

Bumrungrad Hospital Public Company Limited

Analyst Meeting No. 4/2009

3Q09 Results Update

18 November 2009



Overview

Operational Update

- Thai volume starting to see improvement since 2Q09 as a result of the effective marketing activities
- Although international volume is still declining, there is an improving trend
- The increased revenue intensity and effective cost control resulted in an increase in net profit

Financial Performance

- | | | | |
|-----------------|------------|---------------|------------|
| • 3Q Sales | ↑ 2% y-o-y | 9M Sales | ↑ 3% y-o-y |
| • 3Q EBITDA | flat y-o-y | 9M EBITDA | ↑ 3% y-o-y |
| • 3Q Net profit | ↑ 5% y-o-y | 9M Net profit | ↑ 5% y-o-y |

Updates & Strategy

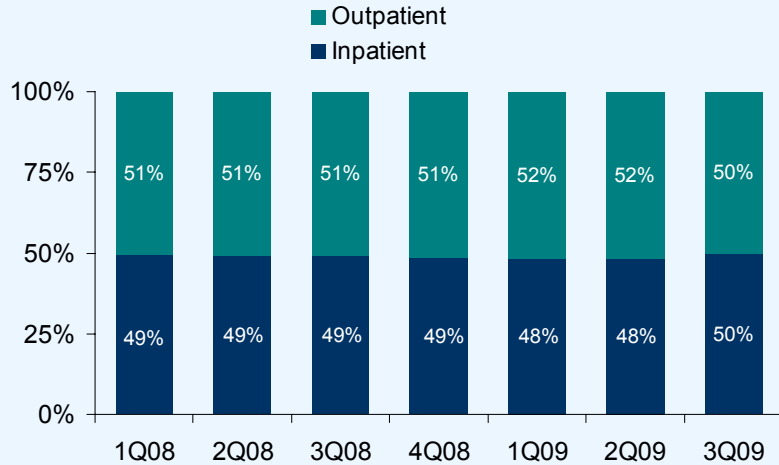
- Refinancing completed on 1 Oct 09
- Bumrungrad International Hospital, Bangkok: Update on capacity and CAPEX plan
- Bumrungrad International Limited seeing stable operations

Agendas

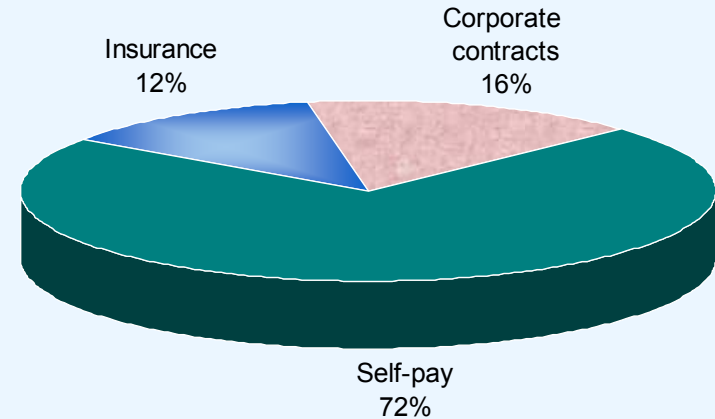
- **Operational Update**
- **Financial Performance**
- **Recent Updates**

Revenue Breakdown

Inpatient vs. Outpatient - Quarterly (% of revenue)



Method of Payment (% of revenue)

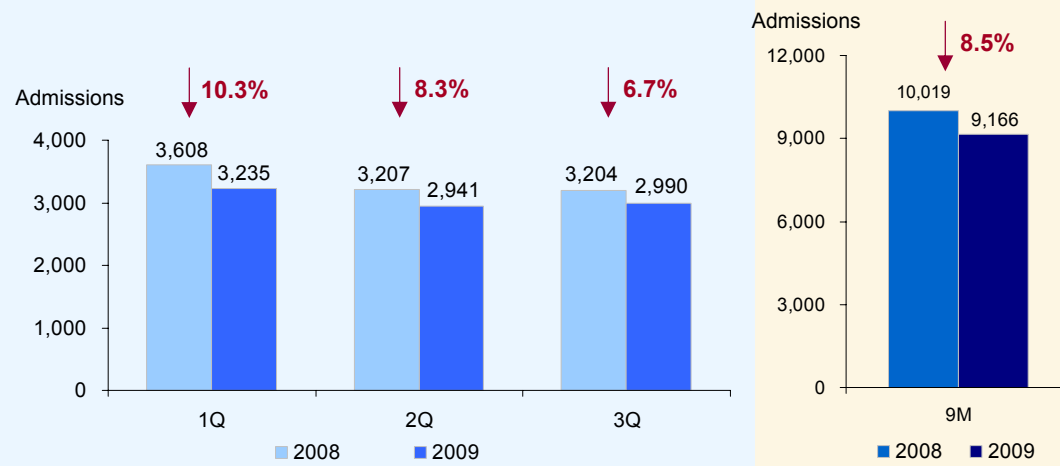


As of Sept 2009

- Revenue contribution from outpatient slightly lower in 3Q09 as inpatient had stronger growth during the period
- Corporate contracts increasing especially from foreign accounts; self-pay remains the primary method of payment

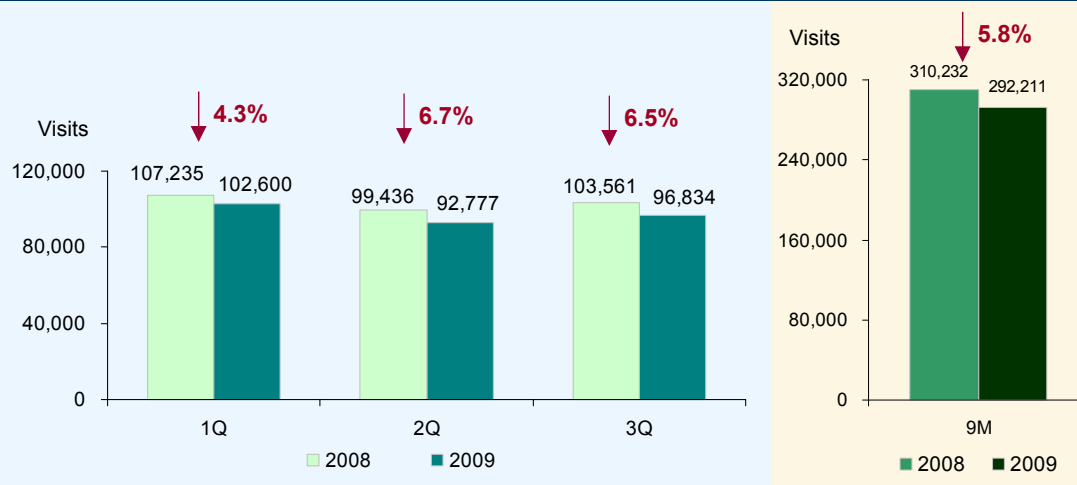
International Volume

International Admissions

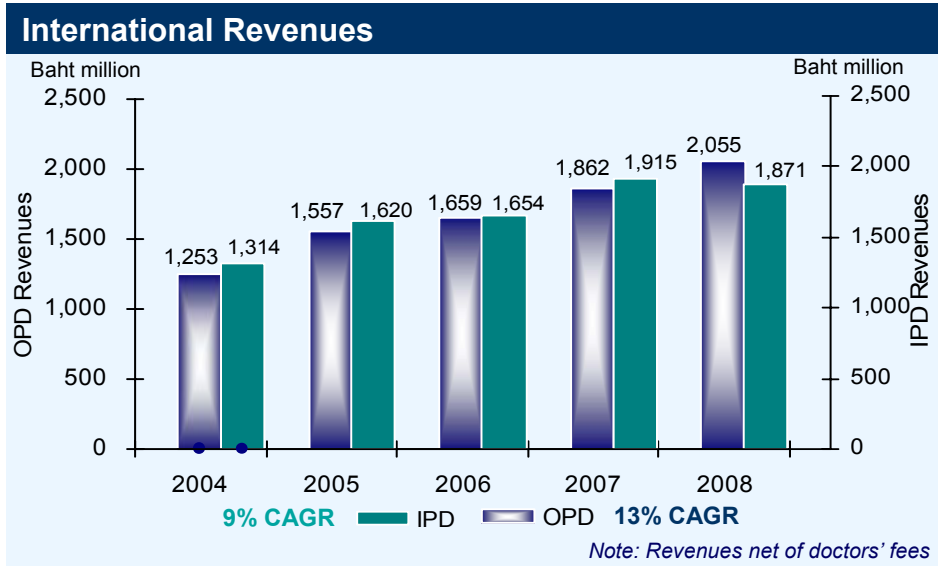


- Although 9M09 volume is down moderately for both OPD and IPD as a result of political uncertainties, global economic slowdown and the pandemic situation, there is an improving trend, especially in the inpatient admissions

International Visits



International Patients



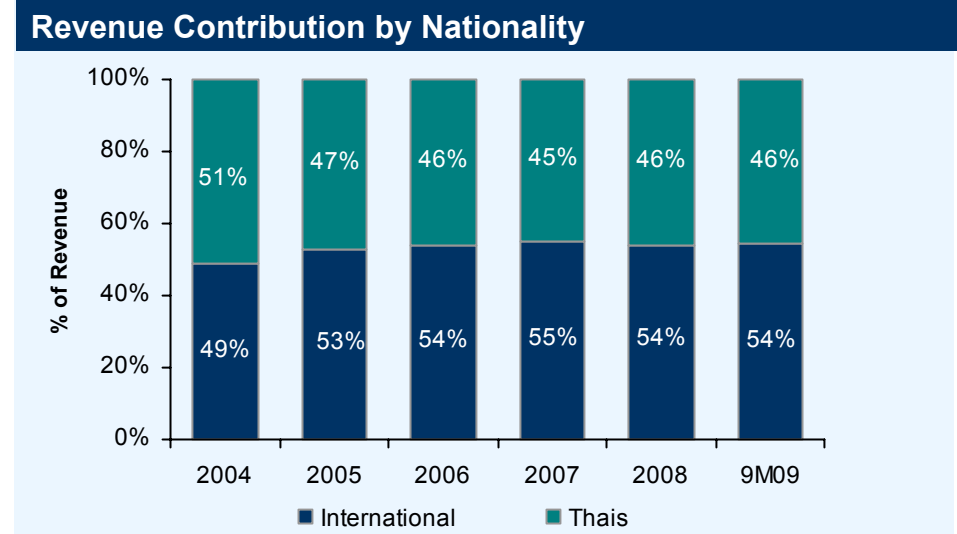
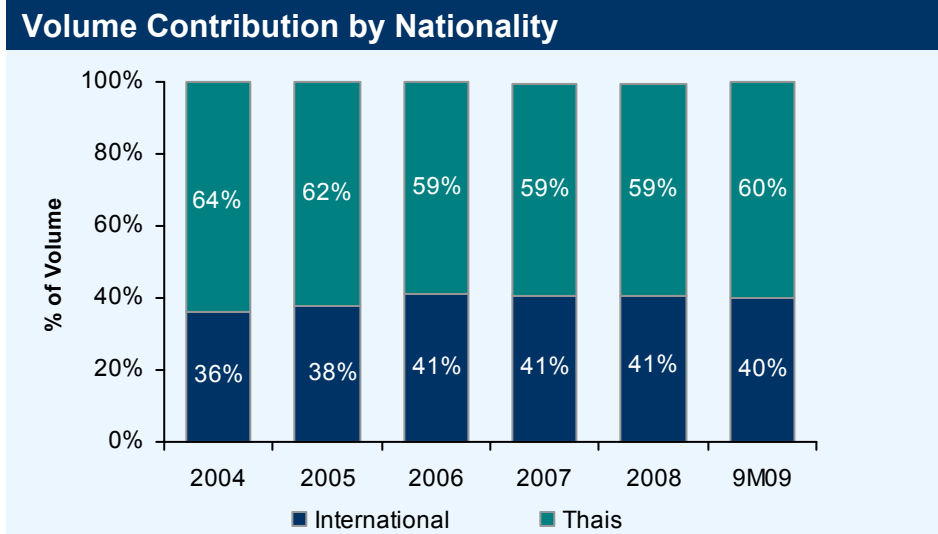
- **International revenue:** Despite the slow down in volume, 9M09 international revenue is up 4%, primarily from the higher intensity
- 9M09 significant changes in international revenue:

Top 10 countries

- Middle East +12%
- Myanmar +10%
- US flat
- Cambodia -30%

Other targeted country highlights

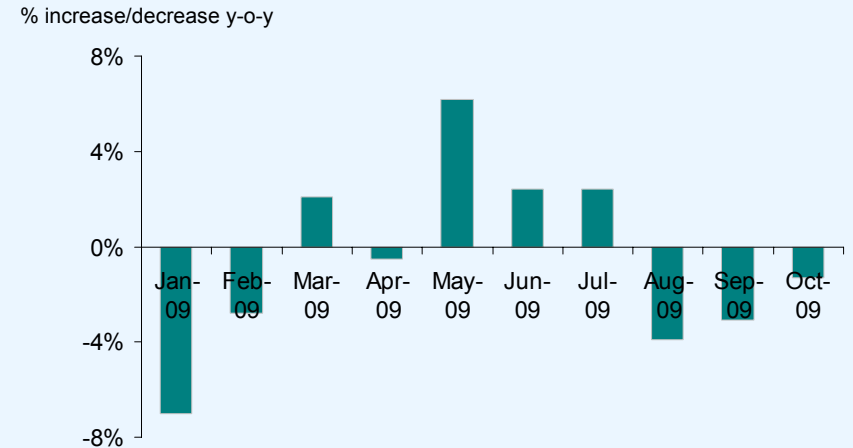
- Sudan +220%
- Mongolia +25%
- Belgium +180%



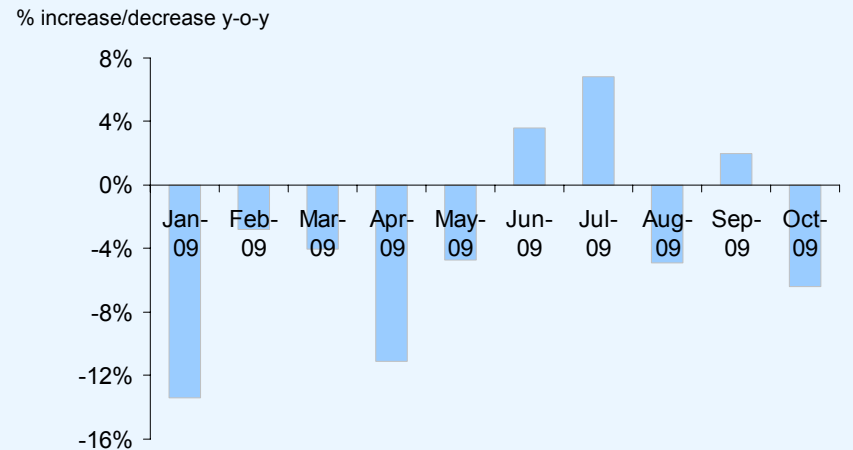
Thai Patients Volume Trend

- Growth seen in some months as a result of continuous effort in the domestic marketing activities since second half of 2008:
 - Healthy Living Club Membership
 - Quarterly fairs/ events
 - TV programs (Chid Moh)
 - Advertising campaigns

Thai Outpatient Visits (% y-o-y increase/decrease)



Thai Inpatient Admissions (% y-o-y increase/decrease)

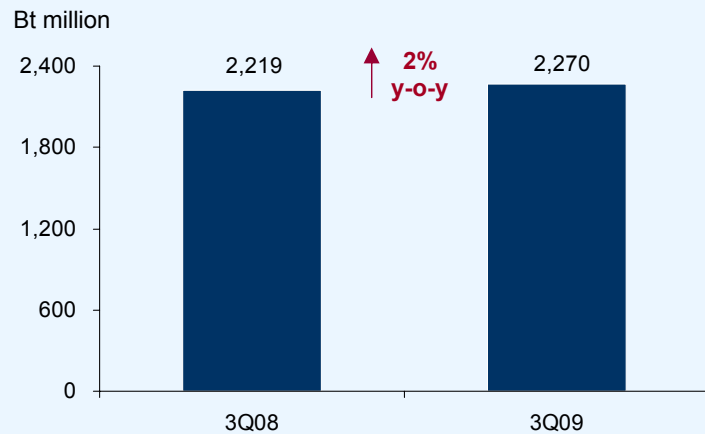


Agendas

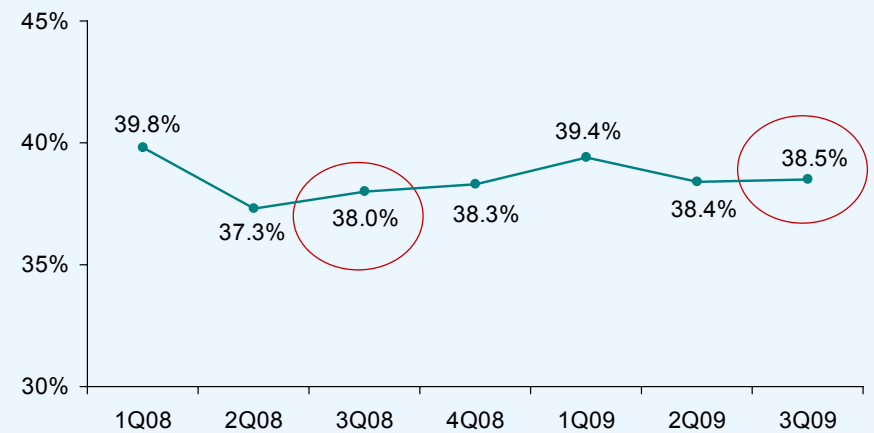
- Operational Update
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- Recent Updates

Sales & Gross Margin – 3Q09

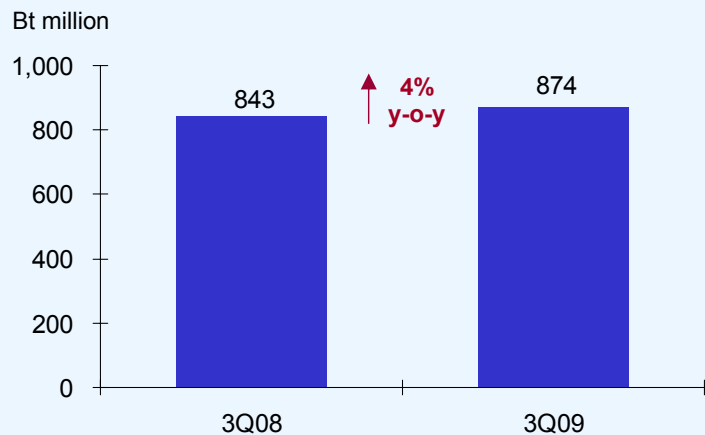
Sales from Hospital Operations



Gross Margin Trend



Gross Profit

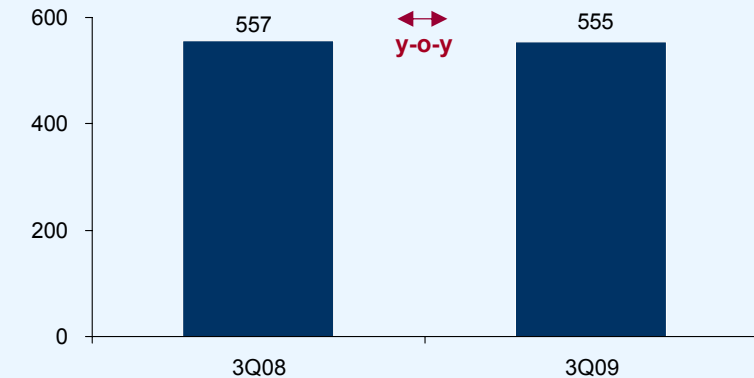


- Sales from hospital operations was up 2% y-o-y as a result of:
 - Inpatient revenue growth of 5%
 - Outpatient revenue growth of 1%
- 3Q09 gross margin improved to 38.5% as a result of tight cost control since end of 2008

EBITDA & EBITDA Margin – 3Q09

EBITDA

Bt million



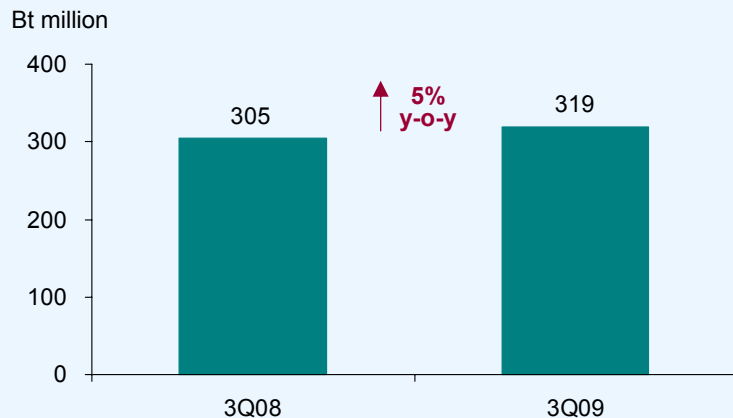
- Administrative expenses increased by 7% y-o-y from expenses of two start-up companies:
 - Asia Global Health Co., Ltd.
 - Asia Global Research Co., Ltd.
- EBITDA was flat y-o-y
- Therefore, EBITDA margin in 3Q09 was 23.8% compared to 24.3% in 3Q08

EBITDA Margin Trend



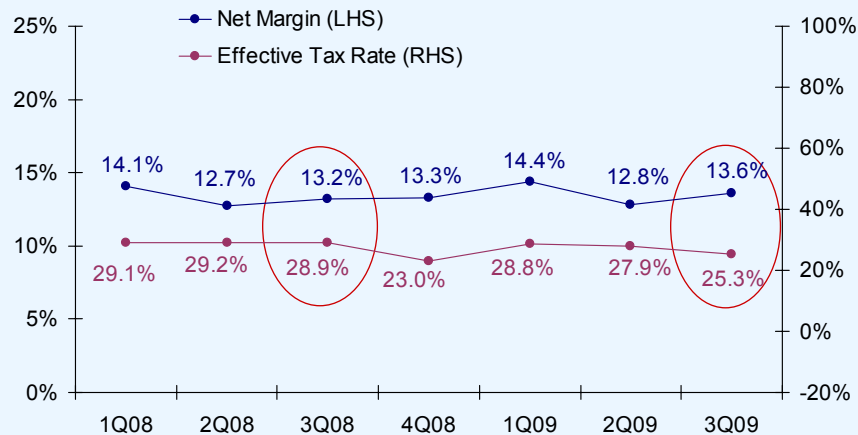
Net Profit & Net Profit Margin – 3Q09

Net Profit



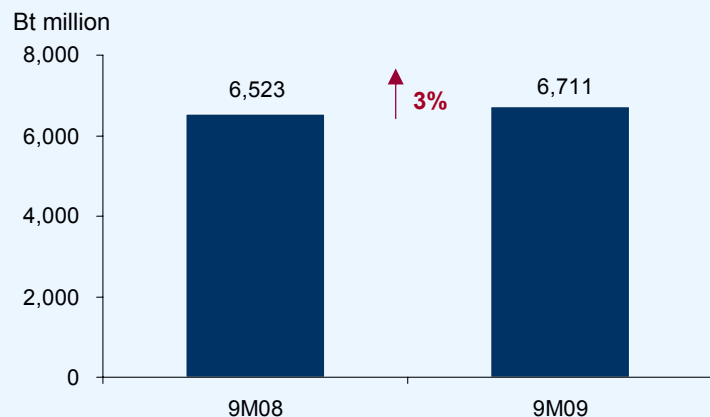
- Net profit increased by 5% y-o-y, mainly from
 - decrease in financing cost because of lower long-term loan outstanding and lower MLR, and
 - decrease in corporate income tax from tax savings on taxable CAPEX
- Therefore, net profit margin improved to 13.6% in 3Q09, compared to 13.2% in 3Q08

Net Profit Margin & Effective Tax Rate

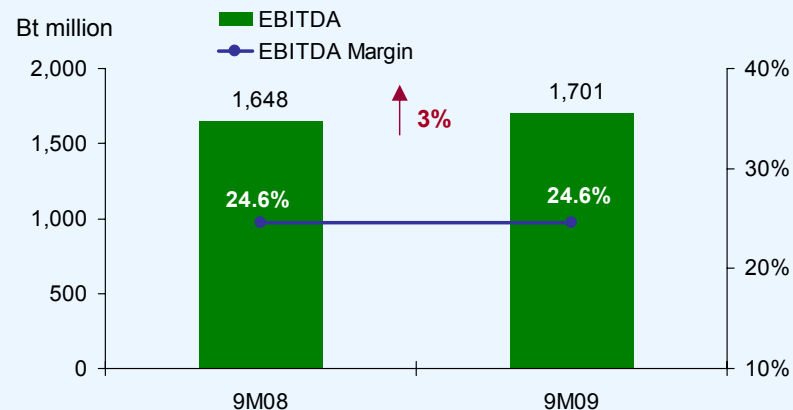


Financial Summary – 9M09

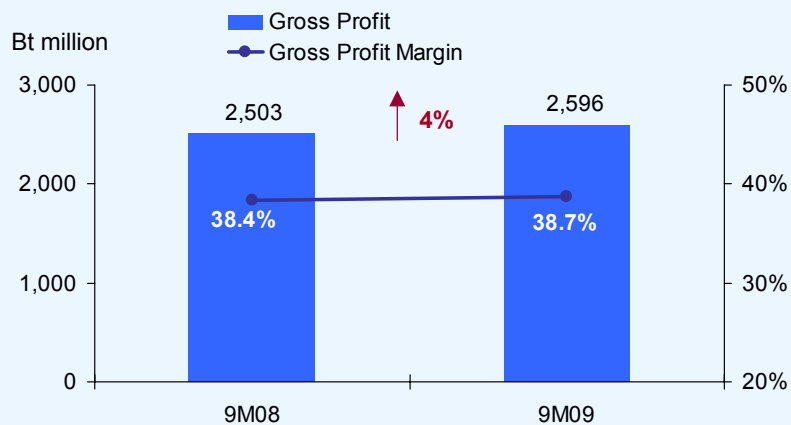
Sales from Hospital Operations



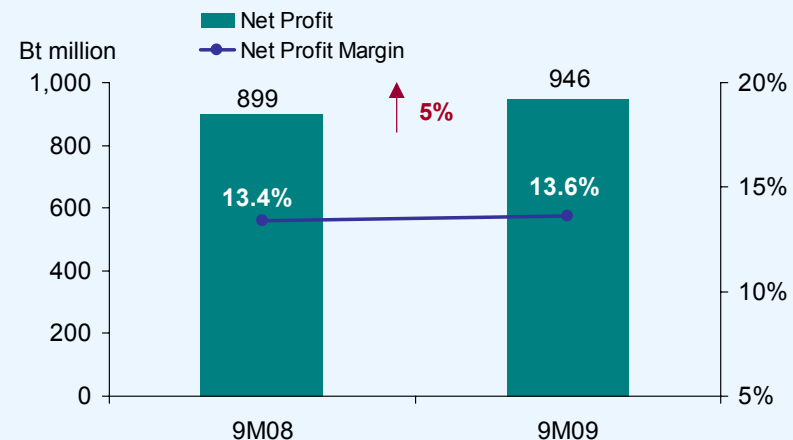
EBITDA & EBITDA Margin



Gross Profit & Gross Profit Margin

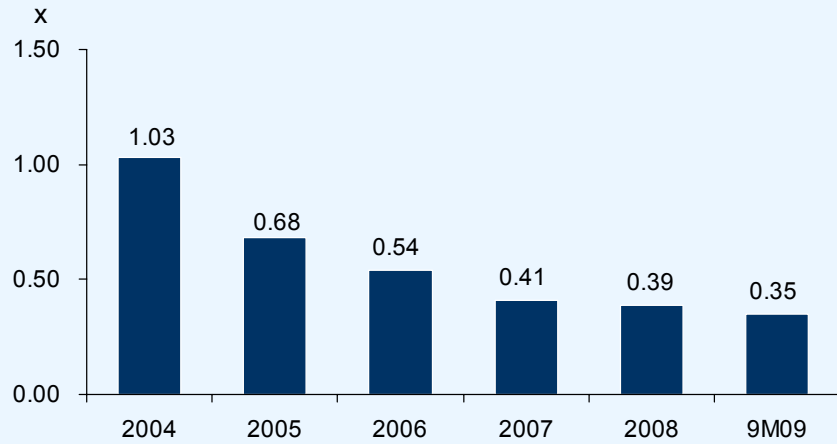


Net Profit & Net Profit Margin

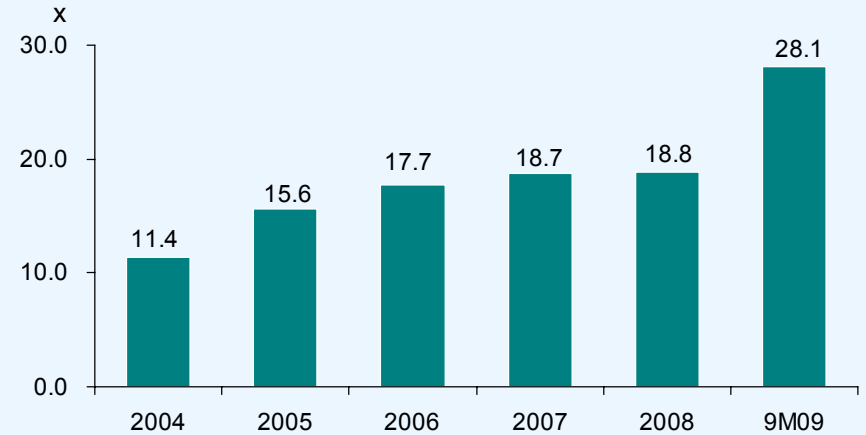


Leverage

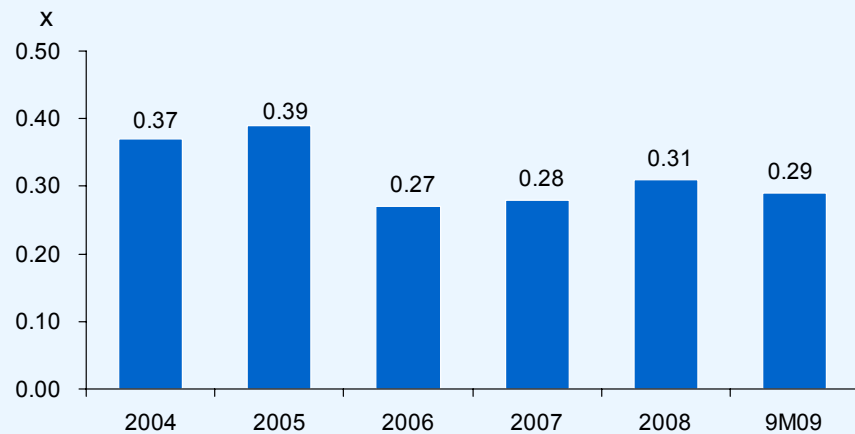
Debt to Equity



Interest Coverage



Net Debt to Equity



- Improvement of the balance sheet over the years, both in terms of D/E and interest coverage as the long-term debt is gradually paid-off

Agendas

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Refinancing Details

- ⇒ Refinancing completed on 1 Oct 09
- ⇒ Not only was the interest rate lower, it also provides BH with additional credit line

	Old Terms	Refinanced Terms
Short-term Loan		
Amount	Bt 300 mn	Bt 600 mn
Interest rate	MMR	MMR
Long-term loan		
Amount	Bt 1,400 mn	Refinanced Bt 1,420 mn + New 800 mn Total = Bt 2,220 mn
	No additional loan amount	New loan available until Dec 2011
Interest rate	MLR - 1.25%	MLR - 1.50%
Repayment Schedule	Quarterly scheduled repayment until Dec 2015	7 yrs with 2 yrs grace period Grace period: Oct 2009 – Nov 2011 Repayment: Equal quarterly repayment starting Dec 2011 – Sept 2016

• Note: Prepayment fee of approximately Bt 12 million was paid in Oct 2009

Update on Bumrungrad International Hospital Bangkok

⇒ Events in 2H09:

- Stop Cancer Event (Aug 09)
- Living in Bangkok (Sep 09)
- Family Health Fair (Nov 09)



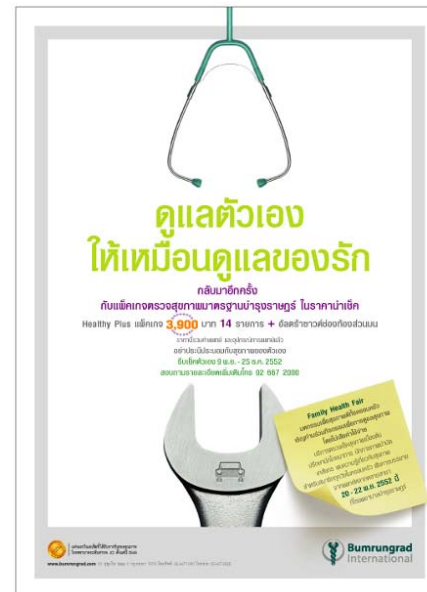
⇒ Healthy Living Club members

- Continuous increase; approximately 19,000 members as of mid-Nov 2009



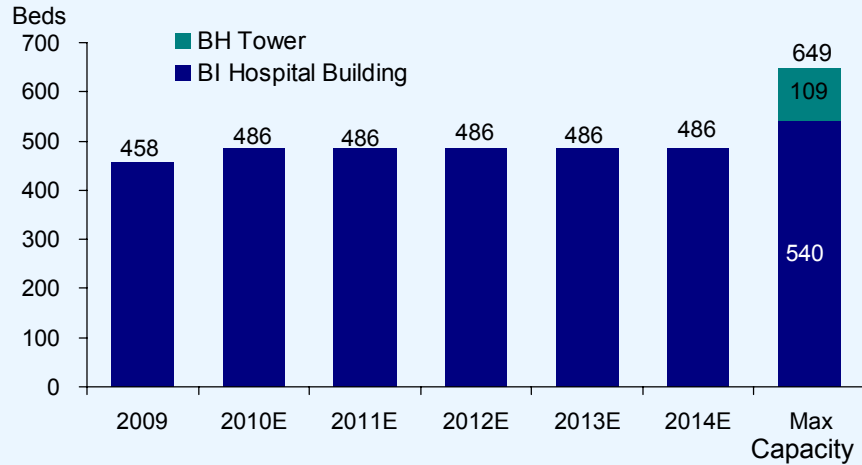
⇒ Inpatient room renovation:

- 298 rooms completed as of mid-Nov; entire project to complete by mid-2010
- The renovation is on budget and ahead of schedule

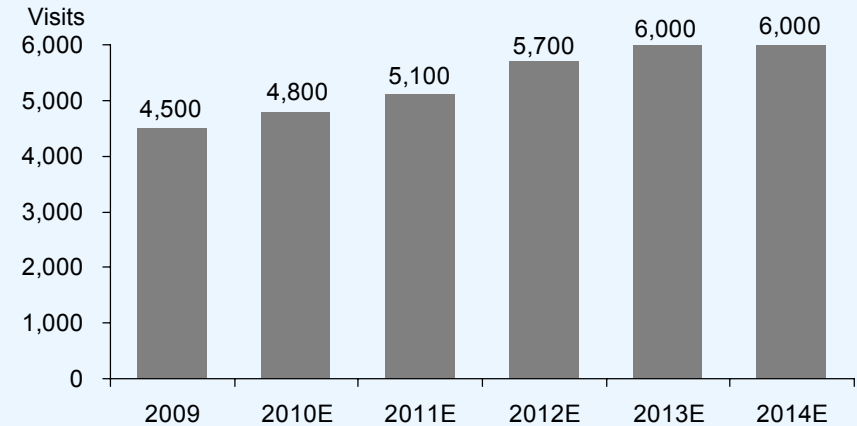


Capacity Plan Update

Inpatient - Open Beds



Outpatient Visit Capacity per day



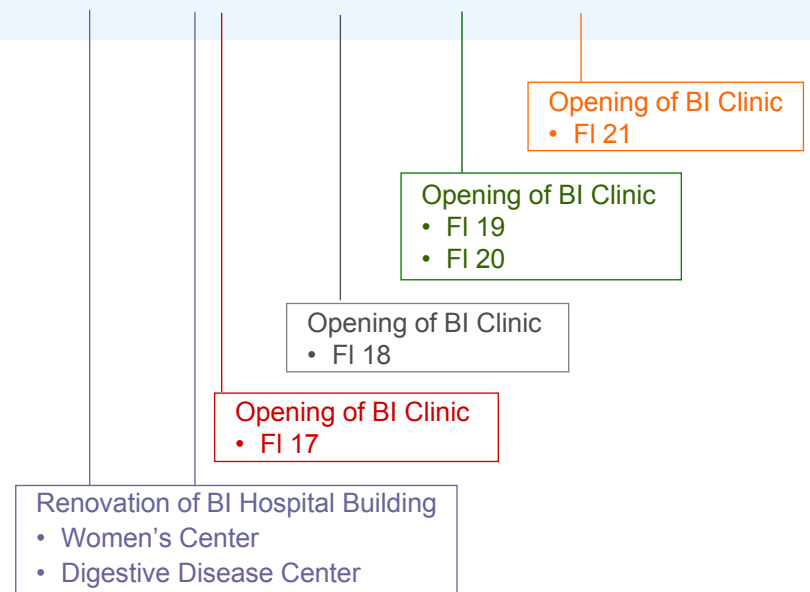
Maximum Capacity:

Inpatient beds:

- BI Hospital Building	540 beds
- BH Tower	109 beds
Total	649 beds

Outpatient Capacity per Day:

- BI Clinic Building + BI Hospital Building	6,000 patients
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New Women's Center



← Entrance

Waiting Area



New Digestive Disease Center

Registration Area

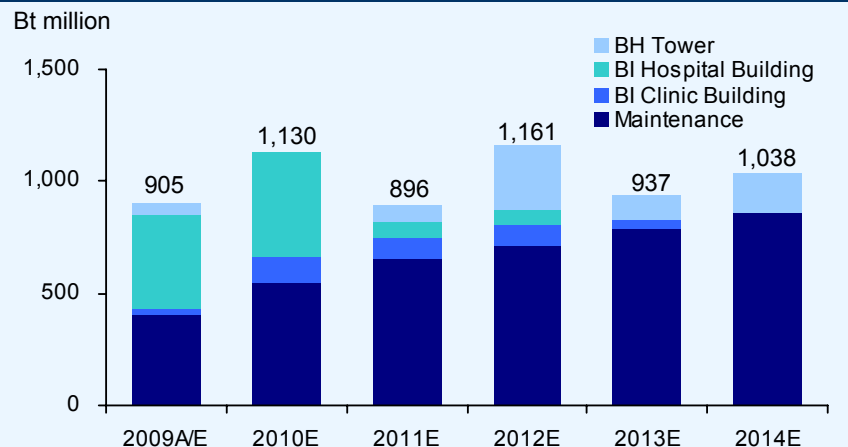


Waiting Area



CAPEX Update

CAPEX allocated by project

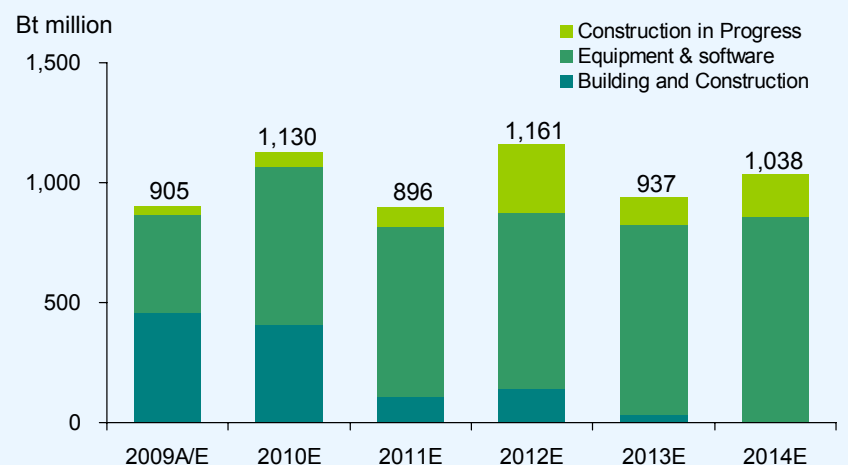


Total CAPEX for the capacity expansion and renovation over the next 5 years (2010-2014):

(Excluding Maintenance CAPEX)

- BI Clinic Building	Bt 335 million
- BI Hospital Building	Bt 604 million
- BH Tower	Bt 660 million
Total	Bt 1,599 million

CAPEX allocated by asset type



Updates on Bumrungrad International Limited



- AHI's profitability continues to improve
- Construction of new 14-story building approved by AHI board; funding by internal cash & debt, no additional equity injection required



- Number of clinics increased from 103 to 105 clinics as of October 09
- (-1 in Taiwan through consolidation of two clinics, +1 in Philippines, +1 in Singapore, +1 in Malaysia)



- Shares sold back to Istithmar

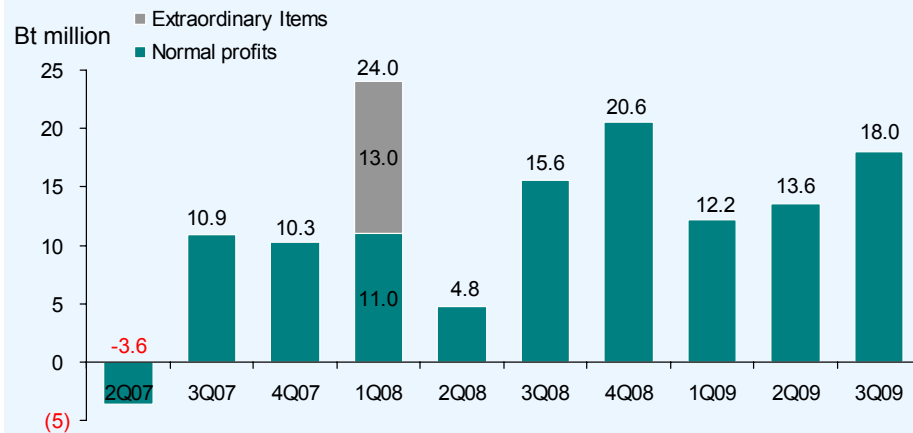


- Able to meet KPIs and is entitled to incentive fees

Bumrungrad International Limited reported net profit of Baht 139 million in 9M09
Bumrungrad International Limited is still aggressively looking for acquisitions

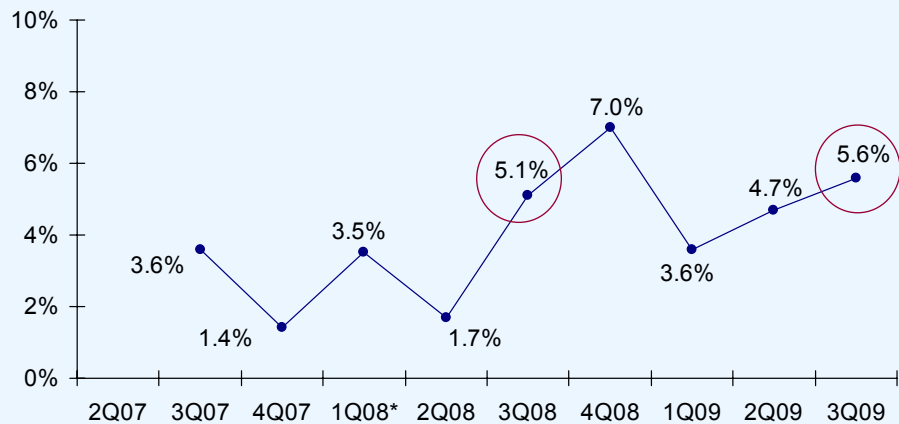
Contribution from Bumrungrad International Limited

Share of Profit from Bumrungrad International Limited to BH



- Improving trend on contribution from Bumrungrad International Limited

% of Net Profit Contribution from Bumrungrad International Limited to BH



* Excluding Bumrungrad International's extraordinary items

Thank You