

Bumrungrad Hospital Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month period ended 31 March 2015

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 2015, and 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*.

Sumalee Reewarabandith
Certified Public Accountant (Thailand) No. 3970

EY Office Limited
Bangkok: 30 April 2015

Bumrungrad Hospital Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		5,632,436	4,675,713	5,448,405	4,540,099
Short-term investments	3	1,902,000	1,922,000	1,802,000	1,802,000
Trade and other receivables	2	1,821,444	1,525,212	1,821,965	1,524,709
Inventories		273,895	291,880	250,103	266,651
Prepaid expenses		121,164	66,489	111,285	63,553
Other current assets		39,850	18,097	34,570	14,114
Total current assets		9,790,789	8,499,391	9,468,328	8,211,126
Non-current assets					
Long-term loan to related party	3	-	-	1,855	1,855
Investments in subsidiaries	4	-	-	1,513,361	1,542,861
Investments in associates	5	234,077	233,169	2,862	2,862
Other long-term investments		1,700	1,700	1,700	1,700
Property, plant and equipment	6	9,846,788	9,948,450	8,234,452	8,300,042
Intangible assets	7	160,533	146,343	168,467	155,678
Goodwill	8	110,582	111,968	-	-
Deferred tax assets		182,870	178,731	176,696	173,051
Other non-current assets		22,072	24,943	22,054	24,925
Total non-current assets		10,558,622	10,645,304	10,121,447	10,202,974
Total assets		20,349,411	19,144,695	19,589,775	18,414,100

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)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	31 March 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	9	815,870	860,237	811,672	854,355
Accrued physicians' fees		591,993	537,654	585,898	530,537
Accrued expenses		528,722	487,606	518,421	482,611
Income tax payable		594,485	369,829	574,730	355,329
Other current liabilities		77,573	66,687	59,944	55,579
Total current liabilities		2,608,643	2,322,013	2,550,665	2,278,411
Non-current liabilities					
Long-term loan from and interest payable to related party	3	181,060	180,408	181,060	180,408
Long-term debentures	3, 10	4,973,477	4,971,982	4,973,477	4,971,982
Provision for long-term employee benefits	11	403,282	410,329	397,968	405,519
Total non-current liabilities		5,557,819	5,562,719	5,552,505	5,557,909
Total liabilities		8,166,462	7,884,732	8,103,170	7,836,320

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)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	31 March 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
Shareholders' equity					
Share capital	12				
Registered					
921,276,022 ordinary shares of Baht 1 each (31 December 2014: 921,251,022 ordinary shares of Baht 1 each)		921,276	921,251	921,276	921,251
1,426,663 preference shares of Baht 1 each (31 December 2014: 1,451,663 preference shares of Baht 1 each)		1,427	1,452	1,427	1,452
		<u>922,703</u>	<u>922,703</u>	<u>922,703</u>	<u>922,703</u>
Issued and paid-up					
728,625,559 ordinary shares of Baht 1 each (31 December 2014: 728,600,559 ordinary shares of Baht 1 each)		728,625	728,600	728,625	728,600
1,426,663 preference shares of Baht 1 each (31 December 2014: 1,451,663 preference shares of Baht 1 each)		1,427	1,452	1,427	1,452
		<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
Convertible bonds treated as equity securities	3	550,000	550,000	550,000	550,000
Retained earnings					
Appropriated - statutory reserve		92,275	92,275	92,275	92,275
Unappropriated		9,958,824	8,992,129	9,828,710	8,919,885
Other components of shareholders' equity		219,677	233,204	-	-
Equity attributable to owners of the Company		<u>11,836,396</u>	<u>10,883,228</u>	<u>11,486,605</u>	<u>10,577,780</u>
Non-controlling interests of the subsidiaries		346,553	376,735	-	-
Total shareholders' equity		<u>12,182,949</u>	<u>11,259,963</u>	<u>11,486,605</u>	<u>10,577,780</u>
Total liabilities and shareholders' equity		<u>20,349,411</u>	<u>19,144,695</u>	<u>19,589,775</u>	<u>18,414,100</u>
		-	-	-	-

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

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Directors
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(Unaudited but reviewed)

Bumrungrad Hospital Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Revenues					
Revenues from hospital operations	3	4,366,060	3,589,426	4,247,477	3,545,617
Rental income	3	14,331	14,570	15,682	15,616
Interest income	3	38,230	37,341	37,157	36,987
Exchange gains		12,422	8,901	11,607	8,891
Other income	3	24,985	29,144	22,914	26,338
Total revenues		4,456,028	3,679,382	4,334,837	3,633,449
Expenses					
Cost of hospital operations	3	2,512,511	2,169,282	2,444,359	2,148,139
Administrative expenses	3	699,479	680,888	674,805	671,185
Loss on diminution in value of investment in a subsidiary	4	-	-	29,500	-
Total expenses		3,211,990	2,850,170	3,148,664	2,819,324
Profit before share of profit from investments in associates, finance cost and income tax expenses					
		1,244,038	829,212	1,186,173	814,125
Share of profit from investments in associates	5	1,827	1,063	-	-
Profit before finance cost and income tax expenses		1,245,865	830,275	1,186,173	814,125
Finance cost	3	(45,421)	(45,292)	(45,421)	(45,679)
Profit before income tax expenses		1,200,444	784,983	1,140,752	768,446
Income tax expenses	13	(228,030)	(146,310)	(223,913)	(143,407)
Profit for the period		972,414	638,673	916,839	625,039
Profit attributable to:					
Equity holders of the Company		974,709	638,770	916,839	625,039
Non-controlling interests of the subsidiaries		(2,295)	(97)		
		972,414	638,673		
Earnings per share					
14					
Basic earnings per share					
Profit attributable to equity holders of the Company		1.34	0.88	1.26	0.86
Diluted earnings per share					
Profit attributable to equity holders of the Company		1.12	0.74	1.06	0.72

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 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the period	<u>972,414</u>	<u>638,673</u>	<u>916,839</u>	<u>625,039</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to income statement in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	<u>(41,414)</u>	<u>2,621</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>(41,414)</u>	<u>2,621</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>931,000</u></u>	<u><u>641,294</u></u>	<u><u>916,839</u></u>	<u><u>625,039</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	<u>961,182</u>	<u>641,391</u>	<u>916,839</u>	<u>625,039</u>
Non-controlling interests of the subsidiaries	<u>(30,182)</u>	<u>(97)</u>	<u>-</u>	<u>-</u>
	<u><u>931,000</u></u>	<u><u>641,294</u></u>	<u><u>916,839</u></u>	<u><u>625,039</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 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from operating activities				
Profit before tax	1,200,444	784,983	1,140,752	768,446
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	245,941	239,658	236,294	238,740
Bad debts and allowance for doubtful accounts	7,336	5,608	8,218	7,656
Loss on sales of equipment	675	611	675	611
Long-term employee benefits expenses	18,436	17,446	18,156	17,137
Loss on diminution in value of investment in a subsidiary	-	-	29,500	-
Share of profit from investments in associates	(1,827)	(1,063)	-	-
Interest income	(38,230)	(37,341)	(37,157)	(36,987)
Amortisation of debenture issuing costs to interest expense	1,495	1,427	1,495	1,427
Interest expense	43,926	43,865	43,926	44,252
Profit from operating activities before changes in operating assets and liabilities	1,478,196	1,055,194	1,441,859	1,041,282
Operating assets (increase) decrease				
Trade and other receivables	(303,568)	80,183	(305,474)	77,441
Inventories	17,985	19,631	16,548	21,259
Prepaid expenses	(54,675)	(46,562)	(47,732)	(44,962)
Other current assets	(21,753)	14,962	(20,456)	15,678
Other non-current assets	2,871	711	2,871	218
Operating liabilities increase (decrease)				
Trade and other payables	(6,965)	(76,217)	(13,845)	(71,730)
Accrued physicians' fees	54,339	(12,587)	55,361	(12,571)
Accrued expenses	(7,745)	12,658	(13,051)	11,143
Other current liabilities	10,886	544	4,365	(394)
Provision for long-term employee benefits	(25,483)	(8,736)	(25,707)	(9,031)
Cash flows from operating activities	1,144,088	1,039,781	1,094,739	1,028,333
Cash paid for corporate income tax	(7,845)	(8,081)	(8,157)	(7,862)
Net cash flows from operating activities	1,136,243	1,031,700	1,086,582	1,020,471

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 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash flows from investing activities				
Decrease in short-term investments	20,000	1,592,089	-	1,602,088
Acquisitions of investments in subsidiaries	-	(308,668)	-	(5,000)
Repayment debt of acquired subsidiary as at acquisition date	-	(85,705)	-	-
Cash increased from acquisitions of subsidiaries	-	3,286	-	-
Long-term loan to related party	-	-	-	(394,373)
Acquisition of equipment and payment of construction and medical equipment payables	(217,997)	(272,169)	(198,017)	(272,101)
Acquisition of computer software	(1,340)	(3,260)	(761)	(3,228)
Proceeds from sales of equipment	62	275	62	275
Interest income	38,230	37,341	37,157	36,987
Net cash flows from (used in) investing activities	(161,045)	963,189	(161,559)	964,648
Cash flows from financing activities				
Dividend paid	(333)	(26)	(333)	(26)
Interest paid for convertible bonds treated as equity securities	(16,384)	(16,384)	(16,384)	(16,384)
Net cash flows used in financing activities	(16,717)	(16,410)	(16,717)	(16,410)
Decrease in translation adjustment	(1,758)	(33)	-	-
Net increase in cash and cash equivalents	956,723	1,978,446	908,306	1,968,709
Cash and cash equivalents at beginning of period	4,675,713	3,139,481	4,540,099	3,109,331
Cash and cash equivalents at end of period	5,632,436	5,117,927	5,448,405	5,078,040
	-	-	-	-
Supplemental cash flow information				
Non-cash transactions				
Interest cost recorded as cost of assets	13,957	13,742	13,957	13,742

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 2015

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
						Other components of shareholders' equity							
		Issued and paid-up share capital		Convertible bonds treated as equity securities		Retained earnings		Exchange differences					
		Ordinary shares	Preference shares	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated	on translation of financial statements in foreign currencies	Other paid-in capital of an associated companies	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Balance as at 1 January 2014		728,560	1,492	285,568	550,000	92,275	7,695,107	(8,210)	252,173	243,963	9,596,965	-	9,596,965
Preference shares converted to ordinary shares (Note 12)		40	(40)	-	-	-	-	-	-	-	-	-	-
Increase in non-controlling interests of the subsidiaries due to purchase of investments in subsidiaries		-	-	-	-	-	-	-	-	-	264,954	-	264,954
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(8,014)	-	-	-	(8,014)	-	(8,014)
Total comprehensive income for the period		-	-	-	-	638,770	2,621	-	2,621	641,391	(97)	-	641,294
Balance as at 31 March 2014		728,600	1,452	285,568	550,000	92,275	8,325,863	(5,589)	252,173	246,584	10,230,342	264,857	10,495,199
Balance as at 1 January 2015		728,600	1,452	285,568	550,000	92,275	8,992,129	(18,969)	252,173	233,204	10,883,228	376,735	11,259,963
Preference shares converted to ordinary shares (Note 12)		25	(25)	-	-	-	-	-	-	-	-	-	-
Interest paid for convertible bonds treated as equity securities		-	-	-	-	-	(8,014)	-	-	-	(8,014)	-	(8,014)
Total comprehensive income for the period		-	-	-	-	974,709	(13,527)	-	(13,527)	961,182	(30,182)	-	931,000
Balance as at 31 March 2015		728,625	1,427	285,568	550,000	92,275	9,958,824	(32,496)	252,173	219,677	11,836,396	346,553	12,182,949
		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-	-

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 2015

(Unit: Thousand Baht)

	Separate financial statements						
	<u>Issued and paid-up share capital</u>		<u>Premium on ordinary shares</u>	<u>Convertible bonds treated as equity securities</u>	<u>Retained earnings</u>		<u>Total shareholders' equity</u>
	<u>Ordinary shares</u>	<u>Preference shares</u>			<u>Appropriated - statutory reserve</u>	<u>Unappropriated</u>	
Balance as at 1 January 2014	728,560	1,492	285,568	550,000	92,275	7,680,779	9,338,674
Preference shares converted to ordinary shares (Note 12)	40	(40)	-	-	-	-	-
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(8,014)	(8,014)
Total comprehensive income for the period	-	-	-	-	-	625,039	625,039
Balance as at 31 March 2014	<u>728,600</u>	<u>1,452</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>8,297,804</u>	<u>9,955,699</u>
Balance as at 1 January 2015	728,600	1,452	285,568	550,000	92,275	8,919,885	10,577,780
Preference shares converted to ordinary shares (Note 12)	25	(25)	-	-	-	-	-
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(8,014)	(8,014)
Total comprehensive income for the period	-	-	-	-	-	916,839	916,839
Balance as at 31 March 2015	<u>728,625</u>	<u>1,427</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>9,828,710</u>	<u>11,486,605</u>
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

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

Bumrungrad Hospital Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2015

1. General information

1.1 The Company's general 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 of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) 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 2014. There have been no changes in the composition of the Group during the current period.

1.4 New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, some of these standards involve changes to key principles, which are summarised below.

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Group already recognises actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Group's financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenues and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Group.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Group's financial statements.

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 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in Note 1.4 to the financial statements.

2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	2,959	833	3,190	970
Past due				
1 - 30 days	-	-	54	54
Total trade receivables - related parties	<u>2,959</u>	<u>833</u>	<u>3,244</u>	<u>1,024</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	607,837	489,737	603,919	483,888
Past due				
1 - 30 days	365,015	281,815	358,781	279,227
31 - 60 days	282,487	146,993	280,270	142,314
61 - 90 days	98,812	120,523	98,579	120,119
91 - 180 days	122,434	232,722	120,925	232,339
181 - 365 days	251,672	194,403	251,362	193,621
More than 365 days	189,332	148,610	188,191	147,531
Total	<u>1,917,589</u>	<u>1,614,803</u>	<u>1,902,027</u>	<u>1,599,039</u>
Less: Allowance for doubtful accounts	<u>(105,853)</u>	<u>(98,464)</u>	<u>(105,141)</u>	<u>(97,345)</u>
Total trade receivables - unrelated parties, net	<u>1,811,736</u>	<u>1,516,339</u>	<u>1,796,886</u>	<u>1,501,694</u>
Total trade receivables - net	<u>1,814,695</u>	<u>1,517,172</u>	<u>1,800,130</u>	<u>1,502,718</u>
<u>Other receivables</u>				
Advances and loans to employees	6,369	7,646	6,110	7,644
Accrued income - related parties	380	394	15,725	14,347
Total other receivables	<u>6,749</u>	<u>8,040</u>	<u>21,835</u>	<u>21,991</u>
Trade and other receivables - net	<u>1,821,444</u>	<u>1,525,212</u>	<u>1,821,965</u>	<u>1,524,709</u>

3. 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 bases agreed upon between the Company and those related parties.

	For the three-month periods ended 31 March				(Unit: Thousand Baht)
	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with subsidiaries					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	7,382	5,191	Market price
Rental income	-	-	1,350	1,458	As per contracts 3.1)
Professional service income	-	-	1,855	347	Actual paid
Sales of equipment	-	-	48	-	Cost plus margin
Lab service expense	-	-	53	47	Market price
Pharmacy expense	-	-	1,855	1,684	Market price
Training expense	-	-	17,753	11,563	Cost plus margin
Interest income on long-term loan	-	-	-	493	3.25% p.a.
Transactions with associates					
Consulting income	13	76	13	76	As per contract 3.2)
Interest expense on long-term loan	652	761	652	761	1.50% p.a. and 2.00% p.a.
Transactions with related parties					
Medical service income	19,531	20,828	19,531	20,828	Market price
Rental income	590	545	590	545	Market price
Interest income on short-term investments	13,657	6,435	12,959	5,589	Between 2.80% and 3.10% p.a.
Other income	203	211	203	211	Actual paid
Lab service expense	1,462	703	1,462	703	Market price
Purchase of medicine and medical supplies	3,158	2,592	3,158	2,592	Market price
Donation expense	6,000	6,000	6,000	6,000	-
Insurance expense	8,799	8,188	8,758	8,125	As per insurance policies
Credit card commission fees	31,691	27,514	30,620	26,819	Market price
Legal advisory fee	493	2,132	493	1,882	Market price
Construction consulting fee	-	347	-	347	Baht 0.1 million per month as stated in the agreement
Service fee	1,194	247	1,194	247	Market price
Interest expense on long-term debentures	11,403	11,403	11,403	11,403	Between 4.13% and 4.97% p.a.
Interest expense on convertible bonds	8,014	8,014	8,014	8,014	10.00% p.a. and 1.00% p.a.
Interest expense on long-term loan	-	97	-	-	3.25% p.a.

(Unaudited but reviewed)

- 3.1) Subsidiaries have leased building spaces and office equipment from the Company for use in their operations, as detailed below.

(Unit: Thousand Baht)

Company's name	Rent assets	Rental fee per month	
		2015	2014
Vitalife Corporation Ltd.	Building spaces	350	350
Asia Global Research Co., Ltd.	Building spaces and office equipment	-	71
Bumrungrad Health Network Co., Ltd. (formerly known as "Bumrungrad Personnel Development Center Co., Ltd.")	Building spaces and office equipment	-	100- 204*
Bumrungrad Personnel Development and Training Center Co., Ltd.	Building spaces	100	-

*The rental agreement starts February 2014.

- 3.2) 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 amounting to Baht 0.2 million 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 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 March	31 December	31 March	31 December
	2015	2014	2015	2014
Short-term investments - Fixed deposits with a local commercial bank				
Related company (common director)	1,902,000	1,902,000	1,802,000	1,802,000
Trade and other receivables - related parties (Note 2)				
Subsidiaries	-	-	15,630	14,144
Associates	80	66	80	66
Related parties (common director)	3,259	1,161	3,259	1,161
Total	3,339	1,227	18,969	15,371
Trade and other payables - related parties (Note 9)				
Subsidiaries	-	-	18,221	13,395
Associates	715	-	715	-
Total	715	-	18,936	13,395
Long-term loan to a related party				
Subsidiary	-	-	1,855	1,855

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
Long-term loan from and interest payable to a related party				
Associate	181,060	180,408	181,060	180,408
Long-term debentures (Note 10)				
Related companies (Major shareholder and common director)	955,000	955,000	955,000	955,000
Convertible bonds treated as equity securities				
Related company (common director)	550,000	550,000	550,000	550,000

Long-term loan to a related party

As at 31 March 2015 and 31 December 2014, long-term loan to a subsidiary (Life and Longevity Ltd.) is in the form of promissory notes in Swiss franc, amounting to CHF 51,000, bearing no interest and is due at call. The Company provides this loan to the subsidiary for its overseas investment; therefore, the loan is classified as long-term loan.

Long-term loan from and interest payable to a related party

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 portion is Baht 176.4 million and due at call. The loan carries interest at the 1-year fixed deposit rate of a local commercial bank. Interest is due annually. The Company's management believes that the associate neither plans nor is likely to call for settlement in the foreseeable future; hence the loan is classified as long-term loan.

During the three-month period ended 31 March 2015, movements of long-term loan from and interest payable to an associate were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements		
	Balance as at	Increase	Balance as at
	1 January	during the period	31 March
	2015		2015
Principal	176,400	-	176,400
Interest payable	4,008	652	4,660
Total	180,408	652	181,060

Directors and management's benefits

During the three-month periods ended 31 March 2015 and 2014, the Group had employee benefit expenses payable to their directors and management as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Short-term benefits	25,601	34,557	23,551	33,490
Other long-term benefits	1	2	1	2
Termination benefits	1,363	2,366	1,292	2,352
Total	<u>26,965</u>	<u>36,925</u>	<u>24,844</u>	<u>35,844</u>

4. 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 March 2015	31 December 2014	31 March 2015 (%)	31 December 2014 (%)	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Vitalife Corporation Ltd.	Baht 31.5 million	Baht 31.5 million	100.00	100.00	25,610	25,610	-	-	25,610	25,610
Asia Global Research Co., Ltd.	Baht 50.0 million	Baht 50.0 million	100.00	100.00	50,000	50,000	50,000	50,000	-	-
Ruenmongkol Co., Ltd.	Baht 340.0 million	Baht 340.0 million	100.00	100.00	1,045,034	1,045,034	-	-	1,045,034	1,045,034
Bumrungrad Health Network Co., Ltd. (formerly known as Bumrungrad Personnel Development Center Co., Ltd.)	Baht 5.0 million	Baht 5.0 million	100.00	100.00	5,000	5,000	-	-	5,000	5,000
Bumrungrad Personnel Development and Training Center Co., Ltd.	Baht 5.0 million	Baht 5.0 million	100.00	100.00	5,000	5,000	-	-	5,000	5,000
Asia Global Health Ltd.	HKD 7.1 million	HKD 7.1 million	100.00	100.00	31,558	31,558	29,500	-	2,058	31,558
Life and Longevity Ltd.	USD 1	USD 1	100.00	100.00	48	48	-	-	48	48
Health Horizons Enterprises Pte. Ltd.	USD 16.6 million	USD 16.6 million	80.00	80.00	430,611	430,611	-	-	430,611	430,611
Total					1,592,861	1,592,861	79,500	50,000	1,513,361	1,542,861

During the three-month periods ended 31 March 2015 and 2014, the Company had no dividend received from the subsidiaries.

During the three-month period ended 31 March 2015, the Company considered to set Allowance for loss on diminution in value of investment in Asia Global Health Ltd. amounting to Baht 29.5 million because it had capital deficit for several years.

5. Investments in associates

5.1 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 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014
			(%)	(%)				
Bumrungrad International Ltd.	Temporary cease its operation	Thailand	31.50	31.50	1,447	1,447	233,215	232,226
CDE Trading Ltd.	Temporary cease its operation	Thailand	30.00	30.00	5,415	5,415	862	943
Total					6,862	6,862	234,077	233,169

(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 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	(%)	(%)						
Bumrungrad International Ltd.	31.50	31.50	1,447	1,447	-	-	1,447	1,447
CDE Trading Ltd.	30.00	30.00	5,415	5,415	4,000	4,000	1,415	1,415
Total			6,862	6,862	4,000	4,000	2,862	2,862

5.2 Share of profit and dividend received

During the periods, the Company recognised its share of profit 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	2015	2014
Bumrungrad International Ltd.	990	71
CDE Trading Ltd.	837	992
Total	1,827	1,063

During the three-month periods ended 31 March 2015 and 2014, the Company had no dividend received from the associates.

5.3 Summarised financial information of associates

Financial information of the associates is summarised below.

(Unit: Million Baht)

Company's name	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the three-month periods ended		Profit (loss) for the three-month periods ended 31 March	
	31 March		31 March		31 March		31 March		ended 31 March	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Bumrungrad International Ltd.	5.0	5.0	755.2	754.0	14.8	20.2	3.3	3.6	3.1	0.2
CDE Trading Ltd.	10.0	10.0	5.0	11.5	2.1	0.1	-	-	(0.3)	(0.2)

6. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2015	9,948,450	8,300,042
Acquisitions during period - at cost	180,928	169,512
Capitalisation of interest cost	13,957	13,957
Transferred to computer software	(26,989)	(26,989)
Disposals during period - net book value at disposal date	(737)	(737)
Depreciation for the period	(230,901)	(221,333)
Translation adjustments	(37,920)	-
Net book value as at 31 March 2015	9,846,788	8,234,452

As at 31 March 2015, the Company had an outstanding balance of work under construction of building and building improvement of Baht 1,295.6 million (2014: Baht 1,138.1 million), which have been financed by long-term debentures and borrowing costs totaling Baht 14.0 million were capitalised during the three-month period ended 31 March 2015 (2014: Baht 13.7 million). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 4.87% p.a.

7. Intangible assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2015	146,343	155,678
Acquisition during period - at cost	1,340	761
Transferred from equipment	26,989	26,989
Amortisation for the period	(15,040)	(14,961)
Realised gain on sales of software in the past	918	-
Translation adjustments	(17)	-
Net book value as at 31 March 2015	160,533	168,467

8. Goodwill

Goodwill resulted from the acquisition by Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary that is 80% owned by the Company, of a 100% interest in the common shares of Bumrungrad Mongolia LLC ("BML") on 28 March 2014. BML holds 51% of the common shares of Seoul Seniors Tower LLC ("SST"), which operates Ulan Bator Songdo Hospital in Mongolia. The excess of the purchase price over the net value of the tangible assets acquired was allocated as goodwill. The amount of goodwill is USD 3.4 million, which mainly comprises the value of expected synergies from customer base expansion.

The change in the goodwill account is due to the impact of exchange differences on translation of the foreign operation's financial statements.

9. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Trade payables - unrelated parties	745,105	753,834	725,298	745,308
Construction and medical equipment payables	44,278	81,347	44,278	72,783
Other payables - related parties	715	-	18,936	13,395
Other payables - unrelated parties	25,772	25,056	23,160	22,869
Total	815,870	860,237	811,672	854,355

(Unaudited but reviewed)

10. Long-term debentures

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	(Unit: Thousand Baht) Carrying amount	
						31 March 2015	31 December 2014
1	Entirely redeemed on 20 December 2016 (5 years)	1,500	1,000	4.13	Semi-annual	1,500,000	1,500,000
2	Entirely redeemed on 20 December 2018 (7 years)	1,000	1,000	4.59	Semi-annual	1,000,000	1,000,000
3	Entirely redeemed on 20 December 2021 (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						(26,523)	(28,018)
Long-term debentures - net						<u>4,973,477</u>	<u>4,971,982</u>

The long-term debentures are unsecured and unsubordinated debentures in Baht currency with fixed interest rates. Their fair value as at 31 March 2015 amounted to Baht 5,298.3 million (31 December 2014: Baht 5,264.6 million).

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

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

11. Provision for long-term employee benefits

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
As at 1 January 2015	410,329	405,519
Increase during the period	18,436	18,156
Utilised	(25,483)	(25,483)
Transfer of defined benefit obligation to a subsidiary	-	(224)
As at 31 March 2015	<u>403,282</u>	<u>397,968</u>

12. Share capital

In the first quarter of 2015, 25,000 preference shares (2014: 40,000 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 3 March 2015.

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 2015 and 2014 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	232,501	149,694	227,558	146,724
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,471)	(3,384)	(3,645)	(3,317)
Income tax expenses reported in the income statements	228,030	146,310	223,913	143,407

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		
2015	2014	2015	2014	2015	2014	
(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
974,709	638,770	728,608	728,572	1.34	0.88	
Effect of dilutive potential ordinary shares						
Preference shares		-	-	1,444	1,480	
Convertible bonds		-	-	137,363	137,363	
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
<u>974,709</u>	<u>638,770</u>	<u>867,415</u>	<u>867,415</u>	1.12	0.74	
Separate financial statements						
For the three-month periods ended 31 March						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2015	2014	2015	2014	2015	2014	
(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
916,839	625,039	728,608	728,572	1.26	0.86	
Effect of dilutive potential ordinary shares						
Preference shares		-	-	1,444	1,480	
Convertible bonds		-	-	137,363	137,363	
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
<u>916,839</u>	<u>625,039</u>	<u>867,415</u>	<u>867,415</u>	1.06	0.72	

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 Group is hospital and health care center and the geographical areas of its operations are Thailand and Mongolia. 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 exclusively to the aforementioned reportable operating segment.

16. Commitments and contingent liabilities

16.1 Capital commitments

As at 31 March 2015, the Company has capital commitments to pay a total of Baht 112.8 million (31 December 2014: Baht 163.4 million) in relation to the renovation agreements of buildings and Baht 167.4 million (31 December 2014: Baht 150.0 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 operating lease agreements in respect of the lease of lands, buildings, office space, vehicles 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	31	31	31	31	31	31	31
	March	December	March	December	March	December	March	December
	2015	2014	2015	2014	2015	2014	2015	2014
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	2	2	7	7	3	4	12	13
2) Lease of office space	27	31	47	51	-	-	74	82
3) Maintenance service fee for medical instruments	137	136	135	137	-	-	272	273
4) Rental and maintenance service fee for cars	10	11	12	14	-	-	22	25
5) Fee to a bank which is bondholders' representative	-	-	1	1	-	-	1	1
6) Service fee for medical treatment information database	13	30	195	199	35	35	243	264

16.3 Commitments from other contract

The Company entered into the medical equipment utilisation contract with a local company. The contract covers period of 7 years (expire in 2021) and under the conditions of the contract, the Company is required to purchase medical supplies and services to use with the medical equipment at the prices specified in the contract in total throughout the period of the contract. As at 31 March 2015, the outstanding amount of medical supplies and services that the Company is required to purchase in accordance with the contract is Baht 302.7 million (31 December 2014: Baht 319.0 million).

16.4 Uncalled portion of investments in subsidiaries

The Company has commitments in respect of the uncalled portion of investments in overseas subsidiaries as below.

Company's name	Country of incorporation	Uncalled portion of investments	
		31 March 2015	31 December 2014
Asia Global Health Ltd.	Hong Kong	HKD 2.34 million	HKD 2.34 million
Life and Longevity Ltd.	Hong Kong	USD 0.10 million	USD 0.10 million

16.5 Bank guarantees

As at 31 March 2015, there were outstanding bank guarantees of Baht 27.6 million (31 December 2014: Baht 29.1 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.

16.6 Contingent liabilities arising from agreement to acquire investments in subsidiaries

Health Horizons Enterprises Pte. Ltd. ("HHE"), an overseas subsidiary that is 80% owned by the Company, has contingent liabilities under the Share Sales and Purchase Agreement, dated 5 March 2014, whereby it acquired common shares of Bumrungrad Mongolia LLC ("BML") and Seoul Seniors Tower LLC ("SST"). The seller is entitled to receive an additional contingent consideration in the form of earn-out payments, provided certain cumulative net profit targets are achieved through 31 December 2016, at a maximum amount of MNT 10,965.9 million.

The Group has reviewed and reassessed the likelihood that the Group will have to pay this additional amount, taking into consideration the economic situation, operating performance and the forecast operating results of SST for the years 2014 to 2016. As at 31 March 2015 and 31 December 2014, the Group estimated that it has no obligation to pay an additional consideration.

17. Event after the reporting period

On 29 April 2015, the 2015 Annual General Meeting of the Company's shareholders approved a dividend payment of Baht 1.95 per share, or a total of Baht 1,423.6 million, to the Company's preference and ordinary shareholders in respect of the 2014 profit. The Company already paid an interim dividend of Baht 0.70 per share, or a total of Baht 511.0 million on 5 September 2014, leaving a dividend of Baht 1.25 per share, or a total of Baht 912.6 million, which is to be paid on 14 May 2015.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 30 April 2015.