

Bumrungrad Hospital Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2009 and 2008

## **Review report of Independent Auditor**

To the Shareholders of Bumrungrad Hospital Public Company Limited

I have reviewed the accompanying consolidated balance sheet of Bumrungrad Hospital Public Company Limited and its subsidiaries as at 30 June 2009, the related consolidated income statements for the three-month and six-month periods ended 30 June 2009 and 2008, the consolidated statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2009 and 2008, and the separate financial statements of Bumrungrad Hospital Public Company Limited for the same periods. These financial statements are the responsibility of the Company's management as to their correctness and the completeness of the presentation. My responsibility is to issue a report on these financial statements based on my reviews.

Except for the matter as discussed in the third paragraph, I conducted my reviews in accordance with the auditing standards applicable to review engagements. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. I have not performed an audit and, accordingly, I do not express an audit opinion.

As discussed in Note 7 to the financial statements, the Company's consolidated financial statements included investment in an associated company under the equity method as at 30 June 2009 and 2008 amounting to Baht 1,246.8 million and Baht 1,196.2 million, respectively, and shares of income of the associated company for the three-month and six-month periods ended 30 June 2009 amounting to Baht 13.6 million and Baht 25.8 million, respectively (2008: Baht 4.8 million and Baht 28.8 million, respectively). The consolidated financial statements of that associated company mostly comprise figures derived from the financial statements of its overseas subsidiaries and joint venture, which were prepared by the subsidiaries' and joint venture's management and have not been reviewed by their auditors.

Based on my reviews, except for the effects of any adjustments to the financial statements for the three-month and six-month periods ended 30 June 2009 and 2008 which may be required as a result of the scope limitation imposed by circumstance discussed in the third paragraph, nothing has come to my attention that causes me to believe that the accompanying financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have previously audited the consolidated financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries, and the separate financial statements of Bumrungrad Hospital Public Company Limited for the year ended 31 December 2008, in accordance with generally accepted auditing standards and expressed an unqualified opinion on those statements, under my report dated 25 February 2009. The consolidated and separate balance sheets as at 31 December 2008, as presented herein for comparative purposes, formed an integral part of the financial statements which I audited and reported on. I have not performed any other audit procedures subsequent to the date of that report.

Vissuta Jariyathanakorn  
Certified Public Accountant (Thailand) No. 3853

Ernst & Young Office Limited  
Bangkok: 5 August 2009

**Bumrungrad Hospital Public Company Limited and its subsidiaries**

**Balance sheets**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 June 2009</b>	<b>31 December 2008</b>	<b>30 June 2009</b>	<b>31 December 2008</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		310,931	384,642	276,424	350,881
Trade accounts receivable - net	3	590,241	494,122	587,947	492,376
Amounts due from related parties	4	13,943	8,797	15,663	8,797
Advances to employees and directors		9,376	8,786	9,372	8,786
Inventories		187,345	187,975	182,700	184,131
Prepaid expenses		107,617	52,243	86,534	51,716
Other current assets		2,212	5,011	1,883	4,703
<b>Total current assets</b>		<b>1,221,665</b>	<b>1,141,576</b>	<b>1,160,523</b>	<b>1,101,390</b>
<b>Non-current assets</b>					
Restricted bank deposits	2	17,147	17,147	8,793	8,793
Investments in subsidiaries - net	5	-	-	1,214,115	1,172,513
Investment in joint venture	6	6,062	6,085	6,120	6,120
Investments in associated companies - net	7	1,252,831	1,234,931	1,013,453	1,013,453
Other long-term investments - net		2,247	2,247	2,047	2,047
Property, plant and equipment - net	8	5,512,377	5,373,731	4,578,664	4,412,802
Intangible assets - net	9	295,189	310,364	326,412	343,423
Other non-current assets		17,104	18,163	20,078	21,163
<b>Total non-current assets</b>		<b>7,102,957</b>	<b>6,962,668</b>	<b>7,169,682</b>	<b>6,980,314</b>
<b>Total assets</b>		<b>8,324,622</b>	<b>8,104,244</b>	<b>8,330,205</b>	<b>8,081,704</b>

The accompanying notes are an integral part of the financial statements.

**Bumrungrad Hospital Public Company Limited and its subsidiaries**

**Balance sheets (continued)**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2009	31 December 2008	30 June 2009	31 December 2008
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	10	300,000	200,000	300,000	200,000
Trade accounts payable		497,527	504,341	495,624	502,593
Construction and medical equipment payables		79,893	77,127	79,893	77,127
Amounts due to related parties	4	-	2,015	1,236	3,683
Current portion of long-term loans from financial institution	11	569,279	569,279	131,250	131,250
Current portion of long-term loan and interest payable - a related party	4	-	-	438,029	438,029
Accrued physicians' fees		302,308	262,461	301,158	261,311
Interest payable		432	565	363	313
Interest payable - convertible bonds treated as equity securities		11,308	11,575	11,308	11,575
Corporate income tax payable		227,080	195,480	225,057	193,046
Share subscription payable - subsidiary	1.4	-	-	20,000	-
Accrued expenses		275,076	260,095	273,513	258,021
Accounts payable - others		34,455	16,098	34,138	15,773
Other current liabilities		21,130	23,825	20,259	23,421
<b>Total current liabilities</b>		<b>2,318,488</b>	<b>2,122,861</b>	<b>2,331,828</b>	<b>2,116,142</b>
<b>Non-current liabilities</b>					
Long-term loan and interest payable - a related party	4	-	-	319,207	501,207
Long-term loans from financial institution	11	831,382	1,116,022	721,875	787,500
<b>Total non-current liabilities</b>		<b>831,382</b>	<b>1,116,022</b>	<b>1,041,082</b>	<b>1,288,707</b>
<b>Total liabilities</b>		<b>3,149,870</b>	<b>3,238,883</b>	<b>3,372,910</b>	<b>3,404,849</b>

The accompanying notes are an integral part of the financial statements.

**Bumrungrad Hospital Public Company Limited and its subsidiaries**

**Balance sheets (continued)**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 June 2009</b>	<b>31 December 2008</b>	<b>30 June 2009</b>	<b>31 December 2008</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	12				
Registered					
920,954,935 ordinary shares of Baht 1 each (31 December 2008: 920,919,935 ordinary shares of Baht 1 each)		920,955	920,920	920,955	920,920
1,747,750 preference shares of Baht 1 each (31 December 2008: 1,782,750 preference shares of Baht 1 each)		1,748	1,783	1,748	1,783
Issued and paid-up					
728,304,472 ordinary shares of Baht 1 each (31 December 2008: 728,269,472 ordinary shares of Baht 1 each)		728,304	728,269	728,304	728,269
1,747,750 preference shares of Baht 1 each (31 December 2008: 1,782,750 preference shares of Baht 1 each)		1,748	1,783	1,748	1,783
Premium on ordinary shares		285,568	285,568	285,568	285,568
Other paid-in capital of an associated company		252,173	252,173	-	-
Translation adjustment		(62,562)	(53,479)	-	-
Convertible bonds treated as equity securities		550,000	550,000	550,000	550,000
Excess of investment over book value of a subsidiary		(192,662)	(192,662)	-	-
Retained earnings					
Appropriated - statutory reserve		92,275	92,275	92,275	92,275
Unappropriated		3,519,908	3,201,434	3,299,400	3,018,960
<b>Total shareholders' equity</b>		<b>5,174,752</b>	<b>4,865,361</b>	<b>4,957,295</b>	<b>4,676,855</b>
<b>Total liabilities and shareholders' equity</b>		<b>8,324,622</b>	<b>8,104,244</b>	<b>8,330,205</b>	<b>8,081,704</b>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Income statements****For the three-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
<b>Revenues</b>					
Revenues from hospital operations	4	2,179,732	2,127,621	2,161,666	2,114,121
Rental income	4	31,176	32,674	37,980	39,287
Interest income		350	1,669	258	1,535
Exchange gains		9,690	6,941	10,046	6,942
Other income	4	23,093	17,505	23,091	17,305
Dividend income from an associated company	4, 7	-	-	-	437,927
<b>Total revenues</b>		<b>2,244,041</b>	<b>2,186,410</b>	<b>2,233,041</b>	<b>2,617,117</b>
<b>Expenses</b>					
Cost of hospital operations	4	1,348,158	1,333,012	1,341,646	1,328,251
Depreciation and amortisation		135,657	106,763	121,686	92,813
Administrative expenses	4	338,991	316,991	354,040	340,285
Management's remuneration		22,140	20,434	19,273	19,979
<b>Total expenses</b>		<b>1,844,946</b>	<b>1,777,200</b>	<b>1,836,645</b>	<b>1,781,328</b>
<b>Income before finance cost and corporate income tax</b>		<b>399,095</b>	<b>409,210</b>	<b>396,396</b>	<b>835,789</b>
Share of income from investments in joint venture and associated companies - net	6, 7	14,507	10,328	-	-
Finance cost	4	(19,241)	(28,816)	(21,999)	(30,983)
<b>Income before corporate income tax</b>		<b>394,361</b>	<b>390,722</b>	<b>374,397</b>	<b>804,806</b>
Corporate income tax	13	(105,866)	(110,905)	(103,800)	(108,450)
<b>Net income for the period</b>		<b>288,495</b>	<b>279,817</b>	<b>270,597</b>	<b>696,356</b>

(Unit: Baht)

<b>Earnings per share</b>					
14					
Basic earnings per share					
Net income for the period		0.40	0.38	0.37	0.96
Weighted average number of ordinary shares (shares)		728,304,472	728,269,472	728,304,472	728,269,472
(Unit: Baht)					
Diluted earnings per share					
Net income for the period		0.33	0.32	0.31	0.80
Weighted average number of ordinary shares (shares)		867,414,859	867,414,859	867,414,859	867,414,859

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Income statements****For the six-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2009	2008	2009	2008
<b>Revenues</b>					
Revenues from hospital operations	4	4,440,552	4,303,978	4,405,308	4,269,026
Rental income	4	63,027	65,205	76,347	78,382
Interest income		997	3,690	837	3,485
Exchange gains		19,426	12,907	19,426	12,907
Other income	4	47,616	28,940	47,615	28,740
Dividend income from an associated company	4, 7	-	-	-	437,927
<b>Total revenues</b>		<b>4,571,618</b>	<b>4,414,720</b>	<b>4,549,533</b>	<b>4,830,467</b>
<b>Expenses</b>					
Cost of hospital operations	4	2,717,789	2,644,041	2,704,747	2,634,179
Depreciation and amortisation		269,038	207,182	241,104	179,287
Administrative expenses	4	663,357	635,849	695,393	681,158
Management's remuneration		43,752	40,256	39,495	39,801
<b>Total expenses</b>		<b>3,693,936</b>	<b>3,527,328</b>	<b>3,680,739</b>	<b>3,534,425</b>
<b>Income before finance cost and corporate income tax</b>		<b>877,682</b>	<b>887,392</b>	<b>868,794</b>	<b>1,296,042</b>
Share of income from investments in joint venture and associated companies - net	6, 7	28,142	5,243	-	-
Finance cost	4	(41,982)	(56,287)	(47,559)	(60,354)
<b>Income before corporate income tax</b>		<b>863,842</b>	<b>836,348</b>	<b>821,235</b>	<b>1,235,688</b>
Corporate income tax	13	(237,289)	(242,101)	(232,716)	(235,306)
<b>Net income for the period</b>		<b>626,553</b>	<b>594,247</b>	<b>588,519</b>	<b>1,000,382</b>

(Unit: Baht)

<b>Earnings per share</b>		14			
Basic earnings per share					
Net income for the period		0.86	0.82	0.81	1.37
Weighted average number of ordinary shares (shares)		728,290,936	728,242,719	728,290,936	728,242,719
(Unit: Baht)					
Diluted earnings per share					
Net income for the period		0.72	0.69	0.68	1.15
Weighted average number of ordinary shares (shares)		867,414,859	867,414,859	867,414,859	867,414,859

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Statements of cash flows****For the six-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
<b>Cash flows from operating activities</b>				
Income before corporate income tax	863,842	836,348	821,235	1,235,688
Adjustments to reconcile income before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	269,038	207,182	241,104	179,287
Allowance for loss on impairment of assets	-	-	-	9,647
Bad debts and allowance for doubtful accounts	13,392	16,356	13,392	16,356
Dividend income from an associated company	-	-	-	(437,927)
Loss on sales of equipment	1,198	676	1,198	676
Share of loss from investment in joint venture	23	-	-	-
Share of income from investments in associated companies	(28,165)	(5,243)	-	-
Interest expense	41,982	56,287	47,559	60,354
Income from operating activities before changes in operating assets and liabilities	1,161,310	1,111,606	1,124,488	1,064,081
Operating assets (increase) decrease				
Trade accounts receivable	(109,511)	40,559	(108,963)	41,799
Amounts due from related parties	(5,146)	(2,789)	(6,866)	(2,693)
Inventories	630	12,977	1,431	12,805
Other current assets	(52,575)	(1,254)	(31,998)	(91)
Operating liabilities increase (decrease)				
Trade accounts payable	(6,814)	(1,891)	(6,969)	(1,343)
Amounts due to related parties	(2,015)	-	(2,447)	436
Accrued physicians' fees	39,847	(22,693)	39,847	(22,569)
Accrued expenses	14,981	132,649	15,492	131,929
Accounts payable - others	1,707	5,189	1,715	5,099
Other current liabilities	(2,694)	(21,229)	(3,162)	(21,022)
Cash flows from operating activities	1,039,720	1,253,124	1,022,568	1,208,431
Cash paid for interest expense	(42,115)	(57,070)	(47,509)	(60,592)
Cash paid for corporate income tax	(205,689)	(214,100)	(200,705)	(209,313)
<b>Net cash flows from operating activities</b>	<b>791,916</b>	<b>981,954</b>	<b>774,354</b>	<b>938,526</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Statements of cash flows (continued)****For the six-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2009	2008	2009	2008
<b>Cash flows from investing activities</b>				
Increase in advances to employees and directors	(590)	(2,620)	(586)	(2,628)
Decrease in short-term loans and interest receivable				
- a related party	-	-	-	10,058
Acquisition of investments in a subsidiary	-	-	(21,602)	-
Acquisition of investment in an associated company	-	(141,750)	-	(141,750)
Dividend income from an associated company	-	437,927	-	437,927
Acquisition of property, plant and equipment and repayment				
of construction and medical equipment payables	(386,254)	(1,170,160)	(385,536)	(1,169,974)
Proceeds from sales of equipment	1,167	1,061	1,167	1,061
Acquisition of computer software	(4,018)	(9,182)	(4,018)	(9,182)
Decrease (increase) in other non-current assets	1,059	(946)	1,085	(946)
<b>Net cash flows used in investing activities</b>	<b>(388,636)</b>	<b>(885,670)</b>	<b>(409,490)</b>	<b>(875,434)</b>
<b>Cash flows from financing activities</b>				
Cash receipt from short-term loans from financial institutions	300,000	-	300,000	-
Repayment of short-term loan from financial institution	(200,000)	-	(200,000)	-
Repayment of long-term loan - a related party	-	-	(182,000)	(120,000)
Cash receipt from long-term loans from financial institution	-	400,000	-	400,000
Repayment of long-term loans from financial institution	(284,640)	(229,886)	(65,625)	(65,625)
Dividend paid	(275,312)	(275,905)	(275,312)	(275,905)
Interest paid for convertible bonds treated as equity securities	(16,384)	(8,823)	(16,384)	(8,823)
<b>Net cash flows used in financing activities</b>	<b>(476,336)</b>	<b>(114,614)</b>	<b>(439,321)</b>	<b>(70,353)</b>
<b>Decrease in translation adjustment</b>	<b>(655)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(73,711)</b>	<b>(18,330)</b>	<b>(74,457)</b>	<b>(7,261)</b>
Cash and cash equivalents at beginning of period	384,642	549,864	350,881	508,940
<b>Cash and cash equivalents at end of period</b>	<b>310,931</b>	<b>531,534</b>	<b>276,424</b>	<b>501,679</b>
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries**  
**Statements of changes in shareholders' equity**  
**For the six-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

Consolidated financial statements											
	Note	Issued and paid-up share capital		Premium on ordinary shares	Other paid-in capital of an associated company	Translation adjustment	Convertible bonds treated as equity securities	Excess of investment over book value of a subsidiary	Retained earnings		Total
		Ordinary shares	Preference shares						Appropriated-statutory reserve	Unappropriated	
<b>Balance as at 1 January 2008</b>		728,202	1,850	285,568	256,549	9,985	550,000	(192,662)	92,275	2,617,255	4,349,022
Translation adjustment		-	-	-	-	(60,541)	-	-	-	-	(60,541)
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	-	-	-	(8,679)	(8,679)
Change in subsidiary's minority interest of an associated		-	-	-	(4,375)	-	-	-	-	-	(4,375)
<b>Net expenses recognised directly in equity</b>		-	-	-	(4,375)	(60,541)	-	-	-	(8,679)	(73,595)
Net income for the period		-	-	-	-	-	-	-	-	594,247	594,247
<b>Total income and expense for the period</b>		-	-	-	(4,375)	(60,541)	-	-	-	585,568	520,652
Dividend paid	15	-	-	-	-	-	-	-	-	(292,011)	(292,011)
Preference shares converted to ordinary shares	12	67	(67)	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2008</b>		<u>728,269</u>	<u>1,783</u>	<u>285,568</u>	<u>252,174</u>	<u>(50,556)</u>	<u>550,000</u>	<u>(192,662)</u>	<u>92,275</u>	<u>2,910,812</u>	<u>4,577,663</u>
<b>Balance as at 1 January 2009</b>		728,269	1,783	285,568	252,173	(53,479)	550,000	(192,662)	92,275	3,201,434	4,865,361
Translation adjustment		-	-	-	-	(9,083)	-	-	-	-	(9,083)
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	-	-	-	(16,117)	(16,117)
<b>Net expenses recognised directly in equity</b>		-	-	-	-	(9,083)	-	-	-	(16,117)	(25,200)
Net income for the period		-	-	-	-	-	-	-	-	626,553	626,553
<b>Total income and expenses for the period</b>		-	-	-	-	(9,083)	-	-	-	610,436	601,353
Dividend paid	15	-	-	-	-	-	-	-	-	(291,962)	(291,962)
Preference shares converted to ordinary shares	12	35	(35)	-	-	-	-	-	-	-	-
<b>Balance as at 30 June 2009</b>		<u>728,304</u>	<u>1,748</u>	<u>285,568</u>	<u>252,173</u>	<u>(62,562)</u>	<u>550,000</u>	<u>(192,662)</u>	<u>92,275</u>	<u>3,519,908</u>	<u>5,174,752</u>
		-	-	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries**  
**Statements of changes in shareholders' equity (continued)**  
**For the six-month periods ended 30 June 2009 and 2008**

(Unit: Thousand Baht)

	Note	Separate financial statements						Total
		Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		
		Ordinary shares	Preference shares			Appropriated- statutory reserve	Unappropriated	
<b>Balance as at 1 January 2008</b>		728,202	1,850	285,568	550,000	92,275	2,211,051	3,868,946
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(8,679)	(8,679)
<b>Net expenses recognised directly in equity</b>		-	-	-	-	-	(8,679)	(8,679)
Net income for the period		-	-	-	-	-	1,000,382	1,000,382
<b>Total income for the period</b>		-	-	-	-	-	991,703	991,703
Dividend paid	15	-	-	-	-	-	(292,011)	(292,011)
Preference shares converted to ordinary shares	12	67	(67)	-	-	-	-	-
<b>Balance as at 30 June 2008</b>		<u>728,269</u>	<u>1,783</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>2,910,743</u>	<u>4,568,638</u>
<b>Balance as at 1 January 2009</b>		728,269	1,783	285,568	550,000	92,275	3,018,960	4,676,855
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(16,117)	(16,117)
<b>Net expenses recognised directly in equity</b>		-	-	-	-	-	(16,117)	(16,117)
Net income for the period		-	-	-	-	-	588,519	588,519
<b>Total income for the period</b>		-	-	-	-	-	572,402	572,402
Dividend paid	15	-	-	-	-	-	(291,962)	(291,962)
Preference shares converted to ordinary shares	12	35	(35)	-	-	-	-	-
<b>Balance as at 30 June 2009</b>		<u>728,304</u>	<u>1,748</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>3,299,400</u>	<u>4,957,295</u>
		-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

**Bumrungrad Hospital Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2009 and 2008**

**1. General information**

**1.1 Corporate information**

Bumrungrad Hospital Public Company Limited (the Company) is registered as a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business, investment in other companies and rental of properties service and its registered address is 33 Soi 3 (Nana Nua) Sukhumvit Road, Klongtoey Nua Sub District, Wattana District, Bangkok.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2007) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the balance sheets, and the statements of income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

**1.3 Adoption of new accounting standards**

In June 2009, the Federation of Accounting Professions has issued Notification No. 12/2552, regarding the renumbering of Thai Accounting Standards to match the corresponding International Accounting Standards. Therefore the numbers of Thai Accounting Standards as used in these financial statements are corresponded to those per this notification.

The Federation of Accounting Professions has issued Notification No. 86/2551 and 16/2552, mandating the use of new accounting standards, financial reporting standard and accounting treatment guidance as follows.

**a) Accounting standards, financial reporting standard and accounting treatment guidance which are effective for the current year**

Framework for Preparation and Presentation of Financial Statements (revised 2007)

TAS 36 (revised 2007) Impairment of Assets

TFRS 5 (revised 2007) Non-current Assets Held for Sale and  
Discontinued Operations

Accounting Treatment Guidance for Leasehold right

Accounting Treatment Guidance for Business Combination under Common Control

These accounting standards, financial reporting standard and accounting treatment guidance became effective for the financial statements for fiscal years beginning on or after 1 January 2009. The management has assessed the effect of these standards and believes that TFRS 5 (revised 2007) and Accounting Treatment Guidance for Business Combination under Common Control are not relevant to the business of the Company, while Framework for Preparation and Presentation of Financial Statements (revised 2007), TAS 36 (revised 2007) and Accounting Treatment Guidance for Leasehold Right do not have any significant impact on the financial statements for the current period.

**b) Accounting standards which are not effective for the current year**

		<u>Effective date</u>
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2012
TAS 24 (revised 2007)	Related Party Disclosures	1 January 2011
TAS 40	Investment Property	1 January 2011

However, TAS 24 (revised 2007) and TAS 40 allow early adoption by the entity before the effective date.

The management of the Company is still evaluating the effect of these three accounting standards and has not been able to reach a conclusion as to their effect to the financial statements for the year in which they are initially applied.

#### **1.4 Basis of consolidation**

These interim consolidated financial statements include the financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries (the Group) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2008. There have been no changes in the composition of the Group during the current period, except the investments in subsidiaries as below.

- Asia Global Health Ltd. (AGH) has been incorporated and registered in Hong Kong on 26 March 2009 with registered capital of HKD 9.5 million (approximately Baht 44.2 million), comprising of 1,220,000 common shares with par value of HKD 7.8 per share. The Company has invested in 100% of AGH's issued and paid-up capital (currently 50% of the registered capital is issued) in the amount of HKD 4.8 million (approximately Baht 21.6 million). As a result, AGH is a subsidiary of the Company. AGH was set up for regional investment opportunities in healthcare and related business. On 15 May 2009, the Company paid for the share subscription.
- Asia Global Research Ltd. (AGR) has been incorporated and registered in Thailand on 10 June 2009 with registered capital of Baht 20 million, comprising of 2,000,000 common shares with par value of Baht 10 per share. The Company has invested in 100% of AGR's issued and paid-up capital. As a result, AGR is a subsidiary of the Company. AGR was set up for clinical research and related business. As at 30 June 2009, the Company has not paid for the share subscription and recorded as share subscription payable - subsidiary in the separate balance sheet. Subsequently, on 15 July 2009, the Company paid for the share subscription.

#### **1.5 Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2008.

#### **2. Restricted bank deposits**

These bank deposits have been pledged with banks to secure bank guarantees issued by banks on behalf of the Company and a subsidiary (Bumrungrad Medical Center Ltd).

### 3. Trade accounts receivable

The balances of trade accounts receivable, aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
<u>Age of receivables</u>				
Not yet due	266,721	232,951	265,415	232,346
Past due				
1 - 30 days	161,344	107,490	160,843	107,132
31 - 60 days	12,706	36,699	12,707	36,572
61 - 90 days	21,087	23,019	20,974	22,993
91 - 180 days	72,893	46,066	72,676	45,492
181 - 365 days	49,042	39,191	48,432	38,580
More than 365 days	106,566	98,745	104,434	96,716
Total	690,359	584,161	685,481	579,831
Less: Allowance for doubtful accounts	(100,118)	(90,039)	(97,534)	(87,455)
Trade accounts receivable - net	590,241	494,122	587,947	492,376

### 4. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2009	2008	2009	2008	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	2.2	3.0	Cost plus margin
Rental income	-	-	6.6	6.6	As per contracts 4.1)
Lab service expense	-	-	1.7	3.6	Cost plus margin
Rental expense	-	-	22.2	22.2	As per contract 4.2)
Interest expense	-	-	10.5	16.7	MLR less 1% p.a.



(Unaudited but reviewed)

	For the three-month periods ended 30 June				(Unit: Million Baht)
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2009	2008	2009	2008	
<u>Transactions with associated companies</u>					
Rental income	0.2	0.2	0.2	0.2	Actual charge
Consulting fee income	3.8	4.6	3.8	4.6	As per contract 4.3)
Dividend income	-	-	-	437.9	As declared
<u>Transactions with related companies</u>					
Medical service income	6.5	0.6	6.5	0.6	Cost plus margin
Other income	0.4	0.1	0.4	0.1	At cost
Donation expense	3.0	2.0	3.0	2.0	-
Insurance expense	5.3	6.2	5.3	6.2	As per insurance policies
(Unit: Million Baht)					
	For the six-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2009	2008	2009	2008	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	4.5	6.2	Cost plus margin
Rental income	-	-	13.1	13.2	As per contracts 4.1)
Lab service expense	-	-	3.1	3.6	Cost plus margin
Rental expense	-	-	44.4	44.4	As per contract 4.2)
Interest expense	-	-	23.3	34.3	MLR less 1% p.a.
<u>Transactions with associated companies</u>					
Rental income	0.3	0.3	0.3	0.3	Actual charge
Consulting fee income	6.4	8.1	6.4	8.1	As per contract 4.3)
Dividend income	-	-	-	437.9	As declared
<u>Transactions with related companies</u>					
Medical service income	14.6	2.5	14.6	2.5	Cost plus margin
Other income	1.1	0.3	1.1	0.3	At cost
Rental expense	-	4.4	-	4.4	As per contract 4.4)
Donation expense	6.0	4.0	6.0	4.0	-
Insurance expense	10.2	12.4	10.2	12.4	As per insurance policies
Financial advisory fee	-	0.7	-	0.7	As per contract
Purchase of land and building	-	470.0	-	470.0	As per contract 4.4)

4.1) A subsidiary (Bumrungrad Medical Center Ltd.) has leased a plot of land from the Company. The lease agreement covers a period of 30 years, commencing from the year 1996. The rental fee is Baht 22.2 million per annum.

Another subsidiary (Vitallife Corporation Ltd.) has leased building spaces from the Company for use in its operations. The lease agreement covers a period of 11 years, commencing from the year 2001. The subsidiary has to pay rental fee equal to 5% of gross revenue inclusive of value added tax, but not less than Baht 238,200 per month.

- 4.2) The Company has leased hospital building from a subsidiary (Bumrungrad Medical Center Ltd.) for use in its hospital business. The rental fee is Baht 88.8 million per annum. The agreement will be expired on July 2010.
- 4.3) On 2 June 2006, the Company entered into a Consulting Support Agreement with an associate (Bumrungrad International Ltd.). The associate has been obliged to pay such fee totaling Baht 1.2 million per month starting from April 2007. Subsequently, in the first quarter of 2009, the Company and the associate agreed to change the fee to totaling Baht 0.9 million per month starting from January 2009 onwards. The agreement will expire as per the agreement's conditions.
- 4.4) The Company had entered into an agreement to lease land and a building (BH Residence Tower) from Bangkok Bank Plc. for a period of 3 years, commencing from August 2000. The rental fee was calculated at the rate of 75% of net income (total revenues minus total expenses) from the sub-lease, with a minimum rental of Baht 8 million per annum. Subsequently, the bank approved renewal of agreement, commencing on 29 August 2005 to 28 February 2008. The rate of rental and other conditions were in accordance with the initial agreement.

On 18 February 2008, the Company entered into purchase agreement to acquire the land and building (BH Residence Tower) from Bangkok Bank Plc. at a price of Baht 470.0 million. The purchase price does not exceed the appraisal value of an independent valuer.

The balances of the accounts between the Company and those related companies are as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2009	31 December 2008	30 June 2009	31 December 2008
<b><u>Amounts due from related parties</u></b>				
<u>Subsidiary company</u>				
Asia Global Health Ltd.	-	-	1,732	-
<u>Joint venture</u>				
Asia Renal Care (Thailand) Ltd.	-	70	-	70
<u>Associated company</u>				
Bumrungrad International Ltd.	4,896	3,257	4,884	3,257
<u>Related party</u>				
The Bumrungrad Hospital Foundation	9,047	5,470	9,047	5,470
Total	<u>13,943</u>	<u>8,797</u>	<u>15,663</u>	<u>8,797</u>
<b><u>Amounts due to related parties</u></b>				
<u>Subsidiary company</u>				
Vitalife Corporation Ltd.	-	-	1,236	1,668
<u>Associate company</u>				
CDE Trading Ltd.	-	2,015	-	2,015
Total	<u>-</u>	<u>2,015</u>	<u>1,236</u>	<u>3,683</u>
<b><u>Long-term loan and interest payable - a related party</u></b>				
<u>Subsidiary company</u>				
Bumrungrad Medical Center Ltd.				
Long-term loan	-	-	757,236	939,236
Less: Current portion	-	-	438,029	438,029
Non-current portion	-	-	319,207	501,207

The long-term loan from Bumrungrad Medical Center Ltd. carries interest at the rate of MLR less 1% per annum.

During the period, movements of loan from related party are as follows:

(Unit: Thousand Baht)

	Balance as at 31 December 2008	Increase	Decrease	Balance as at 30 June 2009
<b><u>Long-term loan and interest payable - a related party</u></b>				
<u>Subsidiary company</u>				
Bumrungrad Medical Center Ltd.				
Principal	939,236	-	(182,000)	757,236
Interest payable	-	23,312	(23,312)	-
	<u>939,236</u>	<u>23,312</u>	<u>(205,312)</u>	<u>757,236</u>

## 5. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
			(%)	(%)						
Bumrungrad Medical Center Ltd.	958,954	958,954	100.00	100.00	1,691,903	1,691,903	545,000	545,000	1,146,903	1,146,903
Vitalife Corporation Ltd.	31,500	31,500	100.00	100.00	25,610	25,610	-	-	25,610	25,610
Asia Global Health Ltd.	21,602	-	100.00	-	21,602	-	-	-	21,602	-
Asia Global Research Ltd.	20,000	-	100.00	-	20,000	-	-	-	20,000	-
<b>Total</b>					<u>1,759,115</u>	<u>1,717,513</u>	<u>545,000</u>	<u>545,000</u>	<u>1,214,115</u>	<u>1,172,513</u>

## 6. Investment in joint venture

### 6.1 Details of investment in joint venture.

Investment in joint venture represents investment in entity which is jointly controlled by the Company and other company. Details of this investment are as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		30 June	31 December	30 June	31 December	30 June	31 December
		2009	2008	2009	2008	2009	2008
		(%)	(%)				
Asia Renal Care (Thailand) Ltd.	Investment in other companies	51.00	51.00	6,120	6,120	6,062	6,085

(Unit: Thousand Baht)

Jointly controlled entity	Nature of business	Separate financial statements			
		Shareholding percentage		Carrying amounts based on cost method	
		30 June	31 December	30 June	31 December
		2009	2008	2009	2008
		(%)	(%)		
Asia Renal Care (Thailand) Ltd.	Investment in other companies	51.00	51.00	6,120	6,120

The Company's management has deemed the investment in Asia Renal Care (Thailand) Ltd. (ARCT) to be an investment in a jointly controlled entity, held between the Company and Asia Renal Care (SEA) Pte Ltd. Although the Company has a 51% shareholding in ARCT, both joint venturers have entered into the Joint Venture Agreement dated 23 February 2009. The agreement stipulates joint control between the two parties through the board of directors of that jointly controlled entity, with each joint venturer having the same representation. In addition, neither joint venturer has control over the operations of the jointly controlled entity.

## 6.2 Share of loss

During the period, the Company recognised its share of loss from investment in joint venture in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Jointly controlled entity	Share of loss from investment in joint venture			
	For the three-month periods ended		For the six-month periods	
	30 June		ended 30 June	
	2009	2008	2009	2008
Asia Renal Care (Thailand) Ltd.	23	-	23	-

## 6.3 Summarised financial information of jointly controlled entity

Financial information of the jointly controlled entity is summarised below.

(Unit: Million Baht)

Jointly controlled entity	Paid-up capital as		Total assets as at		Total liabilities as at		Total revenues		Net loss	
	at 30 June		30 June		30 June		for the six-month		for the six-month	
	at 30 June		30 June		30 June		periods ended		periods ended	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Asia Renal Care (Thailand) Ltd.	12.0	-	11.9	-	0.1	-	-	-	-	-

## 7. Investments in associated companies

### 7.1 Details of investments in associated companies.

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 June	31 December	30 June	31 December	30 June	31 December
			2009	2008	2009	2008	2009	2008
			(%)	(%)				
Bumrungrad International Ltd.	Holding company	Thailand	31.50	31.50	1,007,790	1,007,790	1,246,791	1,229,417
CDE Trading Ltd.	Temporary cease its operation	Thailand	30.00	30.00	21,663	21,663	(25,183)	(27,545)
Total							1,221,608	1,201,872
Add: Deferred gain on sales of computer software - net							31,223	33,059
Total							1,252,831	1,234,931

Deferred gain on sales of software is a gain from an associated company's sale of computer software to the Company in year 2007, which had been eliminated against investment in the associated company. During the year 2008, the Company transferred the deferred gain to deduct against the relevant intangible asset (Note 9 to financial statements). The deferred gain is amortised over 10 years, which is the period for which the software is expected to generate economic benefit.

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2009	2008	2009	2008	2009	2008	2009	2008
	(%)	(%)						
Bumrungrad International Ltd.	31.50	31.50	1,007,790	1,007,790	-	-	1,007,790	1,007,790
CDE Trading Ltd.	30.00	30.00	21,663	21,663	16,000	16,000	5,663	5,663
Total			1,029,453	1,029,453	16,000	16,000	1,013,453	1,013,453

### 7.2 Share of income/loss and dividend received

During the period, the Company recognised its share of income/loss from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	Share of income/(loss) from investments in associates		Dividend received	
	2009	2008	2009	2008
Bumrungrad International Ltd.	13,633	4,844	-	-
CDE Trading Ltd.	897	5,484	-	437,927
Total	14,530	10,328	-	437,927

(Unit: Thousand Baht)

Company's name	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	Share of income/(loss) from investments in associates		Dividend received	
	2009	2008	2009	2008
Bumrungrad International Ltd.	25,803	28,794	-	-
CDE Trading Ltd.	2,362	(23,551)	-	437,927
Total	28,165	5,243	-	437,927

The share of income from investment in an associated company (Bumrungrad International Ltd.) for the three-month and six-month periods ended 30 June 2009 amounting to Baht 13.6 million and Baht 25.8 million, respectively (2008: Baht 4.8 million and Baht 28.8 million, respectively) has been calculated from the management accounts of the associated company which have not been reviewed by its auditor.

### 7.3 Summarised financial information of associated companies

Financial information of the associated companies is summarised below.

Company's name	Paid-up capital as		Total assets as at		Total liabilities as at		Total revenues		Net income (loss)	
	at 30 June		30 June		30 June		for the six-month		for the six-month	
							periods ended		periods ended	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Bumrungrad International Ltd.	3,199.3	3,199.3	6,993.5	7,322.6	2,385.0	2,372.7	2,119.0	1,993.5	81.9	90.2
CDE Trading Ltd.	10.0	10.0	20.1	27.6	-	9.5	-	8.9	0.1	(79.7)

### 8. Property, plant and equipment

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2009</b>	5,373,731	4,412,802
Acquisitions during period - at cost	389,020	388,302
Disposals during period - net book value at disposal date	(2,365)	(2,365)
Depreciation for period	(248,009)	(220,075)
<b>Net book value as at 30 June 2009</b>	<b>5,512,377</b>	<b>4,578,664</b>

The Company has mortgaged all of the land with a book value of Baht 290.9 million (Baht 567.7 million appraisal fair value as of 25 November 2008) with a commercial bank, acting as bondholders' trustee, as collateral for the convertible bonds treated as equity securities.

The Company and the subsidiary (Bumrungrad Medical Center Ltd.) have mortgaged their land and buildings and pledged medical instruments and hospital equipment, with a total net book value as at 30 June 2009 of Baht 1,718.8 million (Separate financial statements: Baht 785.5 million) (31 December 2008: Baht 1,751.4 million (Separate financial statements: Baht 791.5 million)), as collaterals for long-term loans granted by a local commercial bank as described in Note 11 to the financial statements.



## 9. Intangible assets

Movements of intangible assets, which are computer software, during the period are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2009</b>	310,364	343,423
Acquisition during period - at cost	4,018	4,018
Amortisation for period	(21,029)	(21,029)
Realised gain on sales of software for period	1,836	-
<b>Net book value as at 30 June 2009</b>	<b>295,189</b>	<b>326,412</b>

## 10. Short-term loans from financial institutions

As at 30 June 2009, short-term loans from financial institutions of the Company amounting to Baht 300 million are promissory notes and due within 1 month bearing interest at the rates of 2.22% - 2.30% per annum.

The short-term loan amounting to Baht 100 million is drawn down from loan facility tranche D as discussed in Note 11 to the financial statements.

## 11. Long-term loans from financial institution

Tranche	Interest rate (%)	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated financial statements		Separate financial statements	
			30 June 2009	31 December 2008	30 June 2009	31 December 2008
A	Average MLR-1.25	24 quarterly installments, commencing 30 December 2004	547,536	766,551	-	-
B2	Average MLR-1.25	32 quarterly installments, commencing 31 March 2008	528,125	568,750	528,125	568,750
C	Average MLR-1.25	32 quarterly installments, commencing 31 March 2008	325,000	350,000	325,000	350,000
Total			1,400,661	1,685,301	853,125	918,750
Less: Current portion			(569,279)	(569,279)	(131,250)	(131,250)
Non-current portion			<u>831,382</u>	<u>1,116,022</u>	<u>721,875</u>	<u>787,500</u>

Movements in long-term loans from financial institution account during the period are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2009	1,685,301	918,750
Less: Repayment	<u>(284,640)</u>	<u>(65,625)</u>
Balance as at 30 June 2009	<u>1,400,661</u>	<u>853,125</u>

The loans are secured by mortgaged land and buildings and pledged medical instruments and hospital equipment as described in Note 8 to the financial statements.

The loan agreement contains normal covenants pertaining to matters such as the maintenance of certain financial ratios, and restriction on financial indebtedness and the payment of dividends, among others.

As at 30 June 2009, outstanding long-term credit facilities of the Company and its subsidiary which have yet to be drawn down total Baht 220 million as follows:

Tranche	Interest rate (%)	Facility objective	Outstanding credit facilities (Million Baht)
D	MMR	For working capital and drawdown within 31 December 2015	200
E	MOR	For working capital and drawdown within 31 December 2015	20
Total			<u>220</u>

## 12. Share capital

In the first quarter of 2009, 35,000 preference shares (2008: 66,700 shares) were converted into ordinary shares at ratio of one preference share to one ordinary share. The Company registered this conversion with the Ministry of Commerce on 12 March 2009.

**13. Corporate income tax**

Corporate income tax for the three-month and six-month periods ended 30 June 2009 and 2008 of the Company and subsidiaries have been calculated by multiplying income before income tax for the period by the estimated effective tax rate for the year.

**14. Earnings per share**

The following tables set forth the computation of basic and diluted earnings per share.

For the three-month periods ended 30 June						
Consolidated financial statements						
Net income		Weighted average number of ordinary shares		Earnings per share		
2009	2008	2009	2008	2009	2008	
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Net income	288,495	279,817	728,304,472	728,269,472	0.40	0.38
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares	-	-	1,747,750	1,782,750		
Convertible bonds	-	-	137,362,637	137,362,637		
<b>Diluted earnings per share</b>						
Net income assuming the conversion of dilutive potential ordinary shares	<u>288,495</u>	<u>279,817</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.33	0.32

  

For the three-month periods ended 30 June						
Separate financial statements						
Net income		Weighted average number of ordinary shares		Earnings per share		
2009	2008	2009	2008	2009	2008	
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Net income	270,597	696,356	728,304,472	728,269,472	0.37	0.96
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares	-	-	1,747,750	1,782,750		
Convertible bonds	-	-	137,362,637	137,362,637		
<b>Diluted earnings per share</b>						
Net income assuming the conversion of dilutive potential ordinary shares	<u>270,597</u>	<u>696,356</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.31	0.80

(Unaudited but reviewed)

	For the six-month periods ended 30 June					
	Consolidated financial statements					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Net income	626,553	594,247	728,290,936	728,242,719	0.86	0.82
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares	-	-	1,761,286	1,809,503		
Convertible bonds	-	-	137,362,637	137,362,637		
<b>Diluted earnings per share</b>						
Net income assuming the conversion of dilutive potential ordinary shares	<u>626,553</u>	<u>594,247</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.72	0.69

	For the six-month periods ended 30 June					
	Separate financial statements					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
(Thousand Baht)	(Thousand Baht)	(Shares)	(Shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Net income	588,519	1,000,382	728,290,936	728,242,719	0.81	1.37
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares	-	-	1,761,286	1,809,503		
Convertible bonds	-	-	137,362,637	137,362,637		
<b>Diluted earnings per share</b>						
Net income assuming the conversion of dilutive potential ordinary shares	<u>588,519</u>	<u>1,000,382</u>	<u>867,414,859</u>	<u>867,414,859</u>	0.68	1.15

## 15. Dividend paid

Dividends declared during the six-month periods ended 30 June 2009 and 2008 consist of the following.

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Final dividend for 2008	Annual General Meeting of the shareholders on 28 April 2009	<u>291,962</u>	<u>0.40</u>
Final dividend for 2007	Annual General Meeting of the shareholders on 23 April 2008	<u>292,011</u>	<u>0.40</u>

## 16. Segment information

The Company's and its subsidiaries' business operations involve a single industry segment, the hospital and health care center, and are carried on in the single geographic area in Thailand. As a result, all of the revenues, operating income and assets reflected in these financial statements pertain to the aforementioned industry segment and geographic area.

## 17. Commitments and contingent liabilities

### 17.1 Capital commitments

As at 30 June 2009, the Company has capital commitments to pay a total of Baht 265.3 million (31 December 2008: Baht 70.3 million) in relation to the renovation agreement of building and Baht 21.4 million (31 December 2008: Baht 66.6 million) in respect of purchase of medical instrument and hospital equipment.

### 17.2 Operating lease and long-term service commitments

The Company has entered into several lease agreements in respect of the lease of land, buildings, vehicles and equipment and long-term service agreements. The terms of the agreements are generally between 2 and 5 years and 30 years.

As at 30 June 2009, future minimum payments required under these operating lease agreements and long-term service agreements were as follows.

(Unit: Million Baht)

Details of commitments	Payable within			Total
	Less than 1 year	1 to 5 years	More than 5 years	
1) Fee to a bank which is bondholders' representative	0.1	0.7	-	0.8
2) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	0.8	5.0	13.6	19.4
3) Lease of medical instrument	10.0	-	-	10.0
4) Lease of land and building for operating service apartment (shall be extended for a further period of 2 years)	12.8	-	-	12.8

(Unaudited but reviewed)

(Unit: Million Baht)

Details of commitments	Payable within			Total
	Less than 1 year	1 to 5 years	More than 5 years	
5) Lease of building for nursing dormitory and related services (shall be renewed automatically)	14.2	8.6	-	22.8
6) Maintenance service fee for medical instrument	50.0	129.0	-	179.0
7) Rental and maintenance service fee for cars	11.8	9.2	-	21.0

In addition, on 1 April 2009, an overseas subsidiary entered into a 2-year consultancy contract with an overseas company. As at 30 June 2009, the subsidiary had outstanding commitment amounting to USD 600,000 under the contract, payable within 1 year.

### 17.3 Commitments from other contracts

The Company has entered into three equipment utilisation contracts with three local companies. The contracts cover period of 5 - 7 years and under the conditions of the contracts, the Company is required to purchase medical supplies to use with the medical equipment at the prices specified in the contracts in total throughout the period of those contracts. As at 30 June 2009, there was a minimum amount of Baht 383.3 million which the Company required to purchase according to the contracts.

### 17.4 Uncalled portion of investment in subsidiary

As at 30 June 2009, the Company has a commitment of HKD 4.8 million in respect of the uncalled portion of investment in subsidiary.

### 17.5 Bank guarantees

As at 30 June 2009, there were outstanding bank guarantees of Baht 10.9 million (31 December 2008: Baht 10.9 million) issued by a bank on behalf of the Company, and of Baht 8.4 million (31 December 2008: Baht 8.4 million) issued on behalf of a subsidiary. All were required in the normal course of business e.g. payment of utility expenses and space rental.

**18. Subsequent event**

On 5 August 2009, the Board of Directors Meeting approved the payment of an interim dividend of Baht 0.40 per share to the Company's shareholders from the Company's operations from 1 January 2009 to 30 June 2009. This constitutes a total dividend of Baht 292.0 million which will be paid on 4 September 2009.

**19. Reclassification**

Certain amounts in the financial statements for the three-month and six-month periods ended 30 June 2008 have been reclassified to conform to the current period's classification but with no effect to previously reported net income or shareholders' equity. The reclassifications are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June 2008			
	Consolidated financial statements		Separate financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
Cost of hospital operations	1,333,012	1,330,298	1,328,251	1,325,537
Administrative expenses	316,991	340,139	340,285	362,978
Management's remuneration	20,434	-	19,979	-

(Unit: Thousand Baht)

	For the six-month periods ended 30 June 2008			
	Consolidated financial statements		Separate financial statements	
	As previously		As previously	
	As reclassified	reported	As reclassified	reported
Cost of hospital operations	2,644,041	2,647,233	2,634,179	2,637,371
Administrative expenses	635,849	672,913	681,158	717,767
Management's remuneration	40,256	-	39,801	-

**20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 5 August 2009.