



## **Analyst Meeting No. 2/2008**

**1Q08 Results Update**

**15 May 2008**

**Bumrungrad Hospital Public Company Limited**

# Agendas

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- **Strategy Update**
- **1Q08 Updates**

# Growth from Insight, Intelligence and Innovation

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⇒ New Patient Experience

⇒ IT Innovation

⇒ Anticipating Long-Term Trends

# Growth from Insight, Intelligence and Innovation

## ⇒ New Patient Experience

- The renovation and expansion of the Bangkok campus not only adds capacity, but also totally re-invents the way healthcare services are delivered
- New outpatient clinics are designed to be more “patient-centric”, serving the often different needs of Thai and international patients
- New inpatient “rooms of the future” incorporate the latest of the following:
  - + Bedside medication administration technology
  - + Total communication and entertainment
  - + Environmental control
  - + Patient safety & evidence based design
- The Result: Bumrungrad is back on top as Asia’s premier healthcare facility



# Growth from Insight, Intelligence and Innovation

## ⇒ IT Innovation:

- Bumrungrad's 10 year investment in advanced IT has resulted in a clearly differentiated product, improved patient safety and efficiency resulting in some of the industry's highest margins and ROA.
- As part of its commitment to *best practices*, Bumrungrad Hospital in Bangkok is the first in Asia to implement a robotic pharmacy dispensing system and automated laboratory system, which will be fully integrated with its IT system.
- With *Microsoft* as a strategic alliance partner, Bumrungrad will remain at the world-wide forefront of IT healthcare technology to the benefit of the patients and shareholders.

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# Growth from Insight, Intelligence and Innovation

## ⇒ Anticipating Long Term Trends:

- Bumrungrad’s vision of the next generation of healthcare IT resulted in the 2007 sale to *Microsoft* of its software development company and the continued advantages of the strategic alliance.
- *Long* before others, Bumrungrad anticipated and exploited the “medical tourism” opportunity in 1997 and is now at the vanguard of the next wave in medical travel: “The Global Care Option”
- Bumrungrad International Limited is leveraging Bumrungrad’s brand equity to attract world-class investment partners to invest in healthcare opportunities throughout Asia and the Middle East. All of Bumrungrad International Limited’s investments are profitable and growing.



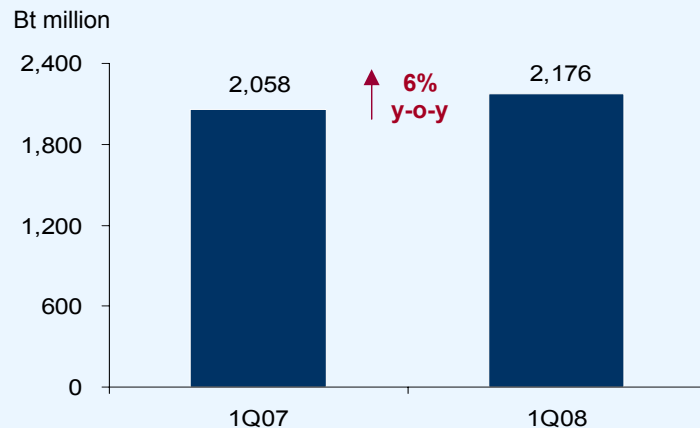
# Agendas

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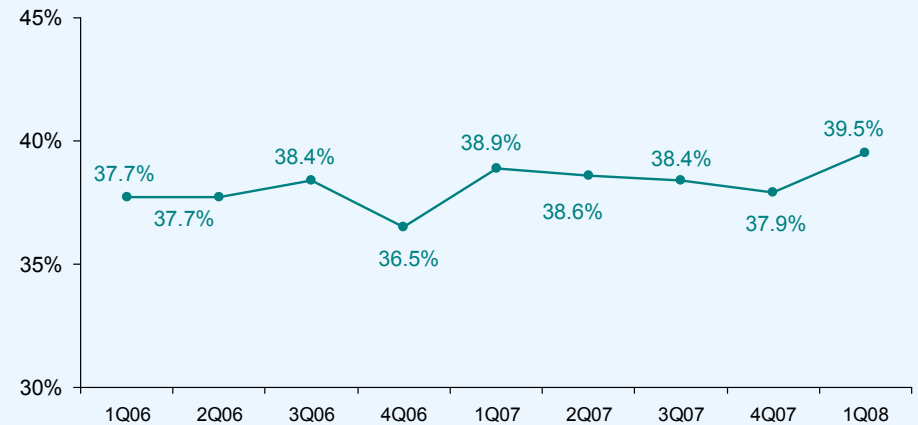
- **Strategy Update**
- **1Q08 Updates**

# Sales & Gross Margin - Quarterly

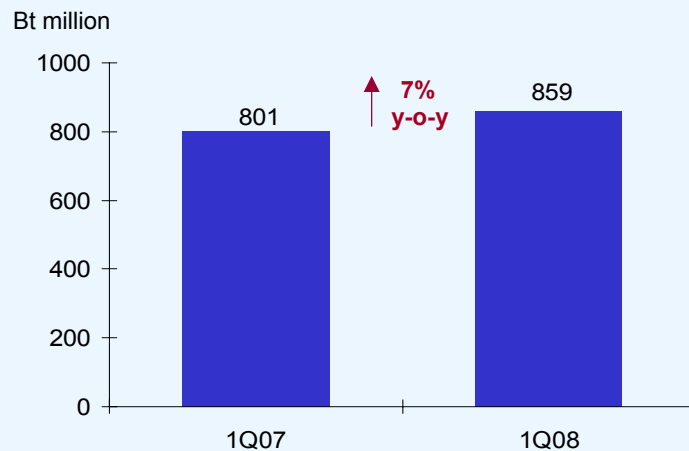
## Sales from Hospital Operations



## Gross Margin Trend



## Gross Profit

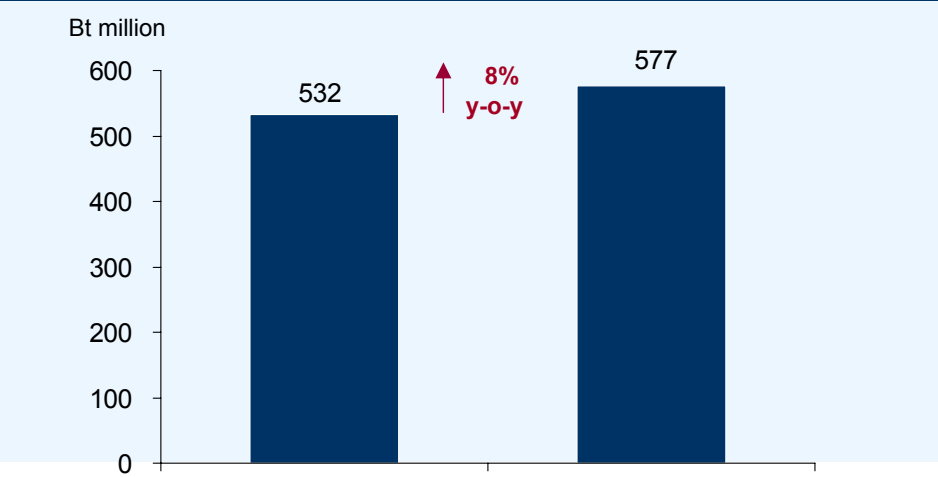


- Sales from hospital operations was up 6% y-o-y as a result of:
  - Inpatient revenue growth of 4%
  - Outpatient revenue growth of 10%
- 1Q08 gross margin of 39.5% is higher than 1Q07 of 38.9% as a result of better cost control



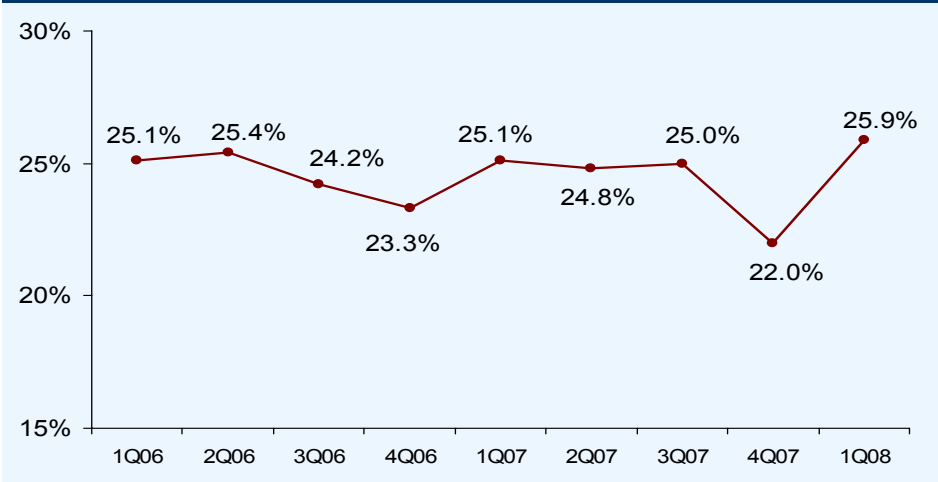
# EBITDA & EBITDA Margin - Quarterly

## EBITDA



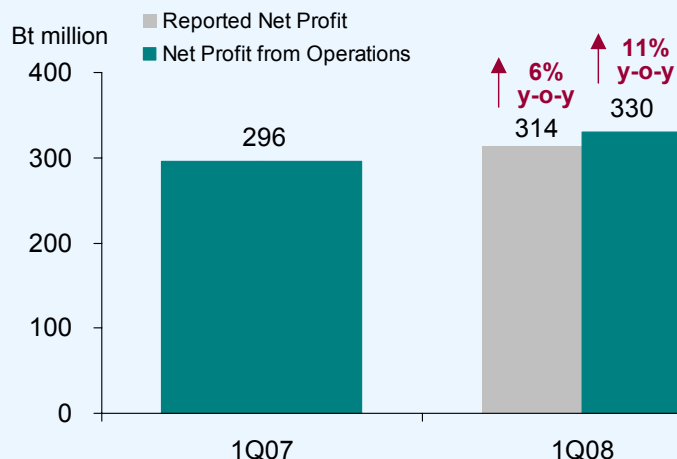
- EBITDA increased by 8% y-o-y as administrative expenses remained stable because of tight cost control
- Therefore EBITDA margin in 1Q08 increased to 25.9% from 25.1% in 1Q07

## EBITDA Margin Trend



# Net Profit & Net Profit Margin - Quarterly

## Net Profit

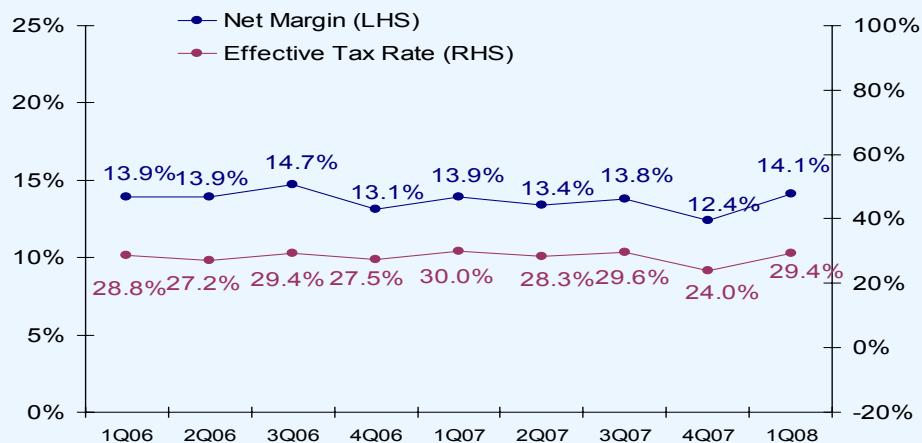


- BH reported share of loss from investment in associated company of Baht 5 million in 1Q08, as a result of:

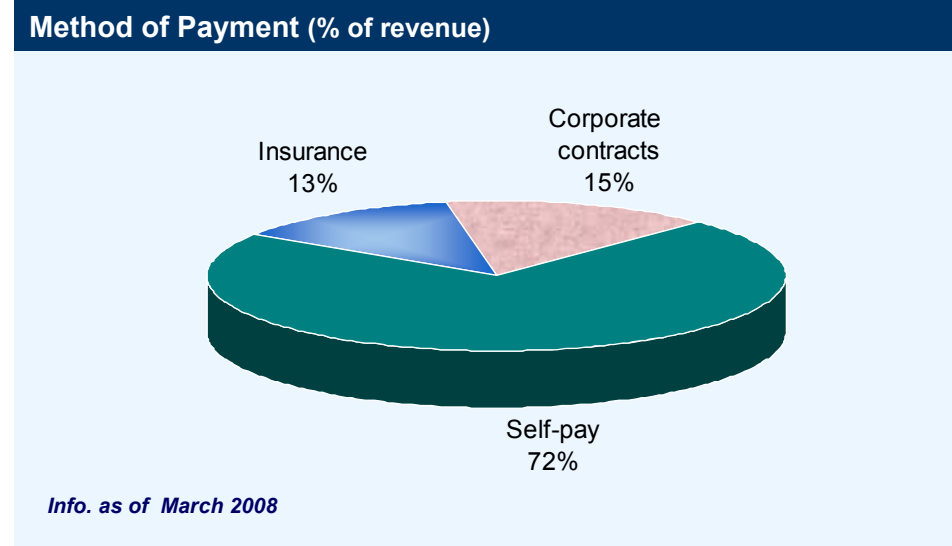
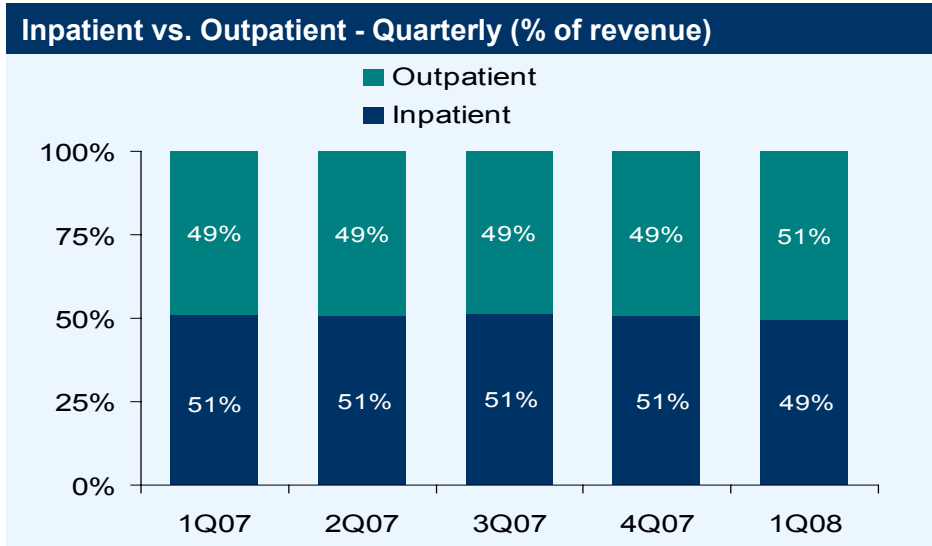
- Share of loss from CDE Trading Co., Ltd. Bt 29 million  
CDE Trading reported a loss on FX from the strengthening of the THB against USD since the completion of the transaction since the sale was booked in USD
- Less:  
Share of gain from Bumrungrad International Ltd Bt 24 million which composed of **Bumrungrad International Limited's normal operations of Bt 11 million**, and accounting affect related to the refinancing of Asian Hospital Inc. of Bt 13 million

- Net profit from operations (excluding one-time share of gain & loss from associated companies) increased by 11% y-o-y, while reported net profit increased by 6% y-o-y, with net profit margin at 14.1% in 1Q08, compared to 13.9% in 1Q07

## Net Profit Margin & Effective Tax Rate

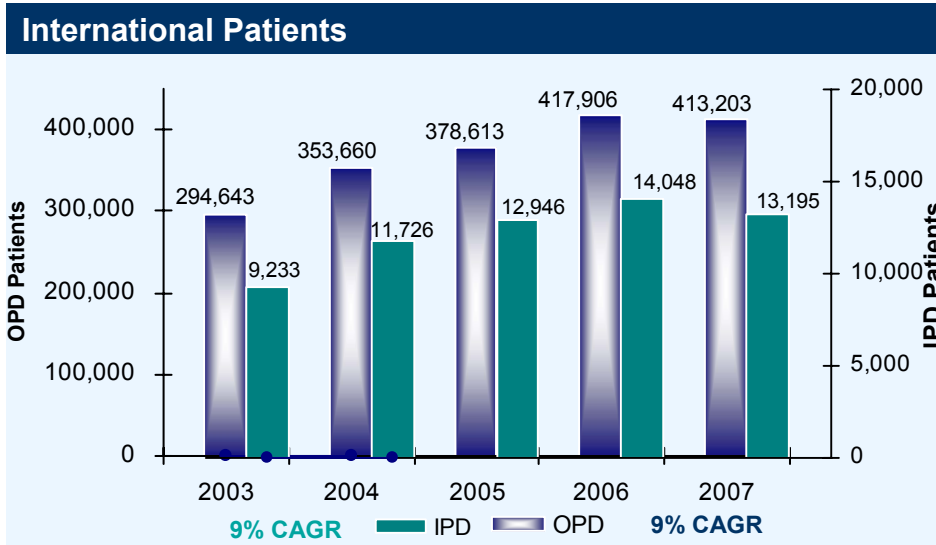


# Revenue Breakdown



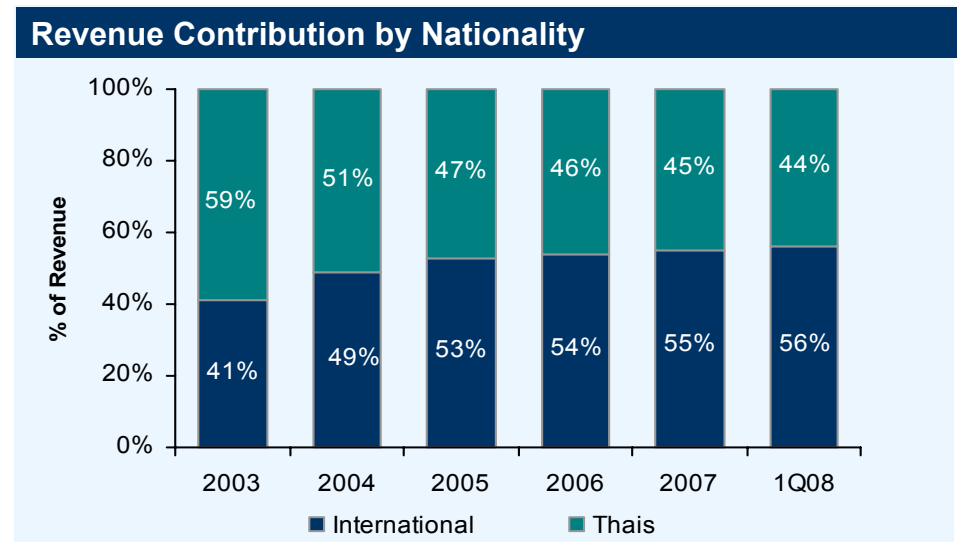
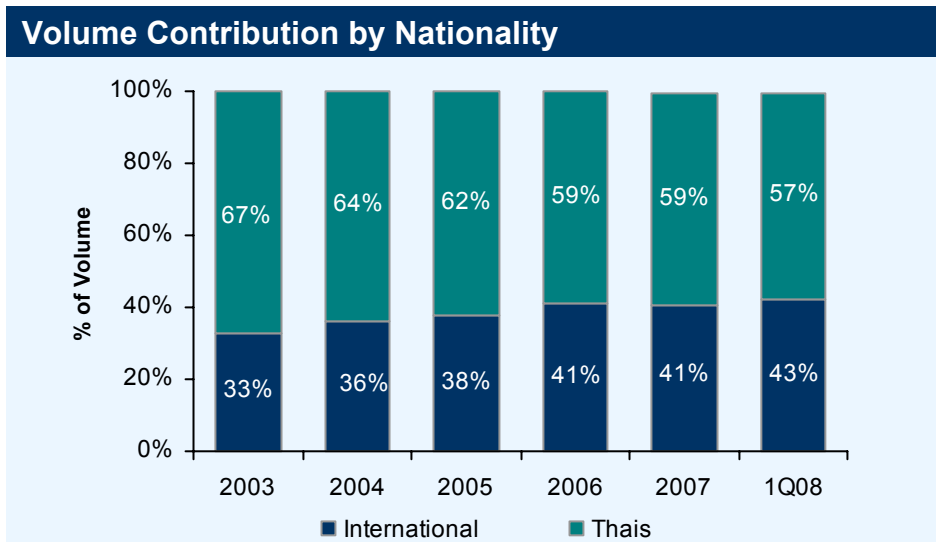
- Revenue contribution from outpatient was more than the contribution from inpatient for the first time, as more and more services can be done on an outpatient service
- While BH sees larger contribution from corporate contracts by method of payment as a result of increasing activities from foreign accounts, self-pay remains the primary method of payment

# International Patients



### 1Q08 statistics:

- **International volume** for 1Q08 y-o-y:
  - OPD volume saw a very slight increase
  - IPD volume up 2.5% y-o-y
- **International revenue** for 1Q08 y-o-y up 8%
- Top y-o-y revenue growth by country in 1Q08:
  - Oman
  - Kuwait
  - Denmark
  - Mongolia
  - Saudi Arabia



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**Thank You**