Bumrungrad Hospital Public Company Limited

Investor Presentation

June 2006

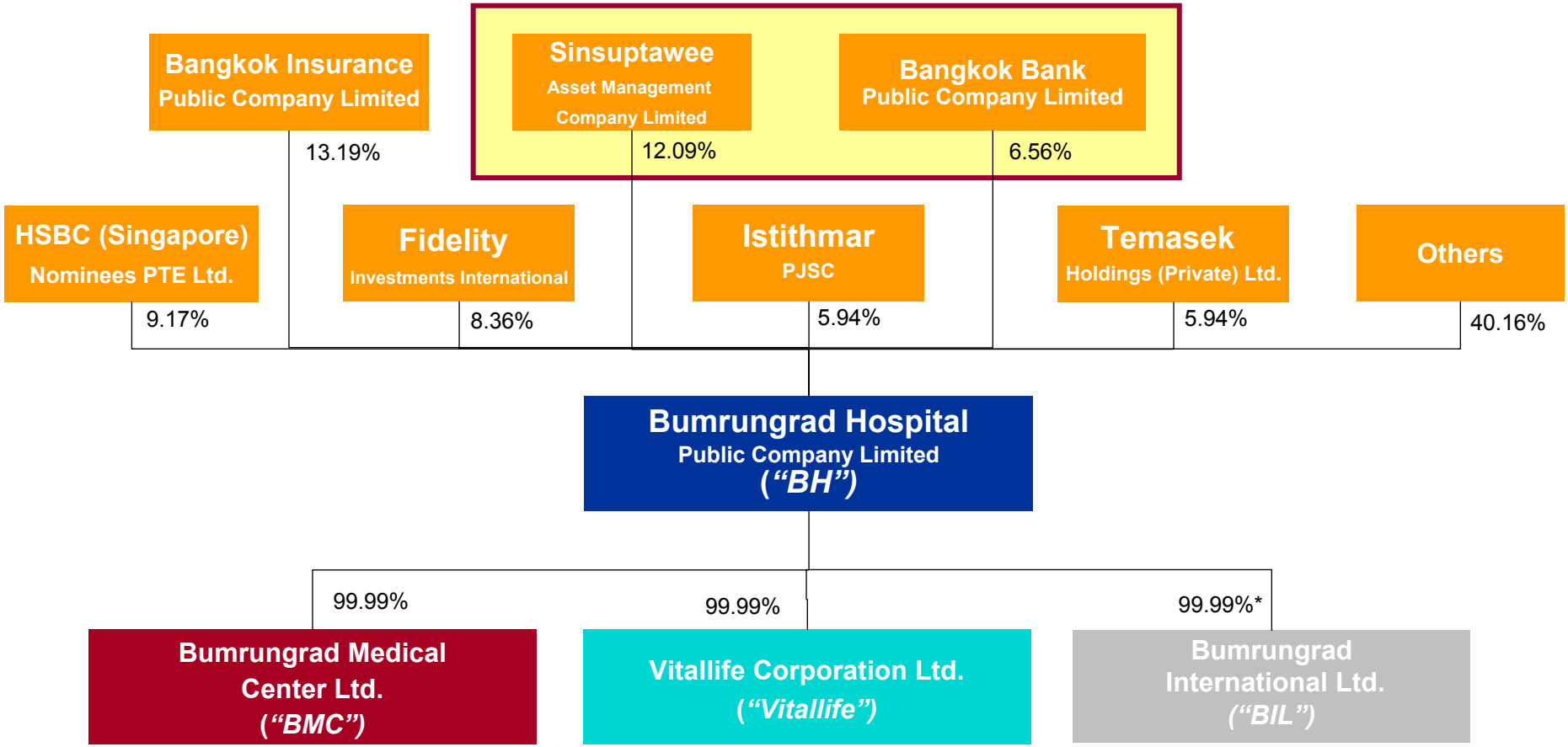
Bumrungrad International

Agendas

- Introduction to BH
- BH Profile
- BH Financial Performance
- Key Success Factors and Business Strategy
- Recent Updates

Introduction: Group Structure

Core business of BH is the renowned Bumrungrad Hospital



* *The joint venture agreements with strategic partners have been signed; BH ownership in BIL is expected to reduce to 51% in July 2006*

Note: As of April 2006

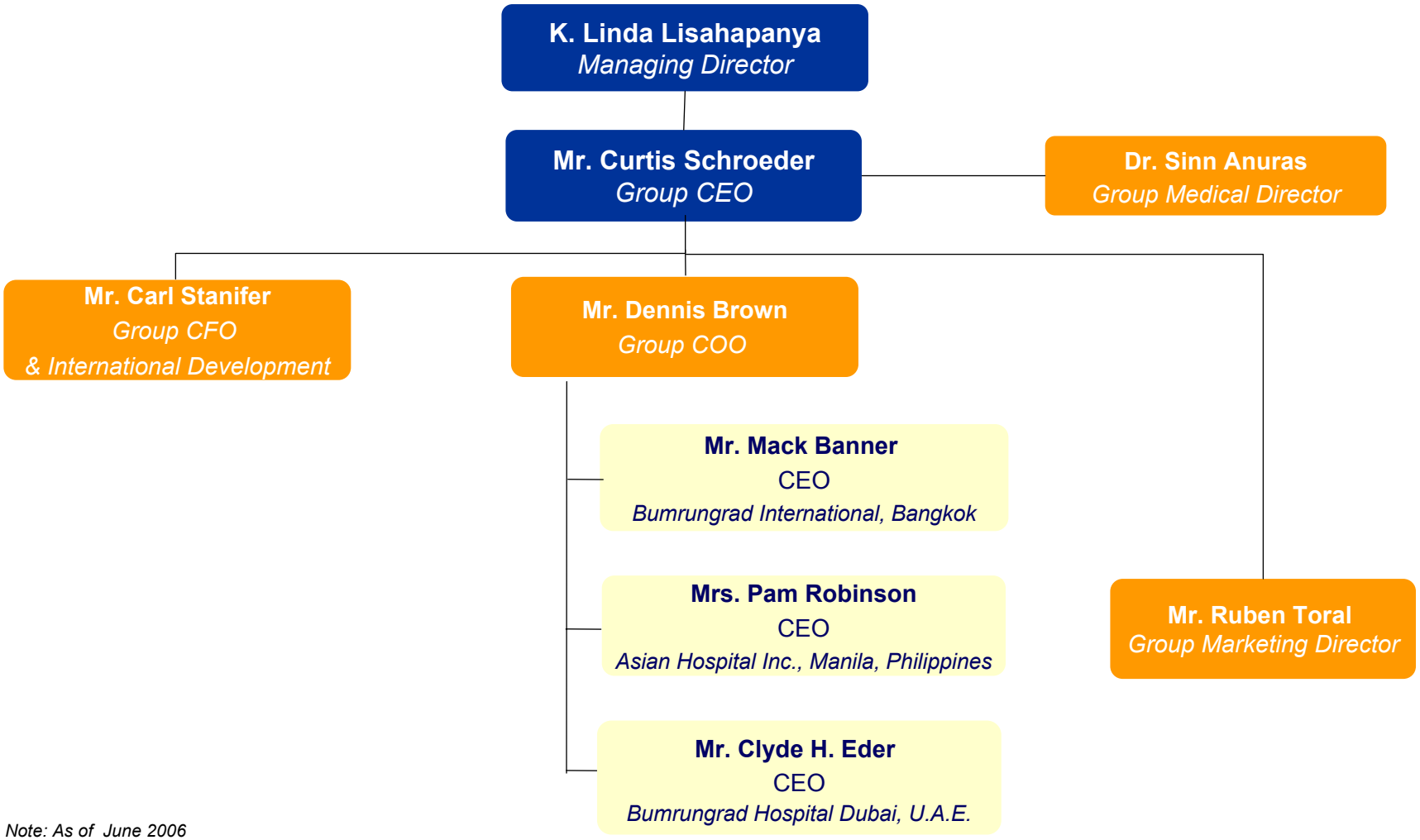
Introduction: Fact Sheet

With a 25 year track record, BH is now the leading healthcare service provider in Thailand and the South-East Asian region

Facilities	✓ One of the largest and most sophisticated private hospitals in South-East Asia ✓ 554 inpatient beds and 3,500 outpatient capacity per day ✓ Thailand's leading tertiary medical center
Accreditation	✓ 1st hospital in the world with ISO 9001:2000 ✓ 1st hospital in Asia to receive US JCIA Accreditation ✓ 1st hospital in Thailand with Thai Hospital Accreditation
Patient Volume & Revenue	✓ Over one million patients treated annually ✓ International following with 400,000 international patients from 190 countries ✓ Thailand's largest and fastest growing private hospital
Services	✓ 19 specialist departments ✓ 102 sub-specialist departments

Introduction: Management Team

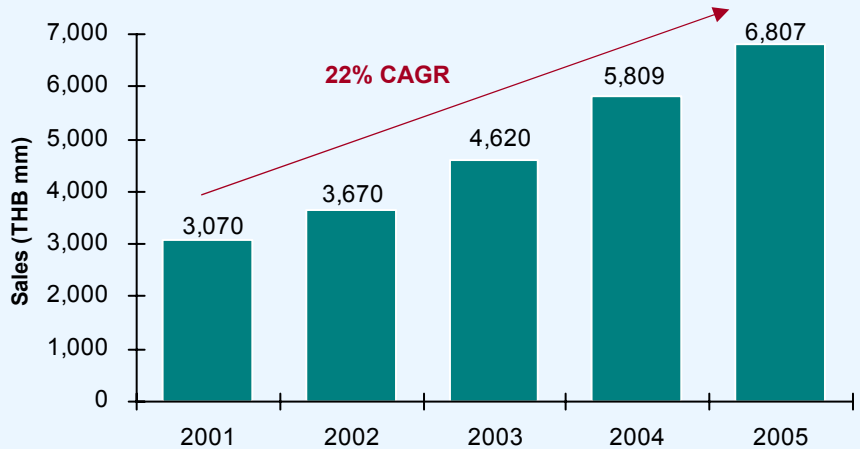
BH's management team comprises individuals with extensive experience in healthcare management



Note: As of June 2006

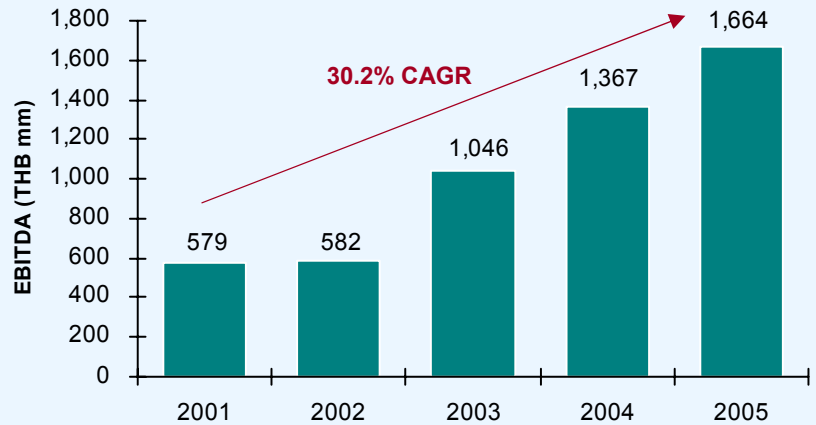
Operating Performance Y2001-2005

Total Revenue



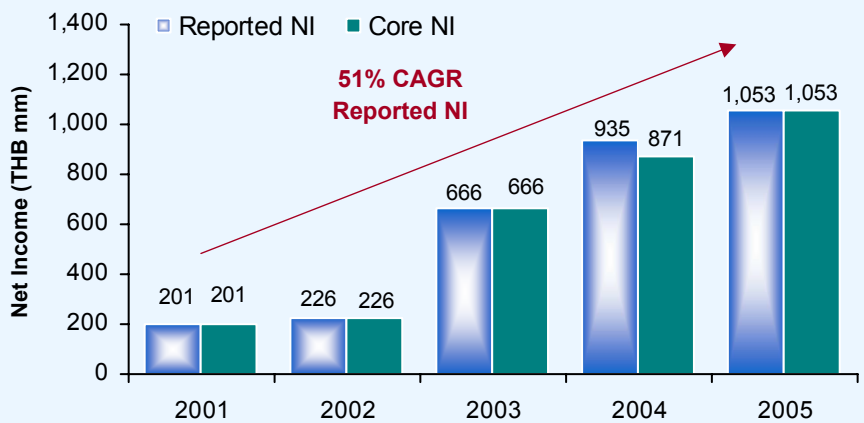
Source: Audited FS

EBITDA



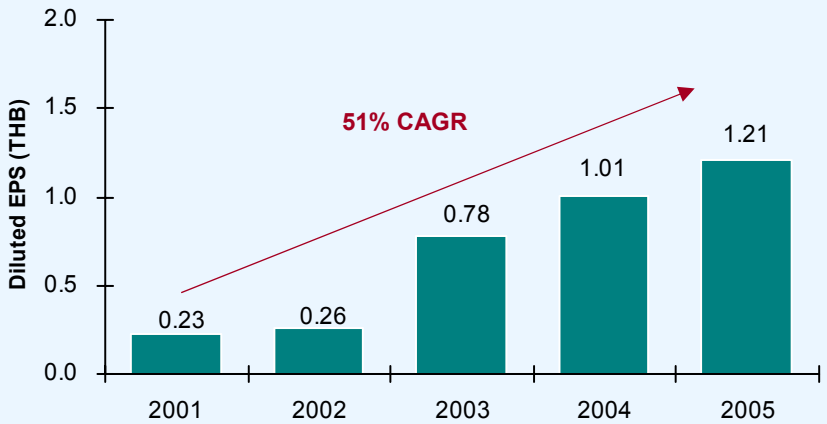
Source: Audited FS

Net Income



* Core earnings is equal to net income before extraordinary items.
Source: Audited FS

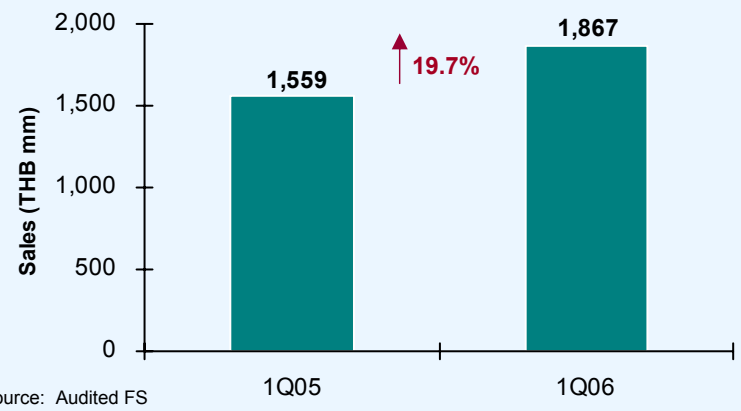
DILUTED EPS



Assume that par value is THB 1 since 2001 for comparative purpose.

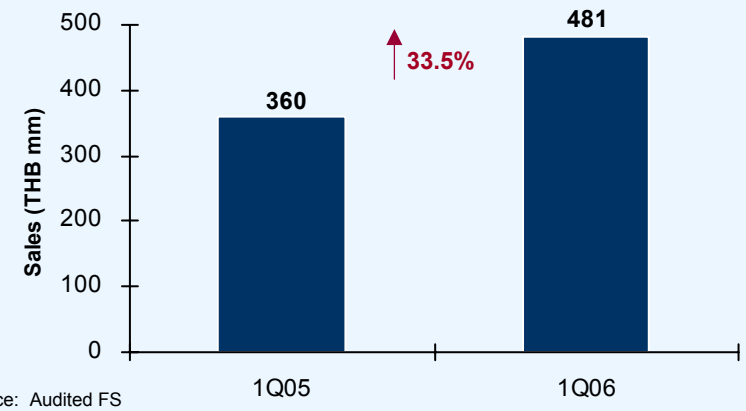
1Q06 Update

Revenue from Hospital Operations (THB mm)



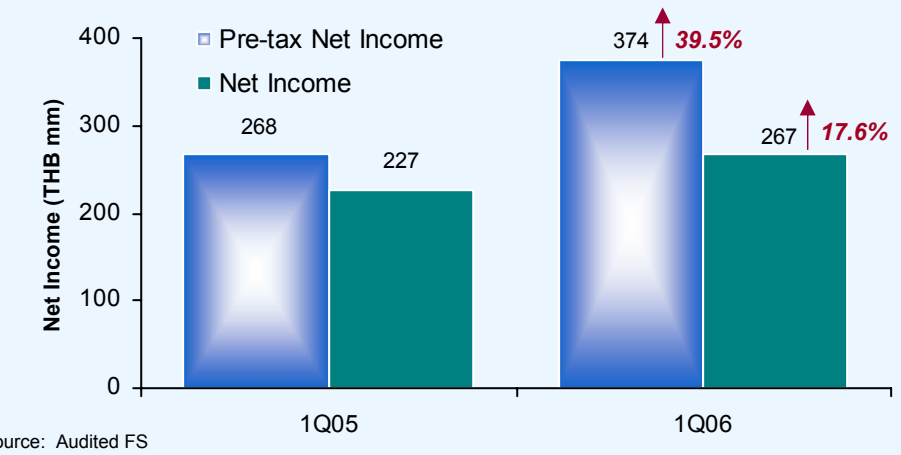
Source: Audited FS

EBITDA (THB mm)



Source: Audited FS

Net Income (THB mm)

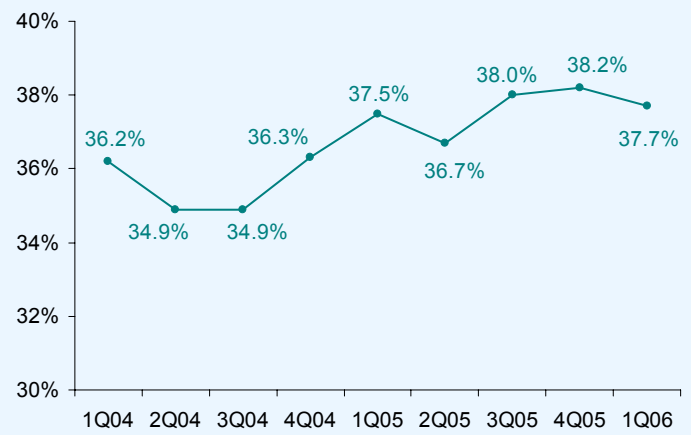


Source: Audited FS

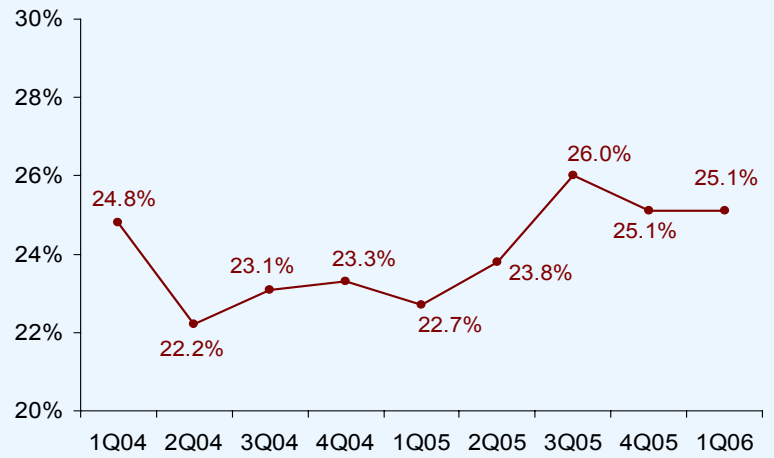
- Sales from hospital operations was up 19.7% as a result of:
  - Inpatient revenue growth of 14%
  - Outpatient revenue growth of 25%
- EBITDA increased by 33.5% as a result of slower increase in SG&A compared to increase in revenue because:
  - effective cost control
  - economies of scale & higher intensity
- Pre-tax net profit increased by 39.5%, signifying continuous impressive growth in hospital operations while net profit increased at a slower rate of 17.6% due to higher corporate income tax from THB 41 million in 1Q05 to THB 108 million in 1Q06

Margins & Trend

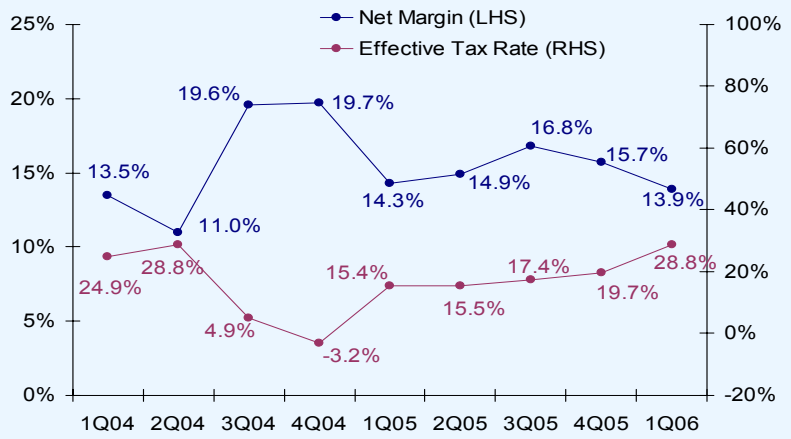
Gross Margin Trend



EBITDA Margin Trend



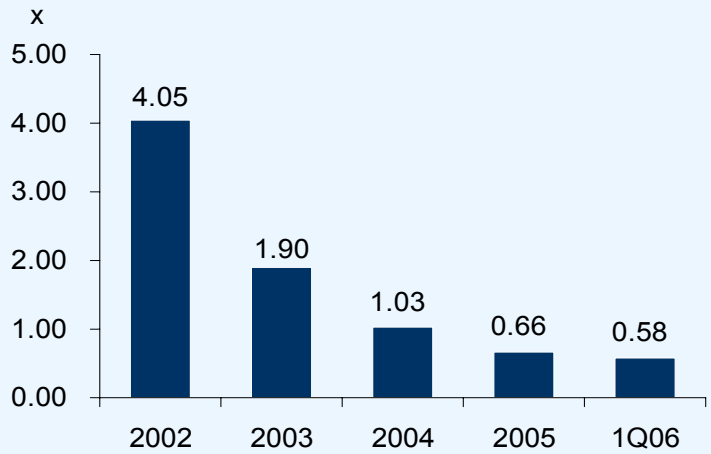
Net Profit Margin Trend vs. Effective Tax Rate



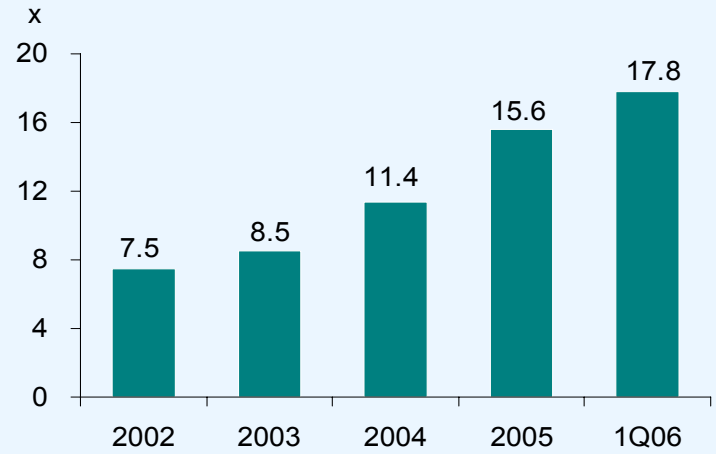
- Both gross margin and EBITDA margin are on a rising trend, signifying the efficiency of the operation
- Net profit margin, however, was more dependent on the effective tax rate
- In 2006, BH has used up all of its tax-loss-carried-forward and started to pay full tax rate in 1Q06

Leverage

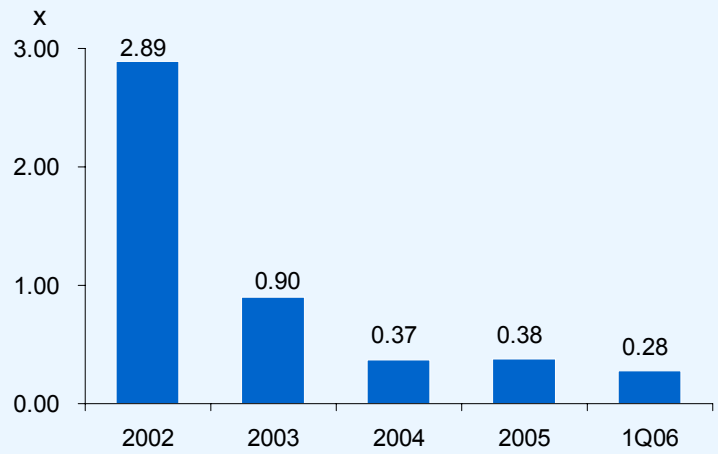
Debt to Equity



Interest Coverage



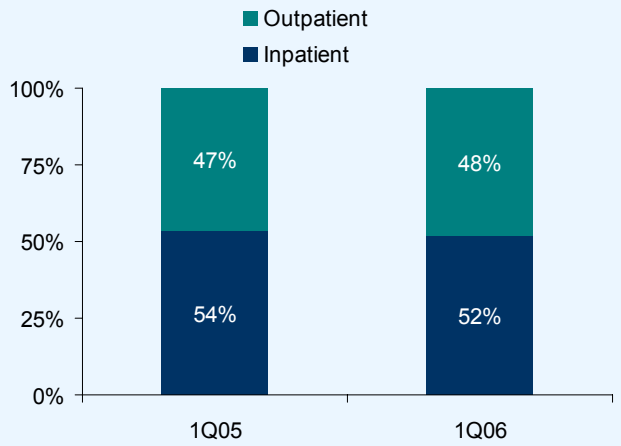
Net Debt to Equity



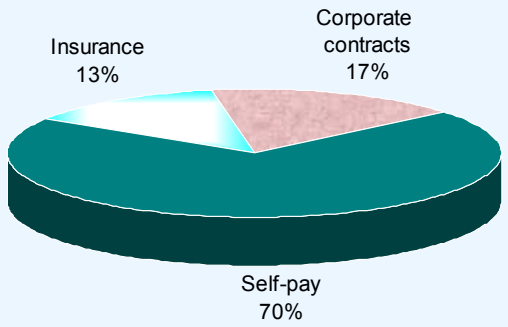
- Significant improvement of the balance sheet over the years as:
  - Debt outstanding position decreases
  - Shareholders' equity improves as a result of better performance

Revenue Breakdown

Inpatient vs. Outpatient (% of revenue)



Method of Payment (% of revenue)

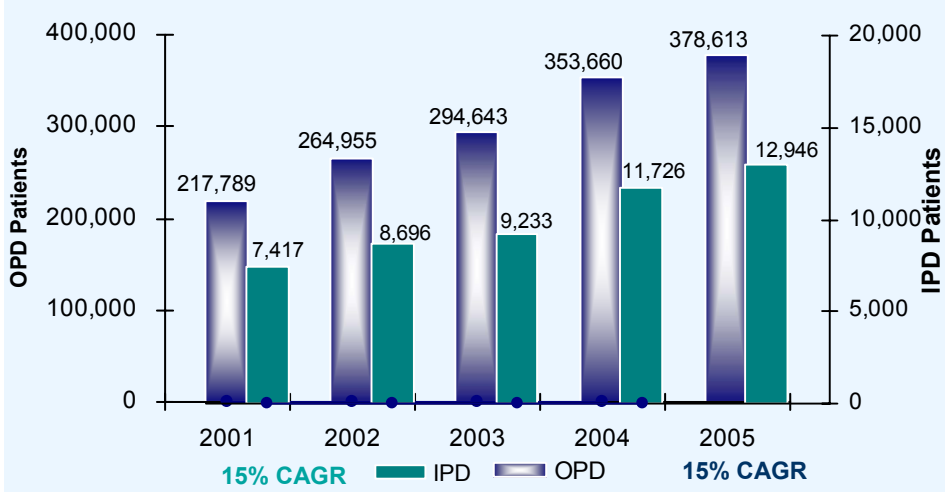


Info. as of Mar 2006

- Revenue contribution from outpatient and inpatient remains constant
- Self-pay remains the primary method of payment

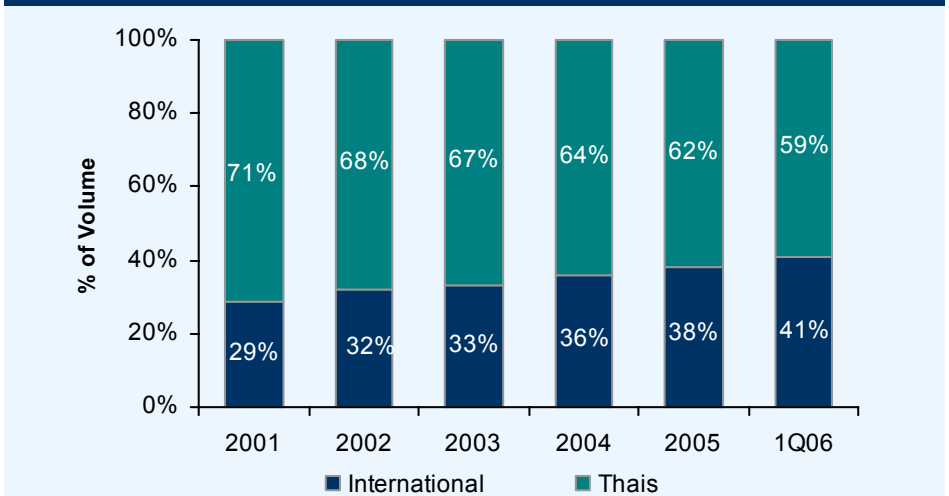
International Patients

Growth in International Patients

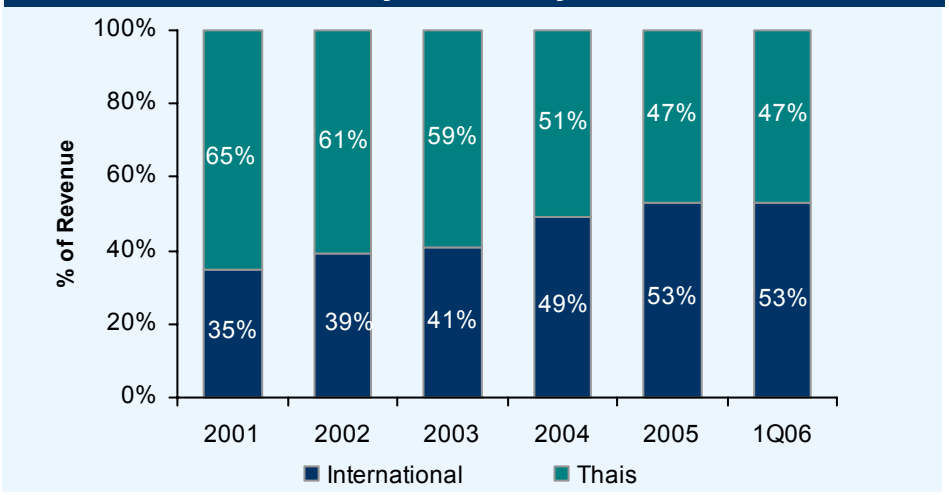


- BH served close to 400,000 international patients in 2005
- Due to the generally high revenue intensity for international patients, foreign patients revenue expanded at a very fast rate of 31.6% CAGR
- OP Visits and admissions continue to see strong growth in 2005, with Middle East volumes continuing to grow at close to 40%.
- Two main sources of international patients
  - Domestic expatriate community
  - Foreign “medical tourists”

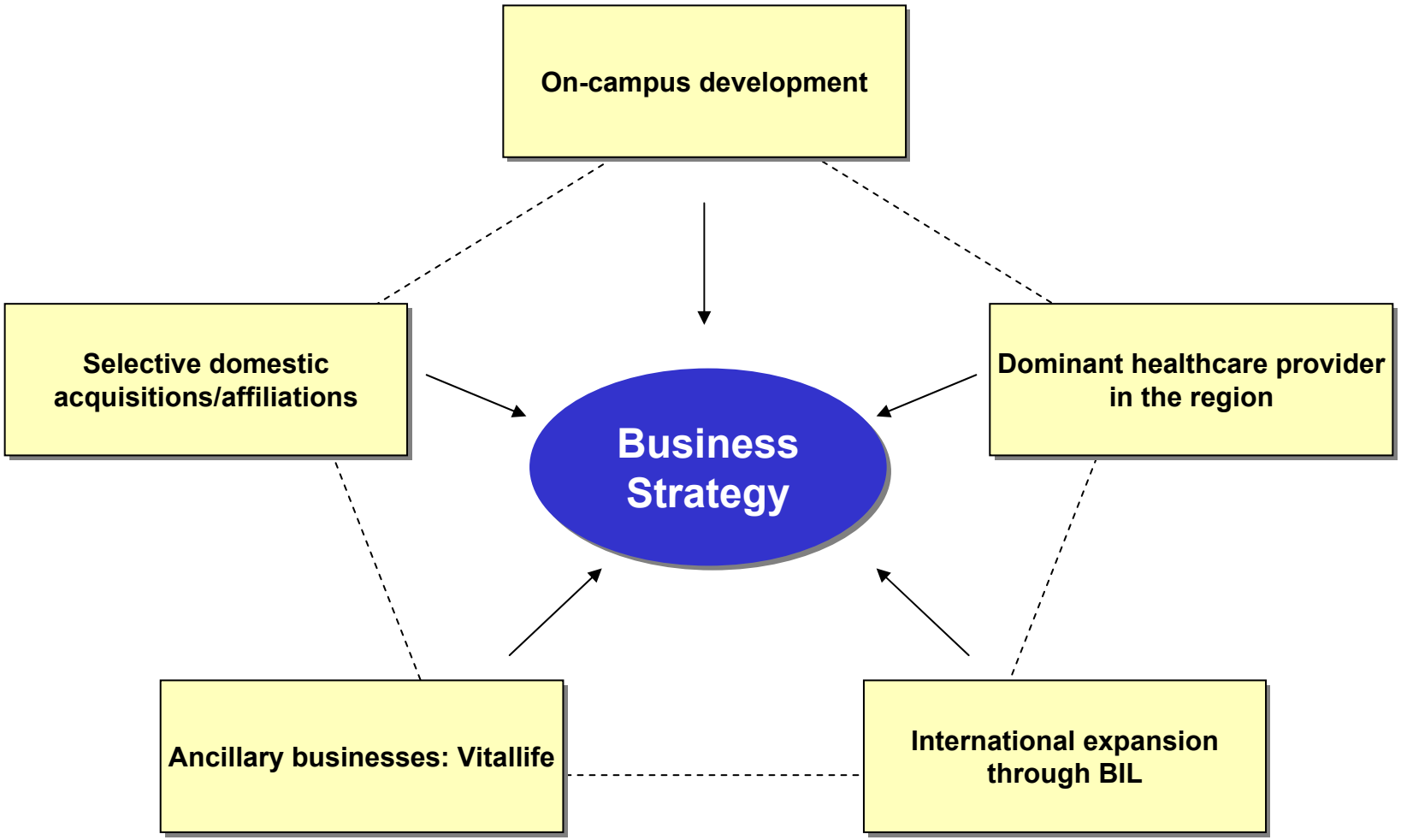
Volume Contribution by Nationality



Revenue Contribution by Nationality



Business Strategy



New Outpatient Center

- The new 22-story building will provide additional capacity:
  - OPD capacity will be increased to 5,500 patients per day from 3,500 per day
  - Parking space of 800 spaces
- Cost:
  - Total: THB 1.4 billion (Over 3-5 years)
  - Funded through Cash Flow
- Progress:
  - Parking is already open for service
  - 3Q06: open of new lobby and executive check-up center
  - The rest of the space will be opened as needed

Bumrungrad International (BIL)

Business Scope

- Hospital Ownership & Management
- Hospital Design & Equipment Planning
- Information Systems

Holdings

1. Asian Hospital, Greater Manila, Philippines
   - Acquired 43% in Feb. 2005
   - Other major shareholders in AHI:

Dr. Garcia	11%
Insular Life	16%
Filinvest	9%
Others	21%

2. Bumrungrad Hospital Dubai, U.A.E.
   - Expected ownership: 49%
   - Partner: Istithmar: 51%

Asian Hospital, Inc.

Dubai Hospital

Asian Hospital Inc., Philippines

- BIL made investment for a 43% holding (US$9.2 million) in Asian Hospital Inc. in February 2005
- The hospital has been operational since 2002
- Management is now looking at expanding the hospital from 258 beds to 400 beds

		'04 vs '05	1Q05 vs 1Q06
Volume	No of visits	↑ 52%	↑ 28%
	No of admissions	↑ 50%	↑ 15%
Financial Performance	Total Revenues	↑ 53%	34%
	EBITDA	↑ 3,515%*	Positive in 1Q06 vs Neg in 1Q05
	Operating Profits	↑ 565%*	Positive in 1Q06 vs Neg in 1Q05
	Net Profit	Positive in 2005	
Balance Sheet	D/E ratio significantly improved from 3.7x in 2004 to 0.9x in 2005 as a result of significant improvement in shareholders' equity		

** from a very small base in 2004*

Bumrungrad Hospital Dubai, U.A.E.

- ***Hospital Site***

Bumrungrad Hospital Dubai, U.A.E.

Shareholding

- BIL to hold 49% in the operating company of Bumrungrad Hospital Dubai
- JV agreement was signed in February 2006

Partner

- Istithmar, prominent government owned investment company

Partner Contribution

- Istithmar provides land & building through a lease to operating company (approx US$ 41 million)
- BIL will have management control and provide H2000 systems

Investment size

- US$9.7 million

Hospital size

- 250 beds; first phase 125 beds

Progress

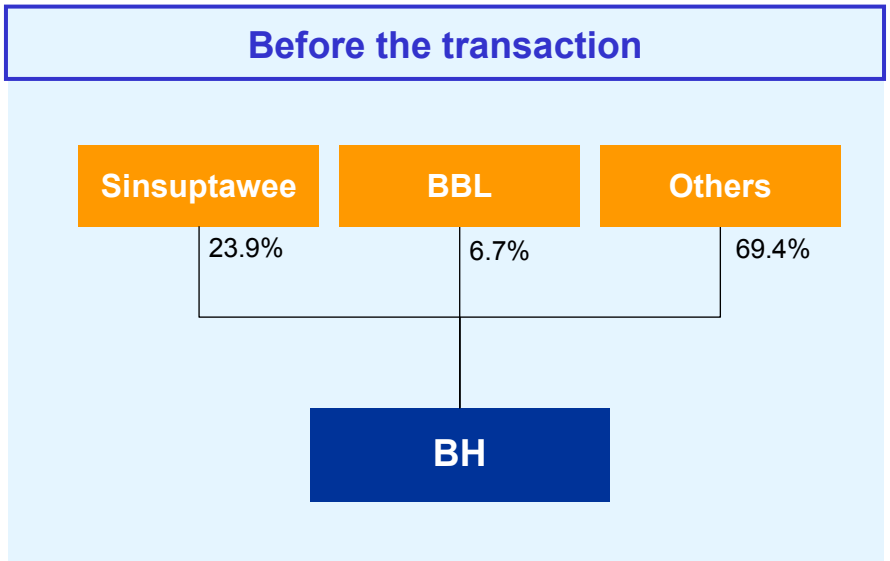
- Hospital currently under construction
- Expected to be open in 2008

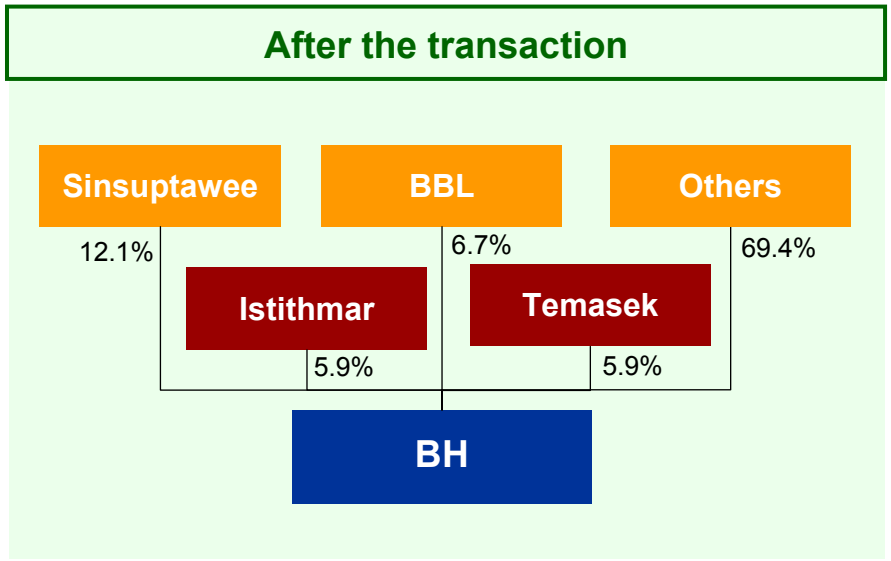
International Expansion: Strategic Partners

Investments for international expansion by strategic partners are being made both at the BH public company level and subsidiary, BIL level:

1. Jan 06: Investment at BH level:

- Sinnsuptawee Asset Management, a wholly owned subsidiary of BBL, sold 5.94% of BH shares to Temasek and 5.94% to Istithmar
- BBL's collective holding (BBL + Sinnsuptawee) in BH was reduced from 30.6% to 18.8%





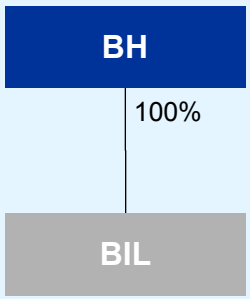
International Expansion: Strategic Partners

Investments for international expansion by strategic partners are being made both at the BH public company level and subsidiary, BIL level:

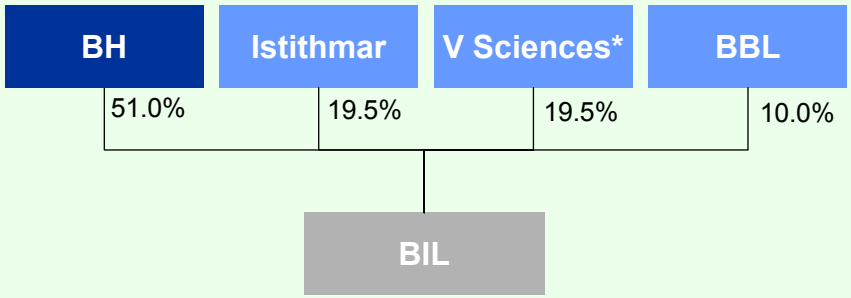
2. Expected date: July 06: Investment at BIL level:

- Istithmar, Temasek and BBL have committed to invest in BIL through new capital increase
- The transaction will raise THB 885 million (5.8 million new shares @ THB 153.52 per share)
- The agreements between the 4 parties were signed in June 2006; due to legal process, the execution of the transaction is expected to be completed in July 2006

Before the transaction



After the transaction



** Subsidiary of Temasek*

The parties have also made a commitment to raise new capital of THB 800 million (8 million new shares @ THB 100 per share) on a pro-rata basis of existing shareholding, whenever additional capital is needed to fund BIL overseas expansion

2006 Strategy

Bangkok Facility

Continued expansion of the Bangkok facility through:

- Management of revenue yield for the benefit of shareholders
- Gradual relocation of outpatient clinics as needed to the new OPD building
- Renovation of the existing hospital building and hospital technology upgrade
- Re-acquire the serviced apartment and parking building from BBL

International Expansion

- Begin the expansion plan for the capacity of Asian Hospital in the Philippines from 258 beds to 400 beds
- Commencement of hospital construction in Dubai
- Look for additional international opportunities in the region