

Bumrungrad Hospital Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month period ended  
31 March 2013

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Bumrungrad Hospital Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bumrungrad Hospital Public Company Limited and its subsidiaries as at 31 March 2013, the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Bumrungrad Hospital Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

**Emphasis of matter**

I draw attention to Note 3 to the financial statements regarding the change in accounting policy as the result of adoption of Thai Accounting Standard 12 *Income Taxes*. My conclusion is not qualified in respect of this matter.

Sumalee Reewarabandith  
Certified Public Accountant (Thailand) No. 3970

Ernst & Young Office Limited  
Bangkok: 8 May 2013

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

**Statement of financial position**

(Unit: Thousand Baht)

|  | Consolidated financial statements |                             |                         | Separate financial statements |                             |                         |                         |
|--|-----------------------------------|-----------------------------|-------------------------|-------------------------------|-----------------------------|-------------------------|-------------------------|
|  | Note                              | 31 March 2013               | 31 December 2012        | 1 January 2012                | 31 March 2013               | 31 December 2012        | 1 January 2012          |
|  |                                   | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) | (Audited)<br>(Restated)       | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) | (Audited)<br>(Restated) |
| <b>Assets</b>  |                                   |                             |                         |                               |                             |                         |                         |
| <b>Current assets</b>  |                                   |                             |                         |                               |                             |                         |                         |
| Cash and cash equivalents  |                                   | 6,715,021                   | 6,034,144               | 1,260,731                     | 6,598,431                   | 5,940,596               | 1,186,267               |
| Trade and other receivables  | 4                                 | 1,386,260                   | 1,335,000               | 1,126,061                     | 1,387,408                   | 1,333,163               | 1,125,460               |
| Short-term loan to and interest receivable<br>from a related party |                                   | -                           | -                       | -                             | -                           | -                       | 665                     |
| Inventories  |                                   | 236,620                     | 233,751                 | 265,740                       | 226,958                     | 224,785                 | 258,702                 |
| Prepaid expenses   |                                   | 80,187                      | 52,359                  | 48,621                        | 76,530                      | 50,242                  | 46,393                  |
| Other current assets   |                                   | 9,300                       | 14,449                  | 3,134                         | 6,776                       | 12,510                  | 3,979                   |
| <b>Total current assets</b>  |                                   | <b>8,427,388</b>            | <b>7,669,703</b>        | <b>2,704,287</b>              | <b>8,296,103</b>            | <b>7,561,296</b>        | <b>2,621,466</b>        |
| <b>Non-current assets</b>  |                                   |                             |                         |                               |                             |                         |                         |
| Investments in subsidiaries  | 6                                 | -                           | -                       | -                             | 1,092,246                   | 1,092,246               | 100,586                 |
| Investments in associates  | 7                                 | 237,593                     | 237,745                 | 4,251,255                     | 7,110                       | 7,110                   | 3,939,041               |
| Other long-term investments  |                                   | 1,700                       | 1,700                   | 1,900                         | 1,700                       | 1,700                   | 1,700                   |
| Property, plant and equipment                                      | 8                                 | 7,697,060                   | 7,683,004               | 6,241,553                     | 6,682,696                   | 6,666,243               | 6,273,422               |
| Intangible assets  | 9                                 | 222,075                     | 235,973                 | 256,204                       | 238,797                     | 253,589                 | 277,461                 |
| Other non-current assets   |                                   | 34,209                      | 33,629                  | 17,348                        | 34,093                      | 33,619                  | 17,207                  |
| Deferred tax assets  | 3                                 | 126,875                     | 122,952                 | 218,431                       | 126,445                     | 122,573                 | 217,787                 |
| <b>Total non-current assets</b>                                    |                                   | <b>8,319,512</b>            | <b>8,315,003</b>        | <b>10,986,691</b>             | <b>8,183,087</b>            | <b>8,177,080</b>        | <b>10,827,204</b>       |
| <b>Total assets</b>  |                                   | <b>16,746,900</b>           | <b>15,984,706</b>       | <b>13,690,978</b>             | <b>16,479,190</b>           | <b>15,738,376</b>       | <b>13,448,670</b>       |

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

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

**Statement of financial position (continued)**

(Unit: Thousand Baht)

|   | Consolidated financial statements |                             |                         | Separate financial statements |                             |                         |                         |
|---|-----------------------------------|-----------------------------|-------------------------|-------------------------------|-----------------------------|-------------------------|-------------------------|
|   | Note                              | 31 March 2013               | 31 December 2012        | 1 January 2012                | 31 March 2013               | 31 December 2012        | 1 January 2012          |
|   |                                   | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) | (Audited)<br>(Restated)       | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) | (Audited)<br>(Restated) |
| <b>Liabilities and shareholders' equity</b>   |                                   |                             |                         |                               |                             |                         |                         |
| <b>Current liabilities</b>  |                                   |                             |                         |                               |                             |                         |                         |
| Trade and other payables  | 10                                | 743,958                     | 799,949                 | 602,684                       | 729,952                     | 795,375                 | 600,876                 |
| Accrued physicians' fees  |                                   | 522,940                     | 502,738                 | 452,055                       | 517,847                     | 498,245                 | 448,591                 |
| Accrued expenses  |                                   | 438,756                     | 394,061                 | 269,107                       | 435,937                     | 388,595                 | 267,668                 |
| Income tax payable  |                                   | 524,974                     | 372,559                 | 124,932                       | 518,942                     | 368,904                 | 122,955                 |
| Other current liabilities   |                                   | 42,441                      | 68,315                  | 57,209                        | 30,728                      | 55,387                  | 50,242                  |
| <b>Total current liabilities</b>  |                                   | <b>2,273,069</b>            | <b>2,137,622</b>        | <b>1,505,987</b>              | <b>2,233,406</b>            | <b>2,106,506</b>        | <b>1,490,332</b>        |
| <b>Non-current liabilities</b>  |                                   |                             |                         |                               |                             |                         |                         |
| Long-term debentures  | 11                                | 4,961,829                   | 4,960,466               | 4,954,926                     | 4,961,829                   | 4,960,466               | 4,954,926               |
| Provision for long-term employee benefits   |                                   | 396,167                     | 376,130                 | 277,761                       | 393,850                     | 374,209                 | 272,953                 |
| <b>Total non-current liabilities</b>  |                                   | <b>5,357,996</b>            | <b>5,336,596</b>        | <b>5,232,687</b>              | <b>5,355,679</b>            | <b>5,334,675</b>        | <b>5,227,879</b>        |
| <b>Total liabilities</b>  |                                   | <b>7,631,065</b>            | <b>7,474,218</b>        | <b>6,738,674</b>              | <b>7,589,085</b>            | <b>7,441,181</b>        | <b>6,718,211</b>        |
| <b>Shareholders' equity</b>   |                                   |                             |                         |                               |                             |                         |                         |
| Share capital   | 12                                |                             |                         |                               |                             |                         |                         |
| Registered  |                                   |                             |                         |                               |                             |                         |                         |
| 921,211,022 ordinary shares of Baht 1 each<br>(31 December 2012: 921,043,709 ordinary shares<br>of Baht 1 each) |                                   | 921,211                     | 921,044                 | 921,034                       | 921,211                     | 921,044                 | 921,034                 |
| 1,491,663 preference shares of Baht 1 each<br>(31 December 2012: 1,658,976 preference shares<br>of Baht 1 each) |                                   | 1,492                       | 1,659                   | 1,669                         | 1,492                       | 1,659                   | 1,669                   |
|   |                                   | <u>922,703</u>              | <u>922,703</u>          | <u>922,703</u>                | <u>922,703</u>              | <u>922,703</u>          | <u>922,703</u>          |
| Issued and paid-up  |                                   |                             |                         |                               |                             |                         |                         |
| 728,560,559 ordinary shares of Baht 1 each<br>(31 December 2012: 728,393,246 ordinary shares<br>of Baht 1 each) |                                   | 728,560                     | 728,393                 | 728,383                       | 728,560                     | 728,393                 | 728,383                 |
| 1,491,663 preference shares of Baht 1 each<br>(31 December 2012: 1,658,976 preference shares<br>of Baht 1 each) |                                   | 1,492                       | 1,659                   | 1,669                         | 1,492                       | 1,659                   | 1,669                   |
|   |                                   | <u>730,052</u>              | <u>730,052</u>          | <u>730,052</u>                | <u>730,052</u>              | <u>730,052</u>          | <u>730,052</u>          |
| Premium on ordinary shares  |                                   | 285,568                     | 285,568                 | 285,568                       | 285,568                     | 285,568                 | 285,568                 |
| Convertible bonds treated as equity securities  |                                   | 550,000                     | 550,000                 | 550,000                       | 550,000                     | 550,000                 | 550,000                 |
| Retained earnings   |                                   |                             |                         |                               |                             |                         |                         |
| Appropriated - statutory reserve  |                                   | 92,275                      | 92,275                  | 92,275                        | 92,275                      | 92,275                  | 92,275                  |
| Unappropriated  |                                   | 7,213,293                   | 6,608,287               | 5,240,978                     | 7,232,210                   | 6,639,300               | 5,072,564               |
| Other components of shareholders' equity  |                                   | 244,647                     | 244,306                 | 51,298                        | -                           | -                       | -                       |
| Equity attributable to owners of the Company  |                                   | <u>9,115,835</u>            | <u>8,510,488</u>        | <u>6,950,171</u>              | <u>8,890,105</u>            | <u>8,297,195</u>        | <u>6,730,459</u>        |
| Non-controlling interests of a subsidiary   |                                   | -                           | -                       | 2,133                         | -                           | -                       | -                       |
| <b>Total shareholders' equity</b>   |                                   | <b>9,115,835</b>            | <b>8,510,488</b>        | <b>6,952,304</b>              | <b>8,890,105</b>            | <b>8,297,195</b>        | <b>6,730,459</b>        |
| <b>Total liabilities and shareholders' equity</b>   |                                   | <b>16,746,900</b>           | <b>15,984,706</b>       | <b>13,690,978</b>             | <b>16,479,190</b>           | <b>15,738,376</b>       | <b>13,448,670</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 statement****For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

|   | Note | <b>Consolidated financial statements</b> |                    | <b>Separate financial statements</b> |                    |
|---|------|--|--------------------|--------------------------------------|--------------------|
|   |      | 2013                                     | 2012<br>(Restated) | 2013                                 | 2012<br>(Restated) |
| <b>Revenues</b>   |      |  |                    |                                      |                    |
| Revenues from hospital operations   | 5    | 3,457,098                                | 3,155,186          | 3,401,682                            | 3,119,073          |
| Rental income   | 5    | 33,615                                   | 32,633             | 33,613                               | 33,782             |
| Interest income   |      | 37,930                                   | 8,300              | 37,544                               | 7,896              |
| Exchange gains  |      | 11,975                                   | 8,839              | 12,491                               | 9,057              |
| Other income  | 5    | 25,068                                   | 31,236             | 18,512                               | 30,281             |
| <b>Total revenues</b>   |      | <b>3,565,686</b>                         | <b>3,236,194</b>   | <b>3,503,842</b>                     | <b>3,200,089</b>   |
| <b>Expenses</b>   |      |  |                    |                                      |                    |
| Cost of hospital operations   | 5    | 2,142,994                                | 1,956,496          | 2,113,706                            | 1,937,353          |
| Administrative expenses   | 5    | 596,103                                  | 536,188            | 577,289                              | 524,018            |
| Loss from share capital reduction of a subsidiary   |      | -  | -                  | -                                    | 1,072              |
| Loss from share capital reduction of an associate   |      | -  | -                  | -                                    | 7,255              |
| <b>Total expenses</b>   |      | <b>2,739,097</b>                         | <b>2,492,684</b>   | <b>2,690,995</b>                     | <b>2,469,698</b>   |
| <b>Profit before share of profit from investments in associates, finance cost and income tax expenses</b> |      |  |                    |                                      |                    |
|   |      | 826,589                                  | 743,510            | 812,847                              | 730,391            |
| Share of profit from investments in associates  | 7    | 756                                      | 57,757             | -                                    | -                  |
| <b>Profit before finance cost and income tax expenses</b>   |      | <b>827,345</b>                           | <b>801,267</b>     | <b>812,847</b>                       | <b>730,391</b>     |
| Finance cost  | 5    | (59,106)                                 | (59,424)           | (59,106)                             | (59,424)           |
| <b>Profit before income tax expenses</b>  |      | <b>768,239</b>                           | <b>741,843</b>     | <b>753,741</b>                       | <b>670,967</b>     |
| Income tax expenses   | 13   | (155,219)                                | (160,867)          | (152,817)                            | (159,342)          |
| <b>Profit for the period</b>  |      | <b>613,020</b>                           | <b>580,976</b>     | <b>600,924</b>                       | <b>511,625</b>     |
| <b>Profit attributable to:</b>  |      |  |                    |                                      |                    |
| Equity holders of the Company   |      | 613,020                                  | 580,980            | 600,924                              | 511,625            |
| Non-controlling interests of the subsidiary   |      | -  | (4)                | -                                    | -                  |
|   |      | <b>613,020</b>                           | <b>580,976</b>     | <b>600,924</b>                       | <b>511,625</b>     |
| <b>Earnings per share</b>   |      |  |                    |                                      |                    |
| 14  |      |  |                    |                                      |                    |
| <b>Basic earnings per share</b>   |      |  |                    |                                      |                    |
| Profit attributable to equity holders of the Company  |      | 0.84                                     | 0.80               | 0.82                                 | 0.70               |
| <b>Diluted earnings per share</b>   |      |  |                    |                                      |                    |
| Profit attributable to equity holders of the Company  |      | 0.71                                     | 0.67               | 0.69                                 | 0.59               |

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

(Unaudited but reviewed)

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

**Statement of comprehensive income**

**For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

|  | <b>Consolidated financial statements</b> |                       | <b>Separate financial statements</b> |                       |
|--|--|-----------------------|--------------------------------------|-----------------------|
|  | 2013                                     | 2012<br>(Restated)    | 2013                                 | 2012<br>(Restated)    |
| <b>Profit for the period</b>   | <u>613,020</u>                           | <u>580,976</u>        | <u>600,924</u>                       | <u>511,625</u>        |
| <b>Other comprehensive income:</b>   |  |                       |                                      |                       |
| Exchange differences on translation of<br>financial statements in foreign currency | <u>341</u>                               | <u>(768)</u>          | <u>-</u>                             | <u>-</u>              |
| <b>Other comprehensive income for the period</b>                                   | <u>341</u>                               | <u>(768)</u>          | <u>-</u>                             | <u>-</u>              |
| <b>Total comprehensive income for the period</b>                                   | <u><u>613,361</u></u>                    | <u><u>580,208</u></u> | <u><u>600,924</u></u>                | <u><u>511,625</u></u> |
| <b>Total comprehensive income attributable to:</b>                                 |  |                       |                                      |                       |
| Equity holders of the Company  | <u>613,361</u>                           | <u>580,212</u>        | <u>600,924</u>                       | <u>511,625</u>        |
| Non-controlling interests of the subsidiary  | <u>-</u>                                 | <u>(4)</u>            | <u>-</u>                             | <u>-</u>              |
|  | <u><u>613,361</u></u>                    | <u><u>580,208</u></u> | <u><u>600,924</u></u>                | <u><u>511,625</u></u> |

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

(Unaudited but reviewed)

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

**Statement of cash flows**

**For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

|  | <b>Consolidated financial statements</b> |                | <b>Separate financial statements</b> |                |
|--|--|----------------|--------------------------------------|----------------|
|  | 2013                                     | 2012           | 2013                                 | 2012           |
| <b>Cash flows from operating activities</b>  |  |                |                                      |                |
| Profit before tax  | 768,239                                  | 741,843        | 753,741                              | 670,967        |
| Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities: |  |                |                                      |                |
| Depreciation and amortisation  | 189,518                                  | 173,493        | 188,640                              | 173,151        |
| Bad debts and allowance for doubtful accounts  | 4,382                                    | 2,319          | 5,522                                | 1,731          |
| Loss on sales of equipment   | 1,147                                    | 336            | 1,147                                | 476            |
| Long-term employee benefits expenses   | 21,109                                   | 10,473         | 20,713                               | 10,316         |
| Loss from share capital reduction of a subsidiary  | -  | -              | -                                    | 1,072          |
| Loss from share capital reduction of an associate  | -  | -              | -                                    | 7,255          |
| Share of profit from investments in associates   | (756)                                    | (57,757)       | -                                    | -              |
| Interest income  | (37,930)                                 | (8,300)        | (37,544)                             | (7,896)        |
| Amortisation of debenture issuing costs to interest expense  | 1,363                                    | 1,473          | 1,363                                | 1,473          |
| Interest expense   | 57,743                                   | 57,951         | 57,743                               | 57,951         |
| Profit from operating activities before changes in operating assets and liabilities                  | 1,004,815                                | 921,831        | 991,325                              | 916,496        |
| Operating assets (increase) decrease   |  |                |                                      |                |
| Trade and other receivables  | (55,642)                                 | (41,125)       | (59,767)                             | (42,129)       |
| Inventories  | (2,869)                                  | 23,192         | (2,173)                              | 23,353         |
| Prepaid expenses   | (27,828)                                 | (22,502)       | (26,288)                             | (22,050)       |
| Other current assets   | 5,149                                    | (3,961)        | 5,734                                | (703)          |
| Other non-current assets   | (580)                                    | (11,803)       | (474)                                | (11,909)       |
| Operating liabilities increase (decrease)  |  |                |                                      |                |
| Trade and other payables   | (14,190)                                 | 33,532         | (23,622)                             | 29,868         |
| Accrued physicians' fees   | 20,202                                   | 6,099          | 19,602                               | 4,894          |
| Accrued expenses   | (4,165)                                  | 58,643         | (1,518)                              | 56,912         |
| Other current liabilities  | (25,874)                                 | (23,105)       | (24,659)                             | (22,603)       |
| Provision for long-term employee benefits  | (1,072)                                  | (7,396)        | (1,072)                              | (6,877)        |
| Cash flows from operating activities   | 897,946                                  | 933,405        | 877,088                              | 925,252        |
| Cash paid for corporate income tax   | (6,727)                                  | (5,914)        | (6,651)                              | (5,887)        |
| <b>Net cash flows from operating activities</b>  | <b>891,219</b>                           | <b>927,491</b> | <b>870,437</b>                       | <b>919,365</b> |

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

(Unaudited but reviewed)

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

**Statement of cash flows (continued)**

**For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

|   | <b>Consolidated financial statements</b> |                  | <b>Separate financial statements</b> |                  |
|---|--|------------------|--------------------------------------|------------------|
|   | <b>2013</b>                              | <b>2012</b>      | <b>2013</b>                          | <b>2012</b>      |
| <b>Cash flows from investing activities</b>   |  |                  |                                      |                  |
| Cash receipt from share capital reductions of<br>a subsidiary and an associate                                | -  | 270,575          | -                                    | 271,978          |
| Acquisition of equipment and payment of construction<br>and medical equipment payables                        | (233,659)                                | (190,042)        | (232,930)                            | (189,712)        |
| Acquisition of computer software  | (205)                                    | (28,007)         | (205)                                | (27,992)         |
| Proceeds from sales of equipment  | 2,280                                    | 630              | 8                                    | 491              |
| Interest income   | 37,930                                   | 8,300            | 37,544                               | 7,887            |
| <b>Net cash flows from (used in) investing activities</b>   | <b>(193,654)</b>                         | <b>61,456</b>    | <b>(195,583)</b>                     | <b>62,652</b>    |
| <b>Cash flows from financing activities</b>   |  |                  |                                      |                  |
| Interest paid for long-term debentures  | (513)                                    | (721)            | (513)                                | (721)            |
| Dividend paid   | (122)                                    | (93)             | (122)                                | (93)             |
| Interest paid for convertible bonds treated<br>as equity securities   | (16,384)                                 | (16,384)         | (16,384)                             | (16,384)         |
| <b>Net cash flows used in financing activities</b>  | <b>(17,019)</b>                          | <b>(17,198)</b>  | <b>(17,019)</b>                      | <b>(17,198)</b>  |
| Increase in translation adjustment  | 331                                      | 90               | -                                    | -                |
| Decrease in non-controlling interests of the subsidiary<br>due to reduction of the subsidiary's share capital | -  | (1,347)          | -                                    | -                |
| <b>Net increase in cash and cash equivalents</b>  | <b>680,877</b>                           | <b>970,492</b>   | <b>657,835</b>                       | <b>964,819</b>   |
| Cash and cash equivalents at beginning of period  | 6,034,144                                | 1,260,731        | 5,940,596                            | 1,186,267        |
| <b>Cash and cash equivalents at end of period</b>   | <b>6,715,021</b>                         | <b>2,231,223</b> | <b>6,598,431</b>                     | <b>2,151,086</b> |
|   | -  | -                | -                                    | -                |

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

(Unaudited but reviewed)

## Bumrungrad Hospital Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2013

(Unit: Thousand Baht)

|  | Consolidated financial statements            |                   |                            |  |                   |                  |   |  |  |  |  |  |                            |
|--|--|-------------------|----------------------------|--|-------------------|------------------|---|--|--|--|--|--|----------------------------|
|  | Equity attributable to owners of the Company |                   |                            |  |                   |                  |   | Other components of shareholders' equity             |  |  |  |  |                            |
|  | Issued and paid-up share capital             |                   | Premium on ordinary shares | Convertible bonds treated as equity securities | Retained earnings |                  | 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 equity attributable to owners of the Company | Equity attributable to non-controlling interests of the subsidiary | Total shareholders' equity |
|  | Ordinary shares                              | Preference shares |                            |  | Appropriated      | Unappropriated   |   |  |  |  |  |  |                            |
| <b>Balance as at 31 December 2011 - as previously reported</b>   | 728,383                                      | 1,669             | 285,568                    | 550,000  | 92,275            | 5,022,547        | (8,213)   | (192,662)  | 252,173  | 51,298   | 6,731,740  | 2,133  | 6,733,873                  |
| Cumulative effect of change in accounting policy for deferred tax (Notes 1.4 and 3)                        | -  | -                 | -                          | -  | -                 | 218,431          | -   | -  | -  | -  | 218,431  | -  | 218,431                    |
| <b>Balance as at 31 December 2011 - as restated</b>  | 728,383                                      | 1,669             | 285,568                    | 550,000  | 92,275            | 5,240,978        | (8,213)   | (192,662)  | 252,173  | 51,298   | 6,950,171  | 2,133  | 6,952,304                  |
| Preference shares converted to ordinary shares (Note 12)   | 10   | (10)              | -                          | -  | -                 | -                | -   | -  | -  | -  | -  | -  | -                          |
| Decrease in non-controlling interests of the subsidiary due to reduction of the subsidiary's share capital | -  | -                 | -                          | -  | -                 | -                | -   | -  | -  | -  | -  | (1,347)  | (1,347)                    |
| Interest paid for convertible bonds treated as equity securities   | -  | -                 | -                          | -  | -                 | (8,014)          | -   | -  | -  | -  | (8,014)  | -  | (8,014)                    |
| Total comprehensive income for the period  | -  | -                 | -                          | -  | -                 | 580,980          | (768)   | -  | -  | (768)  | 580,212  | (4)  | 580,208                    |
| <b>Balance as at 31 March 2012</b>   | <b>728,393</b>                               | <b>1,659</b>      | <b>285,568</b>             | <b>550,000</b>                                 | <b>92,275</b>     | <b>5,813,944</b> | <b>(8,981)</b>  | <b>(192,662)</b>                                     | <b>252,173</b>                                 | <b>50,530</b>                                  | <b>7,522,369</b>                                   | <b>782</b>   | <b>7,523,151</b>           |
| <b>Balance as at 31 December 2012 - as previously reported</b>   | 728,393                                      | 1,659             | 285,568                    | 550,000  | 92,275            | 6,485,335        | (7,867)   | -  | 252,173  | 244,306  | 8,387,536  | -  | 8,387,536                  |
| Cumulative effect of change in accounting policy for deferred tax (Notes 1.4 and 3)                        | -  | -                 | -                          | -  | -                 | 122,952          | -   | -  | -  | -  | 122,952  | -  | 122,952                    |
| <b>Balance as at 31 December 2012 - as restated</b>  | 728,393                                      | 1,659             | 285,568                    | 550,000  | 92,275            | 6,608,287        | (7,867)   | -  | 252,173  | 244,306  | 8,510,488  | -  | 8,510,488                  |
| Preference shares converted to ordinary shares (Note 12)   | 167  | (167)             | -                          | -  | -                 | -                | -   | -  | -  | -  | -  | -  | -                          |
| Interest paid for convertible bonds treated as equity securities   | -  | -                 | -                          | -  | -                 | (8,014)          | -   | -  | -  | -  | (8,014)  | -  | (8,014)                    |
| Total comprehensive income for the period  | -  | -                 | -                          | -  | -                 | 613,020          | 341   | -  | -  | 341  | 613,361  | -  | 613,361                    |
| <b>Balance as at 31 March 2013</b>   | <b>728,560</b>                               | <b>1,492</b>      | <b>285,568</b>             | <b>550,000</b>                                 | <b>92,275</b>     | <b>7,213,293</b> | <b>(7,526)</b>  | <b>-</b>   | <b>252,173</b>                                 | <b>244,647</b>                                 | <b>9,115,835</b>                                   | <b>-</b>   | <b>9,115,835</b>           |
|  | -  | -                 | -                          | -  | -                 | -                | -   | -  | -  | -  | -  | -  | -                          |
|  | -  | -                 | -                          | -  | -                 | -                | -   | -  | -  | -  | -  | -  | -                          |

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

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Statement of changes in shareholders' equity (continued)****For the three-month period ended 31 March 2013**

(Unit: Thousand Baht)

|   | Separate financial statements    |                   |                            |  |                   |                  | Total shareholders' equity |
|---|----------------------------------|-------------------|----------------------------|--|-------------------|------------------|----------------------------|
|   | Issued and paid-up share capital |                   | Premium on ordinary shares | Convertible bonds treated as equity securities | Retained earnings |                  |                            |
|   | Ordinary shares                  | Preference shares |                            |  | Appropriated      | Unappropriated   |                            |
| <b>Balance as at 31 December 2011 - as previously reported</b>                      | 728,383                          | 1,669             | 285,568                    | 550,000  | 92,275            | 4,854,777        | 6,512,672                  |
| Cumulative effect of change in accounting policy for deferred tax (Notes 1.4 and 3) | -                                | -                 | -                          | -  | -                 | 217,787          | 217,787                    |
| <b>Balance as at 31 December 2011 - as restated</b>                                 | 728,383                          | 1,669             | 285,568                    | 550,000  | 92,275            | 5,072,564        | 6,730,459                  |
| Preference shares converted to ordinary shares (Note 12)                            | 10                               | (10)              | -                          | -  | -                 | -                | -                          |
| Interest paid for convertible bonds treated as equity securities                    | -                                | -                 | -                          | -  | -                 | (8,014)          | (8,014)                    |
| Total comprehensive income for the period   | -                                | -                 | -                          | -  | -                 | 511,625          | 511,625                    |
| <b>Balance as at 31 March 2012</b>  | <u>728,393</u>                   | <u>1,659</u>      | <u>285,568</u>             | <u>550,000</u>                                 | <u>92,275</u>     | <u>5,576,175</u> | <u>7,234,070</u>           |
| <b>Balance as at 31 December 2012 - as previously reported</b>                      | 728,393                          | 1,659             | 285,568                    | 550,000  | 92,275            | 6,516,727        | 8,174,622                  |
| Cumulative effect of change in accounting policy for deferred tax (Notes 1.4 and 3) | -                                | -                 | -                          | -  | -                 | 122,573          | 122,573                    |
| <b>Balance as at 31 December 2012 - as restated</b>                                 | 728,393                          | 1,659             | 285,568                    | 550,000  | 92,275            | 6,639,300        | 8,297,195                  |
| Preference shares converted to ordinary shares (Note 12)                            | 167                              | (167)             | -                          | -  | -                 | -                | -                          |
| Interest paid for convertible bonds treated as equity securities                    | -                                | -                 | -                          | -  | -                 | (8,014)          | (8,014)                    |
| Total comprehensive income for the period   | -                                | -                 | -                          | -  | -                 | 600,924          | 600,924                    |
| <b>Balance as at 31 March 2013</b>  | <u>728,560</u>                   | <u>1,492</u>      | <u>285,568</u>             | <u>550,000</u>                                 | <u>92,275</u>     | <u>7,232,210</u> | <u>8,890,105</u>           |
|   | -                                | -                 | -                          | -  | -                 | -                | -                          |
|   | -                                | -                 | -                          | -  | -                 | -                | -                          |

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

**Bumrungrad Hospital Public Company Limited and its subsidiaries**  
**Notes to consolidated interim financial statements**  
**For the three-month period ended 31 March 2013**

**1. General information**

**1.1 Corporate information**

Bumrungrad Hospital Public Company Limited ("the Company") is 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. The registered office of the Company is at 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 Thai Accounting Standard No. 34 (revised 2009) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive 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 interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.3 Basis of consolidation**

These interim consolidated financial statements include the financial statements of Bumrungrad Hospital Public Company Limited and its subsidiaries (collectively "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2012. There have been no changes in the composition of the Group during the current period.



## 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 2012, except for the change in the accounting policies due to the adoption of TAS 12 *Income Taxes* as follows.

### **Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## 2. New accounting standards issued during the period and not yet effective

The Federation of Accounting Professions has issued notifications, which are published in the Royal Gazette during the current period, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows.

|  | <u>Effective date</u> |
|--|-----------------------|
| Financial Reporting Standard:  |                       |
| TFRS 4 Insurance Contracts   | 1 January 2016        |
| Accounting Standard Interpretation:  |                       |
| TSIC 29 Service Concession Arrangements: Disclosures   | 1 January 2014        |
| Financial Reporting Standard Interpretations:  |                       |
| TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities                             | 1 January 2014        |
| TFRIC 4 Determining whether an Arrangement contains a Lease  | 1 January 2014        |
| TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds | 1 January 2014        |
| TFRIC 7 Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies    | 1 January 2014        |
| TFRIC 10 Interim Financial Reporting and Impairment  | 1 January 2014        |
| TFRIC 12 Service Concession Arrangements   | 1 January 2014        |
| TFRIC 13 Customer Loyalty Programmes   | 1 January 2014        |

The management of the Company has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that they will not have any significant impact on the financial statements for the years when they are initially applied.

## 3. Cumulative effect of the change in accounting policies due to the adoption of new accounting standard

During the current period, the Company and its subsidiaries made the change described in Note 1.5 to the financial statements to its significant accounting policies, as a result of the adoption of TAS 12 *Income Taxes*. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.



**4. Trade and other receivables**

(Unit: Thousand Baht)

|  | Consolidated         |                     | Separate             |                     |
|--|----------------------|---------------------|----------------------|---------------------|
|  | financial statements |                     | financial statements |                     |
|  | 31 March<br>2013     | 31 December<br>2012 | 31 March<br>2013     | 31 December<br>2012 |
| <u>Trade receivables - related parties</u>       |                      |                     |                      |                     |
| Aged on the basis of due dates                   |                      |                     |                      |                     |
| Not yet due                                      | 18                   | 2,456               | 91                   | 2,731               |
| Past due   |                      |                     |                      |                     |
| 1 - 30 days                                      | -                    | 5                   | 48                   | 19                  |
| 31 - 60 days                                     | -                    | -                   | 7                    | 3                   |
| 61 - 90 days                                     | -                    | -                   | -                    | 2                   |
| 91 - 180 days                                    | -                    | -                   | 5                    | 17                  |
| 181 - 365 days                                   | -                    | -                   | 20                   | 3                   |
| More than 365 days                               | 12                   | 12                  | -                    | -                   |
| Total trade receivables - related parties        | 30                   | 2,473               | 171                  | 2,775               |
| <u>Trade receivables - unrelated parties</u>     |                      |                     |                      |                     |
| Aged on the basis of due dates                   |                      |                     |                      |                     |
| Not yet due                                      | 410,617              | 355,093             | 408,001              | 352,520             |
| Past due   |                      |                     |                      |                     |
| 1 - 30 days                                      | 257,177              | 237,154             | 254,648              | 235,631             |
| 31 - 60 days                                     | 217,214              | 163,543             | 216,195              | 156,588             |
| 61 - 90 days                                     | 85,533               | 87,643              | 85,345               | 87,267              |
| 91 - 180 days                                    | 140,150              | 226,899             | 138,673              | 226,338             |
| 181 - 365 days                                   | 162,452              | 175,652             | 161,705              | 174,920             |
| More than 365 days                               | 185,403              | 157,473             | 183,295              | 154,254             |
| Total  | 1,458,546            | 1,403,457           | 1,447,862            | 1,387,518           |
| Less: Allowance for doubtful debts               | (92,758)             | (89,297)            | (90,313)             | (85,712)            |
| Total trade receivables - unrelated parties, net | 1,365,788            | 1,314,160           | 1,357,549            | 1,301,806           |
| Total trade receivables - net                    | 1,365,818            | 1,316,633           | 1,357,720            | 1,304,581           |
| <u>Other receivables</u>                         |                      |                     |                      |                     |
| Advances and loans to employees                  | 19,126               | 16,416              | 19,067               | 16,392              |
| Accrued income - related parties                 | 1,316                | 1,951               | 10,621               | 12,190              |
| Total other receivables                          | 20,442               | 18,367              | 29,688               | 28,582              |
| Trade and other receivables - net                | 1,386,260            | 1,335,000           | 1,387,408            | 1,333,163           |

## 5. 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.

|   | For the three-month periods ended 31 March |      |                      |      | (Unit: Million Baht)   |
|---|--|------|----------------------|------|--|
|   | Consolidated                               |      | Separate             |      | Transfer pricing policy  |
|   | financial statements                       |      | financial statements |      |  |
|   | 2013                                       | 2012 | 2013                 | 2012 |  |
| <b>Transactions with subsidiaries</b>                   |  |      |                      |      |  |
| (eliminated from the consolidated financial statements) |  |      |                      |      |  |
| Medical service income                                  | -  | -    | 5                    | 6    | Market price   |
| Rental income   | -  | -    | 1                    | 1    | As per contracts 5.1)  |
| Pharmacy expense  | -  | -    | 3                    | 1    | Market price   |
| <b>Transactions with associates</b>                     |  |      |                      |      |  |
| Consulting fee income                                   | -  | 1    | -                    | 1    | As per contract 5.2)   |
| Consulting fee expense                                  | -  | 6    | -                    | 6    | Fixed rate per hours as stated in the agreements multiplied with actual hours worked |
| <b>Transactions with related parties</b>                |  |      |                      |      |  |
| Medical service income                                  | 13   | 13   | 13                   | 13   | Market price   |
| Other income  | 1  | -    | 1                    | -    | At cost  |
| Donation expense  | 6  | 6    | 6                    | 6    | -  |
| Insurance expense                                       | 8  | 8    | 8                    | 8    | As per insurance policies  |
| Credit card commission fees                             | 25   | 23   | 25                   | 23   | Market price   |
| Interest expense on long-term debentures                | 11   | 11   | 11                   | 11   | 4.13% - 4.97% p.a.   |
| Interest expense on convertible bonds                   | 8  | 8    | 8                    | 8    | 10.00% p.a. and 1.00% p.a.   |
| Legal advisory fee                                      | 1  | 1    | 1                    | 1    | Market price   |

5.1) A subsidiary (Vitallife Corporation Ltd.) has leased building spaces from the Company for use in its operations, commencing from the year 2001. The subsidiary has to pay rental fee of Baht 350,000 per month.

Another subsidiary (Asia Global Research Ltd.) had leased building spaces from the Company for use in its operations, commencing from the year 2009. The subsidiary had to pay rental fee of Baht 35,350 per month. The agreement expired in 2012. In 2013 the subsidiary entered into leased building spaces and equipment agreement with the Company. The subsidiary has to pay rental fee and service fee totally Baht 106,736 per month, starting from 1 January 2013 onward.

5.2) The Company entered into a Consulting Support Agreement with an associate (Bumrungrad International Ltd.). The associate is obliged to pay a fee at a fixed rate per annum, as stipulated in the agreement, and additional fee for consulting service provided by employees of the Company to the associate at the rates per agreement multiplied with actual hours worked. The fixed consulting fee rate was Baht 0.8 million per annum, effective from 1 January 2012, Baht 0.4 million per annum, effective from 1 July 2012 and Baht 0.2 million per annum, effective from 1 January 2013. The agreement will expire in accordance with the conditions in the agreement.

The balances of the accounts between the Company and those related parties are as follows.

|   | (Unit: Thousand Baht) |                |                      |                |
|---|-----------------------|----------------|----------------------|----------------|
|   | Consolidated          |                | Separate             |                |
|   | financial statements  |                | financial statements |                |
|   | 31                    | 31             | 31                   | 31             |
|   | March                 | December       | March                | December       |
|   | 2013                  | 2012           | 2013                 | 2012           |
| <b>Trade and other receivables - related parties (Note 4)</b> |                       |                |                      |                |
| Subsidiaries  | -                     | -              | 9,458                | 10,553         |
| Associates  | 1,046                 | 1,598          | 1,034                | 1,586          |
| Related parties (related by common director)                  | 300                   | 2,826          | 300                  | 2,826          |
| Total   | <u>1,346</u>          | <u>4,424</u>   | <u>10,792</u>        | <u>14,965</u>  |
| <b>Trade and other payables - related parties (Note 10)</b>   |                       |                |                      |                |
| Subsidiaries  | -                     | -              | 1,338                | -              |
| Associates  | 297                   | 51             | 297                  | 51             |
| Total   | <u>297</u>            | <u>51</u>      | <u>1,635</u>         | <u>51</u>      |
| <b>Long-term debentures</b>                                   |                       |                |                      |                |
| Related companies (Major shareholder and common director)     | <u>955,000</u>        | <u>955,000</u> | <u>955,000</u>       | <u>955,000</u> |
| <b>Convertible bonds treated as equity securities</b>         |                       |                |                      |                |
| Related company (common director)                             | <u>550,000</u>        | <u>550,000</u> | <u>550,000</u>       | <u>550,000</u> |

#### Directors and management's benefits

During the three-month periods ended 31 March 2013 and 2012, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as follows.

|                              | (Unit: Thousand Baht) |               |                      |               |
|------------------------------|-----------------------|---------------|----------------------|---------------|
|                              | Consolidated          |               | Separate             |               |
|                              | financial statements  |               | financial statements |               |
|                              | 2013                  | 2012          | 2013                 | 2012          |
| Short-term employee benefits | 31,797                | 22,476        | 29,619               | 20,364        |
| Other long-term benefits     | 6                     | 10            | 6                    | 7             |
| Termination benefits         | 1,540                 | 951           | 1,385                | 917           |
| Total                        | <u>33,343</u>         | <u>23,437</u> | <u>31,010</u>        | <u>21,288</u> |

## 6. 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 loss on diminution in value |               | Carrying amounts based on cost method - net |                  |
|--------------------------------|-----------------|----------|-------------------------|----------|------------------|------------------|---|---------------|---|------------------|
|                                | 31              | 31       | 31                      | 31       | 31               | 31               | 31  | 31            | 31  | 31               |
|                                | March           | December | March                   | December | March            | December         | March                                     | December      | March                                       | December         |
|                                | 2013            | 2012     | 2013                    | 2012     | 2013             | 2012             | 2013                                      | 2012          | 2013  | 2012             |
|                                |                 |          | (%)                     | (%)      |                  |                  |   |               |   |                  |
| Vitallife Corporation Ltd.     | 31,500          | 31,500   | 100.00                  | 100.00   | 25,610           | 25,610           | -   | -             | 25,610                                      | 25,610           |
| Asia Global Health Ltd.        | 21,602          | 21,602   | 100.00                  | 100.00   | 21,602           | 21,602           | -   | -             | 21,602                                      | 21,602           |
| Asia Global Research Co., Ltd. | 50,000          | 50,000   | 100.00                  | 100.00   | 50,000           | 50,000           | 50,000                                    | 50,000        | -   | -                |
| Ruenmongkol Co., Ltd.          | 340,000         | 340,000  | 100.00                  | 100.00   | 1,045,034        | 1,045,034        | -   | -             | 1,045,034                                   | 1,045,034        |
| Total                          |                 |          |                         |          | <u>1,142,246</u> | <u>1,142,246</u> | <u>50,000</u>                             | <u>50,000</u> | <u>1,092,246</u>                            | <u>1,092,246</u> |

## 7. Investments in associates

### 7.1 Details of investments in associates

(Unit: Thousand Baht)

| Company's name                | Nature of business            | Country of incorporation | Consolidated financial statements |                  |               |                  |   |                  |
|-------------------------------|-------------------------------|--------------------------|-----------------------------------|------------------|---------------|------------------|---|------------------|
|                               |                               |                          | Shareholding percentage           |                  | Cost          |                  | Carrying amounts based on equity method |                  |
|                               |                               |                          | 31 March 2013                     | 31 December 2012 | 31 March 2013 | 31 December 2012 | 31 March 2013                           | 31 December 2012 |
|                               |                               |                          | (%)                               | (%)              |               |                  |   |                  |
| Bumrungrad International Ltd. | Holding company               | Thailand                 | 31.50                             | 31.50            | 1,447         | 1,447            | 228,592                                 | 228,758          |
| CDE Trading Ltd.              | Temporary cease its operation | Thailand                 | 30.00                             | 30.00            | 21,663        | 21,663           | 9,001                                   | 8,987            |
| <b>Total</b>                  |                               |                          |                                   |                  | <b>23,110</b> | <b>23,110</b>    | <b>237,593</b>                          | <b>237,745</b>   |

(Unit: Thousand Baht)

| Company's name                | Separate financial statements |                  |               |                  |   |                  |   |                  |
|-------------------------------|-------------------------------|------------------|---------------|------------------|---|------------------|---|------------------|
|                               | Shareholding percentage       |                  | Cost          |                  | Allowance for loss on diminution in value |                  | Carrying amounts based on cost method - net |                  |
|                               | 31 March 2013                 | 31 December 2012 | 31 March 2013 | 31 December 2012 | 31 March 2013                             | 31 December 2012 | 31 March 2013                               | 31 December 2012 |
|                               | (%)                           | (%)              |               |                  |   |                  |   |                  |
| Bumrungrad International Ltd. | 31.50                         | 31.50            | 1,447         | 1,447            | -   | -                | 1,447                                       | 1,447            |
| CDE Trading Ltd.              | 30.00                         | 30.00            | 21,663        | 21,663           | 16,000                                    | 16,000           | 5,663                                       | 5,663            |
| <b>Total</b>                  |                               |                  | <b>23,110</b> | <b>23,110</b>    | <b>16,000</b>                             | <b>16,000</b>    | <b>7,110</b>                                | <b>7,110</b>     |

### 7.2 Share of profit

During the periods, the Company recognised its share of profit (loss) from investments in associates in the consolidated financial statements as follows.

(Unit: Thousand Baht)

For the three-month periods ended 31 March

| Company's name                | 2013       | 2012          |
|-------------------------------|------------|---------------|
| Bumrungrad International Ltd. | (177)      | 1,599         |
| CDE Trading Ltd.              | 933        | 755           |
| Bangkok Chain Hospital Plc.   | -          | 55,403        |
| <b>Total</b>                  | <b>756</b> | <b>57,757</b> |

### 7.3 Summarised financial information of associates

Financial information of the associates is summarised below.

| Company's name                | Paid-up capital as at |         | Total assets as at |         | Total liabilities as at |         | Total revenues<br>for the three-month<br>periods ended |         | Profit (loss) for the<br>three-month<br>periods ended |       |
|-------------------------------|-----------------------|---------|--------------------|---------|-------------------------|---------|--|---------|---|-------|
|                               | 31 March              |         | 31 March           |         | 31 March                |         | 31 March   |         | 31 March  |       |
|                               | 2013                  | 2012    | 2013               | 2012    | 2013                    | 2012    | 2013   | 2012    | 2013  | 2012  |
| Bumrungrad International Ltd. | 5.0                   | 294.0   | 763.0              | 1,127.7 | 37.0                    | 56.4    | 1.0  | 16.8    | (0.6)   | 5.1   |
| CDE Trading Ltd.              | 10.0                  | 10.0    | 30.1               | 30.9    | 0.1                     | 0.1     | -  | -       | (0.2)   | 0.5   |
| Bangkok Chain Hospital Plc.   | -                     | 1,995.0 | -                  | 6,329.5 | -                       | 2,465.9 | -  | 1,083.0 | -   | 230.2 |

### 8. Property, plant and equipment

(Unit: Thousand Baht)

|  | Consolidated<br>financial<br>statements | Separate<br>financial<br>statements |
|--|---|-------------------------------------|
| <b>Net book value as at 1 January 2013</b>                   | 7,683,004                               | 6,666,243                           |
| Acquisitions during period - at cost                         | 191,980                                 | 191,251                             |
| Disposals during period - net book value<br>at disposal date | (3,427)                                 | (1,155)                             |
| Depreciation for the period                                  | (174,497)                               | (173,643)                           |
| <b>Net book value as at 31 March 2013</b>                    | <b>7,697,060</b>                        | <b>6,682,696</b>                    |

### 9. Intangible assets

(Unit: Thousand Baht)

|   | Consolidated<br>financial<br>statements | Separate<br>financial<br>statements |
|---|---|-------------------------------------|
| <b>Net book value as at 1 January 2013</b>    | 235,973                                 | 253,589                             |
| Acquisition during period - at cost           | 205                                     | 205                                 |
| Amortisation for the period                   | (15,021)                                | (14,997)                            |
| Realised gain on sales of software for period | 918                                     | -                                   |
| <b>Net book value as at 31 March 2013</b>     | <b>222,075</b>                          | <b>238,797</b>                      |

**10. Trade and other payables**

(Unit: Thousand Baht)

|  | Consolidated         |                     | Separate             |                     |
|--|----------------------|---------------------|----------------------|---------------------|
|  | financial statements |                     | financial statements |                     |
|  | 31 March<br>2013     | 31 December<br>2012 | 31 March<br>2013     | 31 December<br>2012 |
| Trade payables - unrelated parties             | 638,909              | 655,814             | 624,330              | 650,077             |
| Construction and medical<br>equipment payables | 84,235               | 125,914             | 84,235               | 125,914             |
| Other payables - related parties               | 297                  | 51                  | 1,635                | 51                  |
| Other payables - unrelated parties             | 20,517               | 18,170              | 19,752               | 19,333              |
| <b>Total</b>                                   | <b>743,958</b>       | <b>799,949</b>      | <b>729,952</b>       | <b>795,375</b>      |

**11. Long-term debentures**

(Unit: Thousand Baht)

| Series                                 | Maturity<br>date                                       | No. of<br>units<br>(Thousand<br>units) | Par<br>value<br>(Baht) | Interest<br>rate<br>(% p.a.) | Term of<br>interest<br>payment | Carrying amount  |                     |
|--|--|--|------------------------|------------------------------|--------------------------------|------------------|---------------------|
|  |  |  |                        |                              |                                | 31 March<br>2013 | 31 December<br>2012 |
| 1                                      | Entirely redeemed on<br>20 December 2016<br>(5 years)  | 1,500                                  | 1,000                  | 4.13                         | Semi - annual                  | 1,500,000        | 1,500,000           |
| 2                                      | Entirely redeemed on<br>20 December 2018<br>(7 years)  | 1,000                                  | 1,000                  | 4.59                         | Semi - annual                  | 1,000,000        | 1,000,000           |
| 3                                      | Entirely redeemed on<br>20 December 2021<br>(10 years) | 2,500                                  | 1,000                  | 4.97                         | Semi - annual                  | 2,500,000        | 2,500,000           |
| Total                                  |  |  |                        |                              |                                | 5,000,000        | 5,000,000           |
| Less: Deferred debenture issuing costs |  |  |                        |                              |                                | (38,171)         | (39,534)            |
| Long-term debentures - net             |  |  |                        |                              |                                | 4,961,829        | 4,960,466           |

The long-term debentures are unsecured and unsubordinated debentures in Baht currency with fixed interest rates. Their fair value as at 31 March 2013 amounted to Baht 5,074.5 million (31 December 2012: Baht 4,960.5 million).

Under the terms and conditions of the debentures, the Company has to comply with certain restrictions and maintain certain financial ratios which include:

- a) maintenance of a net debt to equity ratio not exceeding 1.75:1
- b) maintenance of a net debt to EBITDA ratio not exceeding 3.25:1

**12. Share capital**

In the first quarter of 2013, 167,313 preference shares (2012: 9,624 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 7 March 2013.

**13. Income tax**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2013 and 2012 are made up as follows.

|   | (Unit: Thousand Baht)                |                |                                  |                |
|---|--------------------------------------|----------------|----------------------------------|----------------|
|   | Consolidated<br>financial statements |                | Separate<br>financial statements |                |
|   | 2013                                 | 2012           | 2013                             | 2012           |
|   |                                      | (Restated)     |                                  | (Restated)     |
| <b>Current income tax:</b>                                    |                                      |                |                                  |                |
| Interim corporate income tax charge                           | 159,141                              | 159,201        | 156,689                          | 157,656        |
| <b>Deferred tax:</b>  |                                      |                |                                  |                |
| Relating to origination and reversal of temporary differences | (3,922)                              | 1,666          | (3,872)                          | 1,686          |
| <b>Income tax expenses reported in the income statements</b>  | <b>155,219</b>                       | <b>160,867</b> | <b>152,817</b>                   | <b>159,342</b> |

**14. Earnings per share**

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

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

| Consolidated financial statements   |                 |  |                   |                    |            |  |
|---|-----------------|--|-------------------|--------------------|------------|--|
| For the three-month periods ended 31 March  |                 |  |                   |                    |            |  |
| Profit for the period   |                 | Weighted average number of ordinary shares |                   | Earnings per share |            |  |
| 2013  | 2012            | 2013                                       | 2012              | 2013               | 2012       |  |
| (Thousand Baht)   | (Thousand Baht) | (Thousand Shares)                          | (Thousand Shares) | (Baht)             | (Baht)     |  |
|   | (Restated)      |  |                   |                    | (Restated) |  |
| <b>Basic earnings per share</b>   |                 |  |                   |                    |            |  |
| Profit attributable to equity holders of the Company  |                 |  |                   |                    |            |  |
| 613,020   | 580,980         | 728,438                                    | 728,385           | 0.84               | 0.80       |  |
| <b>Effect of dilutive potential ordinary shares</b>   |                 |  |                   |                    |            |  |
| Preference shares   |                 |  |                   |                    |            |  |
| -   | -               | 1,614                                      | 1,667             |                    |            |  |
| Convertible bonds   |                 |  |                   |                    |            |  |
| -   | -               | 137,363                                    | 137,363           |                    |            |  |
| <b>Diluted earnings per share</b>   |                 |  |                   |                    |            |  |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares |                 |  |                   |                    |            |  |
| <u>613,020</u>  | <u>580,980</u>  | <u>867,415</u>                             | <u>867,415</u>    | 0.71               | 0.67       |  |
| Separate financial statements   |                 |  |                   |                    |            |  |
| For the three-month periods ended 31 March  |                 |  |                   |                    |            |  |
| Profit for the period   |                 | Weighted average number of ordinary shares |                   | Earnings per share |            |  |
| 2013  | 2012            | 2013                                       | 2012              | 2013               | 2012       |  |
| (Thousand Baht)   | (Thousand Baht) | (Thousand Shares)                          | (Thousand Shares) | (Baht)             | (Baht)     |  |
|   | (Restated)      |  |                   |                    | (Restated) |  |
| <b>Basic earnings per share</b>   |                 |  |                   |                    |            |  |
| Profit attributable to equity holders of the Company  |                 |  |                   |                    |            |  |
| 600,924   | 511,625         | 728,438                                    | 728,385           | 0.82               | 0.70       |  |
| <b>Effect of dilutive potential ordinary shares</b>   |                 |  |                   |                    |            |  |
| Preference shares   |                 |  |                   |                    |            |  |
| -   | -               | 1,614                                      | 1,667             |                    |            |  |
| Convertible bonds   |                 |  |                   |                    |            |  |
| -   | -               | 137,363                                    | 137,363           |                    |            |  |
| <b>Diluted earnings per share</b>   |                 |  |                   |                    |            |  |
| Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares |                 |  |                   |                    |            |  |
| <u>600,924</u>  | <u>511,625</u>  | <u>867,415</u>                             | <u>867,415</u>    | 0.69               | 0.59       |  |

## **15. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The one main reportable operating segment of the Company and its subsidiaries is hospital and health care center and the single geographical area of their operations is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

## **16. Commitments and contingent liabilities**

### **16.1 Capital commitments**

As at 31 March 2013, the Company has capital commitments to pay a total of Baht 128.4 million (31 December 2012: Baht 28.3 million) in relation to the renovation agreement of building and Baht 464.4 million (31 December 2012: Baht 457.7 million) in respect of purchase of medical instruments and hospital equipment.

### **16.2 Operating lease and long-term service commitments**

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

Future minimum payments required under the above agreements were as follows.

(Unit: Million Baht)

| Details of commitments   | Payable within |             |              |             |                   |             | Total    |             |
|--|----------------|-------------|--------------|-------------|-------------------|-------------|----------|-------------|
|  | 1 year         |             | 1 to 5 years |             | More than 5 years |             |          |             |
|  | 31 March       | 31 December | 31 March     | 31 December | 31 March          | 31 December | 31 March | 31 December |
|  | 2013           | 2012        | 2013         | 2012        | 2013              | 2012        | 2013     | 2012        |
| 1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)    | 2              | 1           | 7            | 7           | 7                 | 8           | 16       | 16          |
| 2) Lease of building for nursing dormitory and related services (shall be renewed automatically) | 7              | 9           | 3            | 4           | -                 | -           | 10       | 13          |
| 3) Lease of office building space  | 25             | 27          | 74           | 76          | 10                | 15          | 109      | 118         |
| 4) Rental and maintenance service fee for cars   | 9              | 9           | 10           | 12          | -                 | -           | 19       | 21          |
| 5) Maintenance service fee for medical instruments   | 51             | 48          | 37           | 36          | -                 | -           | 88       | 84          |
| 6) Fee to a bank which is bondholders' representative  | -              | -           | 1            | 1           | -                 | -           | 1        | 1           |

### 16.3 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 (expire in 2013 and 2015) 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 31 March 2013, there was a minimum amount of Baht 0.6 million (31 December 2012: Baht 2.1 million) which the Company required to purchase according to the contracts.

### 16.4 Uncalled portion of investment in subsidiary

As at 31 March 2013 and 31 December 2012, the Company has a commitment of HKD 4.8 million in respect of the uncalled portion of investment in an overseas subsidiary (Asia Global Health Ltd.).

## 16.5 Bank guarantees

As at 31 March 2013 and 31 December 2012, there were outstanding bank guarantees of Baht 25.7 million issued by a bank on behalf of the Company. All were required in the normal course of business e.g. payment of utility expenses and space rental.

## 17. Events after the reporting period

17.1 On 1 April 2013, the Company and two other shareholders of Bumrungrad International Ltd. entered into a loan agreement with Bumrungrad International Ltd., which is the Company's associate, granting them loans totaling Baht 394.8 million, of which the Company's share is Baht 176.4 million. The loans carry interest at the 1-year fixed deposit rate of a local commercial bank, and are due at call.

17.2 On 30 April 2013, the 2013 Annual General Meeting of the Company's shareholders approved a dividend payment of Baht 1.80 per share, or a total of Baht 1,314.1 million, to the Company's preference and ordinary shareholders in respect of the 2012 profit. The Company paid an interim dividend of Baht 0.60 per share, or a total of Baht 438.0 million, on 7 September 2012, leaving a dividend of Baht 1.20 per share, or a total of Baht 876.1 million, which is to be paid on 29 May 2013.

## 18. Reclassifications

The Company reclassified certain amounts in the financial statements for the three-month period ended 31 March 2012 to allocate depreciation and amortisation expenses, as followings.

(Unit: Thousand Baht)

|                               | Consolidated         |                        | Separate             |                        |
|-------------------------------|----------------------|------------------------|----------------------|------------------------|
|                               | financial statements |                        | financial statements |                        |
|                               | As reclassified      | As previously reported | As reclassified      | As previously reported |
| Cost of hospital operations   | 1,956,496            | 1,834,347              | 1,937,353            | 1,815,572              |
| Depreciation and amortisation | -                    | 173,493                | -                    | 173,151                |
| Administrative expenses       | 536,188              | 484,844                | 524,018              | 472,648                |

The reclassification had no effect to previously reported profit or shareholders' equity.

## 19. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 May 2013.