tranche 1: Fixed interest rate 4.13% per annum Tranche 2: Fixed interest rate 4.59% per annum Tranche 3: Fixed interest rate 4.97% per annum
Objectives of debenture issuance	Working capital, business expansion and refinance existing loans

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As at 30 September 2011, the Company has 2 series of convertible debentures with outstanding value of Baht 550 million and promissory note in an amount of Baht 3,570 million. The summary details of convertible debentures are as follows;

Name	BH PARTLY SECURED CONVERTIBLE BONDS UNTIL 2012 SERIES # 1 DUE 2012	BH PARTLY SECURED CONVERTIBLE BONDS UNTIL 2012 SERIES # 2 DUE 2012
Issue date	24 August 2000	24 August 2000
Offering amount	Baht 300 million	Baht 1,000 million
Outstanding amount	Baht 300 million	Baht 250 million
Term	12 years	12 years
Conversion term	Bondholders have the right to convert their bonds into shares at any time since the issue date to the maturity date	Bondholders have the right to convert their bonds into shares at any time since the issue date to the maturity date
Mandatory conversion	At the maturity date, the Company has the right to choose to redeem the bond or to convert into shares	At the maturity date, the Company has the right to choose to redeem the bond or to convert into shares
Collateral	The Company's land	The Company's land

On 9 November 2011, the Board of Directors of the Company has a resolution to extend the maturity date of such 2 series of convertible debentures for another 5 years to be due on 23 August 2017. However, the collateral shall be released pursuant to the original date on 23 August 2012. Such amendments will be effective after the approval of shareholders' meeting of the Company on 8 December 2011

(Investors should study the information in section 2 and 3 prior making decision to invest)

Bumrungrad Hospital Public Company Limited

SECTION 2

ISSUER

1. **General Information**

1 Company Information

Name :	Bumrungrad Hospital Public Company Limited
Type of Business :	Private hospital
Head Office Address :	33 Sukhumvit Soi 3 (Nana Nua) Sukhumvit Road Klong Toey Nua, Wattana, Bangkok 10110
Registration No. :	0107536000994
Home page :	http://www.bumrungrad.com
E-mail address :	ir@bumrungrad.com
Telephone :	0 2667 1000
Fax :	0 2667 2525
Registered Capital :	Baht 922,702,685 Divided into Ordinary shares of 921,034,085 shares, par value at Baht 1 per share Preferred shares of 1,668,600 shares, par value at Baht 1 per share
Issued and Paid up Capital:	Baht 730,052,222 Divided into Ordinary shares of 728,383,622 shares, par value at Baht 1 per share Preferred shares of 1,668,600 shares, par value at Baht 1 per share

2. Entities in which the Company has more than 10% shareholding

Company	Type of Business	Issued and paid up ordinary shares	Shareholding (%)
1. Bumrungrad Medical Center Limited 33/3 Sukhumvit Soi 3 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 1000, Fax 0 2667 2525	Dormant Company	468,750 shares	100.0%
2. Vitallife Corporation Limited 210 Sukhumvit Soi 1, Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 2340, Fax 0 2667 2341	Wellness Center	315,000 shares	100.0%
3. Asia Global Research Company Limited 33 Sukhumvit Soi 3 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 1700, Fax 0 2667 1800	Clinical Research	5,000,000 shares	100.0%
4. Asia Global Health Limited Room 337, 3 rd Floor, South China C.S. Building, 13-17 Wah Sing Street, Kwai Chung, New Territories, Hong Kong Phone (852) 881 8226, Fax (852) 881 0377	Investment in healthcare and related business in Asia	1,220,000 shares	100.0%
5. Bumrungrad International Limited 33 Sukhumvit Soi 3 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 1000, Fax 0 2667 2525	International Investment	11,760,000 shares	31.5%

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Company	Type of Business	Issued and paid up ordinary shares	Shareholding (%)
6. CDE Trading Company Limited 33 Sukhumvit Soi 3 Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 1000, Fax 0 2667 2525	Temporarily Dormant Company	100,000 shares	30.0%
7. Bangkok Chain Hospital Public Company Limited	Operating Healthcare business under Kasemrad Hospital Group ("Kasemrad")	498,748,800 shares	24.99%
8. Global Care Solutions S.A. 9 Rue Schiller, L-2519 Luxembourg Phone 41 (76) 565 1533, Fax 41 (44) 496 6319	Dormant Company*	31,426 shares	14.0%

*complete liquidation on September 2011

3. Reference Persons

1. Auditor	Ernst & Young Office Limited 33 rd Floor, Lake Rajada Office Complex, 193/136-137 New Rajadapisek Road, Bangkok 10110 Phone 0 2264 0777, Fax 0 2264 0789-90
2. Legal Consultant	Thai Consultant Limited 63 Soi 8 (Soi Preeda), Sukhumvit Road, Bangkok 10110 Phone 0 2255 2552, Fax 0 2653 1133
3. Share Registrar	Thailand Securities Depository Company Limited 62 The Stock Exchange of Thailand Building, 4 th and 6 th -7 th Floor, Rachadapisek Road, Klong Toey, Bangkok 10110 Phone 0 2229 2888, Fax 0 2359 1259
4. Convertible Bonds Registrar	Bumrungrad Hospital Public Company Limited 33 Sukhumvit Soi 3 (Nana Nua), Sukhumvit Road, Klong Toey Nua, Wattana, Bangkok 10110 Phone 0 2667 2025, Fax 0 2667 2031
5. Bondholders' Representative	Thai Military Bank Public Company Limited 3000 Paholyothin Road, Jatujak, Bangkok 10900 Phone 0 2299 1111, 0 2617 9111, Fax 0 2299 1784
6. Debenture Registrar	Siam Commercial Bank Public Company Limited 1060 Petchburi Road, Ratchathewi, Bangkok 10400 Phone 0 225 2323, Fax 0 2256 2406

4. Financial institutions regularly contacted by the company

Bangkok Bank Public Company Limited
The Siam Commercial Bank Public Company Limited
Thai Military Bank Public Company Limited
Kasikornbank Public Company Limited
Standard Chartered Bank (Thailand) Public Company Limited
Citibank
Sumitomo Mitsui Banking Corporation
Industrial and Commercial Bank of China (Thailand) Public Company Limited
The Government Housing Bank

2. RISK FACTORS

2.1 Political and macroeconomic factors

In the past year, Thailand's tourism industry was affected by political unrest, particularly in the second quarter. Other external factors affecting the industry from time to time include global and domestic economic downturns and contractions in activity caused by incidents such as flu pandemics. Although medical tourism is not as easily affected as the typical tourism industry as there is often an established relationship between patients and the hospital and physicians, these events could cause a postponement or a reduction in the number of patients traveling to Thailand, and could in turn affect revenues from international patients.

In order to minimize the risk, the Company maintains a balanced portfolio of international and Thai patients so that the Company does not rely excessively on revenue from international patients. In the past year, the Company has focused on marketing activities for the domestic market while continuing to work to attract international patients. As a result, the Thai patient market was a major contributor in terms of volume, at 58% of total volume in 2010.

2.2 Intensified competition in the premium healthcare sector

As private hospitals in Thailand and the region continue to develop, competition in the private healthcare sector continues to intensify the risk of losing clients to competitors.

In order to maintain its leading position in Thailand and Asia and to mitigate risk, the Company has focused on continuing to recruit doctors of the highest caliber, invested in up-to-date equipment and information technology, upgraded and expanded both inpatient and outpatient facilities as well as continuously improved its quality of care. The Company's hospital was the first hospital in Asia to receive US standard accreditation from Joint Commission International Accreditation (JCIA). The hospital has also received JCI's Clinical Care Program Certification (CCPC) for specialty programs, including the Primary Stroke Program, Acute Myocardial Infarction, Diabetes Mellitus Type I and II, and Chronic Kidney Disease Stage I to IV. The hospital was also the first private hospital in Thailand to receive Thai Hospital Accreditation (HA) and award "Thailand Quality Class" from Thailand Productivity Institute. In 2010, the Company was recognized by third-party organizations for achievements in various areas and received awards including "Prime Minister's Export Award 2010" for Best Service Provider (Hospital Service) and Thailand Tourism Award: "Award of Outstanding Performance in Medically-Oriented Establishment" by The Tourism Authority of Thailand. In addition, the Company has a strong client base of referral patients both from within Thailand and internationally.

2.3 Shortage of professional staff

The hospital business requires personnel including nurses, pharmacists and various technicians, with specific technical expertise and knowledge. A shortage of these professionals is partially due to the increasing demand from both the private and public sectors. Given the importance of its international client base, the Company also requires multi-lingual professionals.

In order to minimize the risk, the Company offers competitive compensation and benefits for its staff. The Company also provides education and training, recreation, staff engagement projects and staff welfare activities to all staff members. Through a decentralized management structure, the Company also offers excellent career paths to various categories of staff. In 2010, the Company received the "Best Practice Workplace Award on Labor Relations and Labor Welfare Award 2010" from the Ministry of Labor for 3 consecutive years.

2.4 Risk from interest rate volatility

The Company has loans from local financial institutions. Most of these are long-term loans at floating interest rates; therefore, interest rate volatility could affect the financial performance of the Company.

However, the loan size is small compared to the Company's equity and assets. Therefore, the Company has limited risk from interest rate volatility. As of 30 September 2011, the Company had a total balance of long-term floating interest rate loans from financial institutions of Baht 1,430 million, accounting for 22.5% of total equity and 10.7% of total assets.

2.5 International investments

Currently Bumrungrad International Limited has an investment in a hospital in the Philippines and a management agreement in Abu Dhabi, United Arab Emirates. Such investment and operations carry the inherent risk of investment and expose the Company to country and currency risk outside Thailand.

To mitigate this risk, Bumrungrad International Limited's experienced international management team conducts extensive feasibility studies and carries out detailed due diligence using firms with local knowledge before recommending any investment. Risk is also reduced by engaging local equity partners in most overseas investments and entered into local credit facilities without guarantee from Bumrungrad International Limited or Bumrungrad Hospital Public Company Limited.

2.6 Legal disputes

The hospital business is subject to litigation risk attended to the provision of healthcare services by hospital staff and physicians.

Therefore, in order to minimize the risk, the Company has implemented a healthcare risk management system to ensure that the risk of mistakes by the Company's personnel is minimized and corrected. In addition, the Company has various insurance policies in place against possible legal lawsuits

3. BUSINESS DESCRIPTION

3.1 Company History

1980: Bumrungrad Hospital was the first private hospital to open in central Bangkok with a capacity of 220 beds.

1989: Bumrungrad Hospital Public Company Limited (the "Company") became a listed company on the Stock Exchange of Thailand.

1997: The hospital opened the new replacement facility with capacity of 554 beds.

1999: Bumrungrad Hospital received ISO9002 certification and was the first private hospital in Thailand to receive Thai Hospital Accreditation (HA).

2000: The Company voluntarily requested for the suspension of the trading of its shares on the Stock Exchange of Thailand (SET), as the Company was in the process of negotiating with its creditors on the debt restructuring. In August of the same year, the Company successfully completed its debt restructuring.

2001: Bumrungrad Hospital received ISO14001 standard for its environmental management, and was the first hospital in Asia to receive ISO9001:2000 accreditation. In addition, it was the first hospital to receive the renewal of Thai Hospital Accreditation, making it the first hospital in Thailand to have received all three standards at the same time. Regarding business expansion, the Company saw the opportunity to expand into the "preventive medicine" segment, and established Vitallife Corporation Limited ("Vitallife"), which commenced its operation as an anti-aging clinic on 28 August 2001.

2002: The Company formally opened the International Patient Center to accommodate the increasing demand of international patients. In addition, the Company launched BH International, a business unit with the objective at that time to provide management and consultancy services to hospitals in the region. At present, BH International is operated under Bumrungrad International Limited. In the same year, Bumrungrad Hospital was the first hospital in Asia to receive the highly prestigious international standard hospital accreditation by the US-based Joint Commission International Accreditation ("JCIA").

2003: The Company succeeded in transferring its securities to the Healthcare Service Sector and the Company's shares commenced trading on the SET again on 29 October 2003. In addition, the Company started its expansion plan by building a new outpatient facility to accommodate the increase in demand.

2004: The Company reduced its par value from Baht 10 per share to Baht 5 per share and used all the reduced paid-up share capital to settle against retained loss. In addition, the Company changed its par value from Baht 5 per share to Baht 1 per share (share split). On the international expansion, BH International business unit was transferred to be under the responsibility of Bumrungrad International Limited, the Company's 100% subsidiary at the time. Bumrungrad International Limited's policy was changed from providing consulting and management services to investments in hospitals in the region.

2005: Bumrungrad International Limited invested an effective shareholding of 43.25% in Asian Hospital Inc. ("AHI") which is the operator of 253-bed private hospital in Manila, the Philippines at that time.

2006: Bumrungrad International Limited made a 49% investment in Bumrungrad Hospital Dubai LLC, the operator of a 250-bed private hospital in Dubai, United Arab Emirates. The investment size is expected to be Baht 388 million, of which Bumrungrad International Limited paid the initial investment of Baht 25.8 million in 2006. In addition, in 2006, Bumrungrad International Limited increased its capital through an issuance of 5,764,701 new shares to strategic partners, Temasek, Istithmar and Bangkok Bank Public Company Limited. As a result, the Company's shareholding in Bumrungrad International Limited was decreased from 100% to 51%.

2007: For the expansion of the Bangkok facility, the Company completed the construction of the new Bumrungrad International Clinic Building and opened the Health Screening Center on the 11th floor and the parking in the beginning of 2007.

In 2007, Bumrungrad International Limited increased its capital from Baht 1,176,470,100 to Baht 2,749,336,700 in two tranches: the first tranche to allow Asia Financial Holdings Group to become a 19.5% shareholder in Bumrungrad International Limited, resulting in a decrease in the Company's shareholding in Bumrungrad International Limited from 51% to 31.5%; and the second tranche to raise additional capital for Bumrungrad International Limited's investments.

Bumrungrad International Limited invested US\$ 75 million for a 100% stake of Asia Renal Care Limited ("ARC"), the largest private provider of dialysis and related services in Asia. Also, Bumrungrad International Limited signed a four-year agreement with the Health Authority of Abu Dhabi to manage Mafraq Hospital in Abu Dhabi, United Arab Emirates. In addition, Bumrungrad International Limited converted management fees received from AHI in the Philippines into equity stake, resulting in an increase in its shareholding in AHI from 43.25% to 45.5% as at 31 December 2007.

Global Care Solutions (Thailand) Company Limited ("GCS Thailand"), the Company's 30% associated company, sold its software and other assets to the Microsoft Group, resulting in a share of profit from GCS Thailand of Baht 829 million in the fourth quarter of 2007. GCS Thailand then changed its name from Global Care Solutions (Thailand) Company Limited to CDE Trading Company Limited.

2008: For the Bangkok facility, the Company held a grand-opening of the new Bumrungrad International Clinic Building in June 2008, with seven additional floors opened, of which four floors are outpatient clinics. As a result, the hospital's outpatient capacity increased from 3,500 patients per day to 4,500 patients per day. The hospital also invested in major technologies to improve its quality of service especially for patient safety, including the new state-of-the-art, fully-automated drug management system, the 'Pharmacy Robot', which is the first of its kind in Asia, and Thailand's first modern medical lab automation system, Beckman Coulter's Lab Automation. In addition, the Company bought back BH Tower from Bangkok Bank Public Company Limited for Baht 470 million. The building is currently being used as serviced apartments for patients and families and will be converted into inpatient beds as needed.

For the international business, in February 2008, Bumrungrad International Limited increased its paid-up capital from Baht 2,749,336,700 to Baht 3,199,336,700. The fund was used for the expansion of AHI in the Philippines, which is the construction of a new hospital building. As Bumrungrad International Limited was the only shareholder that participated in AHI's capital increase, together with the conversion of management fees into equity stake, Bumrungrad International Limited's shareholding in AHI increased from 45.5% to 54.4% as at 31 December 2008.

In December 2008, the Company, together with Asia Renal Care (SEA) Limited ("ARC (SEA)"), which is Bumrungrad International Limited's 100% subsidiary, through Asia Renal Care Limited, formed a joint venture, Asia Renal Care (Thailand) Co., Ltd. ("ARC Thailand"), with registered and paid-up capital of Baht 12 million. The Company has 51% shareholding in ARC Thailand while ARC (SEA) holds the remaining 49%.

2009: Bumrungrad Hospital, Bangkok is in the process of renovating and upgrading all of its inpatient rooms. As at 31 December 2009, 341 rooms have been renovated. The renovation is expected to be completed in May 2010.

In February 2009, ARC Thailand made a 20% investment in Nephromed Co., Ltd. ("Nephromed"), a dialysis service provider with 14 clinics in Thailand at the time. With ARC (SEA) directly holding another 40% in Nephromed, the group's collective shareholding in Nephromed is 60%.

In November 2009, Bumrungrad International Limited sold all of its shares in Bumrungrad Hospital Dubai LLC back to Istithmar World Group. Bumrungrad International Limited had made

- Translation -

provision for the investment in its 2008 financial statements upon the temporarily suspension of the project. In addition, as at 31 December 2009, Bumrungrad International Limited's shareholding in AHI was at 56.4%, an increase from 54.4%, as a result of the conversion of management fees into equity.

In addition, in 2009, two 100%-owned subsidiaries have been incorporated: (1) Asia Global Health Limited (AGH) was registered in Hong Kong in March 2009, with paid-up capital of HK\$ 4.8 million, or approximately Baht 22.08 million, with the objective to seek investment opportunities in healthcare and related businesses in the region; and (2) Asia Global Research Company Limited (AGR) was incorporated in June 2009, with registered capital of Baht 20 million, and with the objective to provide clinical research and related services.

In 2009, the Company has been recognized by third-party organizations for its achievements in various areas and received awards as follows:

1. "Growth Excellence Awards" by Frost & Sullivan.
2. "Best Practice Workplace Award on Labor Relations and Labor Welfare Award 2009" in the 'large-enterprise without Federation of Labor Union' category by the Ministry of Labor.
3. 2009 "Thailand's Top 10 Most Innovative Companies" award by Chulalongkorn University's School of Business.

2010: For Bumrungrad Hospital, Bangkok, renovating and upgrading all of its inpatient rooms finished on plan in May 2010. As at December 2010, the number of available beds has been 484 beds. The Company celebrated on 30th anniversary in September 2010 with special healthcare events and packages to clients.

In March 2010, the Company received two additional disease-specific JCI Certifications: Diabetes Mellitus and Chronic Kidney Disease. The Company opened new Women Center at the second floor of Bumrungrad Hospital building.

In May 2010, Bumrungrad International Limited signed a share purchase agreement in relation to the sale of all the shares of ARC to Fresenius Medical Care Beteiligungsgesellschaft mbH ("Fresenius Medical Care"), a company incorporated in Germany. ARC is a 100% indirectly owned subsidiary of Bumrungrad International Limited.

In tandem with the above sale, the Company signed a share purchase agreement to sell all of the ARC Thailand shares held by the Company of 51% to Nephrocare (Thailand) Co., Ltd., an affiliated company of Fresenius Medical Care.

In June 2010, the Company opened new Digestive Disease Center.

In 2010, the Company has been recognized by third-party organizations for its achievements in various areas and received awards as follows:

1. "Prime Minister's Export Award 2010" for Best Service Provider (Hospital Service)
2. "Thailand's Top 10 Most Innovative Companies 2010" By Chulalongkorn University's school of business
3. "Best Practice Workplace Award on Labor Relations and Labor Welfare Award 2010" by the Ministry of Labor
4. Thailand Tourism Award: "Award of Outstanding Performance in Medically-Oriented Establishment" by The Tourism Authority of Thailand

- Translation -

In 2011, the Company has a plan to expand its outpatient services in Bumrungrad International Clinic Building for another 5-storey, which expected to be completed within year 2012. The Company also plans to increase an investment in assets for Baht 1,000 million within year 2012, which allows the Company to provide more outpatient services..

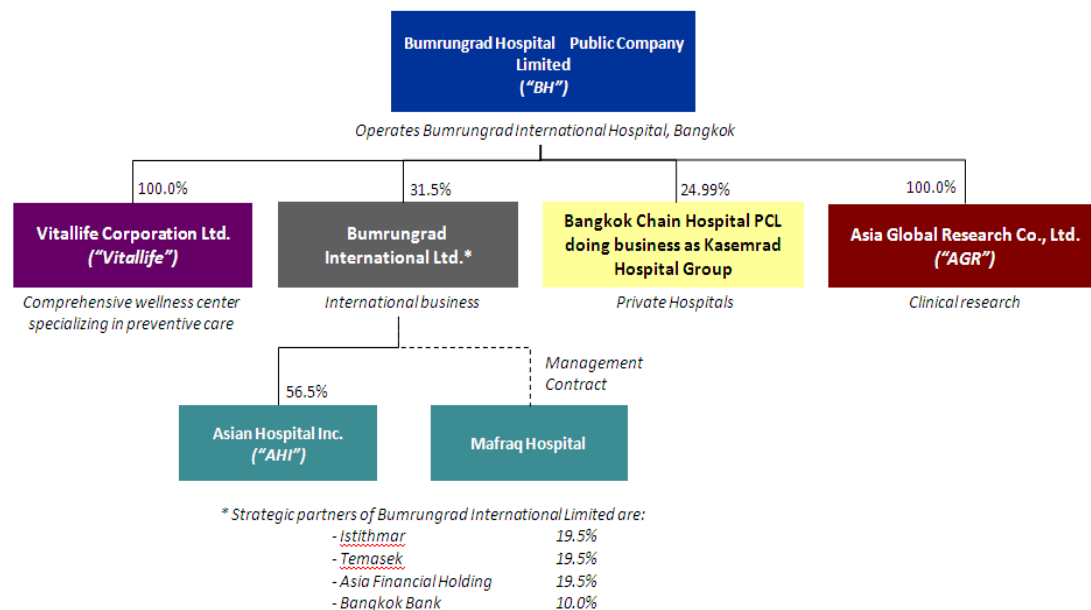
In March 2011, the Company, by the approval of the Board of Directors, acquired common shares of Bangkok Chain Hospital Public Company Limited in an amount of 415,624,000 shares from Land and Houses Public Company Limited, which is not a related party, at acquisition price of Baht 8.50 per share, equivalent to 24.99% of the total registered and paid-up shares of the acquired company. Bangkok Chain Hospital Public Company Limited, has an operation under the name of Kasemrad Hospital Group ("Kasemrad"), owns 6 large hospitals which are approved by ISO 9001 version 2000 providing a wide range of healthcare services to customers in Bangkok and other provinces. This acquisition will expand healthcare business of the Company in Thailand. The Company will benefits from the success of customer base of Kasemrad, including the network of service center which are currently established in many areas. Such services are able to provide wide range of healthcare services which meet with customers' requirements. In addition, this acquisition allows the Company to recognize the dividend revenue and profit from investment from the future operation of Kasemrad. Both the Company and Kasemrad are emphasizing on the growth strategy in order to create mutual business benefit, which positions healthcare and morality as the most essential concern while maintaining the appropriate return to the shareholders. In addition, in 2011, the Company received reward named "Best Practice Workplace Award on Labor Relations and Labor Welfare Award 2011" by the Ministry of Labor for the three consecutive years..

In April 2011, an associate (Bumrungrad International Ltd.) registered with the Ministry of Commerce to reduce its registered and paid-up share capital from Baht 3,199.3 million (31,993,367 ordinary shares at par value of Baht 100.00 each) to Baht 1,176.0 million (11,760,000 ordinary shares at par value of Baht 100.00 each). The associate's share capital reduction was made in accordance with a resolution of the Extraordinary General Meeting of its shareholders held on 14 March 2011. The Company received a return of share capital in proportion to its 31.5% shareholding in the associate on 19 April 2011, amounting to Baht 612.6 million (6,373,506 shares at a value of Baht 96.12 each). In this regard, Bumrungrad International Ltd. is still an associate of the Company.

In September 2011, the Extraordinary General Shareholders' Meeting of the Company's subsidiary (Asia Global Research Ltd.) approved the increase of registered share capital from Baht 20.0 million (2.0 million ordinary shares of Baht 10.00 each) to Baht 50.0 million (5.0 million ordinary shares of Baht 10.00 each), through the issuance of 30.0 million additional ordinary shares with a par value of Baht 10.00 each, for offer to its existing shareholders at Baht 10.00 per share. The Company purchased all of the additional ordinary shares and paid for the share subscription on 13 September 2011. The subsidiary registered the increase of its capital with the Ministry of Commerce on 14 September 2011.

3.2 Business Overview

Corporate structure as of 30 October 2011



Bumrungrad Hospital Public Company Limited (the "Company") operates a private hospital business in Bangkok with the current capacity of 484 beds and over 4,000 outpatients per day. The Company is one of the leading healthcare providers in Thailand and in the Southeast Asian region, providing complete healthcare services for both outpatients and inpatients. The Company has always emphasized the importance of quality healthcare and experienced physicians and staff. Bumrungrad International Hospital, Bangkok is the first hospital in Asia to receive the US standard accreditation from the Joint Commission International (JCI). The hospital has also received JCI's Clinical Care Program Certification (CCPC) for specialties programs including the Primary Stroke Program, Acute Myocardial Infarction, Diabetes Mellitus Type I and II and Chronic Kidney Disease Stage I to IV. Besides, the Company is the first hospital which was approved by Thai Hospital Accreditation (HA).

The Company has four 100%-owned subsidiaries, including Bumrungrad Medical Center Limited, Vitalife Corporation Limited, Asia Global Research Company Limited and Asia Global Health Limited, three associated companies, including 31.5%-owned Bumrungrad International Limited and 30%-owned CDE Trading Company Limited, 24.99%-owned Bangkok Chain Hospital Public Company Limited, and one related company, which is 14%-owned Global Care Solutions S.A. in Luxemburg.

Bumrungrad Medical Center Limited ("BMC") is currently a dormant company

Vitalife Corporation Limited ("Vitalife") is a pioneer in wellness and anti-aging which provides preventive care services targeted at health-conscious individuals. The Vitalife program brings together experienced medical professionals and world-class technologies to provide customers with customized exercise programs, nutrition plans, and food and vitamin supplements for healthy living. Vitalife is also the center in providing anti-aging services for other wellness clinics.

Asia Global Health Limited ("AGH") is a company that supports the strategy for regional investment in healthcare and related business.

Asia Global Research Company Limited ("AGR") is the provider of clinical research, both within Thailand and Southeast Asia. The services include (1) contract research organization ("CRO"), which performs multicenter clinical trials for international biotech, pharmaceutical and device companies, and (2) site management organization ("SMO"), which manages groups of investigational sites to provide quality research and quality data.

Bumrungrad International Limited is the Company's international investment arm. Bumrungrad International Limited focuses on core business of hospital ownership and hospital management. Bumrungrad International Limited has a 56.5% effective investment in Asian Hospital Inc. ("AHI") in the Philippines as at 31 December 2010. In addition, Bumrungrad International Limited has a four-year management agreement with the Health Authority of Abu Dhabi to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates. Bumrungrad International Limited's strategic partners are Istithmar, an investment arm of the United Arab Emirates government, Temasek of Singapore, Asia Financial Holdings in Hong Kong and Bangkok Bank Public Company Limited. These strategic partners are internationally well known with strong presences in their respective regions, thereby providing important sources of new investment opportunities and referral networks especially in the Middle East and Asia. On 4 November 2011, BIL, which is an associate of the Company, entered into a Share Purchase Agreement in relation to the sale of all of the shares comprising the investments in three subsidiaries in the Philippines, which are Bumrungrad International Philippines Inc. (BIPI), Neptune Stroika Holdings, Inc. (NSH) and Asian Hospital, Inc. (AHI) to Metro Pacific Investments Corporation, a company incorporated in Philippines. The associate's management expects that the sale transactions will be completed in December 2011 and January 2012. In addition, the management agreement to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates will end on 31 December 2011 and the Company will not extend such agreement.

CDE Trading Company Limited ("CDE Trading") (previously Global Care Solutions (Thailand) Company Limited) was a software development company for healthcare business. In December 2007, Global Care Solutions (Thailand) Company Limited completed the sale of its core assets, which was the hospital software, and other assets to the Microsoft Group and changed its name from Global Care Solutions (Thailand) Company Limited to CDE Trading Company Limited. CDE Trading is currently a temporarily dormant company.

Bangkok Chain Hospital Public Company Limited is a hospital chain operator under the name of Kasemrad Hospital Group ("Kasemrad") and owns 6 large hospitals which are approved by ISO 9001 version 2000 providing a wide range of healthcare services to customers in Bangkok and other provinces. In addition, Kasemrad opens a specialized medical centers (Referral Base), providing entire diagnosis of heart disease by cardiac catheterization and operation, cancer chemotherapy, laser eye surgery, and treatment for underweight pediatric patients at Kasemrad Hospital (Prachachuen) in order to provide services for all customers of Kasemrad Hospital Group and patients from over 50 alliance hospitals in Thailand.

All 6 hospitals of Kasemrad are able to serve 9,400 outpatients per day. Kasemrad also plans to open new 324-beds hospital (World Medical Center) at Chaengwattana in third quarter 2012

Global Care Solutions S.A. ("GCS Luxemburg") is currently a dormant company and already complete the liquidation in September 2011.

3.3 Revenue Structure

Unit: Baht Million

Product line / Business Group	Operate by	% Shareholding by Company	Jan – Sep 2011		2010		2009	
			Revenue	%	Revenue	%	Revenue	%
Healthcare	Bumrungrad Hospital Pcl.		8,374.3	96.0	9,636	95.7	8,955	95.9
Healthcare	Vitalife Corporation Ltd.	100.0	137	1.5	170	1.7	114	1.2
Total Healthcare			9,806	8511	97.5	9,806	97.4	9,069
Rental	Bumrungrad Hospital Pcl.		93	1.1	130	1.3	132	1.4
Total Rental			93	1.1	130	1.3	132	1.4
Others	Bumrungrad Hospital Pcl.		123.2	1.4	127	1.3	133	1.4
Others	Bumrungrad Medical Center Ltd.	100.0	-	-	-	-	-	-
Others	Asia Global Research Ltd.	100.0	1.8	0.0	6	0.1	4	0.0
Total Others			125	1.4	133	1.3	137	1.5
Total			8730	100	10,069	100	9,338	100

4. DESCRIPTION OF EACH BUSINESS LINE

4.1 Product Description

Bumrungrad Hospital Public Company Limited (“the Company”)

The Company is the operator of Bumrungrad International Hospital, Bangkok, which is the main revenue contributor. As at 30 September 2011, the revenue from hospital operations of the Bangkok facility is 96.1% of total revenues.

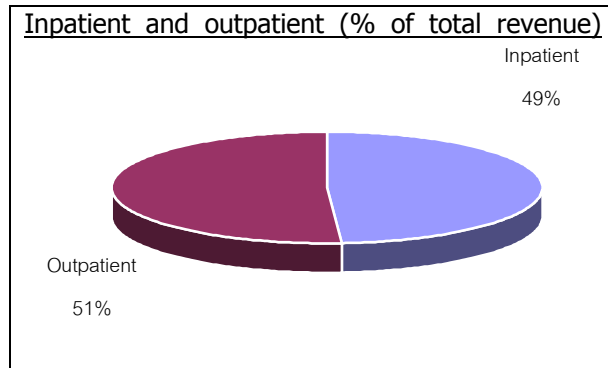
The Hospital’s Services:

The services of Bumrungrad International Hospital, Bangkok can be detailed as follows:

1. Outpatient service has 34 outpatient clinics with 250 examination rooms, and capacity to serve over 4,000 outpatients per day, with the following details:
 - Allergy Center
 - Aviation Medicine Center
 - Behavioral Health Center
 - Breast Screening Center
 - Children’s Center
 - Dental Center
 - Diabetes Center
 - Dialysis Center
 - Digestive Disease Center
 - Early Intervention Center
 - Emergency Center
 - Endoscopic Center
 - Eye and ENT Center
 - Eye Laser Refraction Center
 - Fertility Center
 - Health Screening Center
 - Heart Center
 - Horizon Regional Cancer Center
 - Men Center
 - Neurology Center
 - Orthopedic Center
 - Pathology Center
 - Physiotherapy Center
 - Plastic Surgery Center
 - Pulmonary Physiology Center
 - Radiology Center
 - Rehabilitation Center
 - Skin Center
 - Skin Laser Center
 - Sleep Disorders Center
 - Spine Specialists Center
 - Stroke Center
 - Urology Center
 - Women’s Center
2. Licensed capacity for inpatient service totals 538 beds, of which 37 are adult intensive care beds, 14 are cardiac care beds, 9 are pediatric intensive care beds and 5 are level III neonatal intensive care beds. As at 30 September 2011, the hospital has 484 beds in operation.

- Translation -

In the first 9 months of year 2011, the Company treated a total of over 800 thousand patients. The revenue contribution by inpatient and outpatient in the first 9 months of year 2011 are as follows:

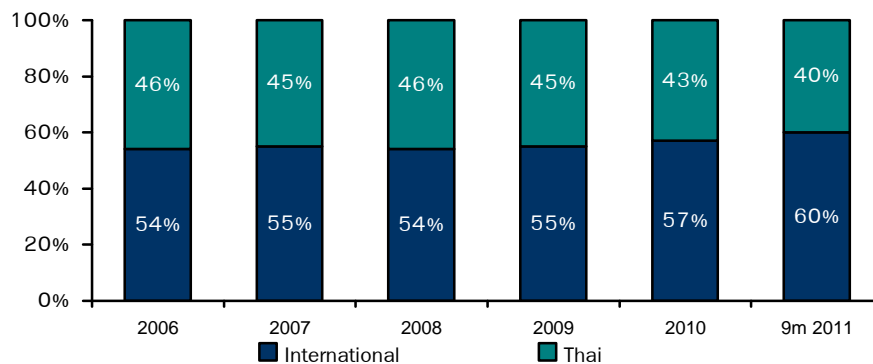


International Patient Services:

The Company has a strong and successful track record in increasing its presence in the international market. It has an International Patient Services Center to facilitate and accommodate international patients. The services offered include interpreters, international insurance coordination and international medical coordinators, referral center, email correspondence, visa extension counter, embassy assistance, airport reception and travel assistance. In addition, the Company operates two serviced apartments: BH Residence (BH Tower), with 56 fully serviced apartments connected to the hospital, and Bumrungrad Hospitality Suites, with 51 fully serviced apartments for patients and families. The Company also has 18 overseas referral offices in 15 countries.

In the first 9 months of year 2011, Bumrungrad International Hospital treated over 300,000 international patients from over 200 countries. The top three highest revenue contributors by country continue to be the United Arab Emirates, the United States and Myanmar. The following graph shows the historical revenue contribution of international patients over the past five years.

Thai vs. international patients (% of total revenue)



*Note: International patients are by nationality and include both expatriates and medical tourists.

The Bangkok Facility:

At present, the hospital's services are offered in three buildings:

1. **Bumrungrad International Clinic Building** is a 22-storey outpatient facility, with the first ten floors being used as parking spaces and the top 12 floors as outpatient clinics and ancillary services. The building offers outpatient services only. Currently, five clinic floors are open for service, including the health screening (check-up), heart, medical/surgical clinics, infectious disease, kidney, neurology, pulmonology, rheumatology, urology, and men's centers together with two non-clinic floors for patient services and restaurant. The Bumrungrad International Clinic Building has five floors of outpatient clinics remaining unopened. The Company plans to gradually occupy the five remaining floor of this building, operating four as outpatient clinic floors and one as a new conference and educational center floor.
2. **Bumrungrad International Hospital Building** offers a combination of inpatient and outpatient services. The licensed capacity for 538 inpatient beds resides within Bumrungrad International Hospital Building, while outpatient services offered in this building include services such as the cancer, dental, digestive disease, children's and women's centers. Major renovations in Bumrungrad International Hospital Building of both the outpatient clinics, including the Women's Center, the Digestive Disease Center, and inpatient rooms were completed on plan by mid-2010. The renovations have taken into consideration patient safety and the needs of patients, doctors and nurses. The Company will continue to expand the service capacity within the hospital building, with the next step of this growth to include the planned addition of over 28 intensive care beds
3. **BH Tower**, reacquired in 2008, allows flexibility in the use of space on the Bangkok campus, permitting the shifting of office functions out of the hospital building and into BH Tower to allow expansion of clinical activities as needed. BH Tower houses the hospital's skin center, hospital support services, the Vitallife clinic, and offices. It also houses the BH Residence serviced apartments, retail shops and restaurants, and 7 floors of parking spaces.

Bumrungrad International Limited

Bumrungrad International Limited, the Company's 31.5% associated company, makes investments in overseas healthcare-related businesses and provides consulting and management services for those businesses. As at 30 September 2011, Bumrungrad International Limited has investments in a hospital in the Philippines and a management contract in Abu Dhabi, United Arab Emirates.

Bumrungrad International Limited has a 56.5% effective investment in Asian Hospital Inc. ("AHI") in the Philippines as at 30 September 2011. AHI commenced operations on 15 March 2002 as the first major private hospital with tertiary care facilities in the southern Luzon corridor of metropolitan Manila. It is a 217-bed hospital, well known for its modern medical equipment and experienced physicians, particularly in cardiology. AHI is in the process of expanding its inpatient and outpatient operating capacity with the development of a 14-storey expansion tower adjacent to the hospital. The new tower is expected to commence operations of selected floors during 2011. Both inpatient and outpatient capacity will be opened as needed.

Bumrungrad International Limited completed the sale of an investment in Asia Renal Care ("ARC"), a 100% indirectly owned subsidiary, in July 2010. The rationale for the sale of ARC was based on regulatory events that impacted growth prospects in Taiwan and Korea, key markets for ARC. In connection with the sale of ARC, the Company sold its 51% stake in Asia Renal Care (Thailand) Co., Ltd. for the same reasons.

Bumrungrad International Limited has a four-year management agreement with the Health Authority of Abu Dhabi to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates. Mafraq Hospital is a public hospital with 463 acute care beds, 33 critical care beds and 14 neonatal intensive care beds. It treated over 280,000 patients, including more than 17,000 inpatients in

2010. However, the management agreement to operate Mafraq Hospital in Abu Dhabi, United Arab Emirates will end in 31 December 2011 and the Company will not extend such agreement.

On 4 November 2011, Bumrungrad International Ltd. (BIL), which is an associate of the Company, entered into a Share Purchase Agreement in relation to the sale of all of the shares comprising the investments in three subsidiaries in the Philippines, which are Bumrungrad International Philippines Inc. (BIPI), Neptune Stroika Holdings, Inc. (NSH) and Asian Hospital, Inc. (AHI) to Metro Pacific Investments Corporation, a company incorporated in Philippines. The associate's management expects that the sale transactions will be completed in December 2011 and January 2012.

In addition to the existing operations, Bumrungrad International Limited is pursuing other investment opportunities in the region. Its strategic partners, including Istithmar, Temasek, Asia Financial Holdings and Bangkok Bank Public Company Limited, are sources of new investment opportunities and networks in their respective regions, which are the Middle East and Asia.

4.2 Industry and Competition

In general, the demand for healthcare correlates with the growth of GDP and the aging of the population. From time to time, issues such as domestic political unrest and global as well as domestic economic downturns can affect the growth in consumption of private healthcare. With supply of private healthcare facilities in Thailand* in excess of domestic demand, the competition for Thai patients remains intense.

While the global medical tourism industry is expected to see continued growth, the Company believes that most international demand will arise from patients living within an 8 hour flight of Bangkok. Thailand's regional competitors are hospitals in countries such as Singapore, Malaysia and India. Private hospitals in Thailand have a competitive advantage compared to many other countries, as Thailand has a unique combination of high quality healthcare, accessibility and affordability, coupled with Thailand being a popular tourist destination with a good supporting infrastructure. Within Thailand itself, there are a limited number of private hospitals that have the broad range of specialties and subspecialties, technology and quality of patient care on a single campus, as offered by the Company.

The Company's strategy is to continue building on this advantage in clinical expertise, service capability and patient satisfaction which results in a differentiated product based on quality superiority. Pricing is targeted within the top tier of Thai hospitals, while remaining price competitive in the region, to offer a compelling value proposition.

In the past year, the Company has focused on marketing activities for the domestic market in order to expand its customer base. The activities include advertising on all media including television, radio, newspapers and magazines, in order to promote brand awareness. The Company has also sponsored television programs, newspaper and magazine columns on health-related topics. In addition, the Healthy Living Club membership program, launched in 2008, provides members with discounts and other privileges to encourage loyalty among existing patients as well as attract new patients. Moreover, various activities are organized each quarter, such health fairs, public seminars, expatriate orientations, and themed exhibition, as well as the sale of packaged services such as checkups and vaccinations, in order to attract new customers.

In appealing to international patients, the Company operates in conjunction with 18 overseas referral offices in its major markets and has an International Patient Center to accommodate the needs of international patients, including language and cultural support. The Company is also a tertiary referral center for both domestic and international hospitals.

As at 20 September 2010, there were 316 private hospitals totaling 32,872 beds in Thailand of which 95 hospitals totaling 13,512 beds are in Bangkok

Target Markets

Domestic market can be divided into two types, middle to upper class Thais and expatriate community in Thailand.

International market is medical tourism from countries where there are issues with access and affordability with their healthcare services.

In addition, the Company also targets patients from corporate contracts, insurance companies and referral patients both within Thailand and from abroad.

Distribution and Marketing Channels

An effective way to attract customers is by way of obtaining patient referrals, both within Thailand and from other countries. With Bumrungrad International Hospital, Bangkok as a reputable tertiary hospital of 30 years, specializing in the treatments of complicated diseases, the Company has established excellent referral connections with hospitals and doctors both within Thailand and abroad.

The hospital maintains over one thousand corporate and insurance contracts as a method for directing patients to the hospital.

For its international marketing, the Company has set up 18 referral offices in 15 countries.

4.3 Sources of Products and Services

Capacity

	As at 30 September and 31 December			
Inpatients	30 Sep 11	31 Dec 10	31 Dec 09	31 Dec 08
Total number of beds	538	538	538	554
Beds in operation*	484	484	457	432
Total capacity**	132,132	176,660	166,805	158,112
Occupied beds per year (beds)	97,584	122,331	113,081	116,136
Capacity Utilization (percent)	73.85	69.25	67.79	73.45

* Number of beds in operation decreased in 2008 as some of the beds were closed down for renovation

** Total capacity is calculated by multiplying the number of beds in operation with the number of days of service

	As at 30 September and 31 December			
Outpatients	30 Sep 11	31 Dec 10	31 Dec 09	31 Dec 08
Capacity per day (persons)	4,500	4,500	4,500	4,083*
Average outpatients per day (persons)	2,916	2,680	2,677	2,707
Capacity Utilization (percent)	64.80	59.56	59.49	66.30

* 2008 capacity is weighted average at 3,500 visits per day for the first five months and 4,500 visits per day for the last seven months

The Hospital completed the construction of the 22-storey Bumrungrad International Clinic Building to accommodate the rising demand, especially of the outpatient service. Five of the floors are fully opened as outpatient clinics since June 2008, resulting in an increase in outpatient maximum capacity from 3,500 visits per day to 4,500 visits per day.

Raw Materials and Suppliers

Primary raw materials of the hospital business are pharmaceuticals, medical supplies and medical equipment. Suppliers of the raw materials are both local companies and international distributors with offices in Thailand. There are over 600 suppliers and the Company has no trouble sourcing supplies. In addition, the Company has an efficient purchasing and inventory control system, which evaluates the appropriateness of the price, and effectiveness and quality of the raw materials.

Environmental Compliance

The Company values the significance of the environment, energy and natural resources conservation. The Company has set up an environmental policy to communicate to employees its views on environment preservation and encourages employees to help protect global environment. The Company is committed to controlling environmental impact to neighboring communities and efficiently utilizing natural resources by practicing energy conservation and supporting material recycling. All employees and contractors of the Company are expected to follow the government environmental regulations and the Company's environmental policies.

5. ASSETS USED FOR BUSINESS OPERATIONS

5.1 Fixed Assets of the Company and its Subsidiaries

As at 30 September 2011

Type/Characteristics of Assets	Ownership Status	Obligations	Book Value (Baht million)
11 plots of land on Sukhumvit Rd., a total of 9 rai 3 ngarn	Owner	Mortgaged for convertible bonds totaling Baht 550 million	290.86
3 plots of land on Sukhumvit Rd., A total of 2 rai 1 ngarn	Owner	Mortgaged for long-term loan of Baht 2,820 million; Principal outstanding as at 30 September 2011 is Baht 1,430 million	297.53
Leasehold rights and land improvement	30-year right	-	18.10
12-storey hospital building on Sukhumvit Rd.	Owner	Mortgaged for long-term loan of Baht 2,820 million; Principal outstanding as at 30 September 2011 is Baht 1,430 million	1,803.07
22-storey hospital building	Owner	-	921.64
BH Tower I and II	Owner	Mortgaged for long-term loan of Baht 2,820 million; Principal outstanding as at 30 September 2011 is Baht 1,430 million	157.5
Nurse dormitory	Owner	-	28.40
Facility system	Owner	-	405.42
Medical equipment	Owner	-	1,243.96
Hospital equipment	Owner	-	248.98
Utensils and furniture	Owner	-	180.12
Vehicles	Owner	-	4.72
Assets under construction and installation	Owner	-	24.8
Total			5,625.1



The new 22-storey hospital building, Bumrungrad International Clinic, shows value of only the areas which are open for operation.

5.2 Intangible Assets of the Company and its Subsidiaries

As at 30 September 2011, the Company and subsidiaries have net intangible assets of Baht 264.99 million, most of which are computer program used for hospital business and ancillary businesses of the Company and subsidiaries.

5.3 Trademark

The Company's subsidiary and affiliate have trademarks which have been registered with Department of Intellectual Property, Ministry of Commerce. At present, two trademarks are being used commercially as follows:

Trademark	Objective of use	Registration Date	Expiry Date
 Vitalife CENTER Wellness Through Service	For services including physical therapy, healthcare, child care, baby delivery, optical services, blood bank services, medical services, medical assistance, pharmaceutical advisory, medical clinic, dentistry, hospital business, plastic surgery, rehabilitation service, nursery and beauty clinic	23 May 2005	22 May 2011
 Bumrungrad International	For services including physical therapy, healthcare, child care, baby delivery, optical services, blood bank services, medical services, medical assistance, pharmaceutical advisory, medical clinic, dentistry, hospital business, plastic surgery, rehabilitation service, nursery and beauty clinic, and for services including business management, and supporting services for the group	27 December 2004	26 December 2014

In addition, the Company's subsidiary has registered trademark "Vitalife" in other countries, including India, Malaysia, Indonesia, the Philippines and Singapore.

6 LEGAL DISPUTES

At present, the Company has no legal disputes which will materially impact the Company's assets and operations.

7. CAPITAL STRUCTURE

7.1 The Company's Securities

7.1.1 Registered and paid-up capital

The following table shows details of the Company's capital, as at 30 September 2011:

Registered Capital

As at 30 September 2011

	Number of Shares	Par Value	Registered Capital (Baht)
Ordinary shares	921,034,085	1.00	921,034,085
Preferred shares	1,668,600	1.00	1,668,600
Total	922,702,685		922,702,685

Paid-up Capital

As at 30 September 2011

	Number of Shares	Par Value	Registered Capital (Baht)
Ordinary shares	728,383,622	1.00	728,383,622
Preferred shares	1,668,600	1.00	1,668,600
Total	730,052,222		730,052,222

7.1.2 Preferred Shares

As at 30 September 2011, the Company had issued and paid-up preferred shares of 1,668,600 shares. Preferred shareholders have similar rights as ordinary shareholders, except for the right to dividends, which is detailed in Section 8.3 Dividend Policy. In February of every year, preferred shareholders can convert their preferred shares into ordinary shares at the rate of one preferred share to one ordinary share.

7.1.3 Convertible bonds

As at 30 September 2011, the Company has two tranches of convertible bonds in a total outstanding amount of Baht 550 million. Details of each tranche are as follows:

Name	BH Partly Secured Convertible Bonds Series #1 Due 2012	BH Partly Secured Convertible Bonds Series #2 Due 2012
Date of issue	24 August 2000	24 August 2000
Issuing amount	Baht 300 million	Baht 1,000 million
Outstanding amount	Baht 300 million	Baht 250 million
Maturity	12 years	12 years
Coupon rate	2.5% for year 1-4, 5% for year 5-8 and 10% for year 9-12	1%
Terms of payment	Semiannually	Semiannually
Current conversion price	Baht 4.55	Baht 3.50
Conversion option	The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds	The bondholders have the option to convert the bonds into ordinary shares throughout the life of the bonds

Name	BH Partly Secured Convertible Bonds Series #1 Due 2012	BH Partly Secured Convertible Bonds Series #2 Due 2012
Forced conversion feature	On the maturity date, the Company has the option to either redeem the convertible bonds or to convert the bonds into ordinary shares	On the maturity date, the Company has the option to either redeem the convertible bonds or to convert the bonds into ordinary shares
Collateral	A mortgage of the Company's land	A mortgage of the Company's land
Credit rating	Not required as the bonds were issued to specific investors with restriction on transfer of the bonds of maximum of 10 bondholders at any time	Not required as the bonds were issued to specific investors with restriction on transfer of the bonds of maximum of 10 bondholders at any time

7.1.4 Agreement between major shareholders

A letter of undertaking was signed between the Company, Istithmar and Temasek who together shall be entitled to nominate a single director and a single observer to the Company's Board of Directors. The director seat and observer seat shall be rotated between Istithmar and Temasek every year, so long as the combined shareholding by Istithmar and Temasek continue to exceed 5% of the Company's ordinary shares on a fully diluted basis. As of the January 31, 2011 Istithmar and Temasek own no shares in the Company thereby losing any right to nominate a director or observer.

7.2 Shareholders

List of the Company's 10 major shareholders as at 26 August 2011 is as follows:

Shareholder	Number of shares*	Shareholding** (%)
1. Bangkok Insurance Pcl.	106,680,417	14.65
2. Bangkok Dusit Medical Services Pcl.	103,827,600	14.25
3. Thai NVDR Co., Ltd	76,424,402	10.49
4. Sinsuptawee Asset Management Co., Ltd.	63,258,514	8.68
5. UOB KAY HIAN (HONG KONG) LIMITED - Client Account	60,413,690	8.29
6. Wattanasophonpanich Co., Ltd.	25,121,875	3.45
7. BNP Paribas Securities Services Luxembourg	22,909,200	3.15
8. Social Security Office	15,098,500	2.07
9. BNY Mellon Nominees Limited	14,030,800	1.93
10. Government of Singapore Investment Corporation C	13,781,200	1.89
Total	501,546,198	68.85

* Number of shares includes both preferred shares and common shares.

** The calculation of holding percentage includes both preferred shares and ordinary shares.

The Company has shareholders in the top ten major shareholders list who are foreign financial institutions or custodians acting as trust companies or nominee accounts. The Company has no knowledge of the ultimate shareholders of these companies as these shareholders have never nominated their representatives to serve on the Board of Directors nor taken part in the management of the Company.

Shareholders with significant influence on the policies or management of the Company

Istithmar and Temasek, who have been major shareholders in the past (directly or through their affiliates), have historically held, in aggregate, one rotating board seat. The Company was informed that through a series of transactions in January 2011, both shareholders (directly or through their affiliates) had divested all of their shares in the Company and resigned from the position of the Company's director. According to the Annual General Meeting of Shareholders No. 17 for the year 2010 on 27 April 2011, the Board of Directors appointed Dr. Suwan Walaisathien to be the new director.

7.3 Dividend Policy

7.3.1 The Company's dividend policy is as follows:

7.3.1.1 When the Company has net profit which can be distributed to shareholders, the preferred shareholders will receive dividends before the ordinary shareholders. In any year that dividends distributed to the preferred shareholders reach 15% of the capital represented by the preferred shares, the balance of the profit shall be distributed to the ordinary shareholders at any amount as determined by the shareholders' meeting.

In any year that the Company is able to distribute dividends of more than 15% of its capital, the shareholders of both types shall receive the dividends equally.

7.3.1.2 For the payment of dividends, the Board of Directors is to follow the resolution of the shareholders' meeting.

7.3.1.3 For every dividend payment, the Company shall reserve at least 5% of the profit as appropriated statutory reserve, until the reserve accounts for 10% of the Company's capital.

7.3.1.4 Accrued dividends are not entitled to any interest payment.

7.3.2 Subsidiaries' dividend policy is as follows:

7.3.2.1 When the company has profit which can be distributed to shareholders, the company is eligible to pay dividends to its shareholders at any amount in accordance with the resolution of shareholders' meeting.

7.3.2.2 Accrued dividends are not entitled to any interest payment.

On 10 August 2011, The Board of Directors approved an interim dividend from the operation period from 1 January 2011 to 30 June 2011 at Baht 0.45 per share, totaling Baht 328.25 million and set the dividend payment date on 9 September 2011

On 28 April 2011, Annual General Meeting of Shareholders No. 18/ 2011 has passed a resolution to pay dividend to preferred and ordinary shareholders in an amount of Baht 0.90 per share, totaling Baht 657 million, equivalent to 52% of net profit. The Company already paid an interim dividend of Baht 0.40 per share, totaling Baht 292 million, on 9 September 2010. The remaining dividend payment of Baht 0.50 per share, amounting to Baht 365 million was paid on 24 May 2011

8. MANAGEMENT

8.1 Management Structure

The Company has five sets of committees, which are the Company's Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Governing Board of Bumrungrad International Hospital, Bangkok and the Investment Committee. Details of each committee are as follows:

Board of Directors

The Company's Board of Directors as at 30 September 2011 consists of the following:

- | | | | |
|-----|----------------|-----------------|--------------------------------------------------------------------------------|
| 1. | Mr. Chai | Sophonpanich | Chairperson |
| 2. | Dr. Chanvit | Tanphiphat, MD | Vice Chairperson, Member of the Nomination and Remuneration Committee |
| 3. | Mrs. Linda | Lisahapanya | Director, Managing Director |
| 4. | Dr. Dhanit | Dheandhanoo, MD | Director, Chairperson of the Medical Board |
| 5. | Mr. Chong | Toh | Director, Member of the Nomination and Remuneration Committee |
| 6. | Dr. Sinn | Anuras, MD | Director, Group Medical Director |
| 7. | Dr. Suwan | Walaisathien | Director |
| 8. | Ms. Sophavadee | Uttamobol | Independent Director, Chairperson of the Audit Committee |
| 9. | Mr. Soradis | Vinyaratn | Independent Director, Member of the Audit Committee |
| 10. | Mr. Boonpakorn | Chokwathana | Independent Director, Member of the Audit Committee |
| 11. | Mrs. Aruni | Kettratad | Independent Director, Chairperson of the Nomination and Remuneration Committee |

Mr. Banphot Kittikinglert, Company Secretary, is the secretary of the Board of Directors.

Legal Binding of the Company

Any two authorized directors, except Mr. Chong Toh, sign and affix the Company's seal.

Term of Directors

At annual general meeting of shareholders, one-third of the directors shall retire from office. If the number of directors is not a multiple of three, then the number nearest to one-third shall retire from office. Retiring directors shall be those who have served longest in office. Those who retire by rotation are eligible for re-election.

Duties and Responsibilities of the Board of Directors

The duties and responsibilities of the Board of Directors, which are described in the Board of Directors' Charter, are as follows:

1. To perform duties in accordance with the laws, the Company's objectives and regulations, and resolutions of the shareholders' meeting, in good faith and with care for the best interest of the Company.
2. To establish the Company's vision, directions and strategies, with the aim to maximize long-term shareholders' value.
3. To endorse major strategies and policies, including objectives, business plans, financial targets, operating plans and capital expenditure budgets, as proposed by management; and to monitor and ensure the implementation and follow up on the outcome.
4. To establish the Corporate Governance Manual and the Company's Code of Ethics, and to monitor and ensure communication and implementation of such policies and guidelines, to approve amendments as appropriate and to report in the annual report.
5. To ensure proper systems for corporate accounting, financial reporting and financial auditing; to ensure that the Company has an effective internal control, internal audit and risk management system, which should be reviewed annually, and to assign the internal audit department to independently audit and report on the system.
6. To approve quarterly and annual financial reports; to ensure that they are correct, accurate, credible, in compliance with generally accepted accounting standards and report to shareholders in the annual report.
7. To monitor, supervise and approve, as the case may be, and to ensure transparency in the transactions which are connected transactions and may cause conflict of interest, and to set clear guidelines on the approval and disclosure process of transactions with conflict of interest.
8. To set and appoint committees as appropriate to help pursue, study in detail, monitor and oversee matters of importance as assigned, and to approve their charters which include their duties and responsibilities and determine their remuneration.

Audit Committee

The Company's Audit Committee as at 30 September 2011 comprises the following:

- | | | | |
|----|----------------|-------------|------------------------------------|
| 1. | Ms. Sophavadee | Uttamobol | Chairperson of the Audit Committee |
| 2. | Mr. Soradis | Vinyaratn | Member of the Audit Committee |
| 3. | Mr. Boonpakorn | Chokwathana | Member of the Audit Committee |

Ms. Pacchanya Chutimawong is the secretary of the Audit Committee.

Ms. Sophavadee Uttamobol is the Audit Committee member who has the knowledge and experience in reviewing the Company's financial statements.

Term of the Audit Committee

The Audit Committee has a term of three years. Members of the Audit Committee may be re-elected upon expiration of the term.

Duties and Responsibilities of the Audit Committee

The duties and responsibilities of the Audit Committee, as described in the Audit Committee's Charter, are as follows:

1. To review the financial reports of the Company to ensure accuracy and sufficiency.
2. To review the Company internal control system, internal audit system and risk management system to ensure appropriateness and efficiency and to consider the independence of the internal audit function, including giving consent to the appointment, rotation or termination of the chief internal audit unit or another function responsible for internal auditing.
3. To review the Company's compliance with the laws governing securities and exchange, including rules and regulations prescribed by the Stock Exchange of Thailand and other laws related to the conduct of the Company's business.
4. To consider, select and propose the appointment of an independent party as the Company's external auditor, to propose the audit fees, and to meet with the external auditor without the presence of management at least once a year.
5. To consider related parties transactions or transactions which may have conflict of interest, to be in accordance with the Stock Exchange of Thailand's rules and regulations, to ensure that such transactions are reasonable and are for the best benefits of the Company.
6. To prepare the report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the Chairperson of the Audit Committee and must contain at least the following details:
 - 6.1 Opinion on the accuracy, sufficiency and credibility of the Company's financial statements.
 - 6.2 Opinion on the sufficiency of the Company's internal control system.
 - 6.3 Opinion on the Company's compliance with the laws governing securities and exchange and rules and regulations prescribed by the Stock Exchange of Thailand and other laws related to the conduct of the Company's business.
 - 6.4 Opinion on the appropriateness of the external auditor.
 - 6.5 Opinion on transactions which may have conflict of interest.
 - 6.6 Number of Audit Committee Meetings and the attendance of each Committee member.
 - 6.7 Opinion and observations that the Audit Committee received from performing its duties according to this charter.
 - 6.8 Other transactions deemed appropriate to be disclosed to shareholders and investors and are within Audit Committee's authorities and responsibilities as assigned by the Board of Directors.
7. To investigate immediately in case that external auditor notifies the Committee of fraud cases in the Company, and to report the result of the preliminary investigation to the Securities and Exchange Commission and the external auditor within 30 days after receiving the written notice from the external auditor.
8. To have at least one Audit Committee member attend the Board of Directors' meeting every time that there is an agenda on approval of financial reports.

9. To meet with the Company's legal department regularly, and to consult with external lawyers as necessary.
10. To perform other duties as assigned by the Board of Directors and with consent from the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee as at 30 September 2011 comprises the following:

- | | | | |
|----|-------------|----------------|----------------------------------------------------------|
| 1. | Mrs. Aruni | Kettratad | Chairperson of the Nomination and Remuneration Committee |
| 2. | Dr. Chanvit | Tanphiphat, MD | Member of the Nomination and Remuneration Committee |
| 3. | Mr. Chong | Toh | Member of the Nomination and Remuneration Committee |

Mr. Banphot Kittikinglert, Company Secretary, is the secretary of the Nomination and Remuneration Committee.

Term of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has a term of three years. Members of the Nomination and Remuneration Committee may be re-elected upon expiration of the term.

Duties and Responsibilities of the Nomination and Remuneration Committee

The duties and responsibilities of the Nomination and Remuneration Committee, in accordance with Nomination and Remuneration Committee's Charter, are as follows:

- a) Nomination
 1. To consider the appropriate size, composition and term of the Board of Directors.
 2. To consider and recommend whether there should be a retirement age for directors, and to recommend to the Board of Directors the directors' retirement age.
 3. To formulate and review qualifications of directors and members of the Committees.
 4. To propose and review candidates for the director position in case of vacancies or for any other reasons, including collecting a list of candidates nominated by shareholders, to be approved by the Board of Directors and/or Shareholders' Meeting as the case may be.
 5. To consider and propose qualified directors to be a member of a Committee when there is a vacancy.
- b) Remuneration
 1. To determine the procedures and criteria for fair and reasonable compensation for directors and Committee members.
 2. To recommend remuneration for directors and Committee members, including remuneration of the Nomination and Remuneration Committee members, to the Board of Directors and/or Shareholders' Meeting, as the case may be.
 3. To implement a process for assessing the performance of the Board of Directors and Committees, including proposing their Performance Evaluation Form.

- c) To perform other duties relevant to the Nomination and Remuneration Committee as may be assigned by the Board.

Governing Board of Bumrungrad International Hospital, Bangkok

The Governing Board of Bumrungrad International Hospital, Bangkok as at 30 September 2011 comprises the following:

1.	Dr. Chanvit	Tanphiphat, MD	Chairman
2.	Mr. James Matthew	Banner	Secretary
3.	Dr. Chamaree	Chuapetcharasopon, MD	Member
4.	Dr. Oradee	Chandavasud, MD	Member
5.	Dr. Rujapong	Sukhabote, MD	Member
6.	Dr. Sira	Sooparb, MD	Member
7.	Ms. Sophavadee	Uttamobol	Member
8.	Dr. Vatana	Supromajakr, MD	Member
9.	Dr. Visuit	Vivekaphirat, MD	Member
10.	Dr. Sinn	Anuras, MD	Ex officio
11.	Mrs. Lee Chan	Yow	Ex officio

Term of the Governing Board

The Governing Board has a term of two years. Members of the Governing Board may be re-elected upon expiration of the term.

Duties and Responsibilities of the Governing Board

The Governing Board has the objective to recommend and implement the Hospital Policy, promote patient safety and performance improvement, provide quality patient care and provide for organizational management and planning of the hospital. The Governing Board has the scope of duties and responsibilities in accordance with Governing Board Bylaws Rules and Regulations of Bumrungrad International Hospital, Bangkok as follows:

1. To organize physicians and other practitioners granted clinical privileges at the Hospital into a medical staff under Professional Staff Bylaws, Rules and Regulations approved by the Governing Board.
2. To appoint and reappoint Medical Staff members and assign clinical privileges in accordance with Professional Staff Bylaws, Rules and Regulations.
3. To establish and amend, together with the Medical Staff, and approve Professional Staff Bylaws, Rules and Regulations which set forth its organization and governance.
4. To assign to the Medical Staff reasonable authority to ensure appropriate professional care to Hospital patients, including to direct that all reasonable and necessary steps be taken by the Medical Staff and Hospital administration for meeting JCI and HA accreditation standards and complying with applicable laws and regulations.

Investment Committee

The Company's Investment Committee as at 30 September 2011 comprises the following:

- | | | | |
|----|----------------|---------------|-------------|
| 1. | Mr. Chai | Sophonpanich | Chairperson |
| 2. | Mrs. Linda | Lisahapanya | Member |
| 3. | Mr. Chong | Toh | Member |
| 4. | Ms. Sophavadee | Uttamobol | Member |
| 5. | Mr. Dennis | Michael Brown | Member |

Term of the Investment Committee

The Investment Committee has a term of three years. Members of the Investment Committee may be re-elected upon expiration of the term.

Duties and Responsibilities of the Investment Committee

The duties and responsibilities of the Investment Committee, in accordance with Investment Committee's Charter, are as follows:

1. To consider investment opportunities, their appropriateness and feasibilities, and investment structure of each investment project. Investment projects include the Company's annual capital expenditure, expansion and renovation of the Bangkok hospital facilities, investment and / or joint-venture, by the Company, subsidiary or affiliate, in new project, business or company both within Thailand or abroad.
2. To consider financial status of the Company in order to evaluate the Company's investment capacity.
3. To recommend investment projects which have been considered by the Investment Committee to the Board of Directors for approval.
4. To perform other duties relevant to the Investment Committee as may be assigned by the Board of Directors.

Management

The Company's Management as at 30 September 2011 consists of the following:

- | | | | |
|----|--------------------|-----------------------|---------------------------------------------------------------------------|
| 1. | Mrs. Linda | Lisahapanya | Managing Director |
| 2. | Dr. Dhanit | Dheandhanoo, MD | Chairperson of the Medical Board |
| 3. | Mr. Dennis Michael | Brown | Corporate Chief Executive Officer |
| 4. | Dr. Sinn | Anuras, MD | Group Medical Director |
| 5. | Dr. Chamaree | Chuapetcharasopon, MD | Medical Director,
Bumrungrad International Hospital,
Bangkok |
| 6. | Mr. James Matthew | Banner | Chief Executive Officer,
Bumrungrad International Hospital,
Bangkok |
| 7. | Mrs. Lee Chan | Yow | Chief Financial Officer,
Bumrungrad International Hospital,
Bangkok |

- Translation -

8.	Mr. Kamonsak	Reungjarearnrung	Chief Operating Officer*, Bumrungrad International Hospital, Bangkok
9.	Ms. Warunya	Suebsook	Chief Operating Officer*, Bumrungrad International Hospital, Bangkok
10.	Mrs. Phawinee	Rujpattanakul	Chief Operating Officer*, Bumrungrad International Hospital, Bangkok

* be appointed on 15 August 2011

Management's authority to approve the capital expenditure

Managing Director is the highest-ranking corporate executive of the management authorized by the Board of Directors to approve for all budgeted capital expenditure or project up to Baht 40 million per capital expenditure or project.

8.2 Election of Directors and Management

The Nomination and Remuneration Committee has the responsibility to select and nominate candidates to replace directors and members of committees whose terms have expired or for any other reasons, including to consider candidates proposed by shareholders, and to propose to the Board of Directors to approve or to recommend to shareholders' meetings of such appointment. The Nomination and Remuneration Committee is responsible for considering qualifications of candidates, taking into account their knowledge, abilities, experience which will be beneficial to the Company, their leadership skills, visions, ethical values, and their independence in making professional decisions and for ensuring that the candidates possess the qualifications as stipulated in the Board of Directors' Charter.

The process for electing directors in a shareholders' meeting is in accordance with the following rules and principles:

1. Each shareholder has one vote for one share.
2. The election of directors may be either by voting for each individual director, or by voting for a group of directors, whichever way the shareholders' meeting deems appropriate. For each resolution, each shareholder must exercise all of his/her votes for one individual director or for one group of directors. Votes by each shareholder may not be split between any directors or any groups of directors.
3. The election passes with the majority of the votes. If the number of votes is equal, the chairperson of the meeting has the final vote.

The process for selection of independent directors is the same as that of directors and management.

Qualifications of independent directors are as follows:

1. Holds shares not more than one percent of total shares with voting right of the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person, inclusive of the shares held by related persons of such independent director.
2. Is not an executive director, employee, staff, advisor with salary, or controlling person of the Company, the Company's parent company, subsidiary company, associate company, subsidiary company of the same level, major shareholder or controlling person (at present and two years prior to the appointment).

- Translation -

3. Is not related, whether by blood or legal registration as father, mother, spouse, sibling and child, including spouse of children, with the management, major shareholder, controlling person or those who will be nominated as management or controlling person of the Company or subsidiary.
4. Does not have business relationship with the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither is a significant shareholder or controlling person of any person having a business relationship with the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person (at present and two years prior to the appointment), with details as per rules and regulations of the Securities and Exchange Commission, Thailand.
5. Is not an auditor of the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person, and is not a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person (at present and two years prior to the appointment).
6. Is not a provider of any professional services including as legal advisor or financial advisor who receives service fees exceeding Baht two million per year from the Company, the Company's parent company, subsidiary company, associate company, major shareholder or controlling person, and is not a significant shareholder, controlling person or partner of the provider of professional services (at present and two years prior to the appointment).
7. Is not a director appointed as a representative of the Company's director, major shareholder, or shareholder who is related to major shareholder.
8. Does not undertake any business in the same nature and in competition to the business of the Company or the Company's subsidiary company, or is not a significant partner in a partnership nor an executive director, employee, staff, advisor with salary or holding shares exceeding one per cent of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company.
9. Does not possess any other characteristics that deter the ability to express independent opinions with regards to the Company's business operations.

In September 2011, none of the Company's independent directors have business relationship or provide professional services to the Company of over Baht two million, which is in accordance with the regulations stipulated by the Capital Market Supervisory Board.

8.3 Remuneration of Directors, Committees and Management

Directors' Remuneration and Committees' Remuneration

Remuneration of Directors, the Audit Committee and the Nomination and Remuneration Committee for the year ended 31 December 2010 for 12 directors are as follows:

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Name	Board of Directors				Audit Committee		Nomination and Remuneration Committee		Total Remuneration
	Number of Meetings	Annual Remuneration	Meeting Remuneration	Total	Number of Meetings	Meeting Remuneration	Number of Meetings	Meeting Remuneration	
1 Mr. Chai Sophonpanich	4/4	450,000	160,000	610,000					610,000
2 Dr. Chanvit Tanphiphat, MD	4/4	400,000	120,000	520,000			1/1	25,000	545,000
3 Mrs. Linda Lisahapanya	4/4	350,000	100,000	450,000					450,000
4 Mr. Curtis John Schroeder*	2/4	204,167	50,000	254,167					254,167
5 Dr. Dhanit Dheandhanoo, MD	4/4	350,000	100,000	450,000					450,000
6 Mr. Chong Toh	4/4	350,000	100,000	450,000			1/1	25,000	475,000
7 Dr. Sinn Anuras, MD	4/4	350,000	100,000	450,000					450,000
8 Dr. Jennifer Lee, MD	2/4	350,000	50,000	400,000					400,000
9 Ms. Sophavadee Uttamobol	4/4	350,000	100,000	450,000	4/4	160,000			610,000
10 Mr. Soradis Vinyaratn	4/4	350,000	100,000	450,000	4/4	100,000			550,000
11 Mr. Boonpakorn Chokwathana	3/4	350,000	75,000	425,000	3/4	75,000	0/1		500,000
12 Mrs. Arunee Kettratad**	3/4	233,333	75,000	308,333					308,333
Total		4,087,500	1,130,000	5,217,500		335,000		50,000	5,602,500

* Mr. Curtis John Schroeder resigned from the position of the Company's director effective 31 July 2010

** Mrs. Arunee Kettratad was appointed the independent director of the Company by the Annual General Meeting of Shareholders No. 17 for the year 2010 on 28 April 2010

In 2010, the Investment Committee held 1 meeting. Total remuneration of Baht 0.1 million was paid to the members of the Investment Committee.

In 2010, the Governing Board held 6 meetings. Total remuneration of Baht 0.6 million was paid to the members of the Governing Board.

Directors' remuneration represents the benefits paid to the Company's directors, exclusive of salaries and related benefits payable to the management. The above remunerations have been approved by the shareholders.

An independent director of the Company, Mr. Boonpakorn Chokwathana, is also a director of Bumrungrad Medical Center Limited, a subsidiary of the Company. In 2010, Mr. Boonpakorn Chokwathana did not receive any remuneration from Bumrungrad Medical Center Limited.

Remunerations of Management

In 2010, the total remuneration of the 14 executives of the Company and its subsidiaries amounted to Baht 118.3 million. The remuneration represents the salaries and benefits paid to the management.

8.4 Corporate Governance

The Company realizes the importance of good corporate governance, and is committed to follow the Principles of Good Governance Guidelines in order to manage its business with transparency, to build confidence for all stakeholders and to compete efficiently at the international level. The Company therefore would like to report the following:

1. The Rights of Shareholders

The Company acknowledges the importance of all shareholders' rights, including major and minority shareholders. Shareholders' rights include basic rights as investors and as owners of the Company, such as rights to buy, sell, transfer their shares; rights to receive dividends from the Company; rights in shareholders' meetings; rights to receive comprehensive, sufficient and timely news and information through easily accessible channels; rights to express their opinions; rights

to participate in making decisions on important issues, such as election of directors, approval of important transactions that affect the direction of the business and operation of the Company, amendment of memorandum of association and articles of association of the Company.

In 2010, the Company has implemented the following to encourage and facilitate the exercise of shareholders' rights in the annual general meeting of shareholders:

1. The Company gives shareholders the right to propose important and appropriate issues for incorporation as an agenda in the Company's annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of the Company's director in advance before the annual general meeting of shareholders. Shareholders can find details of the criteria and guidelines on the Company's website.
2. The Company sends invitation letters to shareholders in advance to inform them of the meeting agendas which include opinion of the Board of Directors on each agenda item, together with supporting documents and information sufficient to facilitate shareholders in making their decisions. In addition, the invitation letter package includes details of required documents in order to protect shareholders' rights to attend the shareholders' meeting, together with their rights to vote. Moreover, the invitation letter to the shareholders' meeting is disclosed on the Company's website. For annual general meeting of shareholders, the invitation letter is posted on the website 30 days prior to the meeting date.
3. For those shareholders unable to attend the meeting, these shareholders have the right to authorize a person or an independent director as their proxy to attend the meeting and vote on their behalf, using one of the proxy forms sent with the invitation letter. Moreover, shareholders can download the proxy form from the Company's website.
4. The Company implements the barcode system for registration and the voting process, including the use of voting cards. This helps accelerate and ensure the accuracy of the registration and vote counting process. In addition, shareholders are able to register after the meeting has started to exercise their rights to vote on agendas that have not been voted. Upon completion of the meeting, shareholders are able to verify the details.
5. Before going into each agenda, the Chairman of the Board of Directors, who acts as chairman of the meeting, assigns the Company Secretary to inform the meeting of the voting process for each agenda. During the meeting, the chairman of the meeting gives all shareholders the opportunity to comment, ask questions or give opinions and suggestions on any agenda item. The Chairman and management see the importance of every question and give precise and clear answers.
6. The Company Secretary records minutes of the shareholders' meetings which are correct and complete, with details on voting results of each agenda. In addition, the minutes are sent to the Stock Exchange of Thailand and posted on the Company's website within 14 days after the meeting date, so that shareholders are promptly informed and are able to verify.

2. The Equitable Treatment of Shareholders

The Company is strongly committed to equitable treatment of every shareholder, whether they are major or minority shareholders, institutional investors or foreign shareholders, and has created various mechanisms, such as:

1. The Company provides a channel for minority shareholders to propose issues deemed important and appropriate to include in the agenda of the Company's annual general meeting of shareholders and to nominate candidates with appropriate knowledge, abilities and qualifications to be considered for the position of the Company's director. The announcement has been made through the Stock Exchange of Thailand and the

Company's website. Independent directors will consider and propose the matter to the Board of Directors to be included in the meeting agenda as appropriate.

2. For shareholders who are unable to attend the shareholders' meeting, the Company provides proxy forms which allow shareholders to specify their vote on each agenda. The proxy forms, which are in accordance with the format provided by the Ministry of Commerce, are sent with the invitation letter. As an alternative for shareholders, the Company also proposes one independent director as the proxy.
3. The shareholders' meetings proceed according to the order of the agenda, without adding new and uninformed agenda, in order to give the opportunity to shareholders to study the information on the given agenda before making decision. Moreover, there are no changes to the important information in the shareholders' meeting.
4. The Company sees the importance of the consideration on transactions which may have conflict of interest or may be connected or related transactions, and abides by good corporate governance principles, including rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. For these transactions, directors, management and those who are related persons do not participate in the consideration to approve such transactions.
5. The Company provides oversight and control to prevent improper use of inside information. Details can be found in section 9.5 Internal Control of Information. In addition, directors and management of the Company must report the purchase or sale of the Company's securities to the Securities and Exchange Commission and the Company within three business days.

3. The Role of Stakeholders

The Company recognizes its responsibilities towards each stakeholder, for sustainable mutual benefits which will lead to stability of the business operations. The Company intends to interact with each party fairly. The important stakeholders of the Company are as follows:

Shareholders: In addition to the basic rights, rights in accordance with the laws and the Company's articles of association, such as rights to check number of shares, rights to receive share certificates, rights to attend and vote in shareholders' meetings, rights to express opinions independently at shareholders' meetings, and rights to receive fair returns, the Company also provides equal and timely information to all shareholders, and gives all shareholders the right to suggest and express their opinions independently on the Company's business and operations in shareholders' meetings, as the Company's owners.

Customers / Patients: The Company provides patient care in an ethical manner, and at the best possible quality, taking into consideration patient safety, patients' satisfaction and efficiency in providing its services. The hospital's Medical Ethics Committee protects patients' rights. In addition, the Company has a department to take customer complaints and to monitor and continuously improve the quality of the care provided to all patients, taking into consideration patients' needs and suggestions. In addition, the Company has engaged a third-party consultant to measure the hospital's customer engagement level, in order to continuously improve the hospital's services for patients and to maintain patients' long-term relationships with the hospital.

Employees: The Company believes that its employees are valuable resources and therefore gives all employees equal opportunity in their employment. The Company has the policy to provide employees with appropriate compensation and appoints a welfare committee to oversee the well being and safety of its employees. The Company also provides an individual development plan (IDP) for each employee, as well as continuous education and regular training programs to develop and reinforce employees' knowledge, abilities and skills in all areas including operations, management and technical expertise, in order for employees to fulfill their jobs more effectively.

Furthermore, the Company holds Town Hall Meetings to provide opportunities for employees to voice their opinions or complain directly to management, implements an Innovation Program where employees are able to propose suggestions to improve work process and services, and has an employee recognition program to increase employees' morale. The Company believes that work efficiency is a result of employees' loyalty to the Company, and is therefore committed to continuously build and assess the employees' engagement with the Company, in order to improve its human resources management.

Suppliers / Contractors: The Company has a purchasing policy that is fair to all parties concerned. In addition, the Company abides by the terms and conditions of agreements and contracts with all suppliers and contractors and ensures timely payment to all suppliers and contractors.

Creditors: The Company is committed to giving information with accuracy and transparency to creditors, abides by loan agreements and loan covenants, and ensures timely payments. The Company believes that good relationships with creditors, including building credibility and trust, are a responsibility of the Company towards its creditors.

Competitors: The Company competes with competitors within the rules and regulations, and treats competitors fairly and with integrity. The Company focuses on competition in the area of quality and efficiency of service for the best benefit of customers and patients.

Community: The Company is committed to improving the quality of the society and the quality of life of the population, especially the responsibility towards the public, including the environment and neighboring community. The important corporate social responsibilities activities of the Company in the past year are as follows:

1. 500 Hearts Program: The program provides underprivileged cardiology patients with surgeries. The program is a five-year program from 2008-2012 and is a collaboration between the Company, the Bumrungrad Hospital Foundation, the Children's Heart Diseases Foundation, under the Royal Patronage of Her Highness Princess Kalayaniwattana, and the National Health Security Office.
2. Scholarship Programs: The Company sees the importance of human resources development and therefore initiated scholarship programs for the public and its employees. In the eleven years of the programs, 555 scholarships have been granted. The programs are detailed as follows:
 - 2.1 Youth Career Development Program (YCDP): In cooperation with UNICEF, the Company sponsors the Thailand Nursing Council's accredited practical nurse certificate programs for underprivileged girls graduated from high schools from all over the country. Students have opportunities to become employees of the Company after graduation.
 - 2.2 Nursing Degree Scholarship Program: The Company provides nurse aides and practical nurses with opportunities to continue their study for a Bachelors Degree in Nursing through its scholarship program. The Company also provides internship training programs during school breaks and employment opportunities upon graduation.
 - 2.3 Practical Nurse Certificate Scholarship Program: The Company grants scholarships for practical nurse certificates, certified by the Thailand Nursing Council, to nurse aides.
3. Thomson Mobile Clinic: Since 2001, the Company, together with the Bumrungrad Hospital Foundation and the Thomson Foundation, provides free healthcare to underprivileged communities in Bangkok through its mobile units. In 2010, the Mobile Clinic Program treated 22,516 patients and donated over 30 tons of rice. In the ten years of this program, the Company, the Bumrungrad Hospital Foundation and the Thomson Foundation have treated 196,516 patients and donated over 157 tons of rice.

4. Medical Research Program: The Company and the Bumrungrad Hospital Foundation work with medical institutions, both local and abroad, to develop clinical and medical technology research, such as research on drugs related to AIDS, cancer and diabetes.
5. Blood Donation: The Company, together with the Thai Red Cross Society, organizes quarterly blood donation activities at Bumrungrad International Hospital, Bangkok. Doctors, employees and the public are invited to join. In 2011 (as of 30 September 2011), there were 702 donors with 642 blood units.
6. Environmental Policy: The Company has an environmental policy which the Company communicates to employees its views on preservation of the environment and natural resources. The Company also promotes activities relating to safety of the organization and neighboring communities and uses its natural resources efficiently.

4. Disclosure and Transparency

The Company realizes the importance of disclosing information which is significant for shareholders and investors in making their decisions. The Company has a policy to disclose information which is transparent, complete, reliable and timely, through various channels which are easily accessible, in order for shareholders and investors to conveniently obtain the disclosures. The Company also ensures it abides by the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.

Information disclosed to the public includes both financial and non-financial information, such as financial statements, management discussions and analysis, the report of the accountability of the Board of Directors to the Company's financial reports, the report of the Audit Committee, connected transactions, structure, duties and responsibilities of the Board of Directors and committees, including statistics on meeting attendance, and corporate governance reports.

The Company has many channels to communicate with shareholders and investors. These include those stipulated by rules and regulations, such as the 56-1 filing form, annual reports, the website of the Stock Exchange of Thailand, and other communication channels, such as the Company's website in the Investor Relations section, which are consistently updated, in both Thai and English, quarterly analyst meetings (four times in 2010), roadshows and investor conferences, both in Thailand and overseas, including Singapore and Hong Kong (four times in 2010) and investor meetings and conference calls (50 times in 2010). In addition, the Company holds press conferences to update important events of the Company, in order to disseminate information to the public.

Furthermore, the Company has Company Secretary and Investor Relations Department to facilitate interested investors and shareholders. Information can be requested by phone at 02-667-1469, by e-mail at ir@bumrungrad.com, or through the Company's website, www.bumrungrad.com.

5. Responsibilities of the Board of Directors

Structure of the Board of Directors

The Board of Directors is comprised of qualified directors with extensive experience in various fields. Every director participates in setting the Company's vision, mission, strategies, goals, business plans and budgets. The Board of Directors also ensures that the plans are carried out efficiently and effectively by the management, to ensure the maximization of the Company's value and stability to shareholders. The Board of Directors meets quarterly to review the management's report on the Company's operations. Details of duties and responsibilities of the Board of Directors can be found in Section 9.1 Management Structure.

As at 30 September 2011, there are 11 directors, as follows:

1. Non-executive directors: Four non-executive directors, which are Mr. Chai Sophonpanich, Dr. Chanvit Tanphiphat, MD, Mr. Chong Toh, and Dr. Suwan Walaisathien

- Translation -

2. Executive directors: Three executive directors, including Mrs. Linda Lisahapanya, Dr. Dhanit Dheandhanoo, MD, and Dr. Sinn Anuras, MD.
3. Independent directors: Four independent directors who possess the qualifications as stipulated by the Securities and Exchange Commission, comprising Ms. Sophavadee Uttamobol, Mr. Soradis Vinyaratn, Mr. Boonpakorn Chokwathana and Mrs. Aruni Kettratad

At present, the four independent directors account for 36% of total Board of Directors and more than one-third of the Board of Directors, and will be in accordance with the Securities and Exchange Act (No. 4) B.E. 2551.

Segregation of Duties: The Company clearly separates duties and responsibilities of the Board of Directors and management. The Board of Directors is responsible for endorsing strategies and supervising management's operations at the policy level, whereas management is responsible for managing the business as per such strategies. Therefore, the Chairman of the Board of Directors is not the same person as the Managing Director.

The Chairman of the Board is not an executive director and is not involved in managing the Company. Management is assigned the responsibility of implementing the business plan and strategies, and controlling expenses and investments as approved in the budget by the Board of Directors.

Directorship Positions in other Listed Companies:

The Company realizes the value of experience that directors receive from being directors in other companies. The Company therefore has the policy that directors may hold board positions in not more than eight companies listed on the Stock Exchange of Thailand, in order for the directors to be able to allocate sufficient time for each company. With regards to the management, other than board positions at the Company's subsidiaries and affiliated companies, the Managing Director, Corporate Chief Executive Officer, and the Company's management are allowed to hold director and/or independent director positions in not more than three other companies. In addition, such positions must be approved by the Board of Directors.

Company Secretary: The Board of Directors appointed Mr. Kittiphan Leepipatanawith as the Company Secretary to be responsible for administering the Board of Directors' meetings and shareholders' meetings, for preparing minutes of such meetings and annual reports, and for safekeeping documents as required by rules and regulations. In addition, the Company Secretary is responsible for advising the Board of Directors and management regarding rules and regulations related to listed companies and corporate governance policies.

Committees

The Board of Directors has set up committees to assist with specific tasks and to propose assigned issues to the Board of Directors for consideration or acknowledgement. Details of committee members and their duties and responsibilities are listed in Section 9.1 Management Structure. The Company has four committees as follows:

1. Audit Committee is responsible for reviewing the financial reports, internal control system, internal audit system, and risk management system, and for selecting and coordinating with the Company's auditor. The Audit Committee consists of three independent directors. In 2010, the Audit Committee held four meetings and reported their meeting results to the Board of Directors. Details of attendance of Audit Committee members are in Section 9.3 Remuneration of Directors, Committees and Management.
2. Nomination and Remuneration Committee is responsible for selecting and proposing candidates for the positions of director and committee member to Board of Directors for approval, and for setting appropriate compensation. The Nomination and Remuneration Committee consists of one independent director, who is the chairman of the Nomination and Remuneration Committee, and two non-executive directors. In 2010, the Nomination

and Remuneration Committee held one meeting and reported their meeting results to the Board of Directors. Details of attendance of Nomination and Remuneration Committee members are in Section 9.3 Remuneration of Directors, Committees and Management.

3. Governing Board of Bumrungrad International Hospital, Bangkok is responsible for implementing the Hospital Policy, promoting patient safety and performance improvement, and providing quality patient care. The Governing Board consists of two directors, two management, and five physicians. In 2010, the Governing Board held six meetings.
4. Investment Committee is responsible for considering investment projects before proposing to the Board of Directors for approval. The Investment Committee consists of one independent director, two non-executive directors and one executive director. In 2010, the Investment Committee held one meeting.

Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors has responsibilities towards all shareholders, both major and minority shareholders, in ensuring that the Company conducts its business and implements corporate governance practices in accordance with its objectives and policies for the highest benefit of shareholders, with care and integrity, under business ethical values, taking into account the interests of all stakeholders and under laws and the articles of association of the Company. The duties and responsibilities of the Board of Directors are in Section 9.1 Management Structure.

Internal control and internal audit systems:

The Company has given importance to internal control and internal audit systems by establishing an internal audit unit, with the primary objective to support and develop effective internal control of the organization, in order to minimize operational risks, and to ensure quality of the work process and operations. Emphasis is on effectiveness and efficiency, appropriateness of expenses and costs, and operations which are in accordance with the policy and/or requirements of the management.

To ensure the independence of the internal audit unit and the balance of power, the internal audit unit reports directly to the Audit Committee.

Conflict of interest: To prevent any problems related to conflicts of interest, the Board of Directors considers transactions which may have conflicts of interest or which may be related parties transactions with caution, fairness and transparency, and strictly follows the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, with pricing and other conditions on an arms-length basis. Details of the transactions, including amount, contracting party, and reasons for entering into the transactions are disclosed in financial statements, the annual reports, and the 56-1 filing.

Board of Directors' Meetings

It is the duty of every director to attend Board of Directors' meetings regularly, in order to acknowledge and make decisions relating to the operations of the Company. The Board of Directors holds four regular meetings every year (held quarterly), of which the schedule is set in advance for the entire year, and holds extraordinary meetings as necessary to consider matters which are important and urgent. In 2010, there were four Board of Directors' meetings. Details of the meeting attendance of each director are in the table in Section 9.3 Remuneration of Directors, Committees and Management.

For each meeting, agenda are clearly set in advance by the Chairman of the Board together with the Managing Director. Moreover, each director is given opportunities to propose issues as agendas. The Company Secretary prepares and distributes invitation letters, agendas, and other supporting documents to the Board of Directors at least seven days in advance in order to allow directors sufficient time to research and study the information prior to the meeting.

- Translation -

Normally, each meeting lasts two hours. For the consideration of each agenda, the Chairman of the meeting allocates sufficient time for management to present adequate details on the agenda and for directors to discuss the matter carefully, and gives directors the opportunity to express their opinions in the meeting independently. The majority vote is the passing resolution for each agenda, where one director has one vote. In case any director has a personal conflict of interest, such director will leave the meeting and/or does not vote on that particular matter. If the voting result is equal, the Chairman of the meeting casts the deciding vote. In addition, senior managements are invited to attend Board of Directors' meetings to provide useful and important information, and to directly obtain business strategies from the Board of Directors to be implemented in the Company's operations.

Upon completion of each meeting, the Company Secretary is responsible for documenting and distributing minutes for adoption at the next Board of Directors' meeting. Directors are able to comment, amend and make additions so that the minutes are as accurate as possible. The Company Secretary keeps the adopted minutes, which are signed by the Chairman of the Board of Directors, both in the form of hard copies and electronic files, along with supporting documents available for directors' and relevant persons' verification and reference.

Remuneration of the Board of Directors and Management

The Company provides appropriate remuneration for the Board of Directors and management. The remuneration of the Board of Directors in the form of annual remuneration and meeting remuneration has been approved by shareholders' meetings. Consideration of directors' remuneration takes into account that of other comparable listed companies in the same industry. Committee members only receive remuneration in the form of meeting remuneration.

Management's remuneration is in the form of salaries and bonuses, taking into consideration the responsibilities and performance of each person and performance of the Company.

Details of 2010 remuneration of each individual director, which has been approved by the shareholders' meeting, and the sum of management's remuneration, are disclosed in Section 9.3 Remuneration of Directors, Committees and Management.

Development Programs for Directors and Management

The Company has a director's manual which summarizes related laws, rules and regulations, so that directors are informed of their roles, responsibilities and guidelines for the position as a director. For newly appointed directors, the Company informs them of information which is important for fulfilling the duties of the Company's directors, which includes the Company's background information, business strategy and director's manual.

Moreover, the Company supports development programs for directors and management in various forms, such as training and seminars organized by the Thai Institute of Directors (IOD), the Stock Exchange of Thailand, and the Securities and Exchange Commission.

A majority of the Board of Directors, six directors, have passed IOD training courses, as follows:

	Chairman Program	Director Certification Program (DCP)	Director Accreditation Program (DAP)	Audit Committee Program (ACP)	Role of Compensation Committee (RCC)
Mr. Chai Sophonpanich	/	/			
Mrs. Linda Lisahapanya		/			
Mr. Chong Toh			/		
Ms. Sophavadee Uttamobol	/		/	/	
Mr. Soradis Vinyaratn			/		
Mr. Boonpakorn Chokwathana		/	/		/

8.5 Internal Control of Information

The Company has the policy regarding management using internal information for personal benefits as follows:

1. According to Company's rules and regulations, directors are required to inform the Company immediately in the event that they may have any interests in any agreements being entered into by the Company, or that there is an increase or decrease in their holding of shares or bonds of the Company or subsidiaries.
2. Directors and management must prepare and disclose securities holding report to the Securities Exchange Commission and to the Company within the required time.

Penalties for violation include the following:

1. Verbal warning for corrective action
2. Report to shareholders' meeting for consideration
3. Compensation for any damages
4. Disclosure to Securities and Exchange Commission and the Stock Exchange of Thailand

8.6 Personnel

As at 30 September 2011, the Company has total of 3,684 staff, and can be divided as follows:

Nursing	1,816
Hospital operations	627
Support staff	1,241

Details of the Company's total personnel compensation are as follows:

Salaries	Baht 828,784,543.15
Bonus	Baht 162,118,779.25
Provident Fund	Baht 35,493,980.40
<u>Other Benefits</u>	<u>Baht 394,957,331.13</u>
<u>Total</u>	<u>Baht 1,421,354,633.93</u>

The Company understands the importance of its human resources and has a policy to develop its human resources in order to improve their skills and capabilities through the individual development plan (IPD), as well as through both external and internal training programs. The programs offer varieties of subjects, including various professional fields, safety, health-related and environmental issues, information technology, English language and management. The training programs can be divided as follows:

1. New employees' orientation: every new employee must attend an orientation for department / division / unit and must receive on-the-job training.
2. Mandatory training: training program on subjects which every employee must know and participate.
3. Division / unit training: training program to improve specific skills and expertise for each department/ division/ unit. This includes both internal and external training.
4. Managerial training: for managers to be able to manage his/ her department / division effectively.

In addition, the Company has the policy to grant scholarships to employees for the nurse aid certificate programs, bachelor of nursing, and masters degrees in various majors.

9. INTERNAL CONTROL

Bumrungrad Hospital Public Company Limited continuously values the internal control system and the internal audit system, and well realizes that the good internal control and audit systems can prevent potential losses, detect existing errors, mitigate business risk and operational risk to the acceptable level, generate accurate and reliable financial reports, and help the Company achieve its goals. As a result, the Board of Directors has governed and assigned the Audit Committee to review and comment on effectiveness of the Company's internal control system, which can be divided into 5 main parts as follows:

Part 1: Organizational Control and Environment Measure

The Company set its vision, mission, and operating policy, with the emphasis on integrity and ethics, and clearly defined both short-term and long-term business goals. It has also rewarded employees based on their performance on achieving those goals. In addition, the Company has the organizational structure and work procedures that help tighten its operations and prevent unauthorized asset use. Furthermore, the Company's executives continuously develop and improve the quality of management; resulting in recognitions by several third-party organizations, as evidenced by various awards, such as "Best Managed Company in Thailand - Small Cap 2008" by Asiamoney Magazine, "Total Quality Class Award 2008" by the Office of Thailand Quality Award, and "National Best Practices Award on Labor Relations and Labor Welfare Award 2009 and 2010" by the Ministry of Labor. Based upon the aforementioned characteristics, it is deemed that the Company has a good organizational structure and environment, which is an essential foundation for an effective internal control system.

Part 2: Risk Management Measure

The Company regularly assesses business risk factors, taking into account economic, political, social and environmental circumstances, including the industry situation and competition, which are external factors. It also assesses internal factors, especially risk factors concerning medical services, which may have a significant impact to the Company. In addition, the Company has established the risk management policy and assigned the management to continually monitor incidents that cause the risk factors. It has also defined the Hospital Risk Management Process and the Safety and Environment Risk Assessment as part of the Hospital Administrative Policy (HAP). Consequently, it is deemed that the Company has the effective risk management process that can mitigate business risks to the acceptable level.

Part 3: Management Control Activities

The Company has established transaction approval authority and limits based on the nature and amount of transaction. In case of connected transactions or potential conflict of interest transactions, the Audit Committee has a duty to review the necessity and rationale of those transactions, which must be approved by the Management, the Board of Directors, or the Shareholders as the case may be. The person with conflict of interest is not allowed to vote in these transactions. Moreover, the Company regularly monitors subsidiaries' and affiliates' operations by delegating the Company's directors to take a position of chairperson, directors, or executive directors in those subsidiaries or affiliates. In 2010, the Company entered into all such transactions with related persons or parties in compliance with the principles, procedures, and conditions stipulated in laws and regulations, under the good corporate governance policy, on an arm's length basis, and for its own highest benefits.

Part 4: Information and Communication Measure

The Company has performed financial reporting in accordance with the accounting policy as deemed appropriate for its nature of business, and with the Generally Accepted Accounting Principles (GAAP). In addition, the Company is in the process of preparing for the implementation of the International Financial Reporting Standards (IFRS), which will be effective in the year 2011, by establishing working groups consisting of relevant persons from different departments and assigning them to prepare data and information systems to be ready for those standards.

- Translation -

The Company has also engaged a consulting firm to give advice and provide training sessions for all relevant executives and employees. Moreover, the Company has provided necessary and sufficient information for the Board of Directors to make a decision.

Part 5: Monitoring

The Company set up the Internal Audit Division, which directly reports to the Audit Committee, to ensure its independence. Its duty is to audit the internal control system, the risk management process, and corporate governance. The audit objectives are to assure that:

- Operations in various processes are efficient and effective enough to achieve the Company's objectives;
- The financial reporting process has adequate and proper controls to make financial data reliable;
- The management control process is effective enough to govern adherence to laws and regulations, and the Company's policies and procedures;
- The internal controls over work processes pertaining to patients' safety are effective and adequate.

In addition, the Company delegated the internal auditors to conduct a business process review for its subsidiaries or associates, and assigned responsible persons to determine ways to develop and improve work systems according to the internal auditors' recommendations, and the independent auditor's recommendations in the Management Letter.

As a result of the assessment of the adequacy and appropriateness of the internal controls based on the above five components, the Board of Directors has the opinion that the Company's internal control system is adequate and effective, and there were no significant deficiencies in the internal control system.

Report of the Audit Committee

To the Shareholders of Bumrungrad Hospital Public Company Limited

The Board of Directors appointed the Audit Committee, consisting entirely of three independent directors of the Board. Miss Sophavadee Uttamobol was appointed as Chairperson with Mr. Boonpakorn Chokwathana and Mr. Soradis Vinyaratn as members, and Mrs. Tawichar Tansathit as a secretary to the Committee. Its main duties and responsibilities are to review financial reports, internal audit and control systems, risk management systems, and the compliance with laws, and to consider potential conflict of interest transactions.

In the year 2010, the Audit Committee held totally 4 meetings, all of which were attended by all members, to perform its duties and responsibilities, including the following major issues:

1. Reviewed the Company and its subsidiaries' financial statements prior to submission to the Board of Directors. Based on due consideration, after discussions with the executives, a non-management meeting with the Company's independent auditor, and consideration of the auditor's recommendations in the Management Letter, the Committee has the opinion that the above financial statements are prepared accurately, completely, and creditably.
2. Reviewed and assessed the internal control systems. The Committee has the opinion that the Company has appropriate, effective, and adequate systems, sufficient to mitigate its risks to the acceptable level, and help the Company achieve its operation goals.
3. Reviewed the compliance with laws and regulations relating to the Company's business operations. The Committee has the opinion that the Company has no legal violation that may significantly affect the Company's reputation and financial status.
4. Considered, selected, and nominated the Company's independent auditor, which is Ms. Vissuta Jariyathanakorn from Ernst and Young Office Limited, and proposed her remuneration to the Board.
5. Considered connected transactions or potential conflict of interest transactions. The Committee has the opinion that all such transactions were the Company's normal business transactions.
6. Considered and approved the internal audit plan, which were determined to be suitable for the Company's nature of business, including its administrative policies, business plans, work processes, and business risks.
7. Considered and approved the internal audit division's yearly expenditure budget and manpower requirements, which the Committee approved of recruiting additional two employees for the year 2011 to support the Company's business expansion.
8. Promoted continuing education for all members of the Audit Committee by attending professional seminars including the courses for the International Financial Reporting Standards (IFRS), which will be effective in the year 2011, in order to obtain sufficient knowledge to review the reliability of financial statements.
9. Considered and performed the Audit Committee's self-assessment to present to the Board of Directors. The Committee has the opinion that it has appropriately performed its duties in accordance with the Audit Committee's charter.

- Translation -

The Audit Committee has performed its duties and responsibilities as delegated by the Company's Board of Directors with care and at its fullest capability for the benefits of the Company, the shareholders, and all the stakeholders.

Miss Sophavadee Uttamobol
Chairperson of Audit Committee
21 February 2011

10. RELATED PARTIES TRANSACTIONS

10.1 Characteristics of Related Parties Transactions

The Company has transactions with its subsidiaries, affiliates and related companies as detailed in note to financial statement no. 8

For the period ending 31 December 2010 and 30 September 2011 the Company and subsidiaries entered into a number of transactions with related parties that may have conflict of interest with the Company and its subsidiaries. These connected transactions include normal course of business transactions and other transactions, and can be summarized as follows:

- Translation -

Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the year ended 31 Sep 2011	For the year ended 31 Dec 2010		
Bangkok Insurance Pcl. (BKI)	Common director, and BKI is the major shareholder of the Company, with 13.17% shareholding as at 30 December 2010	<u>Revenues</u> - Revenues from hospital services received from BKI	7.3	6.8	It is the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction is reasonable.
		<u>Expenses</u> - Insurance fees which the Company and subsidiaries paid to BKI	20.6	26.5	BKI is the insurance provider which the Company and subsidiaries have always used. In addition, the insurance premium that the Company and subsidiaries paid to BKI was at the rate which BKI offers to its customers in general.	The Audit Committee has the opinion that the transaction is reasonable.
Bangkok Bank Pcl. (BBL)	Common director	<u>Revenues</u> - Revenues from hospital services received from BBL	14.2	20.2	It is the Company's normal course of business, charging at normal price and benefits as customers in general.	The Audit Committee has the opinion that the transaction is reasonable.
		<u>Expenses</u> - Bank credit cards commission fees paid to BBL	57.1	69.5	BBL is the credit card service provider which the Company has always used. The Company invested in various infrastructures to maximize the benefits from efficient use of credit card payment system. The fees paid to BBL are at the market rate.	The Audit Committee has the opinion that the transaction is reasonable.
		- Interest on convertible bonds paid to BBL	24.3	32.5	The Company paid interest on Baht 550 million principal of convertible bonds. Interest rates are in accordance with debt restructuring agreement.	Approved by the shareholders.
Bumrungrad International Limited	Associated company with 31.5% shareholding with common director	<u>Revenues</u> - Consulting fees on hospital management received from Bumrungrad International Limited	4.4	11.1	The Company charges the fees in relation to the actual cost of the resources used.	The Audit Committee has the opinion that the transaction is reasonable.
		<u>Expenses</u> - Consulting fees on hospital management paid to Bumrungrad International Limited	3.1	2.5	The Company paid hourly fixed expenses to Bumrungrad International Limited. The expenses paid to Bumrungrad International Limited are at the rate which Bumrungrad International Limited offers to its customers in general	The Audit Committee has the opinion that the transaction is reasonable.

- Translation -

Related Company	Relationship	Description	Amount (Baht Million)		Pricing Policy	Reason for the Transaction
			For the year ended 31 Sep 2011	For the year ended 31 Dec 2010		
Damrongtham Law Office	Common director	<u>Expenses</u> - Consulting fees on legal paid to Damrongtham Law Office	1.7	-	The Company paid hourly fixed expenses to Damrongtham Law Office. The expenses paid to Damrongtham Law Office are at the rate which Damrongtham Law Office offers to its customers in general	Approved by the management and will be further reviewed by the Audit Committee to give an opinion
Bualuang Securities Pcl. (BLS)	Common director and common major shareholder	<u>Expenses</u> - Consulting fees on finance paid to BLS	22.7	-	The fees, which the Company and subsidiaries paid to BLS, are the rate which BLS offers to its customers in general	Approved by the management and will be further reviewed by the Audit Committee to give an opinion

10.2 The Necessity and Rationale of the Related Parties Transactions

The Company has entered into related parties transactions to support the normal business of the Company. For example, having Bangkok Bank Public Company Limited as one of the Company's corporate contracts helps the Company to expand its client base, as Bangkok Bank's employees use the hospital services.

10.3 Policy on Related Parties Transactions in the Future

The Company may enter into related parties' transactions as part of its normal course of business, with normal trading terms and conditions, and within reasonable practice and process, using market price policy, as if doing arms-length transactions, in order to prevent conflict of interest between the Company and related persons.

In addition, the Company sees the importance of corporate governance and will strictly abide by the Company's policy, as well as the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. Moreover, the Company will emphasize the transparency of the related parties transactions, and will protect the highest benefit of the Company.

11. FINANCIAL POSITION AND PERFORMANCE

11.1 Summary of Financial Information

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED BALANCE SHEETS
AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009, 2008**

Unit: Baht Thousand

	As at 30 Sep 11	%	As at 31 Dec 10	%	As at 31 Dec 09	%	As at 31 Dec 08	%
ASSETS								
Current assets								
Cash and cash equivalents	1,741,282	13.05	627,492	6.86	386,641	4.51	384,642	4.75
Trade accounts receivable - net	1,173,502	8.80	946,401	10.34	657,908	7.68	494,122	6.10
Amounts due from related parties	7,052	0.05	4,675	0.05	14,583	0.17	8,797	0.11
Advances to employees and directors	6,359	0.05	7,292	0.08	5,833	0.07	8,786	0.11
Inventories	215,470	1.62	217,702	2.38	198,879	2.32	187,975	2.32
Prepaid expenses	59,312	0.44	49,022	0.54	65,998	0.77	52,243	0.64
Other current assets	2,535	0.02	2,363	0.03	1,994	0.02	5,011	0.06
Total current assets	3,205,512	24.03	1,854,947	20.27	1,331,836	15.55	1,141,576	14.09
Non-current assets								
Restricted bank deposits	-	-	-	-	-	-	17,147	0.21
Investment in joint venture	-	-	-	-	7,215	0.08	6,085	0.08
Investments in associated companies - net	4,222,715	31.66	1,209,893	13.22	1,257,158	14.67	1,234,931	15.24
Other long-term investments - net	1,900	0.01	2,247	0.02	2,247	0.03	2,247	0.03
Property, plant and equipment - net	5,625,102	42.17	5,784,672	63.21	5,666,942	66.15	5,373,731	66.31
Intangible assets - net	264,990	1.99	282,290	3.08	285,629	3.33	310,364	3.83
Other non-current assets	17,864	0.13	17,628	0.19	15,965	0.19	18,163	0.22
Total non-current assets	10,132,571	75.97	7,296,731	79.73	7,235,156	84.45	6,962,668	85.91
TOTAL ASSETS	13,338,083	100.00	9,151,678	100.00	8,566,992	100.00	8,104,244	100.00

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED BALANCE SHEETS
AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009, 2008**

Unit: Baht Thousand

	As at 30 Sep 11	%	As at 31 Dec 10	%	As at 31 Dec 09	%	As at 31 Dec 08	%
LIABILITIES AND SHAREHOLDERS' EQUITY								
Current liabilities								
Short-term loans from financial Institutions	3,570,000	26.77	100,000	1.09	190,000	2.22	200,000	2.47
Trade accounts payable	596,822	4.47	555,762	6.07	522,672	6.10	504,341	6.22
Construction and medical equipment payables	56,268	0.42	51,045	0.56	27,490	0.32	77,127	0.95
Amount due to related parties	-	-	194	0.00	-	-	2,015	0.02
Current portion of long-term loans from financial institutions	285,500	2.14	71,000	0.78	-	-	569,279	7.02
Accrued physicians' fee	439,289	3.29	405,444	4.43	329,567	3.85	262,461	3.24
Interest payable	3,746	0.03	388	0.00	692	0.01	565	0.01
Interest payable - convertible bonds treated as equity securities	3,384	0.03	11,575	0.13	11,575	0.14	11,576	0.14
Corporate income tax payable	165,544	1.24	252,379	2.76	209,859	2.45	195,480	2.41
Accrued expenses	378,788	2.84	205,733	2.25	305,971	3.57	260,094	3.21
Accounts payable - others	13,983	0.10	13,381	0.15	13,372	0.16	16,098	0.20
Other current liabilities	37,008	0.28	56,340	0.62	53,183	0.62	23,825	0.29
Total current liabilities	5,550,332	41.61	1,723,241	18.83	1,664,381	19.43	2,122,861	26.19
Non-current liabilities								
Long-term loans from financial institutions	1,144,500	8.58	1,359,000	14.85	1,430,000	16.69	1,116,022	13.77
Net of current portion of post employee benefit obligations	293,196	2.20	-	-	-	-	-	-
Total non-current liabilities	1,437,696	10.78	1,359,000	14.85	1,430,000	16.69	1,116,022	13.77
Total liabilities	6,988,028	52.39	3,082,241	33.68	3,094,381	36.12	3,238,883	39.97

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
COMPARED BALANCE SHEETS
AS AT 30 SEPTEMBER 2011 AND AS AT 31 DECEMBER 2010, 2009, 2008**

Unit: Baht Thousand

	As at 30 Sep 11	%	As at 31 Dec 10	%	As at 31 Dec 09	%	As at 31 Dec 08	%
Shareholders' equity								
Share capital								
Registered								
921,034,085 ordinary shares of Baht 1 each (2010: 920,987,785 ordinary shares of Baht 1 each, 2009: 920,954,935 ordinary shares of Baht 1 each, 2008: 920,919,935 ordinary shares of Baht 1 each)								
	921,034		920,988		920,955		920,920	
<hr/>								
1,668,600 preference shares of Baht 1 each (2010: 1,714,900 preference shares of Baht 1 each, 2009: 1,747,750 preference shares of Baht 1 each, 2008: 1,782,750 preference shares of Baht 1 each)								
	1,669		1,715		1,748		1,783	
<hr/>								
Issued and paid-up								
728,383,622 ordinary shares of Baht 1 each (2010: 728,337,322 ordinary shares of Baht 1 each, 2009: 728,304,472 ordinary shares of Baht 1 each, 2008: 728,269,472 ordinary shares of Baht 1 each)								
	728,383	5.46	728,337	7.96	728,304	8.50	728,269	8.99
1,668,600 preference shares of Baht 1 each (2010: 1,668,600 preference shares of Baht 1 each, 2009: 1,747,750 preference shares of Baht 1 each, 2008: 1,782,750 preference shares of Baht 1 each)								
	1,669	0.01	1,715	0.02	1,748	0.02	1,783	0.02
Premium on ordinary shares								
	285,568	2.14	285,568	3.12	285,568	3.33	285,568	3.52
Other paid-in capital of a subsidiary/an associated company								
	-	-	252,173	2.76	252,173	2.94	252,173	3.11
Translation adjustment								
	-	-	(84,112)	(0.92)	(75,451)	(0.88)	(53,479)	(0.66)
Convertible bonds treated as equity securities								
	550,000	4.12	550,000	6.01	550,000	6.42	550,000	6.79
Excess of investment over book value of a subsidiary								
	-	-	(192,662)	(2.11)	(192,662)	(2.25)	(192,662)	(2.38)
Retained earnings								
Appropriated - statutory reserve								
	92,275	0.69	92,275	1.01	92,275	1.08	92,275	1.14
Unappropriated								
	4,656,551	34.91	4,436,142	48.47	3,830,656	44.71	3,201,434	39.50
Other components of equity								
	35,609	0.27						
Total shareholders' equity	6,350,055	47.61	6,069,436	66.32	5,472,611	63.88	4,865,361	60.03
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	13,338,083	100.00	9,151,678	100.00	8,566,992	100.00	8,104,244	100.00

- Translation -

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INCOME STATEMENTS
FOR NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND FOR THE YEARS ENDED
31 DECEMBER 2010, 2009, 2008

Unit: Baht Thousand

	For the nine- month periods ended 30 Sep 11	%	For the years end 31 Dec 10	%	For the years end 31 Dec 09	%	For the years end 31 Dec 08	%
Revenues								
Revenues from hospital operations	8,511,158	97.49	9,805,682	97.39	9,068,932	97.12	8,629,431	97.16
Rental income	93,781	1.07	130,315	1.29	131,772	1.41	127,883	1.44
Gain on sales of investment in joint venture	-	-	13,032	0.13	-	-	-	-
Interest income	20,495	0.23	-	-	-	-	6,273	0.07
Exchange gains	32,493	0.37	26,199	0.26	38,680	0.41	31,545	0.36
Other income	72,088	0.83	93,730	0.93	98,472	1.05	86,697	0.98
Total revenues	8,730,015	100.00	10,068,959	100	9,337,856	100.00	8,881,829	100.00
Expenses								
Cost of hospital operations	5,029,590	57.61	5,943,546	59.03	5,553,191	59.47	5,324,432	59.95
Depreciation and amortisation	482,091	5.52	595,844	5.92	539,265	5.78	459,363	5.17
Administrative expenses	1,404,487	16.09	1,660,608	16.49	1,525,303	16.33	1,395,956	15.72
Allowance for loss on impairment of assets (reversal)	-	-	-	-	(13,642)	(0.15)	-	-
Total expenses	6,916,168	79.22	8,199,998	81.44	7,604,117	81.43	7,179,751	80.84
Income before interest expense and income tax	1,813,847	20.78	1,868,961	18.56	1,733,738	18.57	1,702,078	19.16
Share of income from investments in joint venture and associated companies	68,662	0.79	(34,927)	(0.35)	47,244	0.51	43,248	0.49
Finance cost	(127,969)	(1.47)	(68,200)	(0.68)	(90,934)	(0.97)	(114,428)	(1.29)
Corporate income tax	(540,696)	(6.19)	(507,339)	(5.04)	(444,400)	(4.76)	(439,851)	(4.95)
Net income for the year	1,213,844	13.90	1,258,495	12.50	1,245,648	13.34	1,191,047	13.41

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**

(Unit: Thousand Baht)

Consolidated financial statements

	Issued and paid-up		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		Other components of shareholders' equity					
	share capital				Appropriated	Unappropriated	Other comprehensive income	Exchange differences on translation of financial statements in foreign currency	Excess of investment over book value of a subsidiary	Other paid-in capital of an associated company	Total other components of shareholders' equity	Total shareholders' equity
	Ordinary shares	Preference shares										
	shares	shares			ordinary shares	equity securities	equity securities	equity securities	equity securities	equity securities	equity securities	equity securities
Balance as at 31 December 2009	728,304	1,748	285,568	550,000	92,275	3,830,655	(75,451)	(192,662)	252,173	(15,940)	5,472,610	
Preference shares converted to ordinary shares (Note 11)	33	(33)	-	-	-	-	-	-	-	-	-	
Dividend paid (Note 14)	-	-	-	-	-	(620,508)	-	-	-	-	(620,508)	
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(24,308)	-	-	-	-	(24,308)	
Total comprehensive income for the period	-	-	-	-	-	913,757	(5,793)	-	-	(5,793)	907,964	
Balance as at 30 September 2010	728,337	1,715	285,568	550,000	92,275	4,099,596	(81,244)	(192,662)	252,173	(21,733)	5,735,758	
Balance as at 31 December 2010	728,337	1,715	285,568	550,000	92,275	4,436,142	(84,112)	(192,662)	252,173	(24,601)	6,069,436	
Cumulative effect of change in accounting policy for employee benefits (Note 1.4)	-	-	-	-	-	(275,590)	-	-	-	-	(275,590)	
Preference shares converted to ordinary shares (Note 11)	46	(46)	-	-	-	-	-	-	-	-	-	
Dividend paid (Note 14)	-	-	-	-	-	(693,537)	-	-	-	-	(693,537)	
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(24,308)	-	-	-	-	(24,308)	
Total comprehensive income for the period	-	-	-	-	-	1,213,844	60,210	-	-	60,210	1,274,054	
Balance as at 30 September 2011	728,383	1,669	285,568	550,000	92,275	4,656,551	(23,902)	(192,662)	252,173	35,609	6,350,055	

- Translation -

BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND FOR THE YEARS ENDED
31 DECEMBER 2010, 2009, 2008

Unit: Baht Thousand

	For the nine-month periods ended 30 Sep 11	For the years end 31 Dec 10	For the years end 31 Dec 09	For the years end 31 Dec 08
Cash flows from operating activities				
Income before corporate income tax	1,754,540	1,765,833	1,690,048	1,630,897
Adjustments to reconcile net income before tax to net cash provided by (paid from) operating activities: -	482,091	595,844		
Depreciation and amortisation	-	-	539,265	459,363
Allowance for loss on impairment of assets (reversal)	12,482	19,549	(13,642)	-
Bad debts and allowance for doubtful accounts	6,906	2,160	16,353	48,062
Loss on sales of equipment	24,461	-	4,595	2,030
Gain on sale of investment in jointly controlled entity/other long-term investment	(159)	(13,032)	-	-
Share of income from investments in associated companies	(68,662)	34,927	(47,244)	(43,283)
Share of loss from investments in joint venture	-	(1,944)	(1,612)	35
Interest expense	127,969	68,200	78,351	114,428
Income from operating activities before changes in operating				
assets and liabilities	2,339,628	2,471,537	2,266,114	2,211,532
Decrease (increase) in operating assets				
Trade accounts receivable	(239,583)	(308,043)	(180,139)	48,123
Amounts due from related parties	(2,377)	9,909	(5,786)	(1,657)
Inventories	2,232	(18,823)	(10,904)	15,509
Other current assets	10,462	16,607	(10,737)	(8,967)
Increase (decrease) in operating liabilities				
Trade accounts payable	41,060	33,089	18,331	2,992
Amount due to a related party	(194)	194	(2,015)	-
Accrued physicians' fee	33,845	75,877	67,106	(30,090)
Accrued expenses	173,055	(100,237)	45,876	111,404
Accounts payable - others	(1,447)	(685)	(3,165)	(13,968)
Other current liabilities	(19,332)	3,157	29,358	(17,232)
Cash flows from operating activities	2,316,425	2,182,582	2,214,039	2,317,646
Cash paid for interest expense	(124,611)	(68,504)	(78,224)	(114,955)
Cash paid for corporate income tax	(630,648)	(464,819)	(430,020)	(440,287)
Net cash flows from operating activities	1,561,166	1,649,259	1,705,795	1,762,404

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND FOR THE YEARS ENDED
31 DECEMBER 2010, 2009, 2008**

Unit: Baht Thousand

	For the nine-month periods ended 30 Sep 11	For the years end 31 Dec 10	For the years end 31 Dec 09	For the years end 31 Dec 08
Cash flows from investing activities				
Decrease (increase) in restricted bank deposits	-	-	17,147	(5,000)
Decrease in advances to employees and directors	933	(1,459)	2,953	1,552
Acquisition of investment in joint venture	-	(2,474)	(1,148)	(6,120)
Acquisition of investments in associated companies	(3,562,938)	22,706	-	(141,750)
Dividend income from an associated company	60,265	-	-	437,927
Cash receipt from share capital reductions of a subsidiary and an associate	612,647	-	-	-
Cash receipt from sales of other long-term investment	506			
Acquisition of property, plant and equipment and repayment of construction and medical equipment payables	(291,696)	(667,382)	(836,624)	(1,722,415)
Proceeds from sales of equipment	3,868	8,663	5,981	2,766
Acquisition of computer software	(16,627)	(26,447)	(14,015)	(6,290)
Decrease (increase) in other non-current assets	(236)	(1,664)	2,198	(317)
Interest income	-	1,944	1,612	-
Net cash flows used in investing activities	(3,193,278)	(666,112)	(821,896)	(1,439,647)
Cash flows from financing activities				
Net cash payment for short-term loan from financial institution	3,570,000	(90,000)	(10,000)	200,000
Cash receipt from long-term loans from related party	(100,000)	-	-	-
Repayment of long-term loans from related party	-	-	-	-
Cash receipt from long-term loans from financial institutions	-	-	1,430,000	400,000
Repayment of long-term loans from financial institutions	-	-	(1,685,301)	(487,148)
Dividend paid	(691,488)	(619,814)	(583,489)	(583,331)
Interest paid for convertible bonds treated as equity securities	(32,499)	(32,500)	(32,500)	(17,500)
Net cash flows used in financing activities	2,746,013	(742,314)	(881,290)	(487,979)
Net increase (decrease) in cash and cash equivalents	1,113,901	19	(611)	(165,222)
Translation adjustment	(111)	240,852	1,999	-
Cash and cash equivalents at beginning of year	627,492	386,641	384,642	549,864
Cash and cash equivalents at end of year	1,741,282	627,492	386,641	384,642

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

Consolidated	For the nine-month periods ended 30 Sep 11	For the years end 31 Dec 10	For the years end 31 Dec 09	For the years end 31 Dec 08
<u>Liquidity Ratios</u>				
Liquidity ratio (times)	0.58	1.12	0.80	0.54
Quick ratio (times)	0.53	0.95	0.63	0.41
Cash ratio (times)	0.57*	0.99	0.90	0.90
Accounts Receivables Turnover (times)	9.68*	10.77	13.50	14.04
Average Collection Period (days)	37.19	33.44	26.67	25.65
Inventory Turnover (times)	30.96*	28.53	28.71	27.20
Sales Period (days)	11.63	12.62	12.54	13.23
Accounts Payable Turnover (times)	11.64*	11.02	10.81	10.59
Payment Period (days)	30.94	32.66	33.29	34.00
Cash Cycle (days)	17.88	13.40	5.92	4.88
<u>Profitability Ratios</u>				
Gross Margin (%)	40.91	39.4	38.8	38.3
EBITDA Margin (%)	26.06	24.4	24.2	24.3
Operation Margin (%)	20.54	18.4	18.6	19.1
Cash to operating profit (%)	87.05	88.9	98.4	103.9
EBT Margin (%)	20.10	17.5	18.0	18.3
Net Margin before Extraordinary Items (%)	14.4	13.1	13.3	13.3
Net Margin (%)	13.90	12.5	13.3	13.3
Return on equity (%)	26.06*	21.8	24.1	25.9
<u>Efficiency Ratio</u>				
Return on assets (%)	14.39*	14.2	14.9	15.3
Return on fixed assets (%)	28.37*	32.4	32.3	34.7
Asset turnover (times)	1.04*	1.14	1.12	1.14
<u>Financial Policy Ratio</u>				
Total Liabilities to Equity (times)	1.10	0.51	0.57	0.67
Debt to Equity (times)	0.79	0.25	0.30	0.39
Net Debt to Equity (times)	0.51	0.15	0.23	0.31
Interest Coverage Ratio (times)	17.8	35.95	24.85	18.83
Debt service coverage ratio (CASH BASIS) (times)	4.9	25.18	19.76	2.75

- Translation -

**BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
FINANCIAL RATIO SUMMARY**

Consolidated	For the nine-month periods ended 30 Sep 11	For the years end 31 Dec 10	For the years end 31 Dec 09	For the years end 31 Dec 08
<u>Baht per share</u>				
Par Value	1.00	1.00	1.00	1.00
Book Value Per Share	8.72	8.33	7.51	6.68
Book Value Per Share - Fully Diluted	7.32	7.00	6.31	5.61
Earnings Per Share	2.22*	1.73	1.71	1.64
Earnings Per Share - Fully Diluted	1.87*	1.45	1.44	1.37
Dividend per share	0.95	0.90	0.85	0.80
<u>Growth ratios</u>				
Sales from hospital operations (%)	16.38	8.1	5.1	3.7
Cost of goods sold (%)	14.29	7.0	4.3	4.0
Administrative expenses (%)	9.09	8.9	9.3	3.0
EBITDA (%)	24.27	8.5	4.8	4.1
Operating profit (%)	28.83	7.0	2.2	2.0
Net profit before extraordinary items (%)	29.4	6.1	4.6	4.0
Net profit (%)	32.84	1.0	4.6	-25.7
Total assets (%)	45.74	6.8	5.7	8.6

* Annualized

11.2 Management Discussion and Analysis

The Company reported total revenues in 3Q11 of Baht 3,077 million, a 16% increase from 3Q10 revenues of Baht 2,661 million. Strong operations reflected growth in the international patient segment, and cost efficiencies. The 3Q11 reported net profit was Baht 454 million, a 20% increase from 3Q10 net profit of Baht 377 million. The resulting Net profit margin was 14.5% in 3Q11, an increase from 14.1% in 3Q10.

For 9M11, the Company reported total revenues of Baht 8,730 million, a 16% increase from 9M10 revenues of Baht 7,521 million. The Company's 9M11 reported net profit was Baht 1,214 million, a 33% increase from Baht 914 million in 9M10. Resulting Net profit margin was 13.8% in 9M11, an increase from 12.2% in 9M10.

For 2010, the Company reported Total revenues of Bath 10,069 million, an 8% increase from 2009 Total revenues of Baht 9,338 million. The 2010 Reported net profit was Baht 1,258 million, a 1% increase from 2009 Reported net profit of Baht 1,246 million. Excluding Baht 63 million extraordinary item from loss on the translation adjustment from the sale of Asia Renal Care (ARC) Group in 2Q10, the 2010 net profit was Baht 1,321 million, a 6% increase from 2009 Reported net profit. Details of the management discussion and analysis are as follows.

1. Profit and Loss Statement

For 3Q11

For 3Q11, the Company reported Revenues from hospital operations of Baht 2,994 million, a 16% increase year over year from Baht 2,586 million in 3Q10. Total patient volumes and revenue per episode increased in 3Q11 compared with 3Q10. Outpatient service revenue increased by 15% year over year, while inpatient service revenue increased by 19% year over year. The revenue contribution by inpatient service was 50% and outpatient service was 50% in 3Q11. In terms of revenues by nationality, revenues from international patients were 59% and revenues from Thai patients were 41%.

Rental income was Baht 33 million in 3Q11, flat with Baht 32 million in 3Q10. Other income was Baht 50 million in 3Q11, significant growth from Baht 30 million in 3Q10 as a result of the increase in interest income and gain on exchange rate. Total revenues in 3Q11 were Baht 3,077 million, compared to Baht 2,661 million in 3Q10, a 16% increase year over year.

In 3Q11, the Company reported Cost of hospital operations of Baht 1,775 million, a 15% increase year over year from Baht 1,544 million in 3Q10, in line with the growth rate of Revenues from hospital operations. Gross profit was Baht 1,219 million, a 17% increase year over year from Baht 1,042 million in 3Q10, reflecting gross margin at 40.7% in 3Q11 vs. 40.3% in 3Q10.

3Q11 Administrative expenses were Baht 519 million, a 16% increase year over year from Baht 446 million in 3Q10, in line with the growth rate of Total revenues. As a result, EBITDA was Baht 769 million in 3Q11, a 17% increase year over year from Baht 659 million in 3Q10. Consequently, EBITDA margin was 25.1% in 3Q11 which improved marginally from 24.9% in 3Q10.

3Q11 Depreciation and amortization was Baht 163 million, higher than the Baht 154 million in 3Q10, as a result of the ongoing capital spending for the campus master plan. The Company reported Share of income from investments in joint venture and associated companies of Baht 59 million in 3Q11, compared to Baht 4 million in 3Q10. The 3Q11 share of income was primarily attributable to share of income from Kasemrad Hospital Group of Baht 48 million, and the share of income from Bumrungrad International Limited of Baht 9 million.

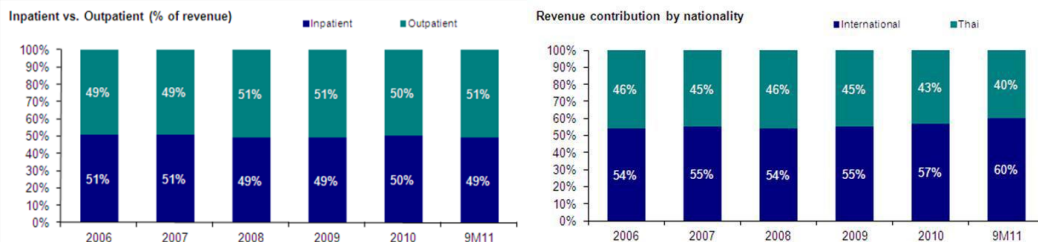
Financing expense was Baht 55 million in 3Q11, higher than Baht 18 million in 3Q10, primarily because of Baht 33 million in interest expense related to debt financing for the purchase of common shares of Bangkok Chain Hospital PCL doing business as Kasemrad Hospital Group on 18 March 2011. The corporate income tax in 3Q11 was Baht 170 million, compared to Baht 127 million in 3Q10, at the effective tax rate of 30.1% in 3Q11 and 25.4% in 3Q10.

- Translation -

For 3Q11, basic EPS was Baht 0.62, a 19% increase year over year from Baht 0.52 in 3Q10. 3Q11 fully diluted EPS was Baht 0.52, a 21% increase year over year from Baht 0.43 in 3Q10.

9M11 operation performance

For the 9M11, the Company reported revenues from hospital operations of Baht 8,511 million, a 16% increase from Baht 7,313 million in 9M10. The revenue growth was driven by strong revenues from hospital operations from the increase in patient volume, primarily from the international segment and the recovery from slower operations as a result of political unrest. Inpatient revenues increased by 15% year over year, while outpatient revenues increased 19% year over year in 9M11. The revenue contribution by inpatient was 49% and outpatient was 51% in 9M11. In terms of revenues by nationality, revenue from international patient was 60% and Thai patient was 40%.



Rental income was Baht 94 million in 9M11, a slight decline from Baht 100 million in 9M10. Other income was Baht 125 million in 9M11, increased from Baht 95 million in 9M10 because of increase in interest income and gain on exchange rate. Total revenues in 9M11 were Baht 8,730 million, compared to Baht 7,521 million in 9M10, a 16% increase year over year.

In 9M11, the Company reported cost of hospital operations of Baht 5,030 million, a 14% increase from Baht 4,401 million in 9M10, at a slower pace than growth in revenues from hospital operations attributable to improved efficiencies in management of medical supplies and economies of scale. As a result, gross profit was Baht 3,482 million in 9M11, a 20% increase from Baht 2,912 million in 9M10. Consequently, gross profit margin was 40.9% in 9M11, higher than 39.8% in 9M10.

9M11 administrative expenses were Baht 1,404 million, a 9% increase from Baht 1,287 million in 9M10, lower than the increase in total revenues. The slower growth in administrative expenses was due to the lower donation expenses, lower marketing spending, and lower bad debt expenses. As a result, EBITDA was Baht 2,275 million in 9M11, significantly increased by 25% from Baht 1,818 million in 9M10. Consequently, EBITDA margin improved to 26.1% in 9M11 compared to 24.2% in 9M10.

9M11 depreciation and amortization was Baht 482 million, higher than Baht 439 million in 9M10 due to the ongoing capital spending for the campus master plan. The Company reported share of profit from investments in joint venture and associated companies of Baht 69 million in 9M11, compared to share of loss of Baht 45 million in 9M10. The results for both periods were impacted by extraordinary items, as further explained in the Extraordinary Items section of this document. The share of profit from Kasemrad Hospital Group was Baht 92 million during 9M11.

Financing expense increased to Baht 128 million in 9M11 compared to Baht 50 million in 9M10, primarily as a result of Baht 69 million in interest expense related to the debt financing for the purchase of common shares of Bangkok Chain Hospital PCL doing business as Kasemrad Hospital Group on 18 March 2011. The corporate income tax in 9M11 was Baht 541 million, compared to Baht 385 million in 9M10, or at the effective tax rate of 32.1% in 9M11 and 28.6% in 9M10. The higher effective tax rate in 9M11 was a result of income tax of Baht 25 million on a stock dividend from Bangkok Chain Hospital PCL, due to a holding period of less than 3 months prior to declaration date. Excluding this dividend tax, the effective tax rate for 9M11 was 30.6%.

The Company's results for both 9M11 and 9M10 reflected extraordinary items in the 2nd quarter related to Bumrungrad International Limited which are discussed in further detail in the

- Translation -

Extraordinary Items section of this document. Excluding extraordinary items, the 9M11 net profits was Baht 1,264 million, a 29% increase from Baht 977 million in 9M10. Net profit margin excluding extraordinary items was 14.4% in 9M11, an increase from 13.0% in 9M10.

For 9M11, basic EPS was Baht 1.67, 34% increase from Baht 1.25 in 9M10. 9M11 fully diluted EPS was Baht 1.40, also a 33% increase from Baht 1.05 in 9M10.

(Unit: Baht Million)

Income statement (Unit: Baht million)	3Q11	3Q10	Y-o-Y Growth	9M11	9M10	Y-o-Y Growth
Revenues from Hospital Operations	2,994	2,586	16%	8,511	7,313	16%
Total revenues	3,077	2,661	16%	8,730	7,521	16%
Gross Profit	1,219	1,042	17%	3,482	2,912	20%
EBITDA	769	659	17%	2,275	1,818	25%
Share of Income from Investments in Joint Venture and Associated Companies	59	4	n.a.	69	(45)	n.a.
Net Profit	454	377	20%	1,214	914	33%
EPS – Basic	0.62	0.52	19%	1.67	1.25	34%
EPS – Fully Diluted	0.52	0.43	21%	1.40	1.05	33%
<i>Gross Profit Margin</i>	<i>40.7%</i>	<i>40.3%</i>		<i>40.9%</i>	<i>39.8%</i>	
<i>EBITDA Margin</i>	<i>25.1%</i>	<i>24.9%</i>		<i>26.1%</i>	<i>24.2%</i>	
<i>Net Profit Margin</i>	<i>14.5%</i>	<i>14.1%</i>		<i>13.8%</i>	<i>12.2%</i>	

For 2010

The Company reported Revenues from hospital operations of Baht 9,806 million, an 8% increase year over year from Baht 9,069 million in 2009. The revenue growth was driven by strong Revenues from hospital operation in 1Q10 and 3Q10. However, this was partially offset by weak performance in 2Q10 due to political unrest. Inpatient service revenues increased by 10% year over year and outpatient service revenues increased by 5% year over year. The revenue contribution by inpatient service was 50% and outpatient service was 50% in 2010. In terms of revenues by nationality, revenues from international patients were 57% and revenues from Thai patients were 43%.

Rental income was Baht 130 million in 2010, a decline from Baht 132 million in 2009. Other income was Baht 120 million in 2010, a decline from Baht 137 million in 2009. Total revenues in 2010 were Baht 10,069 million, compared to Baht 9,338 million in 2009, an 8% increase year over year, in-line with the increase in Revenues from hospital operation.

In 2010, the Company reported Cost of hospital operations of Baht 5,944 million, a 7% increase year over year from Baht 5,553 million in 2009, at a slower pace than growth in Revenues from hospital operation as a result of continuous cost control, coupled with better asset utilization and economies of scale as the hospital saw high volume especially from international patients in 1Q10 and 3Q10. As a result, gross profit was Baht 3,862 million in 2010, a 10% increase year over year from Baht 3,516 million in 2009. Consequently, gross profit margin was 39.4% in 2010, higher than 38.8% in 2009.

2010 Administrative expenses were Baht 1,537 million, a 9% increase year over year from Baht 1,416 million in 2009, slightly higher than the increase in Total revenues. The increase was due to higher salaries related to higher headcount to accommodate increasing volume and higher overtime costs in 2Q10 as the hospital staffed the personnel during the political unrest to prepare for any possible mass casualties; higher donation expenses from Rak Jai Thai project; and additional expenses related to subsidiary, Asia Global Research Co., Ltd. (AGR), a clinical research company, which started operations in the second half of 2009 and start-up expenses of Vitechpro, the wholesale business of Vitallife Corporation Limited. As a result, EBITDA was Baht 2,452 million

- Translation -

in 2010, a 9% increase year over year from Baht 2,259 million in 2009. Consequently, EBITDA margin was 24.4% in 2010, up from 24.2% in 2009.

2010 Depreciation and amortization was Baht 596 million, higher than Baht 539 million in 2009 due to the completion of renovation of inpatient wards together with the new Women Center and Digestive Disease Center. Financing expenses decreased to Baht 68 million in 2010 compared to Baht 91 million in 2009, as a result of the Baht 12 million refinancing prepayment fee in 2009 and a lower loan balance outstanding from the scheduled repayment of the previous loan, together with lower interest rate from the refinanced loan, where the interest rate was reduced from MLR – 1.25% to MLR – 1.5%. The corporate income tax in 2010 was Baht 507 million, compared to Baht 444 million in 2009, or at the effective tax rate of 28.2% in 2010 and 27.1% in 2009.

The Company reported Share of loss from investments in joint venture and associated companies of Baht 35 million in 2010, compared to share of profit of Baht 47 million in 2009. The 2010 share of loss was attributable to share of income from CDE Trading Company Limited of Baht 7 million and share of loss from Bumrungrad International Limited of Baht 42 million which was primarily due to Baht 63 million loss on the translation adjustment from the sale of ARC Group in 2Q10.

As a result of the above, the Company's 2010 Reported net profit was Baht 1,258 million, a 1% increase year over year. Excluding Baht 63 million extraordinary item, which was the loss on the translation adjustment from the sale of ARC Group, 2010's net profit was Baht 1,321 million, a 6% increase year over year from Reported net profit of Baht 1,246 million in 2009. Reported net profit margin was 12.5% in 2010, while net profit margin excluding the extraordinary item was 13.1%, which was slightly lower than 13.3% in 2009.

For 2010, basic EPS was Baht 1.73, a 1% increase year over year from Baht 1.71 in 2009. 2010 fully diluted EPS was Baht 1.45, also a 1% increase year over year from Baht 1.44 in 2009.

(Unit: Baht Million)

Income statement (Unit: Baht million)	2010	2009	Year over year
Revenues from Hospital Operations	9,806	9,069	8%
Total revenues	10,069	9,338	8%
Gross Profit	3,862	3,516	10%
EBITDA	2,452	2,259	9%
Share of Income from Investments in Joint Venture and Associated Companies	-35	47	N.A.
Net Profit	1,258	1,246	1%
Net Profit (excluding extraordinary item)	1,321	1,246	6%
EPS – Basic	1.73	1.71	1%
EPS – Fully Diluted	1.45	1.44	1%
<i>Gross Profit Margin</i>	<i>39.4%</i>	<i>38.8%</i>	
<i>EBITDA Margin</i>	<i>24.4%</i>	<i>24.2%</i>	
<i>Net Profit Margin</i>	<i>12.5%</i>	<i>13.3%</i>	
<i>Net Profit Margin (excluding extraordinary item)</i>	<i>13.1%</i>	<i>13.3%</i>	

2. Balance Sheet

For 3Q11

As at 30 September 2011, the Company reported Total current assets of Baht 3,206 million, an increase from Baht 1,855 million as at 31 December 2010, primarily because of an increase of Baht 1,114 million in Cash and cash equivalents. Trade accounts receivable was Baht 1,174 million as at 30 September 2011, an increase from Baht 946 million as at 31 December 2010, as a result of the high revenue in the Middle East corporate accounts. The collection period was 37.2 days as at 30 September 2011 compared to 33.6 days as at 31 December 2010. Total non-

- Translation -

current assets increased to Baht 10,133 million as at 30 September 2011 compared to Baht 7,297 million as at 31 December 2010 because of the increase in Investment in associated companies from the purchase of common shares of Kasemrad Hospital Group. As a result, Total assets increased to Baht 13,338 million as at 30 September 2011 from Baht 9,152 million as at 31 December 2010.

Total liabilities were Baht 6,988 million as at 30 September 2011, an increase from Baht 3,082 million as at 31 December 2010, primarily from an increase in Short-term loan of Baht 3,570 million to finance the purchase of common shares of Kasemrad Hospital Group, an increase in current liabilities related to operations such as Accrued expenses and an increase in provision for long-term employee benefits of Baht 293 million resulting from a change in accounting policy. The interest-bearing debt (short-term loan + long-term loans) increased to Baht 5,000 million as at 30 September 2011 from Baht 1,530 million as at 31 December 2010 due to the increase in Short-term loan of Baht 3,570 million to finance the purchase of common shares of Kasemrad Hospital Group. With a higher debt position, net debt to equity increased to 0.5x as at 30 September 2011 from 0.15x as at 31 December 2010. The Company's interest coverage ratio was 17.8x in 9M11 compared to 36.4 in 9M10. The decrease in interest coverage ratio was due to higher interest expense.

Total shareholders' equity increased to Baht 6,350 million as at 30 September 2011 from Baht 6,069 million as at 31 December 2010, primarily as a result of the Company's 9M11 net profit of Baht 1,214 million, netted off with Bath 276 million from cumulative effect of change in accounting policy for employee benefits, Baht 694 million from dividend payment and other retain earnings increase Baht 36 million. Annualized average return on assets (ROA) in 9M11 was 14.4% while annualized average return on equity (ROE) was 26.1% in 9M11.

Unit: Baht million	30 Sep 11	31 Dec 10	Change
Total Assets	13,338	9,152	46%
Total Liabilities	6,988	3,082	127%
Total Shareholders' Equity	6,350	6,069	5%
Average Collection Period (days)	37.2	33.6	
Average Inventory Period (days)	11.6	12.8	
Average Payables Period (days)	30.9	33.0	
Net Debt to Equity (x)	0.5	0.15	
	9M11	9M10	
Interest Coverage Ratio (x)	17.8	36.4	
Average return on assets (%)	14.4%	13.9%	
Average Return on Equity (%)	26.1%	21.7%	

* Interest expense related to the purchase of common shares of Bangkok Chain Hospital PCL doing business as Kasemrad Hospital Group to calculate interest coverage ratio was Bt 69.5 million based on remaining days after the transaction settled. If we assumed impact for the full period, interest expense from this transaction would be Bt 98.8 million and interest coverage ratio would be 14.5x

For 2010

As at 31 December 2010, the Company reported Total current assets of Baht 1,855 million, an increase from Baht 1,332 million as at 31 December 2009, primarily because of an increase in Cash and cash equivalents and Trade accounts receivable. Trade accounts receivable was Baht 946 million as at 31 December 2010, an increase from Baht 658 million as at 31 December 2009, as a result of the increase in the Middle East corporate accounts, together with increasing international insurance contracts. Therefore, the collection period increased to 33.4 days as at 31 December 2010 compared to 26.7 days as at 31 December 2009. Total non-current assets slightly increased to Baht 7,297 million as at 31 December 2010 compared to Baht 7,235 million as at 31 December 2009 because of the increase in Property, plant and equipment to Baht 5,785 million as at 31 December 2010 from Baht 5,667 million as at 31 December 2009. This was

- Translation -

primarily a result of increase in assets related to the renovation of inpatient wards and renovation of Women Center and Digestive Disease Center. As a result, Total assets increased to Baht 9,152 million as at 31 December 2010 from Baht 8,567 million as at 31 December 2009.

Total liabilities were Baht 3,082 million as at 31 December 2010, a slight decrease from Baht 3,094 million as at 31 December 2009, primarily from a decrease in Current liabilities related to operations such as Accrued expenses and Short-term loan. The interest-bearing debt (short-term loan + long-term loans) decreased to Baht 1,530 million as at 31 December 2010 from Baht 1,620 million as at 31 December 2009 due to short-term loan repayment. With a lower debt position and increased cash balance, together with an increase in Shareholders' equity, net debt to equity slightly decreased to 0.15x as at 31 December 2010 from 0.23x as at 31 December 2009. Because the Company no longer has current portion of long term loans since 1Q10, as the refinanced loan has 2 years grace period, together with decrease in interest expense, the Company's interest coverage ratio significantly improved to 35.9x in 2010 compared to 24.8x in 2009.

Total shareholders' equity increased to Baht 6,069 million as at 31 December 2010 from Baht 5,473 million as at 31 December 2009, primarily as a result of the Company's 2010 net profit of Baht 1,258 million, netted off with dividend payment of Baht 619 million in 2010. Average return on assets (ROA) in 2010 was 14.2% while Average return on equity (ROE) was 21.8% in 2010.

Unit: Baht million	2010	2009	Change
Total Assets	9,152	8,567	7%
Total Liabilities	3,082	3,094	0%
Total Shareholders' Equity	6,069	5,473	11%
Average Collection Period (days)	33.4	26.7	
Average Inventory Period (days)	12.6	12.5	
Average Payables Period (days)	32.7	33.3	
Net Debt to Equity (x)	0.15	0.23	
Interest Coverage Ratio (x)	35.9	24.8	
Average return on assets (%)	14.2%	14.9%	
Average Return on Equity (%)	21.8%	24.1%	

3. Liquidity

For 9M11

The Company's cash flow from operating activities in 9M11 was Baht 1,561 million, compared to Baht 1,187 million in 9M10. Net cash used in investment activities was Baht 3,193 million in 9M11, compared to Baht 569 million in 9M10, including the impact of the purchase of common shares of Kasemrad Hospital Group and the receipt of proceeds of Baht 613 million from the capital reduction exercise by Bumrungrad International Limited. The Company reported net cash flow from financing activities of Baht 2,746 million in 9M11, an increase from Baht 592 million net cash flow used in financing activities in 9M10, because the Company raised Baht 3,570 million short-term loans for the purchase of common shares of Kasemrad Hospital Group. As a result, Cash and cash equivalents at the end of the period was Baht 1,741 million as at 30 September 2011, an increase from Baht 413 million as at 30 September 2010.

- Translation -

Liquidity ratio as at 30 September 2011 decreased to 0.58x compared to 1.12x as at 31 December 2010, as a result of the increase in short-term loans. Similarly, quick ratio decreased to 0.53x as at 30 September 2011 compared to 0.95x as at 31 December 2010.

Unit: Baht million	9M11	9M10
Cash Flow from Operating Activities	1,561	1,187
Cash Flow from Investing Activities	(3,193)	(569)
Cash Flow from Financing Activities	2,746	(592)
Net Increase (Decrease) in cash and cash equivalents	1,114	27
Cash and cash Equivalents at end of year	1,741	413
	30 Sep 11	31 Dec 10
Liquidity Ratio (x)	0.58	1.12
Quick Ratio (x)	0.53	0.95

For 2010

The Company's cash flow from operating activities in 2010 was Baht 1,649 million, compared to Baht 1,706 million in 2009. Net cash used in investment activities was Baht 668 million in 2010, compared to Baht 822 million in 2009. The Company reported net cash flow used in financing activities of Baht 742 million in 2010, a decrease from Baht 881 million in 2009, because the Company repaid its long term loan in 2009 according to the repayment schedule of the previous long-term loan agreement, while the refinanced loan in October 2009 has 2-years grace period. As a result, Cash and cash equivalents at the end of the period was Baht 627 million as at 31 December 2010, an increase from Baht 387 million as at 31 December 2009.

Liquidity ratio as at 31 December 2010 increased to 1.12x compared to 0.80x as at 31 December 2009, as a result of the increase in Cash and cash equivalents and Accounts receivable. Similarly, quick ratio increased to 0.95x as at 31 December 2010, compared to 0.63x as at 31 December 2009.

Unit: Baht million	2010	2009
Cash Flow from Operating Activities	1,649	1,706
Cash Flow from Investing Activities	(666)	(822)
Cash Flow from Financing Activities	(742)	(881)
Net Increase (Decrease) in cash and cash equivalents	241	2
Cash and cash Equivalents at end of year	627	387
Liquidity Ratio (x)	1.12	0.80
Quick Ratio (x)	0.95	0.63

4. Extraordinary Items

For 9M11

Extraordinary items occurred in 2Q10 in the amount of Baht 63 million and 2Q11 in the amount of Baht 50 million. Bumrungrad International Limited (BIL) completed the sale of an investment in Asia Renal Care Limited (ARC), a 100% indirectly owned subsidiary, in 2010. BIL contributed share of loss of Baht 59 million to the Company in 2Q10 which was due primarily to a loss from translation adjustment of Baht 63 million from the sale of ARC. As a result of the sale of ARC, BIL's cash balances were in excess of its cash requirements. A decision to reduce capital reflected the exercise of prudent financial management and corporate governance.

Excess cash was held by BIL's 100% owned subsidiary, Bumrungrad International Holdings (Hong Kong) Limited (BIHL), which had previously held shares in ARC. As part of the strategy to

- Translation -

complete the capital reduction by BIL, BIHL repurchased its own shares from BIL. The share repurchase transaction resulted in a share of loss by the Company from a translation adjustment that was partially offset by a foreign exchange gain on the repayment of an intercompany loan between BIL and BIHL. These exchange rate-related factors led to a Baht 50 million negative impacts on the Company's share of loss by BIL of Baht 45 million for 2Q11.

These transactions were completed in relation to the capital reduction strategy of BIL. On 14 March 2011, the share capital of BIL was reduced, by way of a reduction of the number of shares, from Baht 3,199,336,700 to Baht 1,176,000,000. After elimination of BIL's retained deficit, the resulting cash distributed by BIL to shareholders on 19 April 2011 was Baht 1,944,910,646. The cash distribution to the Company was Baht 612,646,853.

11.3 Audit Fees

11.3.1 Audit Fees

For the year 2010, the Company and subsidiaries have paid the audit fee in the amount of Baht 2.3 million. The Company's 2010 audit fee has been approved by the shareholders' meeting.

11.3.2 Non-Audit Fees

For the year 2010, the Company paid the consultation and training fee for the preparing of implementation of International Financial Reporting Standard (IFRS) in the amount of Baht 0.9 million

12 OTHER INFORMATION

-None-

PART 3**INFORMATION RELATING TO THE OFFER FOR SALE OF DEBENTURES**

Bumrungrad Hospital Public Company Limited (the “**Issuer**”) is a public limited company incorporated under the laws of Thailand. The Issuer has its headquarters located at 33 Sukhumvit 3, Wattana, Bangkok 10110. The Issuer wishes to offer for sale of Debentures having significant details in accordance with the conditions set forth below.

1. DETAILS OF DEBENTURES**1.1 Main Features of the Debentures Offered**

The Issuer is desirous to issue and offer for sale no more than 5,000,000 (five million) units of Debentures with par value of Baht 1,000 (one thousand Baht) each with a total size not exceeding Baht 5,000,000,000 (five billion Baht).

Issuer	:	Bumrungrad Hospital Public Company Limited
Specific Name of the Debentures	:	Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 1 Due B.E. 2559 (“ Series 1 Debentures ”) Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 2 Due B.E. 2561 (“ Series 2 Debentures ”) Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 3 Due B.E. 2564 (“ Series 3 Debentures ”)
Type	:	Unsecured and Unsubordinated Debentures without any Debentureholders’ Representative in the Name-Registered Certificate
Amount	:	(a) In respect of Series 1 Debentures: up to 1,500,000 (one million and five hundred thousand) units; (b) In respect of Series 2 Debentures: up to 1,000,000 (one million) units; and (c) In respect of Series 3 Debentures: up to 2,500,000 (two million and five hundred thousand) units.
Total Amount of the Debentures Offered	:	Up to 5,000,000 (five million) units
Par Value Per Unit	:	Baht 1,000 (one thousand Baht Only)
Offering Price Per Unit	:	Baht 1,000 (one thousand Baht Only)
Value	:	(a) In respect of Series 1 Debentures: up to Baht 1,500,000,000 (one billion and five hundred million Baht) ; (b) In respect of Series 2 Debentures: up to Baht 1,000,000,000 (one billion Baht); and

- (c) In respect of Series 3 Debentures: up to Baht 2,500,000,000 (two billion and five hundred million Baht).
- Total Value** : Up to Baht 5,000,000,000 (five billion Baht)
- Term** : (a) In respect of Series 1 Debentures: 5 (five) years from the Issue Date;
(b) In respect of Series 2 Debentures: 7 (seven) years from the Issue Date; and
(c) In respect of Series 3 Debentures: 10 (ten) years from the Issue Date.
- Issue Date** : 20 November 2011
- Maturity Date** : (a) In respect of Series 1 Debentures: 20 December 2016;
(b) In respect of Series 2 Debentures: 20 December 2018; and
(c) In respect of Series 3 Debentures: 20 December 2021.
- If the actual Maturity Date is not a Business Day, then the Maturity Date shall be the next business day following such date.
- Interest Rate** : (a) In respect of Series 1 Debentures: 4.13% (four point one three per cent) per annum;
(b) In respect of Series 2 Debentures: 4.59% (four point five nine per cent) per annum; and
(c) In respect of Series 3 Debentures: 4.97% (four point nine seven per cent) per annum.
- Interest Payment** : The Issuer will pay interest on the Debentures every 6 six months on the 20 June and 20 December of every year. The first interest payment will be made on 20 June 2012, and the last interest payment will be made on the relevant Maturity Date.
- Method, Time and Place for Interest Payment** : Interest due on any Interest Payment Date will be payable by the Issuer through the Registrar to the Debentureholder whose name appears in the Register Book on the relevant Record Date or, with respect to persons whose Debentures are deposited with TSD, the persons whose names appear on the list of owners of the Debentures maintained by TSD. Except for payments of interest on the final Interest Payment Date, payments of interest on each Debenture will be made to the Debentureholder by means of (i) a transfer to the bank account of the Debentureholder (as notified by it in the subscription form or in writing to the Registrar and the Issuer in advance not less than 14 days before the due date) or (ii) a crossed check marked "A/C Payee Only" in the name of the Debentureholder mailed to the address of the relevant Debentureholder or in such other way as may be agreed from time to time by the Issuer and the Registrar. The Debentureholders shall not be obliged to surrender the relevant Debenture Certificates at the principal

office of the Registrar in order to receive payments of interest with respect to the final Interest Payment Date.

- Repayment of Principal** : Bullet-payment on the Maturity Date
- Method, Time and Place for Principal Repayment** : Payments of principal will be payable by the Issuer through the Registrar to the Debentureholder whose name appears in the Register Book on the relevant Record Date or, with respect to persons whose Debentures are deposited with TSD, the persons whose names appear on the list of owners of the Debentures maintained by TSD. The payment will be made to the Debentureholder by means of (i) a transfer to the bank account of the Debentureholder (as notified by it in the subscription form or in writing to the Registrar and the Issuer in advance not less than 14 days before the due date) or (ii) a crossed check marked “A/C Payee Only” in the name of the Debentureholder by an account payee Baht cheque drawn on a bank in Bangkok or in such other way as may be agreed from time to time by the Issuer and the Registrar. The Debentureholders shall not be obliged to surrender to the Registrar at its principal office the relevant Debentures Certificates in order to receive payment of principal on the Maturity Date.
- Debentureholders’ Early Redemption Right** : None
- Issuer’s Early Redemption Right** : The Issuer is entitled to repurchase the Debentures from the secondary market or other sources at any time prior to the due date of redemption on a non-discriminate basis. In such case, the Debentures shall be deemed extinct on account of merger of debts and the Issuer shall cancel those repurchased Debentures immediately and not re-offer them for sale.
- Status of the Debentures** : The Debentures constitute direct, general, unconditional, unsecured and unsubordinated indebtedness of the Issuer ranking *pari passu*, without any preference among themselves, with all other present and future unsecured and unsubordinated indebtedness of the Issuer, except for obligations mandatorily preferred by law applicable to the Issuer generally.
- Security for the Debentures** : None
- Joint Lead Underwriters** : The Siam Commercial Bank Public Company Limited
Bangkok Bank Public Company Limited
- Registrar** : The Siam Commercial Bank Public Company Limited
- Registration of** : The Issuer will apply for registration of the Debentures offered with the Thai Bond Market Association. The Issuer may register the Debentures

- Debentures** offered with other secondary markets.
- Secondary Market** : Investors may sell or purchase the Debentures from commercial banks, securities companies or other juristic persons licensed as debentures dealers or on any other secondary markets.
- Credit Rating** : The Issuer will arrange for credit rating of the Debentures by a crediting rating agency approved by the Office of the Securities and Exchange Commission throughout the term of the Debentures. The Debentures are rated at A (with stable outlook) by TRIS Rating Co., Ltd. on 18 November 2011. However, this credit rating has not been provided in order to recommend the investors to buy, sell or hold the Debentures offered for sale and may be withdrawn or changed by TRIS Rating Co., Ltd.

1.2 Summary of the Terms and Conditions

Terms and Conditions means the terms and conditions relating to the rights and obligations of the Issuer and Debentureholders.

Representations of the Issuer The Issuer represents that:

(a) Status of Issuer

As long as any amount remains outstanding under the Debentures, the Issuer is a juristic person duly incorporated and validly existing under the laws of Thailand and has the power to engage in the objects of its business.

(b) Legality of Debentures Issued

As long as any amount remains outstanding under the Debentures, the issue by the Issuer of the Debentures under the Conditions or the undertaking by the Issuer of any action in relation to the issue of the Debentures is lawful and in accordance with its objects and Articles of Association in all respects and shall not breach or be in violation of any of its material obligations, commitments, representations or any other agreement the Issuer has made with any other person.

(c) Authorization of Debentures Issued

As long as any amount remains outstanding under the Debentures, the issue of the Debentures has been authorized by a resolution of the meeting of the board of directors, No. 5/2011 held on 9 November 2011, and by a resolution of the extraordinary meetings of the shareholders of the Issuer No. 1/2011 held on 8 December 2011. The registration statement for the offering of the Debentures

hereunder became effective on 14 December 2011.

(d) Validity of Debentures

As long as any amount remains outstanding under the Debentures, the Debentures and the Conditions are valid and lawful obligations binding the Issuer and are enforceable against the Issuer in accordance with their respective terms, except to the extent that the enforcement thereof may be limited by bankruptcy, reorganization of other similar laws relating to or affecting the enforcement of creditors' rights generally.

(e) Financial Statements and Consolidated Financial Statements

As at the Issue Date, the financial statements and consolidated financial statements (if any) of the Issuer have been prepared in accordance with accounting rules, procedures and principles generally accepted in Thailand, and, when considered in conjunction with the notes to the financial statements and the consolidated financial statements (if any), will show reasonably correctly (a) its financial condition on the date specified in the financial statements and the consolidated financial statements (if any), and (b) the result of its business operations during the relevant period.

(f) Legal Actions

As at the Issue Date, to the best of its knowledge, no legal action, arbitration proceedings, or administrative trial are pending in a court of law or before any agency which shall have been started or threatened against the Issuer or its assets, which, if adversely determined, would be reasonably likely to have a Material Adverse Effect.

(g) Bankruptcy or Receivership Judgment

As at the Issue Date, it has not taken any action and, so far as it is aware, no other person has taken any action as regards its bankruptcy, receivership, debt restructuring, winding up of business, liquidation, insolvency, dissolution or business reorganization in any jurisdiction.

(h) Pari Passu Ranking

As long as any amount remains outstanding under the Debentures, its payment obligations under the Debentures rank at least *pari passu* with the claims of all its other unsecured and unsubordinated

creditors, except for obligations mandatorily preferred by law generally.

**Affirmative
Covenants**

The Issuer covenants and agrees that, for so long as any amounts remain outstanding under the Debentures:

(a) Notice of Default

The Issuer shall, promptly upon the Issuer learning of an occurrence of an Event of Default (as prescribed in Condition 11.1 of the Conditions), notify the Debentureholders of the same and action undertaken by the Issuer in order to remedy such Event of Default (if any).

(b) Accounts, Financial Statements and Consolidated Financial Statements

The Issuer shall cause to be prepared and maintained proper and correct accounts and financial statements and consolidated financial statements (if any), in each case in accordance with accounting rules, procedures and principles generally accepted in Thailand, and when considered in conjunction with the notes to the financial statements and the consolidated financial statements (if any), will show reasonably correctly (i) its financial condition on the date specified in the financial statements and the consolidated financial statements (if any), and (ii) the result of its business operations during the relevant period.

(c) Payment of Tax

The Issuer shall pay all taxes assessed against its assets, revenue, income or profits before such taxes become overdue and shall pay or cause to be paid monies pursuant to any lawful claim of any kind which if unpaid may operate as an encumbrance or a right of retention over its assets, revenue, income or profits, or a preferential right over other indebtedness, unless (i) such taxes or monies are pending a contest in good faith and due process, and (ii) there shall have been set aside a reserve or surplus as may be necessary therefor in accordance with the generally accepted accounting principles.

(d) Replacement of Registrar

If it is necessary to replace the Registrar, the Issuer shall use its best endeavors to procure another person to be appointed as replacement Registrar, as soon as reasonably practicable, but in any case, no later than 90 (ninety) days from the date on which

there is an event which requires the replacement of the Registrar.

(e) Compliance with Law

The Issuer shall comply with all material applicable law, rules, regulations or order relating to healthcare business.

(f) Credit Rating

The Issuer shall arrange for the Credit Rating Agency to provide a credit rating for the Debentures on the Issue Date and for a credit rating to be provided during the term of the Debentures at least on an annual basis.

(g) Registration with Thai Bond Market Association

The Issuer shall promptly register the Debentures with the Thai Bond Market Association.

Negative Covenants

(a) No Disposal of Property

(i) The Issuer shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset.

(ii) Paragraph (i) above does not apply to any sale, lease, transfer or other disposal under any of the following:

(aa) made in the ordinary course of trading activities or business of the Issuer;

(bb) of assets in exchange for other assets which are reasonably deemed as comparable or superior as to type, value and quality and for a similar purpose;

(cc) of assets that are obsolete or no longer required for its business;

(dd) there is no reason to believe that the sale, transfer or disposal of assets would result in a Material Adverse Effect; or

(ee) where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable for any other sale, lease, transfer or other disposal (per transaction), other than any permitted under sub-paragraphs (aa) to (dd) above) does not exceed one-third of the total asset value of the Issuer,

as specified in its latest audited annual financial statement
(or its equivalent in another currency or currencies).

(b) No Creation of Security

Save for Permitted Encumbrances, no Security Interest exists or shall be created over all or any of the assets of the Issuer, unless a prior written consent from the Debentureholders is obtained.

Pursuant to the Conditions, “**Permitted Encumbrances**” means (a) Security Interest created, and/or agreed to be created in accordance with any agreement or memorandum of understanding entered into by the Issuer, prior to the issue of the Debentures (but shall not include Security Interest created as a result of any extension of the maturity date of the Convertible Bonds as defined in Condition 6.3(c) of the Conditions); (b) Security Interest created in its ordinary course of business operation or created for the benefit of its ordinary course of business operation; or (c) Security Interest created by operation of law.

(c) Maintenance of financial ratios

The Issuer must ensure that:

- (aa) the ratio of Net Debt to Equity is not, at any time, more than 1.75:1; and
- (bb) the ratio of Net Debt to EBITDA is not, at any time, more than 3.25.

The ratios of Net Debt to Equity and the Net Debt to EBITDA shall be computed quarterly based on the most recent Financial Statements of the Issuer.

All financial ratios in Condition 6.3(c) of the Conditions shall be calculated and interpreted in accordance with the accounting principles generally accepted in Thailand and shall be expressed in Baht.

Definitions

Convertible Bonds means

- (a) BH Partly Secured Convertible Bonds Series # 1 due 2012 issued on 24 August 2000; and
- (b) BH Partly Secured Convertible Bonds Series # 2 due 2012 issued on 24 August 2000,

including other convertible bonds which have other names as a

result of amendments of details of the abovementioned convertible bonds (such as amendments of the terms and conditions governing rights and obligations of the Issuer and holders of such convertible bonds).

EBITDA means the outcome of the calculation obtained from the formula as follows:

- (a) profit before financial expenditures and income taxes + depreciation and amortisation expense – interest income - share of profits from investments using the equity method as appeared in the Financial Statements.
- (b) If the above-mentioned definition is unclear, EBITDA should in generally accepted principles be the value which reflects the expenses and incomes arising from the ordinary course of business.

Equity means the aggregate of equity capital, share premium, realized retained earnings, any revaluation surplus, any unrealized foreign exchange gains or losses as at such date, and any item which can be treated as equity pursuant to accounting standards. Such item shall not be treated as Net Debt. For the avoidance of doubt, the Convertible Bonds shall be treated as equity pursuant to this definition.

Financial Statements means the consolidated quarterly financial statements which have been audited and reviewed by the auditor, or with respect to the last quarter, shall mean the consolidated year-end financial statement which have been audited or reviewed by the auditor.

Group means the Issuer and its Subsidiaries for the time being.

Net Debt means the total interest-bearing liabilities of the Issuer as appearing in the most recent Financial Statements, including any contingent liability arising from the Issuer's giving of a guarantee or the creation of other encumbrances in a similar manner in favour of any person (exclusive of trade account payables, other payments on current liabilities, accrued expenses payable and trade debts payable and documentary trade financing from banks in the ordinary course of business) less cash and cash equivalent assets.

Subsidiary means a company or corporation classified as such under the Issuer's most recent audited or auditor reviewed consolidated financial statements.

(d) Change of Business

The Issuer shall procure that no substantial change is made to the general nature of its business from that carried on at the Issue Date.

(e) Insurance

The Issuer shall maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

(f) Listing

The Issuer shall use its best efforts to maintain its status as a listed company and the quotation of its shares on the Stock Exchange of Thailand.

(g) No Dividend

If an Event of Default under the Conditions has occurred and is continuing or an event has occurred which may constitute an Event of Default (being an event which will become an Event of Default if the Issuer does not take corrective or remedial action within the prescribed period of time), the Issuer shall not declare or pay dividends, monies or any similar remuneration to its shareholders.

**Events of Default
under the Terms and
Conditions**

The occurrence and existence of any of the following events shall constitute an event of default (an “Event of Default”) under the Debentures if such event is not waived in accordance with the requirements for the meeting of the Debentureholders as annexed to the Conditions as Annexed A of the Conditions:

- (1) the Issuer fails to pay on the due date any amount payable by it under the Conditions; provided, however, that an Event of Default under the Condition shall not occur if it is caused by a technical failure in the banking system and such relevant payment is made by the Issuer within 5 (five) Business Days from the relevant due date;
- (2) the Issuer does not comply, save as failure to pay on the due date which shall constitute an Event of Default as provided in Condition 11.2(a) of the Conditions, with any provision of the Conditions and such default is not remedied for a period of 30 (thirty) days after notice of such default is given to the Issuer by one or more Debentureholder(s) holding more than 50 (fifty) per

cent in aggregate principal amount of the Debentures then outstanding;

- (3) any one or more indebtedness of the Issuer under any Financial Obligation to which it is a party or debtor or other obligor (individually or collectively) in the aggregate amount not less than Baht 250,000,000 (two hundred and fifty million Baht) (or its equivalent in other currency or currencies) becomes, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would otherwise have been due and payable (including as a consequence of default) (after giving effect to any applicable notice requirement or grace period);
- (4) a final decree or order is made or issued by a court of competent jurisdiction adjudging the Issuer to be bankrupt or insolvent, or a final decree or order is made or issued by a court of competent jurisdiction for the appointment of a receiver or liquidator in bankruptcy or insolvency of the Issuer or of all or any material part of the property of the Issuer, or for the winding-up, dissolution or liquidation of the Issuer;
- (5) a final decree or order is made or issued by a court of competent jurisdiction adjudging the Issuer to make payment in the aggregate amount not less than Baht 250,000,000 (two hundred and fifty million Baht) (or its equivalent in other currency or currencies) and the Issuer fails to make payment of such amount within the time prescribed by such decree or order;
- (6) an effective resolution is passed for the winding-up, dissolution or liquidation of the Issuer (other than the winding-up, dissolution or liquidation of the Issuer due to a merger, demerger, amalgamation, reorganization or reconstruction in respect of the Issuer whereby either the Issuer shall be the continuing corporation or the successor corporation (if other than the Issuer) shall assume the punctual payment of the principal and interest on all the Debentures and the performance or observance of the Conditions and shall assume the obligations of the Issuer under the Registrar Agreement, and such event does not have a material adverse effect on the ability of the Issuer to perform its payment obligations under the Conditions and the Debentures) or the Issuer institutes proceedings seeking with respect of itself adjudication of, bankruptcy or insolvency or a decree of commencement of composition, commencement of reorganization procedure or adjustment under the bankruptcy law or any other similar

applicable law of Thailand or any other jurisdiction, or consents to the institution of any such proceedings, or consents to, or acquiesces in, the appointment of a receiver or liquidator in bankruptcy or insolvency of it or of all or any material part of its property, or makes a general assignment for the benefit of its creditors within the meaning of the applicable bankruptcy law; or

- (7) a final order expropriating or attaching, or any other final legal order affecting, in whole or in part, properties, assets, or revenues of the Issuer, is issued and such event has a material adverse effect on the ability of the Issuer to perform its payment obligations under the Conditions and the Debentures.

**Consequences of the
Events of Default**

If any Event of Default occurs and is continuing, and if

- (1) the Debentureholder(s) holding not less than 50 (fifty) per cent in aggregate principal amount of the Debentures then outstanding gives a written notice to the Issuer notifying such Event of Default and demanding for immediate payment under the Debentures;
- (2) the Debentureholders' meeting passes a resolution in accordance with Condition 12 of the Conditions that all sums under the Debenture become immediately due and payable and a written notice of such resolution and minute of such Debentureholders' meeting have been sent to the Issuer; or
- (3) Condition 11.1 (d), Condition 11.1 (f), or Condition 11.1 (g), of the Conditions has occurred and a written notice is given to the Issuer by one or more Debentureholder(s) demanding for immediate payment under the Debentures,

the Debentures shall become immediately due and payable at their outstanding principal amount together with all accrued interest as provided in the Conditions. In case where the Issuer fails to pay any amount to a Debentureholder constituting an Event of Default and there is no manifested facts otherwise or it is not proven otherwise, it shall be deemed that such Event of Default occurs to all Debentures.

Each Debentureholder shall be entitled to proceed directly against the Issuer after 14 (fourteen) days from the date on which a demand notice or resolution of the meeting of the Debentureholders is sent to the Issuer pursuant to Condition 11.2 of the Conditions [and the Issuer has not made the payment.](#)

**Amendment to the
Terms and**

1. Subject to Condition 13.2 of the Conditions, any amendment to the Conditions requires the approval of the Issuer and the

Conditions

Debentureholders' meeting in accordance with Annex A of the Conditions.

2. The Issuer may amend the Conditions without the consent of the Debentureholders if such amendment is made in accordance with Condition 3.2 (b) paragraph two of the Conditions or is made in order to comply with applicable laws.
3. The Issuer shall deliver the amended Conditions to the Debentureholders, the Registrar and the Office of the SEC within 15 (fifteen) days from the date of amendment to the Conditions, and shall deliver the same to the Debentureholders upon request.

**Governing Law and
Jurisdiction**

The Conditions and the Debentures shall be governed by and construed in accordance with the laws of Thailand.

1.3 Rating Definitions Used by TRIS Rating Co., Ltd.

TRIS Rating Co., Ltd. uses eight letter rating symbols for announcing medium- and long-term credit ratings. The ratings range from AAA, the highest rating, to D, the lowest rating. The medium- and long-term debt instrument covers the period from time from one year up. The definitions are:

AAA : The highest rating, indicating a company or a debt instrument with smallest degree of credit risk. The company has extremely strong capacity to pay interest and repay principal on time, and is unlikely to be affected by adverse changes in business, economic or other external conditions.

AA : The rating indicates a company or a debt instrument with a very low degree of credit risk. The company has very strong capacity to pay interest and repay principal on time, but is somewhat more susceptible to the adverse changes in business, economic, or other external conditions than AAA rating.

A : The rating indicates a company or a debt instrument with a low credit risk. The company has strong capacity to pay interest and repay principal on time, but is more susceptible to adverse changes in business, economic or other external conditions than debt in higher-rated categories.

BBB : The rating indicates a company or a debt instrument with moderate credit risk. The company has adequate capacity to pay interest and repay principal on time, but is more vulnerable to adverse changes in business, economic or other external conditions and is more likely to have a weakened capacity to pay interest and repay principal than debt in higher-rated categories.

BB : The rating indicates a company or a debt instrument with a high credit risk. The company has less than moderate capacity to pay interest and repay principal on time, and can be significantly affected by adverse changes in business, economic or other external conditions, leading to inadequate capacity to pay interest and repay principal.

B : The rating indicates a company or a debt instrument with a very high credit risk. The company has low capacity to pay interest and repay principal on time. Adverse changes in business, economic or other external conditions could lead to inability or unwillingness to pay interest and repay principal.

C : The rating indicates a company or a debt instrument with the highest risk of default. The company has a significant inability to pay interest and repay principal on time, and is dependent upon favourable business, economic or other external conditions to meet its obligations.

D : The rating for a company or a debt instrument for which payment is in default.

Remarks : The ratings from AA to C may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within a rating category.

All ratings assigned by TRIS Rating are local currency ratings; they reflect the Thai issuers' ability to service their debt obligations, excluding the risk of convertibility of the Thai baht payments into foreign currencies.

TRIS Rating also assigns a “Rating Outlook” that reflects the potential direction of a credit rating over the medium to long term. In formulating the outlook, TRIS Rating will consider the prospects for the rated company’s industry, as well as business conditions that might have an impact on the fundamental creditworthiness of the company. The rating outlook will be announced in conjunction with the credit rating.

In most cases, the outlook of each debt obligation is equal to the outlook assigned to the issuer or the obligor.

The categories for “Rating Outlook” are as follows:

Positive	The rating may be raised.
Stable	The rating is not likely to change.
Negative	The rating may be lowered.
Developing	The rating may be raised, lowered or remain unchanged.

2. TRANSFER RESTRICTIONS

The Issuer has been granted permission to offer the newly issued Debentures to institutional investors and/or high net-worth investors, has registered the relevant transfer restriction with the Office of the SEC pursuant to the Notification of Capital Market Supervisory Board No. TorChor. 9/2552 re: *Application for the Permission and the Permission of the Offer for Sale of Newly-Issued Debentures* dated 13 March 2009 (“**TorChor. 9/2552 Notification**”), as may be amended from time to time. In connection with any transfer of the Debentures, the Issuer and/or the Registrar shall not accept the registration of any person who is not an Institutional Investor or a High Net Worth investor as defined under Clause 3(2)(Gor) and Clause 3(2)(Khor) of the Notification of the Securities and Exchange Commission No. KorChor. 5/2552 re: *Determination of Definitions in Notifications relating to Issuance and Offer for Sale of Debt Securities* dated 13 March 2009 (“**KorChor. 5/2552 Notification**”), as may be amended from time to time.

3. SUBSCRIPTION, UNDERWRITING AND ALLOTMENT

3.1 Offering Method

The offer for sale of the Debentures is solely made to the Institutional Investors and High Net Worth Investors and is an offer of newly-issued debentures in accordance with the TorChor. 9/2552 Notification and the KorChor. 5/2552 Notification through the Joint Lead Underwriters.

Institutional Investors means:

- (1) Commercial banks;
- (2) Finance companies;
- (3) Securities companies, which manage their own property, private funds, or investment projects established under the Act on the Undertaking of Finance Business, Securities Business and Credit Foncier Business;
- (4) Credit foncier companies;

- (5) Insurance companies;
- (6) Government agencies and state enterprises under the budgetary procedure law or other juristic persons established under specific laws;
- (7) Bank of Thailand;
- (8) International financial institutions;
- (9) Financial Institutions Development Fund;
- (10) Government Pension Fund;
- (11) Provident funds;
- (12) Mutual funds; and
- (13) Foreign investors with same characteristics to investors under (1) through (12) mutates mutandis.

High Net Worth Investors means:

- (1) A natural person who has gross assets of at least Baht 40 million, excluding his/her debt; and
- (2) A juristic person which has assets of at least Baht 200 million pursuant to its latest annual financial statements.

3.2 Joint Lead Underwriters

The Siam Commercial Bank Public Company Limited

9 Ratchadapisek Road
Jatujak, Bangkok 10900
Tel.: 0-2544-5740

Bangkok Bank Public Company Limited

333 Silom Road
Bangkok 10500
Tel.: 0-2230-2328 or 0-2230-2295

3.3 Conditions and Remuneration with respect to the Underwriting

The Issuer hereby agrees to appoint the Joint Lead Underwriters as specified in paragraph 3.2 as the Joint Lead Underwriters of the Debentures which will be offered to institutional investors and/or high net-worth investors in accordance with the conditions specified in the Placement Agreement, and to pay underwriting remuneration to the Joint Lead Underwriters in aggregate no more than the maximum of Baht 15,000,000 (fifteen million Baht). After payment of the underwriting remuneration, the Issuer will receive the proceeds of Baht 4,985,000,000 (four billion and nine hundred eighty-five hundred million Baht) from the offering of the Debentures.

Note: Underwriting remuneration will be proportionate to the actual amount of the Debentures issued. Therefore, the figures given are estimated amounts in case that the Debentures offered for sale are fully subscribed.

3.4 Conditions and Remuneration with respect to the Registrar and the Legal Advisor

The Issuer hereby agrees to appoint The Siam Commercial Bank Public Company Limited as the Registrar in accordance with the conditions specified in the Registrar Appointment Agreement.

The Issuer hereby agrees to appoint Baker & McKenzie Ltd. as the Legal Advisor in accordance with the conditions specified in the legal advisor appointment letter.

3.5 Approximated Proceeds to be Received by the Issuer and Expenses Incurred in connection with the Debenture Offering

Estimated gross proceeds to be received by the Issuer:

- | | | |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| - | The maximum proceeds to be received from the offering for sale of 5,000,000 units of Debentures at the offering price of Baht 1,000 each, totaling Baht 5,000,000,000 in value. | Baht 5,000,000,000 |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|

Estimated expenses incurred in connection with the transaction:

- | | | |
|---|-------------------------------------------------------------------------------|--------------|
| - | Registration statement filing fee for offering of Debentures | Baht 150,000 |
| - | Application for the listing of Debentures on the Thai Bond Market Association | Baht 975,000 |
| - | Other expenses* | Baht 700,000 |

Total expenses for offering for sale of Debentures: Baht 1,825,000

** Other expenses include the fee for the appointment of the Registrar, legal advisor's fee, credit rating agency fee, cost of printing Debenture certificates, subscription forms, draft prospectus, prospectus and publication costs, etc.*

3.6 Obtaining the Prospectus and Subscription Forms

Any prospective subscriber may obtain the Prospectus and subscription forms at the place of principal business of the Joint Lead Underwriters (as indicated in paragraph 3.2 above), sales agencies and branches of the Joint Lead Underwriters which are open for subscription of the Debentures during 15 December 2011 and 19 December 2011 from 8.30 a.m. to 15.30 p.m. or during the office hours of the Joint Lead Underwriters or their branches.

3.7 Method of Allotment of Debentures

- (a) The Joint Lead Underwriters will, at their own discretion, determine the allotment of the Debentures to Institutional Investors and/or High Net Worth Investors as specified in Clause 3.1, and may allot any amount of the Debentures to any subscriber. The Joint Lead Underwriters are entitled to refuse the subscription made by any

subscriber, in whole or in part, as it deems appropriate. The Issuer and the Joint Lead Underwriters reserve the right to exercise their discretion with respect to the Debentures allocation's success.

- (b) The Joint Lead Underwriters are entitled to revoke any subscription of any investor who fails to comply with the procedures indicated in paragraphs 3.7 and 3.8 or whose payment of subscription price by a crossed cheque or cashier cheque (collectively called "**Bank Cheque**") cannot be honored.
- (c) If the Issuer is repressed from or ceases the offering of the Debentures or the Issuer is unable to deliver the Debentures to any of the subscribers, the relevant subscriber shall be entitled to cancel its subscription.

In the event that the Issuer notifies the Joint Lead Underwriters (within the business hours of the Joint Lead Underwriters) that it cancels or closes the offering or is not able to deliver the offered Debentures, subscribers shall be entitled to cancel the subscription of the Debentures within the Business Day following the date the Issuer declares its repression or cessation of the offering of the Debentures or its inability to deliver the Debentures to the subscribers. Notwithstanding the foregoing, if such event occurs on the last day of the subscription period, subscribers who wish to cancel the subscription of the Debentures must do so within such date (the "**Cancellation Date**").

- (d) This offering of the Debentures is an offering, in its entirety, to institutional investors and/or high net-worth investors who have access to and are able to verify the information necessary for making investment decisions in relation to the Debentures offered. The allotment of the Debentures, therefore, is exempt from the prohibitions relating to securities allotments. (It is exempt pursuant to Clause 7(1)(a)6 of the Notification of Capital Market Supervisory Board No. TorThor. 70/2552 re: *Rules, Conditions and Procedures for Allotment of Securities* dated 3 August 2009, as may be amended from time to time, ("**TorThor. 70/2552 Notification**") and Clause 4(1)(f) of the Notification of Capital Market Supervisory Board No. TorChor. 29/2551 re: *Subscription, Underwriting and Allocation of Newly Issued Securities* dated 15 December 2008, as may be amended from time to time, ("**TorChor. 29/2551 Notification**").) Consequently, (aa) each of the Joint Lead Arrangers, any of its directors, management, major shareholders, controlling persons, subsidiaries, parent companies, or any or all related persons of the foregoing, (bb) any mutual fund having the characteristics prescribed in Clause 6(3) and 6(4) of the TorThor. 70/2552 Notification, (cc) directors, management, major shareholders, controlling persons and parent companies of the Issuer or any or all related persons of the foregoing, and (dd) any mutual fund having the characteristics prescribed in Clause 3(2) of the TorChor. 29/2551 Notification may subscribe for, and be allotted, the Debentures.

3.8 Date and Method for Subscription and Settlement

- (a) Subscription by Institutional Investors

- (1) Institutional Investors wishing to subscribe for the Debentures must subscribe the Debentures through the Joint Lead Underwriters (as indicated in paragraph 3.2 above) and must accurately and clearly fill in, sign and affix their corporate seals (if any) on the subscription form and provide a certified copy of the affidavit issued by the Ministry of Commerce which is not more than one month old, certified as true and correct copy by authorized signatories of such juristic person and affixed with a corporate seal (if any); copies of identification card, alien card or passport (as applicable) of authorized signatories certified as true and correct copies by such persons.

In case of a subscriber which is a foreign juristic person, the subscriber must provide a certified copy of the certificate of incorporation, memorandum of association, articles of association and the affidavit issued by the relevant authorities which is not more than one month old, certified as true and correct copy by authorized signatories of such juristic person and affixed with a corporate seal (if any); and copies of passport of authorized signatories certified as true and correct copies by such persons.

In any case, the Joint Lead Underwriters reserve the right to close the subscription before the closing of the subscription period specified herein if the Debentures have been fully subscribed according to the required amount.

- (2) Institutional Investors wishing to subscribe for the Debentures must subscribe the Debentures for a minimum of 100 (one hundred) units of Debentures or Baht 100,000 (one hundred thousand Baht) in value and, if more, in a multiple of 10 (ten) units of Debentures or Baht 10,000 (ten thousand Baht) in value.
- (3) The subscribers must submit the above documents and make full single payment of the subscription price at the headquarter of the Joint Lead Underwriters. The payment of the subscription price may be made by:
- (i) subscribers who wish to make payments in cash or by wire transfer, the subscription may be done from 8.30 a.m. to 15.30 p.m. of 15 December 2011 to 16 December 2011 and 19 December 2011 or during the office hours of the Joint Lead Underwriters. In case of payment by BAHTNET, the transfer must be done by 10.00 a.m. of 20 December 2011 to the following accounts:
- in respect of Series 1 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 1 (in Thai)*”;
- in respect of Series 2 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 2 (in Thai)*”; and

in respect of Series 3 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 3 (in Thai)*”.

- (ii) subscribers who wish to make payments by Bank Cheque or draft, the subscription may be done from 8.30 a.m. to 15.30 p.m. of 15 December 2011 to 16 December 2011 and 19 December 2011 or during the office hours of the Joint Lead Underwriters. The Bank Cheque or draft must be dated no later than 20 December 2011 and can be settled at the same clearing house as that of the subscription place. Such Bank Cheque or draft must be submitted with the subscription form and crossed “A/C Payee Only” and made payable to the following accounts:

in respect of Series 1 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 1 (in Thai)*”;

in respect of Series 2 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 2 (in Thai)*”; and

in respect of Series 3 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 3 (in Thai)*”.

- (iii) Subscription for the Debentures shall be made at the place of subscription in accordance with the procedures, rules and conditions as provided by the Joint Lead Underwriters at the place of subscription.
- (iv) Subscribers who have subscribed and paid for the Debentures may not cancel their subscriptions or request for any refund of their subscription payments. However, the Joint Lead Underwriters shall have the right to cancel any subscription for the Debentures by subscribers who fail to comply with the requirements as stated above.
- (v) In any case, the Joint Lead Underwriters reserve the right to close the subscription before the closing of the subscription period specified herein if the Debentures have been fully subscribed according to the required amount.

(b) Subscription by High Net-Worth Investors

- (1) Subscribers must subscribe the Debentures through the Joint Lead Underwriters (as indicated in paragraph 3.2 above) and must accurately and clearly fill in, sign and affix their corporate seals (if any) on the subscription form and provide the following supporting documents:

Subscriber who is a Thai Individual: a certified copy of identification card or government identification card including a certified copy of house registration. In case of a subscriber who is a minor (a person under the age of 20), a certified copy of the identification card of his/her father, mother or legal representative and (a) a copy of the minor's identification card (if any) or (b) a certified copy of his/her birth certificate or house registration on which the name of the minor appears. If the minor is under the age of 15, his/her father and mother or legal representative shall certify true copy of the verifying documents.

Subscriber who is a Foreign Individual: a certified copy of alien card or passport.

A Local Subscriber who is a Juristic Person: a certified copy of the affidavit issued by the Ministry of Commerce which is not more than one month old, certified as true and correct copy by authorized signatories of such juristic person and affixed with a corporate seal (if any); copies of identification card, alien card or passport (as applicable) of authorized signatories certified as true and correct copies by such persons.

A Foreign Subscriber who is a Juristic Person: a certified copy of the certificate of incorporation, memorandum of association, articles of association and the affidavit issued by the relevant authorities which is not more than one month old, certified as true and correct copy by authorized signatories of such juristic person and affixed with a corporate seal (if any); and copies of passport of authorized signatories certified as true and correct copies by such persons.

- (2) Subscribers must subscribe the Debentures for a minimum of 1,000 (one thousand) units of Debentures or Baht 1,000,000 (one million Baht) in value and, if more, in a multiple of 1,000 (one thousand) units of Debentures or Baht 1,000,000 (one million Baht) in value.
- (3) The subscribers must submit the above documents and make full single payment of the subscription price at a headquarter of the Joint Lead Underwriters or the branches of the Joint Lead Underwriters which are open for subscription of the Debentures. The payment of the subscription price may be made by:
 - (i) subscribers who wish to make payments in cash or by wire transfer, the subscription may be done from 8.30 a.m. to 15.30 p.m. of 15 December 2011 to 16 December 2011 and 19 December 2011 or during the office hours of the Joint Lead Underwriters. In case of payment by wire transfer, the transfer must be done by 19 December 2011 to the following accounts:

in respect of Series 1 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 1 (in Thai)*”;

in respect of Series 2 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 2 (in Thai)*”; and

in respect of Series 3 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 3 (in Thai)*”.

- (ii) subscribers who wish to make payments by Bank Cheque or draft, the subscription may be done from 8.30 a.m. or the opening hours of the relevant branch to 15.30 p.m. of 15 December 2011 and from 8.30 a.m. or the opening hours of the relevant branch to 12.00 p.m. of 16 December 2011. The Bank Cheque or draft must be dated no later than 16 December 2011 and can be settled at the same clearing house as that of the subscription place. Such Bank Cheque or draft must be submitted with the subscription form and crossed “A/C Payee Only” and made payable to the following accounts:

in respect of Series 1 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 1 (in Thai)*”;

in respect of Series 2 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 2 (in Thai)*”; and

in respect of Series 3 Debentures: “*Subscription account for Debentures of Bumrungrad Hospital PCL. No. 1/2554 Series 3 (in Thai)*”.

- (iii) Subscription for the Debentures shall be made at the place of subscription in accordance with the procedures, rules and conditions as provided by the Joint Lead Underwriters at the place of subscription.
- (iv) Subscribers who have subscribed and paid for the Debentures may not cancel their subscriptions or request for any refund of their subscription payments. However, the Joint Lead Underwriters shall have the right to cancel any subscription for the Debentures by subscribers who fail to comply with the requirements as stated above.
- (v) In any case, the Joint Lead Underwriters reserve the right to close the subscription before the closing of the subscription period specified

herein if the Debentures have been fully subscribed according to the required amount.

3.9 Procedure for Refunding Subscription Price in the case of Non-Allotment or Allotted in an Amount less than the Amount Subscribed

On the Issue Date, if the Debentures are not allotted or allotted in an amount less than subscribed by any subscriber, the Issuer shall procure the relevant Joint Lead Underwriter to return the subscription price to the relevant subscriber(s) without interest and/or compensation thereon by delivering a crossed cheque payable to each relevant subscriber by registered post at the address indicated in the subscription form within 14 days after the expiry date of the subscription period. However, if payment is not returned within 14 days after the expiry date of the subscription period, each relevant subscriber shall be entitled to the interest at a rate of 7.5 per cent per annum of the unpaid amount calculated from 14 days after the expiry date of the subscription period to (but excluding) the payment date. If the refund is made by delivery of a cheque to each relevant subscriber by registered post at the address shown in the subscription form, it shall be deemed that the relevant subscriber has received the refund and such subscriber shall have no right to claim for any interest or compensation.

3.10 Procedure for Refunding Subscription Price in case that the Issuer being Repressed or Ceased to Offer the Debentures or Unable to Deliver the Debentures to the Subscribers

In the event that the Issuer cancels or closes the offering or is not able to deliver the offered Debentures, and subscribers cancel the subscription of the Debentures within the next Business Day after the day the Issuer declares its repression or cessation of the offering of the Debentures or its inability to deliver the Debentures to the subscribers or, if such event occurs on the last day of the subscription period, within such date, the Issuer shall procure the relevant Joint Lead Underwriter to return the subscription price to the subscribers, without interest and/or compensation thereon by delivering a crossed cheque payable to each such subscriber by registered post at the address indicated in the subscription form within 14 days after the Cancellation Date. However, if payment is not returned within 14 days after the Cancellation Date, each such subscriber shall be entitled to the interest at a rate of 7.5 per cent per annum of the unpaid amount calculated from the day following such 14-day period to (but excluding) the payment date. If the refund is made by delivery of a cheque to each such subscriber by registered post at the address shown in the subscription form, it shall be deemed that the relevant subscriber has received the refund and such subscriber shall have no right to claim for any interest and/or compensation.

3.11 Method of Delivery of Debentures

The Issuer (through the Registrar) shall deliver the Debenture Certificates to the investors who have indicated in their subscription forms that they want Debenture Certificates, within 15 Business Days after the expiry date of the subscription period by registered post at the address indicated in the subscription forms or, for the investors wishing to deposit the Debentures allocated to them with Thailand Securities Depository Company Limited (“TSD”), deposit such allocated Debentures with TSD on behalf of such subscribers within 7 Business Days after the expiry date of the subscription period.

3.12 Tax Implications Relating to Investment in the Debentures

This summary contains a general description of the principal Thai tax consequences of the investment in the Debentures by an investor and is not an advice on taxation. Accordingly, prospective investors should consult their own tax advisors concerning the consequences of their investment in the Debentures. The summary is based upon the tax laws of Thailand in effect on the date of this Prospectus and is therefore subject to any subsequent changes in the future.

This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to invest in the Debentures.

The tax liability of a Debentureholder and the applicable tax rates will depend on various factors such as whether or not the Debentureholder is an individual or a juristic person, or whether it is a juristic person that is not subject to income tax, whether the Debentureholder is considered a resident of Thailand or is considered carrying on business in Thailand, or whether the Debentureholder is a resident of a country that has a double taxation agreement with Thailand.

1. Income Tax

1.1 Debentureholder who is a resident of Thailand

(a) Debentureholder is an individual

(1) Interest

Interest received by the Debentureholder is subject to 15% withholding tax.

(2) Capital Gains

A capital gain, which is the amount in excess of the cost of acquisition, derived from the transfer of the Debentures is subject to 15% withholding tax.

The recipient, however, has the right to elect to pay tax at the withholding tax rate prescribed in (1) or (2) above, without having to include such interest or capital gain with other income of the recipient for the purpose of calculating personal income tax. If the recipient elects to include the interest or capital gain with other income of the recipient for the purpose of calculating personal income tax, he will be entitled to treat the tax so withheld as a credit.

(b) Debentureholder is a company or a juristic partnership

A Debentureholder, which is a company or a juristic partnership established pursuant to the laws of Thailand or established pursuant to a foreign law but doing business in Thailand, a foundation or an association, excluding one which is specified by the ministerial notification to be a public charity organization or institution pursuant to section 47(7) (b) of the Revenue Code, will have the following tax liabilities:

(1) Interest

Interest received by a Debentureholder which is a company or a juristic partnership, which includes a commercial bank, a finance company, a securities company or a credit foncier company is subject to 1% withholding tax. The Debentureholder must include interest in the revenue of the Debentureholder for the purpose of calculating corporate income tax and will be entitled to treat the tax so withhold as a credit.

Interest received by the Debentureholder which is a foundation or an association that is not a public charity organization or institution is subject to 10% withholding tax.

(2) *Capital Gains*

Capital gains are not subject to withholding tax. The portion in excess of the original investment must be included in the revenue of the Debentureholder for the purpose of the calculating corporate income tax.

1.2 Debentureholder who is not a resident of Thailand

(a) Debentureholder is an individual

In considering a residency of an individual, Thai tax law disregards the nationality of the Debentureholder. The Debentureholder is deemed to be a resident of Thailand if he/she has resided in Thailand for a period or periods aggregating 180 days or more in the same calendar year.

(1) *Interest*

Except the terms and conditions of a double taxation agreement entered into between Thailand and the resident country of the Debentureholder provide otherwise, interest received by the Debentureholder is subject to 15% withholding tax.

(2) *Capital Gains*

Except the terms and conditions of a double taxation agreement entered into between Thailand and the resident country of the Debentureholder provide otherwise, a capital gain, which is the amount in excess of the cost of acquisition, derived from the transfer of the Debentures is subject to 15% withholding tax.

(b) Debentureholder is a company or a juristic partnership

A Debentureholder, which is a company or a juristic partnership established pursuant to a foreign law not doing business in Thailand and not having a permanent establishment in Thailand but receiving interest or capital gains from the sale or other transfer of the Debentures paid from or in Thailand, will have the following tax liabilities:

(1) *Interest*

Except the terms and conditions of a double taxation agreement entered into between Thailand and the resident country of the Debentureholder provide otherwise, interest received by the Debentureholder is subject to 15% withholding tax.

(2) *Capital Gains*

Except the terms and conditions of a double taxation agreement entered into between Thailand and the resident country of the Debentureholder provide otherwise, a capital gain is subject to 15% withholding tax.

2. Specific Business Tax

A Debentureholder who carries on business in Thailand may be subject to a 0.011% specific business tax (“**SBT**”) (inclusive of municipal tax which is levied at 10% of SBT) for interest or gains before deduction of any expenses from the sale or other transfer of the Debentures, if such interest or gains are considered to be income derived from a business similar to that of commercial banking.

3. Stamp Duty

A sale or other transfer of the Debentures is exempt from stamp duty.

(Translation Version)

TERMS AND CONDITIONS OF THE DEBENTURES

**DEBENTURES OF BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED NO. 1/2554
SERIES 1 DUE B.E. 2559**

**DEBENTURES OF BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED NO. 1/2554
SERIES 2 DUE B.E. 2561**

AND

**DEBENTURES OF BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED NO. 1/2554
SERIES 3 DUE B.E. 2564**

The following is the full text of the terms and conditions (the “**Conditions**”) of the Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 1 Due B.E. 2559 (“**Series 1 Debentures**”), the Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 2 Due B.E. 2561 (“**Series 2 Debentures**”), and the Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 3 Due B.E. 2564 (“**Series 3 Debentures**”) (Series 1 Debentures, Series 2 Debentures and Series 3 Debentures shall collectively be referred to as the “**Debentures**”) issued by Bumrungrad Hospital Public Company Limited (the “**Issuer**”) pursuant to a resolution of the Board of Directors of the Issuer No. 5/2011 passed on 9 November 2011, and by a resolution of the extraordinary meeting of the shareholders of the Issuer No. 1/2011 passed on 8 December 2011.

The Issuer has appointed the Registrar pursuant to the Registrar Appointment Agreement. The Debentureholders and the Issuer are bound by, and are deemed to have notice of and understand, all provisions of these Conditions.

The Issuer will arrange with the Registrar to keep copies of these Conditions and the Registrar Appointment Agreement at the principal office of the Issuer and the Registrar. These Conditions and the Registrar Appointment Agreement are available for inspection during normal business hours at the principal office of the Issuer and the Registrar.

1. Definitions

In these Conditions:

“**Baht**” means Thai Baht, the lawful currency of the Kingdom of Thailand.

“**Business Day**” means a day (other than a Saturday or Sunday) on which commercial banks are open for general business in Bangkok, Thailand.

“**Conditions**” means these terms and conditions setting out the general rights and duties of the Issuer and the Debentureholders with respect to the Debentures, as may be supplemented, amended, or modified by any subsequent amendment thereto.

“**Credit Rating Agency**” means a credit rating agency approved by the SEC.

“**Debenture Certificate(s)**” means the certificate(s) issued in accordance with Condition 3.1, representing such Debenture in the form specified in Annex B 1 in relation to Series 1 Debentures, Annex B 2 in relation to Series 2 Debentures and Annex B 3 in relation to Series 3 Debentures.

“**Debentures**” means Series 1 Debentures, Series 2 Debentures and Series 3 Debentures with details of each series of the Debentures as specified in Condition 2. For the avoidance of doubt, if these Conditions do not refer to a specific series of the Debentures, the term “Debentures” shall mean the outstanding Series 1 Debentures, Series 2 Debentures and Series 3 Debentures.

“**Debenture Documents**” means these Conditions, the Debentures and the Registrar Appointment Agreement.

“**Debentureholder(s)**” means the person(s) who own Debentures as specified in accordance with Condition 3.3.

“**Debenture Rights**” means all rights relating to the Debentures including, without limitation, the right to receive principal and interest on the Debentures and the right to attend and vote at meetings of the Debentureholders.

“**Default Interest Rate**” means:

- (a) in respect of Series 1 Debentures, the default rate of interest for the Debentures, being the Interest Rate plus 2% (two per cent) per annum;
- (b) in respect of Series 2 Debentures, the default rate of interest for the Debentures, being the Interest Rate plus 2% (two per cent) per annum; and
- (c) in respect of Series 3 Debentures, the default rate of interest for the Debentures, being the Interest Rate plus 2% (two per cent) per annum.

“**Event of Default**” is as defined in Condition 11.1.

“**Financial Obligation**” means any obligation (whether present or future, contingent or otherwise, as principal or surety or otherwise) in respect of:

- (i) any moneys borrowed or raised;
- (ii) any commercial paper programme, debenture, bond, note, loan stock or similar instrument;
- (iii) amounts raised under any acceptance credit, bill of exchange, promissory note or note purchase facility;
- (iv) any lease or hire purchase agreement entered into primarily as a method of raising finance;
- (v) any part of the purchase price for any assets or services, payment of which is agreed to be or has been deferred but excluding amounts owing for assets purchase or services obtained on trade credit terms in the ordinary course of business;
- (vi) amounts raised under any other transactions which, in accordance with principles and practices generally accepted and adopted in the country of incorporation of the Issuer, as the case may be, have the commercial effect of a borrowing; and
- (vii) any guarantee, indemnity or instrument of suretyship, howsoever described.

“Interest Payment Date” means 20 June and 20 December of each year throughout the terms of the Debentures. The first Interest Payment Date shall be 20 June 2012 and the last Interest Payment Date shall be the Maturity Date.

“Interest Period” means:

- (a) with respect to the first Interest Period, the period commencing on, and including, the Issue Date and ending on, but excluding, the next Interest Payment Date; and
- (b) with respect to any subsequent Interest Period, the period commencing on, and including, the Interest Payment Date of the preceding Interest Period and ending on, but excluding, the next Interest Payment Date of such Interest Period or the Maturity Date, as the case may be.

“Interest Rate” means:

- (a) in respect of Series 1 Debentures, the interest rate of the Debentures as specified in Condition 7.1(a);
- (b) in respect of Series 2 Debentures, the interest rate of the Debentures as specified in Condition 7.1(b); and
- (c) in respect of Series 3 Debentures, the interest rate of the Debentures as specified in Condition 7.1(c).

“Issue Date” means 20 December 2011.

“Issuer” means Bumrungrad Hospital Public Company Limited.

“Material Adverse Effect” means a material adverse effect on:

- (a) the business or financial condition of the Issuer; and
- (b) the ability of the Issuer to perform its payment obligations under the Debenture Documents.

“Maturity Date” means:

- (a) in respect of Series 1 Debentures, 20 December 2016;
- (b) in respect of Series 2 Debentures, 20 December 2018; and
- (c) in respect of Series 3 Debentures, 20 December 2021.

“Office of the SEC” means the Office of the Securities and Exchange Commission of Thailand.

“Permitted Encumbrance” means (a) Security Interest created, and/or agreed to be created in accordance with any agreement or memorandum of understanding entered into by the Issuer, prior to the issue of the Debentures (but shall not include Security Interest created as a result of any extension of the maturity date of the Convertible Bonds as defined in Condition 6.3(c)); (b)

Security Interest created in its ordinary course of business operation or created for the benefit of its ordinary course of business operation; or (c) Security Interest created by operation of law.

“**Record Date**” is defined in Condition 3.2(b).

“**Register Book**” means the register book recording particulars of the Debentureholders or other source of registration information relating to the transfer, pledge, attachment, issue of new Debenture Certificates and other matters related to the Debentures according to the relevant rules and procedures prescribed pursuant to the laws governing securities and notifications of the SEC.

“**Registrar**” means The Siam Commercial Bank Public Company Limited or any successor as the registrar in respect of the Debentures.

“**Registrar Appointment Agreement**” means the registrar appointment agreement entered into between the Registrar and the Issuer dated 14 December 2011 or the agreement appointing a new Registrar to replace the existing Registrar (if any).

“**Security Interest**” means a mortgage, charge, pledge, lien, assignment (by way of security), encumbrance or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Series 1 Debentures**” means name-registered, unsecured and unsubordinated debentures without debentureholders’ representative in total of 1,500,000 (one million and five hundred thousand) units of Debentures, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 1,500,000,000 (one billion and five hundred million Baht) due B.E. 2559 with the name “Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 1 Due B.E. 2559”.

“**Series 2 Debentures**” means name-registered, unsecured and unsubordinated debentures without debentureholders’ representative in total of 1,000,000 (one million) units of Debentures, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 1,000,000,000 (one billion Baht) due B.E. 2561 with the name “Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 2 Due B.E. 2561”.

“**Series 3 Debentures**” means name-registered, unsecured and unsubordinated debentures without debentureholders’ representative in total of 2,500,000 (two million and five hundred thousand) units of Debentures, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 2,500,000,000 (two billion and five hundred million Baht) due B.E. 2559 with the name “Debentures of Bumrungrad Hospital Public Company Limited No. 1/2554 Series 3 Due B.E. 2564”.

“**Subscription Closing Date**” means 19 December 2011.

“**Thailand**” means the Kingdom of Thailand.

“**TSD**” means Thailand Securities Depository Company Limited, or other any successor organization legally entitled to operate a securities depository business in Thailand.

2. Form, Denomination, Interest and Term

2.1 Each of the Debentures is a bullet-payment debenture in registered form, which bears interest at, and has a term of, the following rate and years, respectively:

- (a) in respect of Series 1 Debentures, bears interest at the rate of 4.13% (four point one three per cent) per annum and has a term of 5 (five) years from the Issue Date;
- (b) in respect of Series 2 Debentures, bears interest at the rate of 4.59% (four point five nine per cent) per annum and has a term of 7 (seven) years from the Issue Date;
- (c) in respect of Series 3 Debentures, bears interest at the rate of 4.97% (four point nine seven per cent) per annum and has a term of 10 (ten) years from the Issue Date.

2.2 On the Issue Date, there shall be in total 5,000,000 (five million) units of Debentures, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 5,000,000,000 (five billion), consisting of:

- (a) in respect of Series 1 Debentures, 1,500,000 (one million and five hundred thousand) units, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 1,500,000,000 (one billion and five hundred million Baht);
- (b) in respect of Series 2 Debentures, 1,000,000 (one million) units, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 1,000,000,000 (one billion Baht); and
- (c) in respect of Series 3 Debentures, 2,500,000 (two million and five hundred thousand) units, with a par value of Baht 1,000 (one thousand Baht) each, in the aggregate amount of Baht 2,500,000,000 (two billion and five hundred million Baht).

3. Debenture Certificates, Register Book and Ownership of the Debentures

3.1 *Debenture Certificates*

- (a) The Registrar must issue Debenture Certificates to all Debentureholders whose Debentures are not deposited with TSD within 15 (fifteen) Business Days from the Subscription Closing Date. TSD will be registered in the Register Book as the Debentureholder for all Debentures deposited with it within 7 (seven) Business Days from the Subscription Closing Date.
- (b) If a person holding Debentures through TSD wishes to obtain a Debenture Certificate with respect to such Debentures, that person must inform TSD. The Registrar must issue a Debenture Certificate to that person after it has been notified by TSD of the name of that person and the number of Debentures deposited with TSD in the name of that person. Following the issue of such Debenture Certificate, the number of Debentures registered in the name of TSD will then be reduced by the number of Debentures held by the person to whom the Debenture Certificate has been issued.

3.2 *Register Book; Closure of the Register Book*

- (a) The Registrar is obliged under the Registrar Appointment Agreement to prepare and keep the Register Book until the date that all Debentures are redeemed in accordance with these Conditions.
- (b) The Register Book will be closed on the fourteenth (14th) day prior to any Interest Payment Date, the Maturity Date, any date fixed for any meeting of the Debentureholders or any other date for any other purpose as specified in these Conditions and as notified by the Issuer to the Registrar. The first day of each such closed period is called a “**Record Date**”. If the Record Date falls on a day that is not a Business Day, the Register Book shall be closed on the next Business Day, and in such case, the closing period of the Register Book shall be less than 14 (fourteen) days. The Registrar shall not be required to register any transfer of the Debentures during the period when the Register Book is closed.

The Issuer and the Registrar hereby reserve the right to change the date and time for the closure of the Register Book without the need to obtain a consent from the Issuer or from Debentureholders, provided that such change: (i) must be in compliance with the rules and regulations of TSD or any other relevant authorities, and (ii) shall not, in the reasonable opinion of the Issuer and the Registrar, adversely affect the rights and benefits of the Debentureholders.

3.3 *Ownership of Debentures*

- (a) For Debentures that are not deposited with TSD, the Debenture Rights are vested in the person whose name is registered in the Register Book as the owner of such Debentures on the Record Date, unless a transfer of the Debenture has occurred prior to the relevant Record Date and such transfer is effective against the Issuer in accordance with Conditions 4.1(a) - (c). In the case of such transfer, the Debenture Rights will be vested in the transferee of the Debenture.
- (b) For Debentures that are deposited with TSD, the Debenture Rights are vested in the persons whose names are listed with TSD as the owners of such Debentures on the Record Date, as notified in writing by TSD to the Registrar, except in the case where an objection shall have been duly made according to the law.

4. **Transfers of Debentures**

4.1 *Transfers of Debentures not deposited with TSD*

- (a) A transfer of Debentures is completed when the transferor whose name is registered in the Register Book as the owner of such Debentures, or the last person to whom such Debentures have been previously transferred in accordance with these Conditions, delivers to the transferee a duly endorsed Debenture Certificate representing such Debentures.
- (b) A transfer of Debentures is only effective against the Issuer if the Registrar accepts the application to register the transfer together with the Debenture Certificate duly endorsed by the transferee.

- (c) A transfer of Debentures is only effective against third parties if the transfer is actually registered in the Register Book.
- (d) An application to register the transfer of Debentures must be made at the principal office of the Registrar during its normal business hours in accordance with the form and procedures prescribed by the Registrar. In connection with the application to register a transfer of Debentures, the applicant must deliver the following documents to the Registrar:
 - (i) an application for registration of the transfer, together with the Debenture Certificate duly endorsed pursuant to Condition 4.1(a); and
 - (ii) any other evidence confirming the correctness and completeness of the transfer as may be specified by the Registrar.
- (e) Subject to Conditions 3.2 (b) and 4.5, the Registrar will register the transfer of Debentures in the Register Book within 7 (seven) Business Days after it receives the documents specified in Condition 4.1(d).
- (f) All transfers of Debentures are subject to the transfer restrictions contained in Conditions 4.3 and 4.4.

4.2 *Transfers of Debentures deposited with TSD*

Debentures deposited with TSD must be transferred in accordance with the regulations of the Stock Exchange of Thailand, TSD and any other regulatory authority and agency, including the relevant over-the-counter centers, that has issued regulations applicable to the transfer of the Debentures.

4.3 *Transfer Restriction*

The Debentures are subject to, and shall bear in the form of a legend, the following transfer restrictions:

เนื่องจากผู้ออกหุ้นกู้ได้รับอนุญาตให้เสนอขายหุ้นกู้ที่ออกใหม่แก่ผู้ลงทุนสถาบันและผู้ลงทุนรายใหญ่ตามความหมายในประกาศคณะกรรมการกำกับหลักทรัพย์และตลาดหลักทรัพย์ ที่ กจ. 5/2552 เรื่อง การกำหนดคตินิยมในประกาศเกี่ยวกับการออกและเสนอขายตราสารหนี้ทุกประเภท ลงวันที่ 13 มีนาคม พ.ศ. 2552 (รวมทั้งที่มีการแก้ไขเพิ่มเติม) ดังนั้น ผู้ออกหุ้นกู้และ/หรือนายทะเบียนหุ้นกู้จะไม่รับจดทะเบียนการโอนหุ้นกู้ไม่ว่าทอดใด ๆ ให้แก่บุคคลอื่นที่ไม่ใช่ผู้ลงทุนสถาบันและผู้ลงทุนรายใหญ่ตามประกาศดังกล่าว เว้นแต่เป็นการโอนทางมรดก

The Issuer has been granted permission to offer and sell the newly issued Debentures to institutional investors and high net-worth investors as defined under the Notification of the Securities and Exchange Commission No. KorChor. 5/2552 re: *Stipulating Definitions for the Notifications Relating to Issuance and Offering of All Types of Debt Instruments* dated 13 March 2009 (as amended), and has registered the transfer restriction with the Office of the Securities and Exchange Commission. The Issuer and/or the Registrar shall therefore not accept the registration of the Debenture transfer to any person who is not an institutional investor or a high net-worth investor under the said Notification, except by way of succession.

The Debentures referred to in the transfer legend shall include the Debentures issued pursuant to these Conditions.

4.4 *Permitted Transfers*

The Debentures may only be transferred to the persons specified on the following list of permitted transferees (as such list may be amended, modified or supplemented from time to time by the SEC):

- (a) commercial banks;
- (b) finance companies;
- (c) securities companies, for their own property or for the management of private funds, or for the management of investment projects established under the Act on the Undertaking of Finance Business, Securities Business and Credit Foncier Business;
- (d) credit foncier companies;
- (e) insurance companies;
- (f) government agencies and state enterprises under the budgetary procedure law or other juristic persons established under specific laws;
- (g) the Bank of Thailand;
- (h) international financial institutions;
- (i) the Financial Institutions Development Fund;
- (j) Government Pension Fund;
- (k) provident funds;
- (l) mutual funds;
- (m) foreign investors with similar characteristics to the investors listed in paragraphs (a) to (l) of this Condition 4.4;
- (n) a natural person who has gross assets of at least Baht 40 million, excluding his/her debt; and
- (o) a juristic person which has assets of at least Baht 200 million pursuant to its latest annual audited financial statements.

4.5 *Registrar's Right to refuse registration of a transfer*

The Registrar has acknowledged the transfer restriction specified in Conditions 4.3 and 4.4. If the Registrar deems that a transfer of Debentures violates such transfer restriction, it shall not register such transfer in the Register Book and shall return the relevant Debenture Certificate to the person applying to have such transfer registered. Notwithstanding the foregoing, the registration

of any transfer that violates such transfer restriction shall not be binding on the Registrar or the Issuer.

5. Status

The Debentures constitute direct, general, unconditional, unsecured and unsubordinated indebtedness of the Issuer ranking *pari passu*, without any preference among themselves, with all other present and future unsecured and unsubordinated indebtedness of the Issuer, except for obligations mandatorily preferred by law.

6. Representations and Covenants of the Issuer

6.1 Representations of the Issuer

The Issuer hereby represents that:

(a) Status of Issuer

As long as any amount remains outstanding under the Debentures, the Issuer is a juristic person duly incorporated and validly existing under the laws of Thailand and has the power to engage in the objects of its business.

(b) Legality of Debentures Issued

As long as any amount remains outstanding under the Debentures, the issue by the Issuer of the Debentures under these Conditions or the undertaking by the Issuer of any action in relation to the issue of the Debentures is lawful and in accordance with its objects and Articles of Association in all respects and shall not breach or be in violation of any of its material obligations, commitments, representations or any other agreement the Issuer has made with any other person.

(c) Authorization of Debentures Issued

As long as any amount remains outstanding under the Debentures, the issue of the Debentures has been authorized by a resolution of the meeting of the board of directors, No. 5/2011 held on 9 November 2011, and by a resolution of the extraordinary meetings of the shareholders of the Issuer No. 1/2011 held on 8 December 2011.

The registration statement for the offering of the Debentures hereunder became effective on 14 December 2011.

(d) Validity of Debentures

As long as any amount remains outstanding under the Debentures, the Debentures and these Conditions are valid and lawful obligations binding the Issuer and are enforceable against the Issuer in accordance with their respective terms, except to the extent that the enforcement thereof may be limited by bankruptcy, reorganization or other similar laws relating to or affecting the enforcement of creditors' rights generally.

(e) Financial Statements and Consolidated Financial Statements

As at the Issue Date, the financial statements and consolidated financial statements (if any) of the Issuer have been prepared in accordance with accounting rules, procedures and principles generally accepted in Thailand, and, when considered in conjunction with the notes to the financial statements and the consolidated financial statements (if any), will show reasonably correctly (a) its financial condition on the date specified in the financial statements and the consolidated financial statements (if any), and (b) the result of its business operations during the relevant period.

(f) Legal Actions

As at the Issue Date, to the best of its knowledge, no legal action, arbitration proceedings, or administrative trial are pending in a court of law or before any agency which shall have been started or threatened against the Issuer or its assets, which, if adversely determined, would be reasonably likely to have a Material Adverse Effect.

(g) Bankruptcy or Receivership Judgment

As at the Issue Date, it has not taken any action and, so far as it is aware, no other person has taken any action as regards its bankruptcy, receivership, debt restructuring, winding up of business, liquidation, insolvency, dissolution or business reorganization in any jurisdiction.

(h) Pari Passu Ranking

As long as any amount remains outstanding under the Debentures, its payment obligations under the Debentures rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law generally.

6.2 *Affirmative Covenants*

The Issuer covenants and agrees that, for so long as any amounts remain outstanding under the Debentures:

(a) Notice of Default

The Issuer shall, promptly upon the Issuer learning of an occurrence of an Event of Default (as prescribed in Clause 11.1), notify the Debentureholders of the same and action undertaken by the Issuer in order to remedy such Event of Default (if any).

(b) Accounts, Financial Statements and Consolidated Financial Statements

The Issuer shall cause to be prepared and maintained proper and correct accounts and financial statements and consolidated financial statements (if any), in each case in accordance with accounting rules, procedures and principles generally accepted in Thailand, and when considered in conjunction with the notes to the financial statements and the consolidated financial statements (if any), will show reasonably correctly (i) its financial condition on the date specified in the financial statements and the consolidated

financial statements (if any), and (ii) the result of its business operations during the relevant period.

(c) Payment of Tax

The Issuer shall pay all taxes assessed against its assets, revenue, income or profits before such taxes become overdue and shall pay or cause to be paid monies pursuant to any lawful claim of any kind which if unpaid may operate as an encumbrance or a right of retention over its assets, revenue, income or profits, or a preferential right over other indebtedness, unless (i) such taxes or monies are pending a contest in good faith and due process, and (ii) there shall have been set aside a reserve or surplus as may be necessary therefor in accordance with the generally accepted accounting principles.

(d) Replacement of Registrar

If it is necessary to replace the Registrar, the Issuer shall use its best endeavors to procure another person to be appointed as replacement Registrar, as soon as reasonably practicable, but in any case, no later than 90 (ninety) days from the date on which there is an event which requires the replacement of the Registrar.

(e) Compliance with Law

The Issuer shall comply with all material applicable law, rules, regulations or order relating to healthcare business.

(f) Credit Rating

The Issuer shall arrange for the Credit Rating Agency to provide a credit rating for the Debentures on the Issue Date and for a credit rating to be provided during the term of the Debentures at least on an annual basis.

(g) Registration with Thai Bond Market Association

The Issuer shall promptly register the Debentures with the Thai Bond Market Association.

6.3 *Negative Covenants*

The Issuer covenants and agrees that, for so long thereafter as any amounts remain payable under the Debentures:

(a) No Disposal of Property

(i) The Issuer shall not enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset.

(ii) Paragraph (i) above does not apply to any sale, lease, transfer or other disposal under any of the following:

(aa) made in the ordinary course of trading activities or business of the Issuer;

- (bb) of assets in exchange for other assets which are reasonably deemed as comparable or superior as to type, value and quality and for a similar purpose;
- (cc) of assets that are obsolete or no longer required for its business;
- (dd) there is no reason to believe that the sale, transfer or disposal of assets would result in a Material Adverse Effect; or
- (ee) where the higher of the market value or consideration receivable (when aggregated with the higher of the market value or consideration receivable for any other sale, lease, transfer or other disposal (per transaction), other than any permitted under sub-paragraphs (aa) to (dd) above) does not exceed one-third of the total asset value of the Issuer, as specified in its latest audited annual financial statement (or its equivalent in another currency or currencies).

(b) No Creation of Security

Save for Permitted Encumbrances, no Security Interest exists or shall be created over all or any of the assets of the Issuer, unless a prior written consent from the Debentureholders is obtained.

(c) Maintenance of financial ratios

The Issuer must ensure that:

- (aa) the ratio of Net Debt to Equity is not, at any time, more than 1.75:1; and
- (bb) the ratio of Net Debt to EBITDA is not, at any time, more than 3.25.

The ratios of Net Debt to Equity and the Net Debt to EBITDA shall be computed quarterly based on the most recent Financial Statements of the Issuer.

All financial ratios in this Condition 6.3(c) shall be calculated and interpreted in accordance with the accounting principles generally accepted in Thailand and shall be expressed in Baht.

Definitions

Convertible Bonds means

- (a) BH Partly Secured Convertible Bonds Series # 1 due 2012 issued on 24 August 2000; and
- (b) BH Partly Secured Convertible Bonds Series # 2 due 2012 issued on 24 August 2000,

including other convertible bonds which have other names as a result of amendments of details of the abovementioned convertible bonds (such as amendments of the terms and conditions governing rights and obligations of the Issuer and holders of such convertible bonds).

EBITDA means the outcome of the calculation obtained from the formula as follows:

- (a) profit before financial expenditures and income taxes + depreciation and amortisation expense – interest income - share of profits from investments using the equity method as appeared in the Financial Statements.
- (b) If the above-mentioned definition is unclear, EBITDA should in generally accepted principles be the value which reflects the expenses and incomes arising from the ordinary course of business.

Equity means the aggregate of equity capital, share premium, realized retained earnings, any revaluation surplus, any unrealized foreign exchange gains or losses as at such date, and any item which can be treated as equity pursuant to accounting standards. Such item shall not be treated as Net Debt. For the avoidance of doubt, the Convertible Bonds shall be treated as equity pursuant to this definition.

Financial Statements means the consolidated quarterly financial statements which have been audited and reviewed by the auditor, or with respect to the last quarter, shall mean the consolidated year-end financial statement which have been audited or reviewed by the auditor.

Group means the Issuer and its Subsidiaries for the time being.

Net Debt means the total interest-bearing liabilities of the Issuer as appearing in the most recent Financial Statements, including any contingent liability arising from the Issuer's giving of a guarantee or the creation of other encumbrances in a similar manner in favour of any person (exclusive of trade account payables, other payments on current liabilities, accrued expenses payable and trade debts payable and documentary trade financing from banks in the ordinary course of business) less cash and cash equivalent assets.

Subsidiary means a company or corporation classified as such under the Issuer's most recent audited or auditor reviewed consolidated financial statements.

(d) Change of Business

The Issuer shall procure that no substantial change is made to the general nature of its business from that carried on at the Issue Date.

(e) Insurance

The Issuer shall maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

(f) Listing

The Issuer shall use its best efforts to maintain its status as a listed company and the quotation of its shares on the Stock Exchange of Thailand.

(g) No Dividend

If an Event of Default under these Conditions has occurred and is continuing or an event has occurred which may constitute an Event of Default (being an event which will become an Event of Default if the Issuer does not take corrective or remedial action within the prescribed period of time), the Issuer shall not declare or pay dividends, monies or any similar remuneration to its shareholders.

7. Interest

7.1 *Interest Rates*

- (a) Interest on Series 1 Debentures shall be 4.13% (four point one three per cent) per annum;
- (b) interest on Series 3 Debentures shall be 4.59% (four point five nine per cent) per annum; and
- (b) interest on Series 3 Debentures shall be 4.97% (four point nine seven per cent) per annum,

payable semi-annually in arrears on each Interest Payment Date subject to any withholding or deduction which may be applicable as provided for in Condition 8.4. Such interest shall be calculated based on the outstanding amount of the Debentures.

7.2 *Interest Calculation*

The amount of interest payable in respect of any Debenture for any Interest Period shall be calculated by multiplying (a) the product of the principal amount outstanding on each unit of the Debenture as at the first day of such Interest Period and the Interest Rate by (b) the number of days in respect of that Interest Period and divided by 365, and rounding the resulting figure to six decimal places (in case the seventh decimal place is equivalent to or more than five, the sixth decimal place shall be rounded up one decimal).

7.3 *Default Interest*

If payment of any principal amount due in respect of the Debentures is improperly withheld or refused on the Maturity Date or any accelerated payment date, interest shall continue to accrue on the Debentures at the Default Interest Rate on the unpaid amount from the Maturity Date or any accelerated payment date up to, but excluding, the day on which all sums due in respect of such Debentures are received by or on behalf of the relevant Debentureholders.

8. Payments of Principal and Interest

8.1 *Principal Payment*

The Issuer shall repay all outstanding principal of the Debentures on the Maturity Date.

8.2 *Interest Payments*

Interest on the Debentures shall be payable in arrears to each Debentureholder on each Interest Payment Date. The first Interest Payment Date shall be 20 June 2012 and the last Interest Payment Date shall be the Maturity Date.

8.3 *Non-Business Days*

If any payment date under these Conditions (including, but not limited to, the Maturity Date) falls on a day that is not a Business Day, the relevant amount due and payable shall be paid on the next Business Day (and no interest shall be calculated with respect to any such delay), with the same force and effect as if made on the original payment date. In respect of the final Interest Payment Date, interest shall accrue in accordance with these Conditions until, but excluding, the actual date of payment.

8.4 *Payments Subject to Fiscal Laws*

All payments due under the Debentures are subject to applicable fiscal or other laws and regulations. The Registrar shall not charge any commissions or expenses to the Debentureholders in respect of such payments.

8.5 *Payment Method*

- (a) Interest due on any Interest Payment Date will be payable by the Issuer through the Registrar to the Debentureholder whose name appears in the Register Book on the relevant Record Date or, with respect to persons whose Debentures are deposited with TSD, the persons whose names appear on the list of owners of the Debentures maintained by TSD. Except for payments of interest on the final Interest Payment Date, payments of interest on each Debenture will be made to the Debentureholder by means of (i) a transfer to the bank account of the Debentureholder (as notified by it in the subscription form or in writing to the Registrar and the Issuer in advance not less than 14 days before the due date) or (ii) a crossed check marked "A/C Payee Only" in the name of the Debentureholder mailed to the address of the relevant Debentureholder or in such other way as may be agreed from time to time by the Issuer and the Registrar. The Debentureholders shall not be obliged to surrender the relevant Debenture Certificates at the principal office of the Registrar in order to receive payments of interest with respect to the final Interest Payment Date.
- (b) Payments of principal will be payable by the Issuer through the Registrar to the Debentureholder whose name appears in the Register Book on the relevant Record Date or, with respect to persons whose Debentures are deposited with TSD, the persons whose names appear on the list of owners of the Debentures maintained by TSD. The payment will be made to the Debentureholder by means of (i) a transfer to the bank account of the Debentureholder (as notified by it in the subscription form or in writing to the Registrar and the Issuer in advance not less than 14 days before the due date) or (ii) a crossed check marked "A/C Payee Only" in the name of the Debentureholder by an account payee Baht cheque drawn on a bank in Bangkok or in such other way as may be agreed from time to time by the Issuer and the Registrar. The Debentureholders shall not be obliged to surrender to the Registrar at its principal office the relevant Debentures Certificates in order to receive payment of principal on the Maturity Date.

9. Redemption and Repurchase of Debentures

9.1 Redemption

Unless previously redeemed, purchased and cancelled, the Debentures will be redeemed at their outstanding principal amount on the Maturity Date, together with interest accrued thereon up to (but excluding) the Maturity Date, at the principal office of the Registrar.

9.2 Purchase by the Issuer

The Issuer and any of its subsidiaries and/or associated companies may at any time purchase the Debentures in the open market or otherwise and at any price. Such acquired Debentures (other than those acquired by the Issuer which must be cancelled) may be held or resold, but shall not entitle the holder to vote at any meetings of the Debentureholders and shall not be deemed to be outstanding for the purpose of calculating a quorum with respect to meetings of the Debentureholders as long as such acquired Debentures are held by any of the Issuer's subsidiaries and/or associated companies and any of its subsidiaries and/or associated companies.

9.3 Cancellation

Debentures that are redeemed or purchased by the Issuer must be cancelled and may not be re-issued or resold. The Issuer must also report its purchase of any Debentures to the secondary market and to the Office of the SEC, and to the Registrar for cancellation of such Debentures.

10. Prescription

Claims in respect of principal amount and interest in respect of the Debentures shall become unenforceable unless the Debentures are presented for payment within a period of 10 (ten) years in the case of principal and 5 (five) years in the case of interest from the relevant payment date.

11. Events of Default

11.1 The occurrence of any of the following events shall constitute an event of default (an “Event of Default”) under the Debentures:

- (a) the Issuer fails to pay on the due date any amount payable by it under these Conditions; provided, however, that an Event of Default under this Condition shall not occur if it is caused by a technical failure in the banking system and such relevant payment is made by the Issuer within 5 (five) Business Days from the relevant due date;
- (b) the Issuer does not comply, save as failure to pay on the due date which shall constitute an Event of Default as provided in paragraph (a) above, with any provision of these Conditions and such default is not remedied for a period of 30 (thirty) days after notice of such default is given to the Issuer by one or more Debentureholder(s) holding more than 50 (fifty) per cent in aggregate principal amount of the Debentures then outstanding;
- (c) any one or more indebtedness of the Issuer under any Financial Obligation to which it is a party or debtor or other obligor (individually or collectively) in the aggregate amount not less than Baht 250,000,000 (two hundred and fifty million Baht) (or its equivalent in other currency or currencies) becomes, or becoming capable at such time of being declared, due and payable under such agreements or instruments before it would

otherwise have been due and payable (including as a consequence of default) (after giving effect to any applicable notice requirement or grace period);

- (d) a final decree or order is made or issued by a court of competent jurisdiction adjudging the Issuer to be bankrupt or insolvent, or a final decree or order is made or issued by a court of competent jurisdiction for the appointment of a receiver or liquidator in bankruptcy or insolvency of the Issuer or of all or any material part of the property of the Issuer, or for the winding-up, dissolution or liquidation of the Issuer;
- (e) a final decree or order is made or issued by a court of competent jurisdiction adjudging the Issuer to make payment in the aggregate amount not less than Baht 250,000,000 (two hundred and fifty million Baht) (or its equivalent in other currency or currencies) and the Issuer fails to make payment of such amount within the time prescribed by such decree or order;
- (f) an effective resolution is passed for the winding-up, dissolution or liquidation of the Issuer (other than the winding-up, dissolution or liquidation of the Issuer due to a merger, demerger, amalgamation, reorganization or reconstruction in respect of the Issuer whereby either the Issuer shall be the continuing corporation or the successor corporation (if other than the Issuer) shall assume the punctual payment of the principal and interest on all the Debentures and the performance or observance of these Conditions and shall assume the obligations of the Issuer under the Registrar Agreement, and such event does not have a material adverse effect on the ability of the Issuer to perform its payment obligations under these Conditions and the Debentures) or the Issuer institutes proceedings seeking with respect of itself adjudication of, bankruptcy or insolvency or a decree of commencement of composition, commencement of reorganization procedure or adjustment under the bankruptcy law or any other similar applicable law of Thailand or any other jurisdiction, or consents to the institution of any such proceedings, or consents to, or acquiesces in, the appointment of a receiver or liquidator in bankruptcy or insolvency of it or of all or any material part of its property, or makes a general assignment for the benefit of its creditors within the meaning of the applicable bankruptcy law; or
- (g) a final order expropriating or attaching, or any other final legal order affecting, in whole or in part, properties, assets, or revenues of the Issuer, is issued and such event has a material adverse effect on the ability of the Issuer to perform its payment obligations under these Conditions and the Debentures.

11.2 If any Event of Default occurs and is continuing, and if

- (a) the Debentureholder(s) holding not less than 50 (fifty) per cent in aggregate principal amount of the Debentures then outstanding gives a written notice to the Issuer notifying such Event of Default and demanding for immediate payment under the Debentures;
- (b) the Debentureholders' meeting passes a resolution in accordance with Condition 12 that all sums under the Debenture become immediately due and payable and a written notice of such resolution and minute of such Debentureholders' meeting have been sent to the Issuer; or

- (c) Condition 11.1 (d), Condition 11.1 (f), or Condition 11.1 (g) has occurred and a written notice is given to the Issuer by one or more Debentureholder(s) demanding for immediate payment under the Debentures,

the Debentures shall become immediately due and payable at their outstanding principal amount together with all accrued interest as provided in these Conditions. In case where the Issuer fails to pay any amount to a Debentureholder constituting an Event of Default and there is no manifested facts otherwise or it is not proven otherwise, it shall be deemed that such Event of Default occurs to all Debentures.

- 11.3 Each Debentureholder shall be entitled to proceed directly against the Issuer after 14 (fourteen) days from the date on which a demand notice or resolution of the meeting of the Debentureholders is sent to the Issuer pursuant to Condition 11.2 above and the Issuer has not made the payment.

12. Meetings of Debentureholders

- 12.1 The Issuer or the Debentureholders of not less than 25 (twenty-five) per cent in aggregate principal amount of the Debentures then outstanding shall be entitled to call a Debentureholders' meeting at any time by sending a written notice to all Debentureholders. The Issuer shall promptly call a Debentureholders' meeting within 30 (thirty) days upon the occurrence of any of the following events:

- (i) an Event of Default has occurred and the Debentureholder(s) holding not less than than 50 (fifty) per cent in aggregate principal amount of the Debentures then outstanding has not sent a demand notice to the Issuer pursuant to Condition 11.2(a);
- (ii) a proposal to amend material terms of these Conditions has been made pursuant to Condition 13.1;
- (iii) a material event has occurred which, in the opinion of the Debentureholders of not less than 25 (twenty-five) per cent in aggregate principal amount of the Debentures then outstanding (by a written notice to the Issuer), may adversely affect the right of the Debentureholders or the ability of the Issuer to comply with these Conditions.

- 12.2 Resolutions duly passed by the Debentureholders' meeting shall be binding on all Debentureholders whether they attended the meeting or not. The procedures for conducting meetings of the Debentureholders are set out in Annex A of these Conditions.

The Debentureholder may adopt a resolution without holding a meeting (except such meeting is relating to the matters specified in Clause 6.4 of Annex A of these Conditions) if Debentureholders approve the action by placing their signatures on a copy of the text of the resolution. Any such resolution shall be effective when it has been signed by the Debentureholders holding the aggregate number of votes required to pass such resolution in accordance with Clause 6 of Annex A of these Conditions. For the benefit of this paragraph, the aggregate number of votes shall be calculated from the total outstanding Debentures at the time such resolution is to become effective. The duly signed copy or copies of the resolution shall be delivered by the Debentureholders to the Issuer within 30 (thirty) days after its receipt thereof and placed in the minutes of the Debentureholders' meeting.

- 12.3 Any meeting of the Debentureholders under these Conditions shall be a joint meeting between the Debentureholders of Series 1 Debentures, Debentureholders of Series 2 Debentures and the Debentureholders of Series 3 Debentures using a joint quorum and resolution, unless the subject matter for which the resolution is required affects the holders of a particular tranche of Debentures, in which case a quorum and resolution of the relevant Debentureholders shall be required.
- 12.4 All reasonable costs and expenses of convening and holding any meeting of the Debentureholders (other than expenses incurred by the Debentureholders) shall be payable by the Issuer.

13. Amendment to these Conditions

- 13.1 Subject to Condition 13.2, any amendment to these Conditions requires the approval of the Issuer and the Debentureholders' meeting in accordance with Annex A of these Conditions.
- 13.2 The Issuer may amend these Conditions without the consent of the Debentureholders if such amendment is made in accordance with Condition 3.2 (b) paragraph two or is made in order to comply with applicable laws.
- 13.3 The Issuer shall deliver the amended Conditions to the Debentureholders, the Registrar and the SEC within 15 (fifteen) days from the date of amendment to these Conditions, and shall deliver the same to the Debentureholders upon request.

14. Replacement of Debenture Certificates

If a Debenture Certificate is lost, stolen, mutilated, defaced, destroyed or damaged in any manner, the relevant Debentureholder whose name appears in the Register Book shall be entitled to request the Registrar to issue a replacement certificate, subject to the payment of any fees and expenses payable to the Registrar for the replacement certificate and provided that the relevant Debentureholder has given the Registrar any additional evidence as it reasonably requires (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Debenture Certificates must be surrendered before replacements will be issued. The Registrar shall issue a replacement certificate to the Debentureholder within 15 (fifteen) days from the date of the Registrar receives the replacement request and any other documents required by it and the Registrar shall record the cancellation of the lost or damaged Debenture Certificate in the Register Book.

15. Notices

15.1 Notices to Debentureholders

Except otherwise provided in Annex A of these Conditions, notices to Debentureholders will be deemed to be validly given if sent by registered mail (or the equivalent) or (if posted to an overseas address) by airmail to the address of the Debentureholder specified in the Register Book or, with respect to persons whose Debentures are deposited with TSD, to the address specified by TSD for such Debentureholder, and will be deemed to have been validly given on the third day after the date it is mailed or, if posted from a country other than that of the addressee, on the seventh day after the date it is posted.

- 15.2 Neither the failure to give notice nor any defect in any notice given to any particular Debentureholder shall affect the sufficiency of any notice with respect to other Debentureholders.

15.3 *Notices to the Issuer or the Registrar*

- (a) Notices to the Registrar shall be validly given if sent to the address or fax number of the Registrar specified in the Registrar Appointment Agreement;
- (b) Notices to the Issuer shall be validly given if sent to the address or fax number of the Issuer specified in the Registrar Appointment Agreement; and
- (c) Notices may be sent by regular mail, by registered mail or by fax. Any communication made or delivered by one person to another under these Conditions will only be effective:
 - (i) if sent by fax, when received in legible form; or
 - (ii) if sent by letter, when received.

16. Governing Law and Jurisdiction

- (a) These Conditions and the Debentures shall be governed by and construed in accordance with the laws of Thailand. To the extent of discrepancy or inconsistency between any provision of these Conditions with any laws or notification applicable to the Debentures, the provisions of such laws or notifications applicable to the Debentures shall supersede only the parts of these Conditions which give rise to such discrepancy or inconsistency.
- (b) The courts of Thailand shall have non-exclusive jurisdiction to settle any disputes arising out of or in connection with these Debentures.

These Conditions are made on, and shall be effective from, 20 December 2011.

Bumrungrad Hospital Public Company Limited
as Issuer

By: _____
Authorized Signatory

By: _____
Authorized Signatory

ANNEX A

REQUIREMENTS FOR THE MEETING OF DEBENTUREHOLDERS

1. Calling Meetings

The Issuer or the Debentureholder(s) of not less than 25 (twenty-five) per cent in aggregate principal amount of the Debentures then outstanding may call a meeting of the Debentureholders by requesting the Registrar to send notice of the meeting by registered mail to the Debentureholders and the Issuer (in case the Issuer is not the person calling for the meeting) at least 7 (seven) days (excluding the date of delivery of such notice of the meeting and the meeting date) prior to the proposed meeting date. Such notice shall be in the English and Thai languages and shall specify the date, time and place for the meeting, the agenda of the meeting and the identity of the party calling the meeting. The Registrar shall deliver notice of the meeting to all Debentureholders whose names and addresses appear in the Register Book on the Record Date.

2. Eligibility to Attend Meetings

The following persons are eligible to attend each meeting of the Debentureholders:

- (a) the Debentureholders and the Issuer;
- (b) the Debentureholders may appoint another Debentureholder(s) or any person (“**Proxy**”) to attend the meeting and vote on their behalf, by executing written proxy appointment in the form as set out by the Registrar, available at the principal office of the Registrar, provided that the original proxy form and the notice calling the meeting must be submitted to the Registrar prior to the time scheduled for the meeting;
- (c) on the request of the Issuer, financial advisors, legal advisors or other persons involved with the matters to be discussed at the meeting; and
- (d) any person permitted by the chairman of the meeting to attend the meeting for observation.

3. Quorum Requirements

- 3.1 Except with respect to meetings of Debentureholders convened to approve the matters set out in Clause 6.3 and Clause 6.4, a quorum of a meeting of Debentureholders shall be constituted by the presence of at least two Debentureholders holding in aggregate not less than 25% (twenty-five per cent) of the outstanding Debentures.
- 3.2 If a meeting is adjourned due to the lack of a quorum as required by Clause 3.1, the quorum for a subsequent meeting shall be constituted by the presence of two or more Debentureholders, regardless of aggregate number of Debentures held by them.
- 3.3 A quorum of a meeting of the Debentureholders convened to consider the matters set out in Clause 6.3 shall be constituted by the presence of at least 2 (two) Debentureholders holding in aggregate not less than 50% (fifty per cent) of the outstanding Debentures. If a meeting is adjourned due to the lack of a quorum as required by this Clause 3.3, the quorum for a subsequent meeting shall be constituted by the presence of two or more Debentureholders, holding in aggregate not less than 25% (twenty-five per cent) of the outstanding Debentures.

- 3.4 A quorum of a meeting of the Debentureholders convened to consider the matters set out in Clause 6.4 shall be constituted by the presence of at least two Debentureholders holding in aggregate not less than 66% (sixty-six per cent) of the outstanding Debentures. If a meeting is adjourned due to the lack of a quorum as required by this Clause 3.4, the quorum for a subsequent meeting shall be constituted by the presence of two or more Debentureholders, holding in aggregate not less than 33% (thirty-three per cent) of the outstanding Debentures.
- 3.5 The quorum requirements in Clauses 3.1 – 3.4 above shall not apply to any meeting of the Debentureholders of a specific series of the Debentures which has only 1 (one) Debentureholder or in case when there is only 1 (one) Debentureholder.

4. Chairman of the Meeting

If the meeting was called by the Issuer, the chairman or vice chairman or any director of the Issuer shall preside as chairman of the meeting. If the meeting was called by the Debentureholders, such person authorized by the Debentureholders shall preside as chairman of the meeting.

Should the chairman of the meeting be absent upon a lapse of 30 (thirty) minutes from the time scheduled for the meeting, the meeting shall elect any Debentureholder to preside over such meeting.

5. Adjournment of the Meeting

- 5.1 At any meeting of the Debentureholders, upon a lapse of 45 minutes from the time scheduled for the meeting, should the number of the Debentureholders attending the meeting remain insufficient to constitute a quorum, the chairman of the meeting shall adjourn the meeting as follows:

- (a) If the meeting was called by the Issuer, the chairman of the meeting shall adjourn the meeting to the date, time and place as specified by the chairman. The date for the adjourned meeting shall not be less than 7 (seven) days but not more than 14 (fourteen) days from the previous meeting date. In addition, the matters to be considered and resolved at the adjourned meeting must be only those pending from the previous meeting;
- (b) If the meeting was called by the Debentureholders, no adjourned meeting shall be called as provided by paragraph (a) above; and
- (c) If the meeting was called due to the absence of a quorum at the previous meeting, no adjourned meeting shall be called as provided by paragraph (a) above.

- 5.2 The Registrar shall deliver the notice of any adjourned meeting to the Issuer and the Debentureholders who were sent notices of the previous meeting, not less than 3 (three) days prior to the adjourned meeting (excluding the date of the notice of the meeting and the meeting date). Such notice of the meeting shall specify the date, time and place for the meeting, the agenda of the meeting and quorum required for the adjourned meeting.

6. Resolutions of the Meeting

- 6.1 Resolutions on any matters by the meeting of the Debentureholders shall be decided by a show of hands or casting of votes as selected by the chairman of the meeting. Each of the

Debentureholders shall have votes equal to the number of Debentures held by them and one unit of Debentures shall be entitled to one vote. In case of an equality of votes, the chairman of the meeting shall have a decisive (casting) vote (for both a show of hands and secret ballot) in addition to the votes that the chairman of the meeting may be entitled to cast in his or her capacity as a Debentureholder or a Proxy.

- 6.2 Resolutions of the meeting of the Debentureholders on any matters other than those specified in Clause 6.3 and Clause 6.4 shall be decided by a majority of votes representing not less than 50 (fifty) per cent of all votes of the Debentureholders attending the meeting and casting their votes.
- 6.3 Resolutions of the meeting of the Debentureholders on any of the following matters shall be decided by a majority of votes representing not less than 66% (sixty-six per cent) of all votes of the Debentureholders attending the meeting and casting their votes:
- (a) declaration of an Event of Default, relaxation of an Event of Default or issuing a demand of payment as a result of an Event of Default;
 - (b) amendment to the Conditions, other than those matters specified in Clause 6.4.
- 6.4 Resolutions of the meeting of the Debentureholders on any of the following matters shall be decided by a majority of votes representing not less than 75 per cent of all votes of the Debentureholders attending the meeting and casting their votes:
- (a) repayment of Debentures by way of conversion of the Debentures into shares, other debentures or other property of the Issuer or any person;
 - (b) revision of the Maturity Date or the due date for any payment in respect of the Debentures;
 - (c) reduction, cancellation or change of the amount of principal, interest and/or any other sum due or payable in respect of the Debentures;
 - (d) change of the currency of any payment to be made in respect of the Debentures;
 - (e) amendment to the requirements for the meeting of the Debentureholders in relation to quorum (Clause 3) and resolutions of the meeting (Clause 6); and
 - (f) amendment to the Conditions to enable any actions relating to (a) to (e) above.
- 6.5 Any Debentureholder that has any conflict of interest with respect to any matter to be decided at a meeting of Debentureholders shall not be entitled to vote on such matter.

7. Minutes of the Meeting

Within 14 (fourteen) days after the date of the meeting of the Debentureholders, the Issuer shall prepare the minutes of the meeting. The chairman of the meeting shall certify such minutes as accurate and the Issuer shall keep the original minutes and make copies available for inspection by the Debentureholders at its principal office or the principal office of the Registrar during their respective normal business hours.