



Analyst Meeting No. 2/2006

2Q06 Results Update

23 August 2006

Bumrungrad Hospital Public Company Limited

Agendas

- **Overview**
- **Operational Update**
- **Financial Performance**
- **Recent Updates & 2006 Strategy**

Overview

Operational Update

- International patients remain a strong growth driver

2Q06 Financial Performance

- Sales ↑ 17% y-o-y
- EBITDA ↑ 25% y-o-y
- Net profit ↑ 9% y-o-y
- Strong balance sheet & profitability

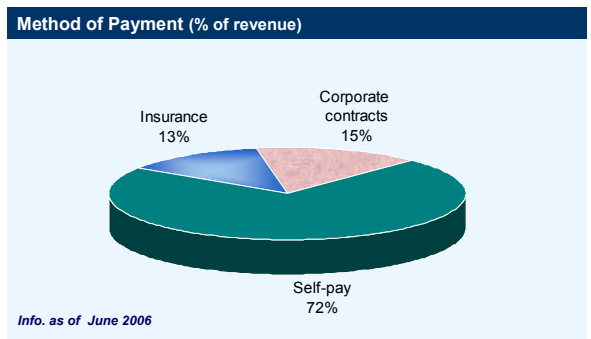
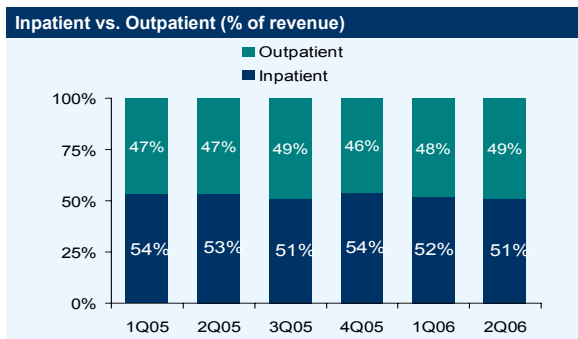
Updates & Strategy

- Obtained additional loan facility for future expansion
- 1H06 dividend payment of Bt 0.30 per share announced
- Istithmar, Temasek & BBL as strategic partners for international expansion: transaction completed in July '06
- Continued expansion both in the Bangkok facility and internationally

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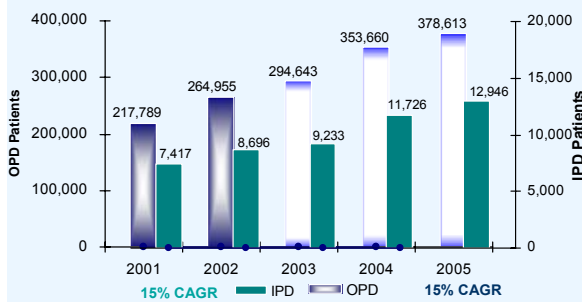
Revenue Breakdown



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

International Patients

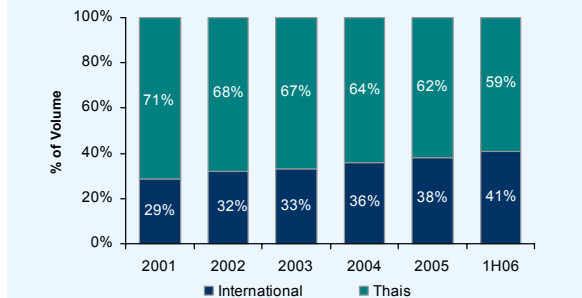
Growth in International Patients



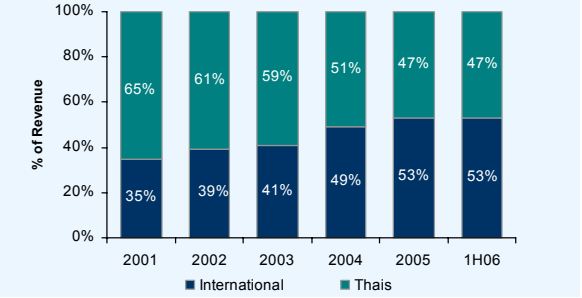
1H06 statistics:

- 1H06 international statistics remained in line with 1Q06
- **International volume** for 1H06 y-o-y:
 - OPD volume up 17%
 - IPD volume up 16%
- **International revenue** for 1H06 y-o-y up 27%
- Top 3 y-o-y revenue growth by country in 1H06:
 - United Arab Emirates
 - Oman
 - United States

Volume Contribution by Nationality



Revenue Contribution by Nationality

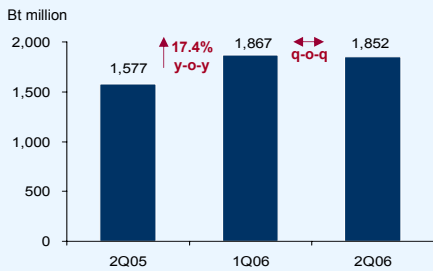


Agendas

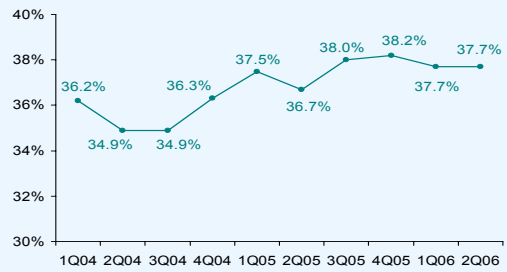
- Overview
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- **Financial Performance**
- Recent Updates & 2006 Strategy

Sales & Gross Margin

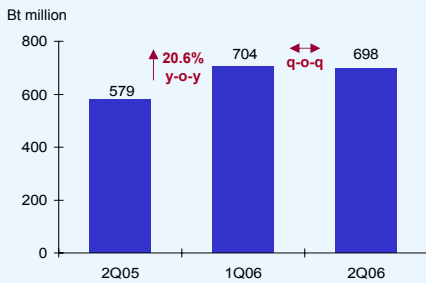
Sales from Hospital Operations



Gross Margin Trend

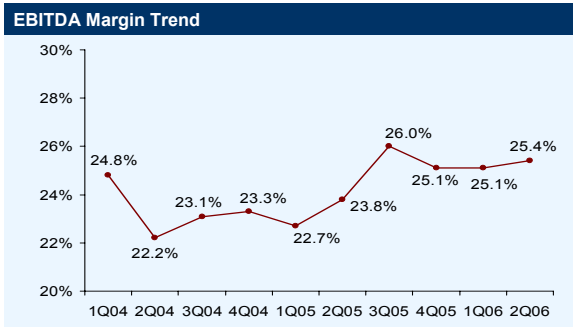
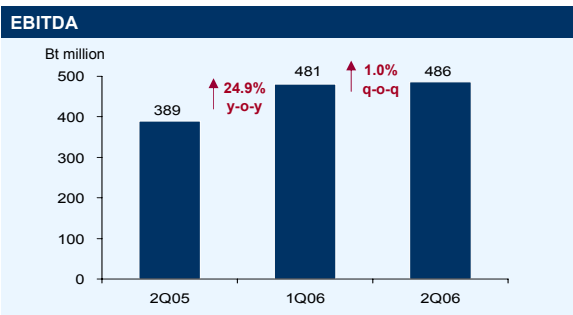


Gross Profit



- Sales from hospital operations was up 17.4% y-o-y as a result of:
 - Inpatient revenue growth of 12%
 - Outpatient revenue growth of 23%
- Sales was stable q-o-q because of the seasonality where second quarter is normally a slow quarter due to long holidays in Thailand
- Gross margin remained stable and gross profit therefore increased by 20.6% y-o-y and was stable q-o-q

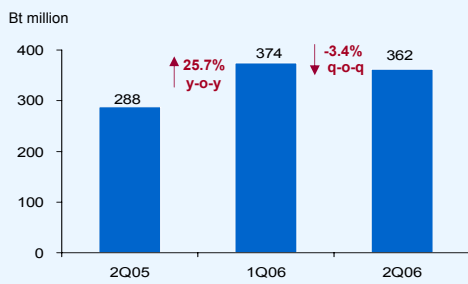
EBITDA & EBITDA Margin



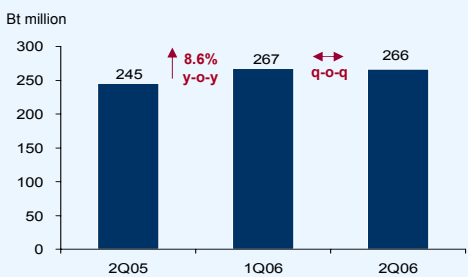
- EBITDA increased by 24.9% y-o-y as a result of slower increase in SG&A compared to increase in revenue because:
 - effective cost control
 - economies of scale & increase in intensity
- EBITDA increased by 1% q-o-q also as a result of economies and continued cost control
- EBITDA margin increased to 25.4% in 2Q06 compared to 25.1% in 1Q06 and 23.8% in 2Q05
- EBITDA margin continues to see an increasing trend over the years

Net Profit & Net Profit Margin

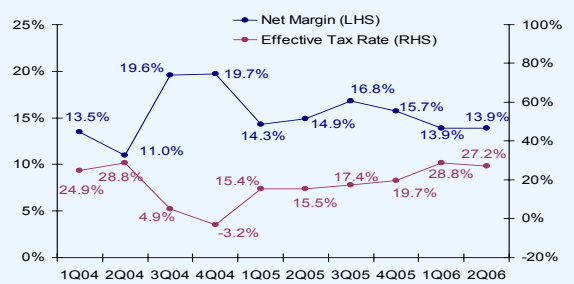
Net Profit before Tax & Minority Interest



Net Profit



Net Margin



- Net profit before tax and minority interest increased by 25.7% y-o-y, signifying continuous growth in hospital operations
- However, net profit before tax and minority interest decreased by 3.4% q-o-q due to the seasonality effect of second quarter
- Net profit increased by 8.6% y-o-y, slower than the increase in pre-tax profit, primarily because all tax-loss carried forward were utilized in 2005, which resulted in an increase in corporate income tax from Bt 45 million in 2Q05 (16% effective) to Bt 100 million in 2Q06 (27% effective)

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Loan Facilities

In May 2006, BH obtained additional loan facility, with details as follows:

Existing Facility

- Interest rate (MLR-linked) reduced by 0.75% p.a.

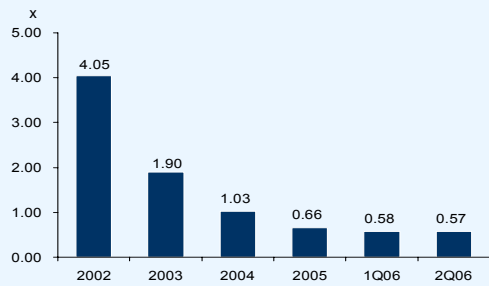
New Facility

Amount	Purpose	Term	Repayment	Interest rate
Bt 1,050 mn	CAPEX	9.5 yrs	32 equal installments Paid quarterly Mar 08 – Dec 15	MLR-linked
Bt 300 mn	Working Capital	Revolving		MLR-linked
Bt 20 mn	Overdraft Facility			MOR

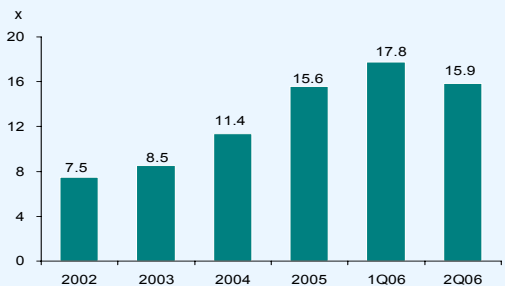
Total additional credit line = Bt 1,370 million

Leverage

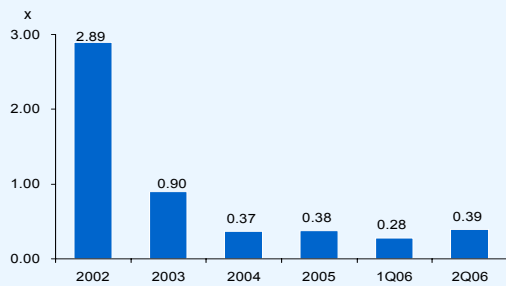
Debt to Equity



Interest Coverage

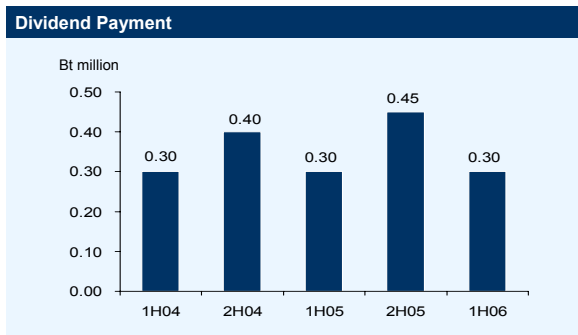


Net Debt to Equity

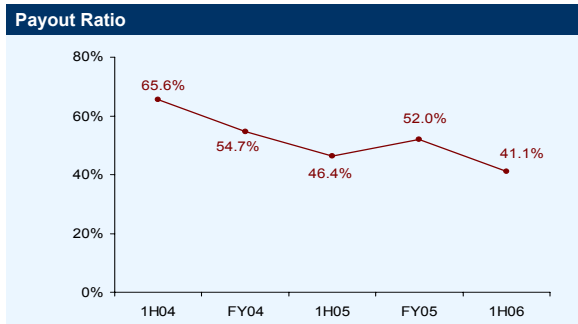


- Significant improvement of the balance sheet over the years
- With the currently low D/E level, the increased loan will be acceptable on BH's balance sheet

Dividend Payment



- The board of directors announced the dividend payment for 1H06 with details as follows:
 - Dividend payment of Bt 0.30 per share
 - Book closing date: 1 September 2006
 - Dividend payment date: 15 September 2006



Bangkok Facility Update

- ⇒ 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
- ⇒ Progress:

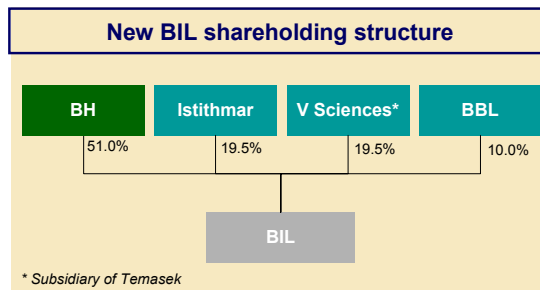
Facility	Expected Opening
Parking (F1 1-10)	Opened
New lobby & Executive Check-up center	4Q06
The rest of the clinic space	Open as needed



International Updates

BIL

- New shareholding structure became effective in July '06



- Schedule of capital injection (Total of Bt 885 million) by strategic partners is as follows:

Amount	Date
Bt 453 million	July '06
Bt 432 million	As needed

Bumrungrad Hospital, Dubai

- Construction of the hospital is on-schedule
- The hospital is expected to be open in 2008

Asian Hospital Inc., Philippines

- Continuous improvement seen in hospital operations

Asian Hospital Inc., Philippines

- ⇒ BIL made investment for a 43% holding in Asian Hospital Inc. in February 2005
- ⇒ Management is now looking at expanding the hospital from 258 beds to 400+ beds
- ⇒ Initiated planning on capacity expansion



		'04 vs '05	1H05 vs 1H06
Volume	No of visits	↑ 52%	↑ 15%
	No of admissions	↑ 50%	↑ 7%
Financial Performance	Total Revenues	↑ 53%	↑ 29%
	EBITDA	↑ 3,515%*	↑ 44%
	Operating Profits	↑ 565%*	↑ 45%
	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

** because of extraordinary gain from debt restructuring

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
- ⇒ Pursue additional international opportunities in the region

Thank You