

Bumrungrad Hospital Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2016

## **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 30 June 2016, the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2016, and the related consolidated statements of changes in shareholders' equity, and cash flows for the six-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 periods. 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*.

Termphong Opanaphan  
Certified Public Accountant (Thailand) No. 4501

EY Office Limited  
Bangkok: 28 July 2016

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

**Statement of financial position**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<b>Note</b>	<b>30 June 2016</b>	<b>31 December 2015</b>	<b>30 June 2016</b>	<b>31 December 2015</b>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		5,712,528	5,054,160	5,456,372	4,818,341
Short-term investments		1,988,200	2,305,800	1,909,000	2,302,000
Trade and other receivables	3	2,307,240	2,318,422	2,309,926	2,328,383
Inventories		300,646	309,074	267,730	277,572
Prepaid expenses		101,630	75,047	76,132	50,128
Other current assets		17,869	25,775	14,056	24,490
<b>Total current assets</b>		<b>10,428,113</b>	<b>10,088,278</b>	<b>10,033,216</b>	<b>9,800,914</b>
<b>Non-current assets</b>					
Long-term loan to and interest receivable					
from a related party	2	-	-	-	9,017
Investments in subsidiaries	4	-	-	1,632,456	1,517,456
Investment in an associate	5	234,796	234,067	1,447	1,447
Other long-term investment		1,700	1,700	1,700	1,700
Property, plant and equipment	6	10,852,462	10,472,112	9,103,690	8,791,954
Intangible assets		150,664	163,386	147,644	160,636
Goodwill	7	119,779	122,585	-	-
Deferred tax assets		222,770	193,005	218,698	189,821
Other non-current assets		22,219	22,385	22,202	22,367
<b>Total non-current assets</b>		<b>11,604,390</b>	<b>11,209,240</b>	<b>11,127,837</b>	<b>10,694,398</b>
<b>Total assets</b>		<b>22,032,503</b>	<b>21,297,518</b>	<b>21,161,053</b>	<b>20,495,312</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)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2016	31 December 2015	30 June 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	8	831,473	830,044	767,081	820,497
Accrued physicians' fees		678,605	713,255	673,508	707,663
Current portion of long-term debentures	10	1,498,598	1,497,145	1,498,598	1,497,145
Accrued expenses		453,895	577,255	441,973	561,478
Income tax payable		435,987	372,555	424,925	361,493
Other current liabilities		76,190	66,201	57,246	52,376
<b>Total current liabilities</b>		<b>3,974,748</b>	<b>4,056,455</b>	<b>3,863,331</b>	<b>4,000,652</b>
<b>Non-current liabilities</b>					
Long-term loan from and interest payable to a related party	2	184,075	182,869	184,075	182,869
Long-term loan from and interest payable to an unrelated party	9	19,101	-	-	-
Long-term debentures - net of current portion	10	3,482,744	3,481,010	3,482,744	3,481,010
Provision for long-term employee benefits	11	518,862	476,694	509,962	468,989
<b>Total non-current liabilities</b>		<b>4,204,782</b>	<b>4,140,573</b>	<b>4,176,781</b>	<b>4,132,868</b>
<b>Total liabilities</b>		<b>8,179,530</b>	<b>8,197,028</b>	<b>8,040,112</b>	<b>8,133,520</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)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2016 (Unaudited but reviewed)	31 December 2015 (Audited)	30 June 2016 (Unaudited but reviewed)	31 December 2015 (Audited)
<b>Shareholders' equity</b>					
Share capital	12				
Registered					
921,296,022 ordinary shares of Baht 1 each (31 December 2015: 921,276,022 ordinary shares of Baht 1 each)		921,296	921,276	921,296	921,276
1,406,663 preference shares of Baht 1 each (31 December 2015: 1,426,663 preference shares of Baht 1 each)		1,407	1,427	1,407	1,427
		<u>922,703</u>	<u>922,703</u>	<u>922,703</u>	<u>922,703</u>
Issued and paid-up					
728,645,559 ordinary shares of Baht 1 each (31 December 2015: 728,625,559 ordinary shares of Baht 1 each)		728,645	728,625	728,645	728,625
1,406,663 preference shares of Baht 1 each (31 December 2015: 1,426,663 preference shares of Baht 1 each)		1,407	1,427	1,407	1,427
		<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	2	550,000	550,000	550,000	550,000
Retained earnings					
Appropriated - statutory reserve		92,275	92,275	92,275	92,275
Unappropriated		11,560,376	10,799,084	11,463,046	10,703,897
Other components of shareholders' equity		276,065	278,707	-	-
Equity attributable to owners of the Company		<u>13,494,336</u>	<u>12,735,686</u>	<u>13,120,941</u>	<u>12,361,792</u>
Non-controlling interests of the subsidiaries		358,637	364,804	-	-
<b>Total shareholders' equity</b>		<u>13,852,973</u>	<u>13,100,490</u>	<u>13,120,941</u>	<u>12,361,792</u>
<b>Total liabilities and shareholders' equity</b>		<u>22,032,503</u>	<u>21,297,518</u>	<u>21,161,053</u>	<u>20,495,312</u>
		-	-	-	-

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 30 June 2016**

(Unit: Thousand Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2016	2015	2016	2015
<b>Revenues</b>					
Revenues from hospital operations		4,336,885	4,374,194	4,211,749	4,244,498
Rental income		15,764	14,666	18,143	16,011
Interest income		29,533	35,956	28,330	34,873
Dividend income	4	-	-	55,000	149,308
Exchange gains		9,900	12,751	6,478	11,164
Other income		14,997	24,774	15,376	23,748
<b>Total revenues</b>		<b>4,407,079</b>	<b>4,462,341</b>	<b>4,335,076</b>	<b>4,479,602</b>
<b>Expenses</b>					
Cost of hospital operations		2,548,238	2,622,315	2,475,456	2,549,550
Administrative expenses		759,397	734,069	745,693	719,127
<b>Total expenses</b>		<b>3,307,635</b>	<b>3,356,384</b>	<b>3,221,149</b>	<b>3,268,677</b>
<b>Profit before share of profit from investments in associates, finance cost and income tax expenses</b>					
		1,099,444	1,105,957	1,113,927	1,210,925
Share of profit from investments in associates	5	706	1,882	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>1,100,150</b>	<b>1,107,839</b>	<b>1,113,927</b>	<b>1,210,925</b>
Finance cost		(55,017)	(46,770)	(55,017)	(46,770)
<b>Profit before income tax expenses</b>		<b>1,045,133</b>	<b>1,061,069</b>	<b>1,058,910</b>	<b>1,164,155</b>
Income tax expenses	13	(186,678)	(211,783)	(181,790)	(206,370)
<b>Profit for the period</b>		<b>858,455</b>	<b>849,286</b>	<b>877,120</b>	<b>957,785</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		857,996	848,731	877,120	957,785
Non-controlling interests of the subsidiaries		459	555		
		<b>858,455</b>	<b>849,286</b>		
<b>Earnings per share</b>					
	14				(Unit: Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company		1.18	1.16	1.20	1.31
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.99	0.98	1.01	1.10

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 30 June 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2016	2015	2016	2015
<b>Profit for the period</b>	<u>858,455</u>	<u>849,286</u>	<u>877,120</u>	<u>957,785</u>
<b>Other comprehensive income:</b>				
<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>30,298</u>	<u>37,475</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>30,298</u>	<u>37,475</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>888,753</u></u>	<u><u>886,761</u></u>	<u><u>877,120</u></u>	<u><u>957,785</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>882,399</u>	<u>878,133</u>	<u><u>877,120</u></u>	<u><u>957,785</u></u>
Non-controlling interests of the subsidiaries	<u>6,354</u>	<u>8,628</u>		
	<u><u>888,753</u></u>	<u><u>886,761</u></u>		

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

(Unaudited but reviewed)

**Bumrungrad Hospital Public Company Limited and its subsidiaries****Income statement****For the six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		2016	2015	2016	2015
<b>Revenues</b>					
Revenues from hospital operations		8,955,313	8,740,254	8,711,380	8,491,975
Rental income		31,412	28,997	36,173	31,693
Interest income		58,818	74,186	57,069	72,030
Dividend income	4	-	-	55,000	149,308
Exchange gains		15,470	25,173	12,488	22,772
Other income		39,831	49,759	40,122	46,661
<b>Total revenues</b>		<b>9,100,844</b>	<b>8,918,369</b>	<b>8,912,232</b>	<b>8,814,439</b>
<b>Expenses</b>					
Cost of hospital operations		5,213,741	5,146,896	5,071,114	5,005,979
Administrative expenses		1,534,218	1,421,478	1,493,803	1,381,862
Loss on impairment of investment in a subsidiary	4	-	-	-	29,500
<b>Total expenses</b>		<b>6,747,959</b>	<b>6,568,374</b>	<b>6,564,917</b>	<b>6,417,341</b>
<b>Profit before share of profit from investments in associates, finance cost and income tax expenses</b>					
		2,352,885	2,349,995	2,347,315	2,397,098
Share of profit from investments in associates	5	729	3,709	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>2,353,614</b>	<b>2,353,704</b>	<b>2,347,315</b>	<b>2,397,098</b>
Finance cost		(101,288)	(92,191)	(101,288)	(92,191)
<b>Profit before income tax expenses</b>		<b>2,252,326</b>	<b>2,261,513</b>	<b>2,246,027</b>	<b>2,304,907</b>
Income tax expenses	13	(421,324)	(439,813)	(412,421)	(430,283)
<b>Profit for the period</b>		<b>1,831,002</b>	<b>1,821,700</b>	<b>1,833,606</b>	<b>1,874,624</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		1,835,749	1,823,440	1,833,606	1,874,624
Non-controlling interests of the subsidiaries		(4,747)	(1,740)		
		<u>1,831,002</u>	<u>1,821,700</u>		
<b>Earnings per share</b>					
	14				(Unit: Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company		2.52	2.50	2.52	2.57
Diluted earnings per share					
Profit attributable to equity holders of the Company		2.12	2.10	2.11	2.16

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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2016	2015	2016	2015
<b>Profit for the period</b>	<u>1,831,002</u>	<u>1,821,700</u>	<u>1,833,606</u>	<u>1,874,624</u>
<b>Other comprehensive income:</b>				
<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>(4,062)</u>	<u>(3,939)</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(4,062)</u>	<u>(3,939)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>1,826,940</u></u>	<u><u>1,817,761</u></u>	<u><u>1,833,606</u></u>	<u><u>1,874,624</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>1,833,107</u>	<u>1,839,315</u>	<u><u>1,833,606</u></u>	<u><u>1,874,624</u></u>
Non-controlling interests of the subsidiaries	<u>(6,167)</u>	<u>(21,554)</u>		
	<u><u>1,826,940</u></u>	<u><u>1,817,761</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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2016	2015	2016	2015
<b>Cash flows from operating activities</b>				
Profit before tax	2,252,326	2,261,513	2,246,027	2,304,907
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	560,840	508,300	536,660	488,017
Bad debts and allowance for doubtful accounts	46,315	31,227	46,221	31,233
Reduction of cost of inventories to net realisable value	293	1,167	-	-
Loss on sales and write-off of equipment	265	625	249	3,125
Long-term employee benefits expenses	44,927	36,699	43,732	35,933
Loss on impairment of investment in a subsidiary	-	-	-	29,500
Share of profit from investments in associates	(729)	(3,709)	-	-
Interest income	(58,818)	(74,186)	(57,069)	(72,030)
Dividend income	-	-	(55,000)	(149,308)
Amortisation of debenture issuing costs to interest expenses	3,187	3,025	3,187	3,025
Interest expenses	98,101	89,166	98,101	89,166
Profit from operating activities before changes in operating assets and liabilities	2,946,707	2,853,827	2,862,108	2,763,568
Operating assets (increase) decrease				
Trade and other receivables	(35,133)	(526,150)	(27,764)	(534,188)
Inventories	8,135	5,893	9,842	9,327
Prepaid expenses	(26,583)	(10,023)	(26,004)	(7,187)
Other current assets	7,906	(22,318)	10,434	(19,390)
Other non-current assets	166	3,279	165	3,271
Operating liabilities increase (decrease)				
Trade and other payables	(32,987)	43,350	(49,668)	24,153
Accrued physicians' fees	(34,650)	74,132	(34,155)	73,726
Accrued expenses	(122,457)	35,570	(118,603)	29,124
Other current liabilities	9,989	5,830	4,870	5,827
Provision for long-term employee benefits	(2,759)	(29,556)	(2,759)	(29,513)
Cash flows from operating activities	2,718,334	2,433,834	2,628,466	2,318,718
Cash paid for corporate income tax	(387,657)	(382,769)	(377,866)	(370,920)
<b>Net cash flows from operating activities</b>	<b>2,330,677</b>	<b>2,051,065</b>	<b>2,250,600</b>	<b>1,947,798</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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2016	2015	2016	2015
<b>Cash flows from investing activities</b>				
Decrease in short-term investments	317,600	50,000	393,000	-
Decrease in long-term loan to a related party	-	-	9,000	-
Acquisition of investment in a subsidiary	-	-	(115,000)	(240)
Dividend received	-	-	55,000	110,249
Acquisition of land and equipment and payment of construction and medical equipment payables	(859,652)	(437,212)	(801,263)	(395,154)
Acquisition of computer software	(21,417)	(5,308)	(20,914)	(4,403)
Proceeds from sales of equipment	324	793	324	793
Interest income	58,818	74,186	57,086	72,030
<b>Net cash flows used in investing activities</b>	<b>(504,327)</b>	<b>(317,541)</b>	<b>(422,767)</b>	<b>(216,725)</b>
<b>Cash flows from financing activities</b>				
Increase in long-term loan from an unrelated party	19,073	-	-	-
Interest paid for long-term debentures	(116,368)	(115,735)	(116,368)	(115,735)
Dividend paid	(1,057,050)	(911,806)	(1,057,050)	(911,806)
Interest paid for convertible bonds treated as equity securities	(16,384)	(16,384)	(16,384)	(16,384)
<b>Net cash flows used in financing activities</b>	<b>(1,170,729)</b>	<b>(1,043,925)</b>	<b>(1,189,802)</b>	<b>(1,043,925)</b>
Increase (decrease) in translation adjustment	2,747	(822)	-	-
<b>Net increase in cash and cash equivalents</b>	<b>658,368</b>	<b>688,777</b>	<b>638,031</b>	<b>687,148</b>
Cash and cash equivalents at beginning of period	5,054,160	4,675,713	4,818,341	4,540,099
<b>Cash and cash equivalents at end of period</b>	<b>5,712,528</b>	<b>5,364,490</b>	<b>5,456,372</b>	<b>5,227,247</b>
	-		-	
<b>Supplemental cash flow information</b>				
Non-cash transactions				
Interest capitalised as cost of assets	18,838	27,242	18,838	27,242
Increase (decrease) in construction and medical equipment payables	33,126	44,254	(5,038)	36,316
Convert long-term loan to a related party to investment in a subsidiary	-	-	-	1,855

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 six-month period ended 30 June 2016

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
Other components of shareholders' equity												
Other comprehensive income												
Exchange differences												
	Issued and paid-up share capital		Convertible bonds treated as equity securities		Retained earnings		on translation of financial statements in foreign currencies	Other surplus 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 subsidiaries	Total shareholders' equity
	Ordinary shares	Preference shares	Premium on ordinary shares	Equity securities	Appropriated	Unappropriated						
<b>Balance as at 1 January 2015</b>	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
Profit for the period	-	-	-	-	-	1,823,440	-	-	-	1,823,440	(1,740)	1,821,700
Other comprehensive income for the period	-	-	-	-	-	-	15,875	-	15,875	15,875	(19,814)	(3,939)
Total comprehensive income for the period	-	-	-	-	-	1,823,440	15,875	-	15,875	1,839,315	(21,554)	1,817,761
Preference shares converted to ordinary shares (Note 12)	25	(25)	-	-	-	-	-	-	-	-	-	-
Dividend paid (Note 16)	-	-	-	-	-	(912,557)	-	-	-	(912,557)	-	(912,557)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(16,117)	-	-	-	(16,117)	-	(16,117)
<b>Balance as at 30 June 2015</b>	<b>728,625</b>	<b>1,427</b>	<b>285,568</b>	<b>550,000</b>	<b>92,275</b>	<b>9,886,895</b>	<b>(3,094)</b>	<b>252,173</b>	<b>249,079</b>	<b>11,793,869</b>	<b>355,181</b>	<b>12,149,050</b>
<b>Balance as at 1 January 2016</b>	728,625	1,427	285,568	550,000	92,275	10,799,084	26,534	252,173	278,707	12,735,686	364,804	13,100,490
Profit for the period	-	-	-	-	-	1,835,749	-	-	-	1,835,749	(4,747)	1,831,002
Other comprehensive income for the period	-	-	-	-	-	-	(2,642)	-	(2,642)	(2,642)	(1,420)	(4,062)
Total comprehensive income for the period	-	-	-	-	-	1,835,749	(2,642)	-	(2,642)	1,833,107	(6,167)	1,826,940
Preference shares converted to ordinary shares (Note 12)	20	(20)	-	-	-	-	-	-	-	-	-	-
Dividend paid (Note 16)	-	-	-	-	-	(1,058,340)	-	-	-	(1,058,340)	-	(1,058,340)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(16,117)	-	-	-	(16,117)	-	(16,117)
<b>Balance as at 30 June 2016</b>	<b>728,645</b>	<b>1,407</b>	<b>285,568</b>	<b>550,000</b>	<b>92,275</b>	<b>11,560,376</b>	<b>23,892</b>	<b>252,173</b>	<b>276,065</b>	<b>13,494,336</b>	<b>358,637</b>	<b>13,852,973</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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

**Separate financial statements**

	Issued and paid-up share capital		Premium on ordinary shares	Convertible bonds treated as equity securities	Retained earnings		Total shareholders' equity
	Ordinary shares	Preference shares			Appropriated	Unappropriated	
<b>Balance as at 1 January 2015</b>	728,600	1,452	285,568	550,000	92,275	8,919,885	10,577,780
Profit for the period	-	-	-	-	-	1,874,624	1,874,624
Total comprehensive income for the period	-	-	-	-	-	1,874,624	1,874,624
Preference shares converted to ordinary shares (Note 12)	25	(25)	-	-	-	-	-
Dividend paid (Note 16)	-	-	-	-	-	(912,557)	(912,557)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(16,117)	(16,117)
<b>Balance as at 30 June 2015</b>	<u>728,625</u>	<u>1,427</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>9,865,835</u>	<u>11,523,730</u>
<b>Balance as at 1 January 2016</b>	728,625	1,427	285,568	550,000	92,275	10,703,897	12,361,792
Profit for the period	-	-	-	-	-	1,833,606	1,833,606
Total comprehensive income for the period	-	-	-	-	-	1,833,606	1,833,606
Preference shares converted to ordinary shares (Note 12)	20	(20)	-	-	-	-	-
Dividend paid (Note 16)	-	-	-	-	-	(1,058,340)	(1,058,340)
Interest paid for convertible bonds treated as equity securities	-	-	-	-	-	(16,117)	(16,117)
<b>Balance as at 30 June 2016</b>	<u>728,645</u>	<u>1,407</u>	<u>285,568</u>	<u>550,000</u>	<u>92,275</u>	<u>11,463,046</u>	<u>13,120,941</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 and six-month periods ended 30 June 2016**

#### **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 2015) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, 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 interim 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 2015. 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 Group has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. 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.

## 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 2015.

## 2. 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.

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 June		For the three-month periods ended 30 June		
	2016	2015	2016	2015	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	7.9	8.1	Market price
Professional service income	-	-	1.7	1.6	Actual paid
Rental income	-	-	2.4	1.4	As per contracts
Sales of medicine and medical supplies	-	-	2.1	-	Cost plus margin
Sales of equipment	-	-	-	0.1	Cost plus margin
Dividend income	-	-	55.0	149.3	As declared
Pharmacy expense	-	-	1.9	2.0	Market price
Training expense	-	-	46.3	35.8	Cost plus margin
Service fees	-	-	2.1	-	Cost plus margin

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month		For the three-month		
	periods ended 30 June		periods ended 30 June		
	2016	2015	2016	2015	
<b>Transactions with associates</b>					
Interest expense on long-term loans	0.6	0.7	0.6	0.7	1.38% p.a.
<b>Transactions with related parties</b>					
Medical service income	32.3	14.2	32.3	14.2	Market price
Rental income	0.7	0.6	0.7	0.6	Market price
Interest income on short-term investments	6.9	11.0	6.7	10.3	1.58% to 1.80% p.a. (2015: 1.88% to 3.10% p.a.)
Other income	0.2	0.2	0.2	0.2	At cost
Lab service expense	3.2	2.2	3.2	2.2	Market price
Purchase of medicine and medical supplies	2.9	3.5	2.9	3.5	Market price
Donation expense	8.4	6.0	8.4	6.0	-
Insurance expense	7.5	8.6	7.5	8.5	As per insurance policies
Credit card commission fees	30.7	31.2	29.5	30.2	Market price
Legal advisory fee	1.0	0.8	0.9	0.8	Market price
Service fee	0.1	0.2	0.1	0.2	Market price
Interest expense on long-term debentures	11.6	11.5	11.6	11.5	4.13% to 4.97% p.a.
Interest expense on convertible bonds	8.1	8.1	8.1	8.1	10.00% and 1.00% p.a.

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the six-month		For the six-month		
	periods ended 30 June		periods ended 30 June		
	2016	2015	2016	2015	
<b>Transactions with subsidiaries</b>					
(eliminated from the consolidated financial statements)					
Medical service income	-	-	15.6	15.5	Market price
Professional service income	-	-	3.2	3.5	Actual paid
Rental income	-	-	4.8	2.7	As per contracts
Sales of medicine and medical supplies	-	-	4.1	-	Cost plus margin
Sales of equipment	-	-	-	0.2	Cost plus margin
Dividend income	-	-	55.0	149.3	As declared
Lab service expense	-	-	0.1	0.1	Market price
Pharmacy expense	-	-	4.2	3.9	Market price
Training expense	-	-	79.6	53.5	Cost plus margin
Service fees	-	-	3.6	-	Cost plus margin



(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the six-month		For the six-month		
	periods ended 30 June		periods ended 30 June		
	2016	2015	2016	2015	
<b>Transactions with associate</b>					
Interest expense on long-term loan	1.2	1.3	1.2	1.3	1.38% p.a. (2015: 1.38% and 1.50% p.a.)
<b>Transactions with related parties</b>					
Medical service income	63.4	33.7	63.4	33.7	Market price
Rental income	1.3	1.2	1.3	1.2	Market price
Interest income on short-term investments	7.0	24.7	6.8	23.3	1.58% to 1.80% p.a. (2015: 1.88% to 3.10% p.a.)
Other income	0.4	0.4	0.4	0.4	At cost
Lab service expense	5.8	3.7	5.8	3.7	Market price
Purchase of medicine and medical supplies	6.4	6.7	6.4	6.7	Market price
Donation expense	15.2	12.0	15.2	12.0	-
Insurance expense	15.5	17.4	15.4	17.3	As per insurance policies
Credit card commission fees	63.5	62.9	61.1	60.8	Market price
Legal advisory fee	1.3	1.3	1.2	1.3	Market price
Service fee	0.3	1.4	0.3	1.4	Market price
Interest expense on long-term debentures	23.1	22.9	23.1	22.9	4.13% to 4.97% p.a.
Interest expense on convertible bonds	16.1	16.1	16.1	16.1	10.00% and 1.00% p.a.

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
<b>Short-term investments - Fixed deposits with a local commercial bank</b>				
Related company (common director)	<u>1,979,400</u>	<u>2,302,000</u>	<u>1,909,000</u>	<u>2,302,000</u>
<b>Trade and other receivables - related parties (Note 3)</b>				
Subsidiaries	-	-	14,691	20,278
Associate	4	3	4	3
Related parties (common director)	<u>4,543</u>	<u>3,191</u>	<u>4,543</u>	<u>3,191</u>
Total	<u>4,547</u>	<u>3,194</u>	<u>19,238</u>	<u>23,472</u>
<b>Trade and other payables - related parties (Note 8)</b>				
Subsidiaries	<u>-</u>	<u>-</u>	<u>13,246</u>	<u>16,581</u>

(Unaudited but reviewed)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
30 June	31 December	30 June	31 December	
2016	2015	2016	2015	
<b>Long-term loan to and interest receivable from a related party</b>				
Subsidiary	-	-	9,017	
<b>Long-term loan from and interest payable to a related party</b>				
Associate	184,075	182,869	182,869	
<b>Long-term debentures</b>				
Related companies (major shareholder and common director)	955,000	955,000	955,000	
<b>Convertible bonds treated as equity securities</b>				
Related company (common director)	550,000	550,000	550,000	

#### Long-term loan to and interest receivable from a related party

During the six-month period ended 30 June 2016, movements of long-term loan to and interest receivable from a subsidiary were as follows.

	(Unit: Thousand Baht)			
	Separate financial statements			Balance as at 30 June 2016
	Balance as at 1 January 2016	During the period		
	Increase	Decrease		
Bumrungrad Health Network Co., Ltd.				
Principal	9,000	-	(9,000)	-
Interest receivable	17	28	(45)	-
Total	9,017	28	(9,045)	-

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

During the six-month period ended 30 June 2016, movements of long-term loan from and interest payable to an associate were as follows.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January			30 June
	2016	Increase	Decrease	2016
Bumrungrad International Ltd.				
Principal	176,400	-	-	176,400
Interest payable	6,469	1,206	-	7,675
<b>Total</b>	<b>182,869</b>	<b>1,206</b>	<b>-</b>	<b>184,075</b>

**Directors and management's benefits**

During the three-month and six-month periods ended 30 June 2016 and 2015, the Group had employee benefit expenses payable to their directors and management as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month		For the three-month	
	periods ended 30 June		periods ended 30 June	
	2016	2015	2016	2015
Short-term employee benefits	35,672	26,085	32,899	23,689
Post employment benefits	2,228	1,363	2,025	1,292
Other long-term benefits	1	-	-	-
<b>Total</b>	<b>37,901</b>	<b>27,448</b>	<b>34,924</b>	<b>24,981</b>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month		For the six-month	
	periods ended 30 June		periods ended 30 June	
	2016	2015	2016	2015
Short-term employee benefits	63,647	51,686	57,632	47,240
Post employment benefits	4,309	2,726	4,049	2,584
Other long-term benefits	2	1	1	1
<b>Total</b>	<b>67,958</b>	<b>54,413</b>	<b>61,682</b>	<b>49,825</b>

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	4,248	2,851	5,051	5,857
Total trade receivables - related parties	4,248	2,851	5,051	5,857
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	869,502	989,973	860,378	984,354
Past due				
1 - 30 days	281,704	5,866	280,144	4,061
31 - 60 days	2,598	260,881	1,995	260,461
61 - 90 days	164,945	220,749	164,528	219,771
91 - 180 days	349,699	312,333	349,509	310,947
181 - 365 days	371,892	397,789	371,788	397,643
More than 365 days	410,874	240,556	410,524	240,207
Total	2,451,214	2,428,147	2,438,866	2,417,444
Less: Allowance for doubtful accounts	(152,073)	(119,182)	(151,690)	(118,781)
Total trade receivables - unrelated parties, net	2,299,141	2,308,965	2,287,176	2,298,663
Total trade receivables - net	2,303,389	2,311,816	2,292,227	2,304,520
<u>Other receivables</u>				
Advances and loans to employees	3,552	6,263	3,512	6,248
Accrued income - related parties	299	343	14,187	17,615
Total other receivables	3,851	6,606	17,699	23,863
Total trade and other receivables - net	2,307,240	2,318,422	2,309,926	2,328,383

#### 4. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company	Paid-up capital		Shareholding percentage		Cost		Allowance for loss on impairment		Carrying amounts based on cost method - net	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)						
Vitalife Corporation Ltd.	Baht 31.5 million	Baht 31.5 million	100	100	25,610	25,610	-	-	25,610	25,610
Asia Global Research Co., Ltd.	Baht 50 million	Baht 50 million	100	100	50,000	50,000	50,000	50,000	-	-
Ruenmongkol Co., Ltd.	Baht 340 million	Baht 340 million	100	100	1,045,034	1,045,034	-	-	1,045,034	1,045,034
Bumrungrad Health Network Co., Ltd.	Baht 120 million	Baht 5 million	100	100	120,000	5,000	-	-	120,000	5,000
Bumrungrad Personnel Development and Training Center Co., Ltd.	Baht 5 million	Baht 5 million	100	100	5,000	5,000	-	-	5,000	5,000
Asia Global Health Ltd.	HKD 7.1 million	HKD 7.1 million	100	100	31,558	31,558	29,500	29,500	2,058	2,058
Life and Longevity Ltd.	USD 62,000	USD 62,000	100	100	2,143	2,143	-	-	2,143	2,143
Health Horizons Enterprises Pte. Ltd.	USD 16.6 million	USD 16.6 million	80	80	430,611	430,611	-	-	430,611	430,611
Bumrungrad Services Co., Ltd.	Baht 2 million	Baht 2 million	100	100	2,000	2,000	-	-	2,000	2,000
Total					<u>1,711,956</u>	<u>1,596,956</u>	<u>79,500</u>	<u>79,500</u>	<u>1,632,456</u>	<u>1,517,456</u>

During the periods, the Company received dividends from subsidiaries in the separate financial statements as follow.

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2016	2015	2016	2015
Vitalife Corporation Ltd.	-	149,308	-	149,308
Bumrungrad Personnel Development and Training Center Co., Ltd.	55,000	-	55,000	-
<b>Total</b>	<b>55,000</b>	<b>149,308</b>	<b>55,000</b>	<b>149,308</b>

### Capital increase of subsidiaries

On 11 March 2016, the Annual General Meeting of the shareholders of a subsidiary (Bumrungrad Health Network Co., Ltd.) passed a resolution to increase the registered share capital from Baht 5 million (0.5 million ordinary shares with a par value of Baht 10 each) to Baht 120 million (12 million ordinary shares with a par value of Baht 10 each), by issuing additional 11.5 million ordinary shares with a par value of Baht 10 each to the subsidiary's existing shareholders. The Company acquired all of the additional shares and paid in the additional share capital on 14 March 2016. The subsidiary registered the increase of its share capital with the Ministry of Commerce on 15 March 2016.

On 27 June 2016, the Annual General Meeting of the shareholders of a subsidiary (Health Horizons Enterprises Pte. Ltd.) passed a resolution to increase the registered share capital from USD 16.6 million (16.6 million ordinary shares with a par value of USD 1 each) to USD 16.8 million (16.8 million ordinary shares with a par value of USD 1 each), by issuing additional 0.2 million ordinary shares with a par value of USD 1 each to the subsidiary's existing shareholders. The Company acquired the additional 0.16 million shares and paid in the additional share capital on 22 July 2016. The subsidiary is in process of registering the increase of its share capital.

## 5. Investments in associates

### 5.1 Details of investment in an associate

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
			(%)	(%)				
Bumrungrad International Ltd.	Holding company	Thailand	31.5	31.5	1,447	1,447	234,796	234,067

(Unit: Thousand Baht)

Company	Separate financial statements							
	Shareholding percentage		Cost		Allowance for loss on impairment		Carrying amounts based on cost method - net	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
	(%)	(%)						
Bumrungrad International Ltd.	31.5	31.5	1,447	1,447	-	-	1,447	1,447

### 5.2 Share of comprehensive income 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)

Company's name	Consolidated financial statements			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2016	2015	2016	2015
Bumrungrad International Ltd.	706	1,032	729	2,022
CDE Trading Ltd. (dissolved on 17 November 2015)	-	850	-	1,687
Total	706	1,882	729	3,709

During the three-month and six-month periods ended 30 June 2016 and 2015, 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	Paid-up capital as at		Total assets as at		Total liabilities as at		Total revenues for the six-month periods ended		Profit (loss) for the six-month periods ended	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June		30 June	
							2016	2015	2016	2015
Bumrungrad International Ltd.	4.6	4.6	759.0	754.2	13.6	11.2	5.2	7.8	2.3	6.4
CDE Trading Ltd. (dissolved on 17 November 2015)	-	-	-	-	-	-	-	-	-	(0.5)

**6. Property, plant and equipment**

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2016</b>	10,472,112	8,791,954
Acquisitions during period - at cost	892,778	796,225
Capitalisation of interest cost	18,777	18,777
Disposals and write-off during the period - net book value at disposal and write-off date	(589)	(573)
Depreciation for the period	(526,644)	(502,693)
Translation adjustments	(3,972)	-
<b>Net book value as at 30 June 2016</b>	<b>10,852,462</b>	<b>9,103,690</b>

As at 30 June 2016, the Company had an outstanding balance of land, work under construction of building and building improvement of Baht 1,140 million (31 December 2015: Baht 1,129 million), which their acquisitions and construction have been financed by long-term debentures. Borrowing costs totaling Baht 19 million were capitalised during the six-month period ended 30 June 2016 (2015: Baht 27 million). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 4.87% p.a. (2015: 4.87% p.a.).

**7. Goodwill**

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

**8. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade payables - unrelated parties	712,276	754,355	687,715	732,435
Construction and medical equipment payables	85,797	52,671	47,633	52,671
Other payables - related parties	-	-	13,246	16,581
Other payables - unrelated parties	33,400	23,018	18,487	18,810
<b>Total trade and other payables</b>	<b>831,473</b>	<b>830,044</b>	<b>767,081</b>	<b>820,497</b>



## 9. Long-term loan from and interest payable to an unrelated party

During the six-month period ended 30 June 2016, movements of long-term loan from and interest payable to an unrelated party were as follows.

(Unit: Thousand Baht)

	Consolidated financial statements			Balance as at 30 June 2016
	Balance as at 1 January 2016	During the period		
		Increase	Decrease	
Principal	-	19,073	-	19,073
Interest payable	-	50	-	50
Translation adjustment	-	(22)	-	(22)
<b>Total</b>	<b>-</b>	<b>19,101</b>	<b>-</b>	<b>19,101</b>

As at 30 June 2016, long-term loan was a loan which Bumrungrad Myanmar Co., Ltd., a subsidiary, entered into a loan agreement with other shareholder in USD and due at call. The loan carries interest at the 1-year fixed deposit rate of a local commercial bank but not over 3.25 percent per annum. Interest is due annually. The other shareholder does not plan to call the loan in the near future, it is therefore classified as a long-term loan.

## 10. Long-term debentures

As at 30 June 2016 and 31 December 2015, long-term debentures are as below.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements	
	30 June 2016	31 December 2015
Long-term debentures	5,000,000	5,000,000
Less: Deferred debenture issuing costs	(18,658)	(21,845)
Long-term debentures - net	4,981,342	4,978,155
Less: Current portion	(1,498,598)	(1,497,145)
<b>Long-term debentures, net of current portion</b>	<b>3,482,744</b>	<b>3,481,010</b>

The long-term debentures are unsecured and unsubordinated debentures in Baht currency with fixed interest rates. Their fair value as at 30 June 2016 amounted to Baht 5,377 million (31 December 2015: Baht 5,323 million). The fair value hierarchy is level 2 and there are no transfers within the fair value hierarchy during the periods.

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
<b>As at 1 January 2016</b>	476,694	468,989
Increase during the period	44,927	43,732
Utilised	(2,759)	(2,759)
<b>As at 30 June 2016</b>	<u>518,862</u>	<u>509,962</u>

**12. Share capital**

In the first quarter of 2016, 20,000 preference shares (2015: 25,000 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 8 March 2016.

**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 and six-month periods ended 30 June 2016 and 2015 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Interim corporate income tax charge	201,165	210,925	195,898	205,601
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(14,487)	858	(14,108)	769
<b>Income tax expenses reported in the income statements</b>	<u>186,678</u>	<u>211,783</u>	<u>181,790</u>	<u>206,370</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Interim corporate income tax charge	451,089	443,426	441,298	433,159
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(29,765)	(3,613)	(28,877)	(2,876)
<b>Income tax expenses reported in the income statements</b>	<b>421,324</b>	<b>439,813</b>	<b>412,421</b>	<b>430,283</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 30 June					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	857,996	848,731	728,645	728,625	1.18	1.16
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares	-	-	1,407	1,427		
Convertible bonds	-	-	137,363	137,363		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	857,996	848,731	867,415	867,415	0.99	0.98

(Unaudited but reviewed)

Separate financial statements						
For the three-month periods ended 30 June						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
877,120	957,785	728,645	728,625	1.20	1.31	
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares						
-	-	1,407	1,427			
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>877,120</u>	<u>957,785</u>	<u>867,415</u>	<u>867,415</u>	1.01	1.10	

Consolidated financial statements						
For the six-month periods ended 30 June						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
1,835,749	1,823,440	728,638	728,617	2.52	2.50	
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares						
-	-	1,414	1,435			
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>1,835,749</u>	<u>1,823,440</u>	<u>867,415</u>	<u>867,415</u>	2.12	2.10	

Separate financial statements						
For the six-month periods ended 30 June						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2016	2015	2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company						
1,833,606	1,874,624	728,638	728,617	2.52	2.57	
<b>Effect of dilutive potential ordinary shares</b>						
Preference shares						
-	-	1,414	1,435			
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>1,833,606</u>	<u>1,874,624</u>	<u>867,415</u>	<u>867,415</u>	2.11	2.16	

**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 Group has only one main reportable operating segment, which is the hospital and health care center business, and the major geographical area of its operations is Thailand, with its overseas operations not being material. 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. Dividend paid**

The Company declared dividend during the six-month periods ended 30 June 2016 and 2015 as follows.

Dividend	Approved by	Dividend paid (Thousand Baht)	Dividend per share (Baht)
Final dividend for 2015	Annual General Meeting of the shareholder on 27 April 2016	1,058,340	1.45
Final dividend for 2014	Annual General Meeting of the shareholder on 29 April 2015	912,557	1.25

**17. Commitments and contingent liabilities****17.1 Capital commitments**

As at 30 June 2016 and 31 December 2015, the Group has capital commitments as below.

Details of Commitments	(Unit: Million Baht)			
	Consolidated		Separate	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
1) Design and renovation agreements of buildings	152	146	151	144
2) Purchase of medical instruments and hospital equipment	144	177	144	176

## 17.2 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 1 and 30 years.

As at 30 June 2016 and 31 December 2015, future minimum payments required under the above agreements were as follows.

(Unit: Million Baht)

Details of commitments	Consolidated financial statements					
	Payable within					
	1 year		1 to 5 years		More than 5 years	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	1	2	5	7	1	2
2) Lease of office space	33	32	27	33	-	-
3) Maintenance service fee for medical instruments	138	136	135	100	-	-
4) Rental and maintenance service fee for cars	13	11	26	16	-	-
5) Service fee for medical treatment information database	40	41	251	218	-	-

(Unit: Million Baht)

Details of commitments	Separate financial statements					
	Payable within					
	1 year		1 to 5 years		More than 5 years	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
1) Nursing dormitory land rental expense (shall be extended for a further period of 30 years)	1	2	5	7	1	2
2) Lease of office space	33	32	27	33	-	-
3) Maintenance service fee for medical instruments	129	128	104	64	-	-
4) Rental and maintenance service fee for cars	12	10	25	15	-	-
5) Service fee for medical treatment information database	38	39	248	213	-	-

### **17.3 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 30 June 2016, the outstanding amount of medical supplies and services that the Company is required to purchase in accordance with the contract is Baht 198 million (31 December 2015: Baht 239 million).

### **17.4 Uncalled portion of an investment in a subsidiary**

As at 30 June 2016, the Company has commitment in respect of the uncalled portion of investment in an overseas subsidiary (Asia Global Health Ltd.) of HKD 2.34 million (31 December 2015: HKD 2.34 million).

### **17.5 Guarantees**

As at 30 June 2016, there were outstanding bank guarantees of Baht 28 million (31 December 2015: Baht 28 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.

### **17.6 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 10,966 million, or equivalent to approximately Baht 188 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 30 June 2016 and 31 December 2015, the Group estimated that it has no obligation to pay an additional consideration.

**18. Reclassifications**

The Company reclassified certain amounts in the income statements for the three-month and six-month periods ended 30 June 2015 to conform to the current periods' classification, as following.

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	For the three-month		For the three-month	
	period ended 30 June 2015		period ended 30 June 2015	
	As reclassified	As previously reported	As reclassified	As previously reported
Cost of hospital operations	2,622,315	2,593,492	2,549,550	2,520,727
Administrative expenses	734,069	762,892	719,127	747,950

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	For the six-month		For the six-month	
	period ended 30 June 2015		period ended 30 June 2015	
	As reclassified	As previously reported	As reclassified	As previously reported
Cost of hospital operations	5,146,896	5,106,003	5,005,979	4,965,086
Administrative expenses	1,421,478	1,462,371	1,381,862	1,422,755

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

**19. Event after the reporting period**

On 28 July 2016, the Company's Board of Directors Meeting approved the payment of an interim dividend of Baht 0.95 per share to the Company's preference and ordinary shareholders from the Company's operations from 1 January 2016 to 30 June 2016. This constitutes a total dividend of Baht 694 million which will be paid on 26 August 2016.

**20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 28 July 2016.