

Bumrungrad Hospital Public Company Limited

Analyst Meeting No. 1/2010

YE09 Results Update

4 March 2010



Overview

Operational Update

- Thai volume starting to see improvement since 2Q09 as a result of the effective marketing activities; positive signs for 2010
- Strong turn-around of international volume in 4Q09, and continuing into 2010
- The increased revenue intensity and effective cost control resulted in increase in net profit

Financial Performance

- | | | | |
|-----------------|-------------|---------------|------------|
| • 4Q Sales | ↑ 12% y-o-y | YE Sales | ↑ 5% y-o-y |
| • 4Q EBITDA | ↑ 10% y-o-y | YE EBITDA | ↑ 5% y-o-y |
| • 4Q Net profit | ↑ 3% y-o-y | YE Net profit | ↑ 5% y-o-y |

Updates & Strategy

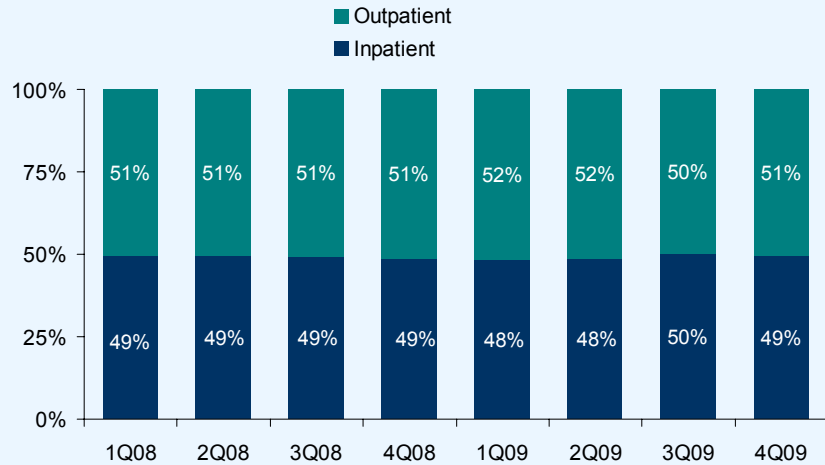
- Continuous domestic marketing efforts in 2010
- Bumrungrad International Hospital, Bangkok: Renovations on schedule and within budget
- Bumrungrad International Limited seeing stable operations

Agendas

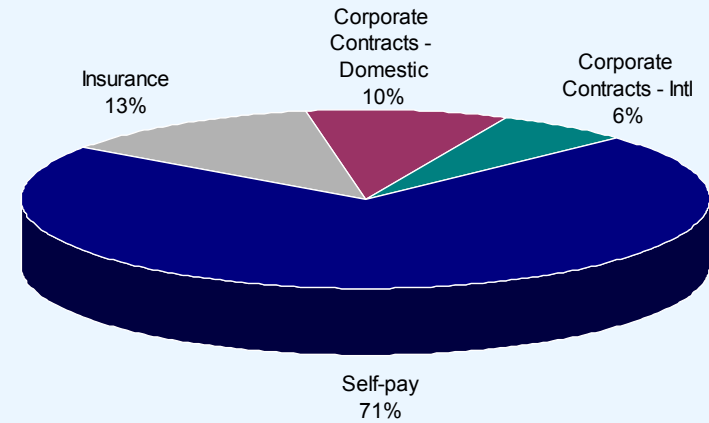
- **Operational Update**
- **Financial Performance**
- **Recent Updates**

Revenue Breakdown

Inpatient vs. Outpatient - Quarterly (% of revenue)



Method of Payment (% of revenue)

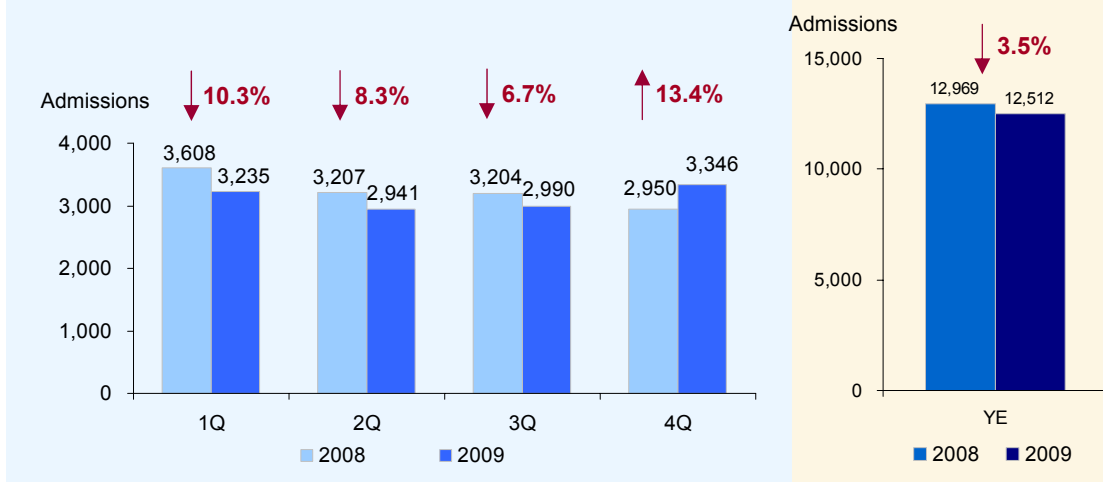


As of Dec 2009

- Revenue contribution from outpatient continues as majority share following worldwide trends towards ambulatory care; BI Clinic well positioned for future growth.
- Corporate contracts increasing especially from foreign accounts; self-pay remains the primary method of payment

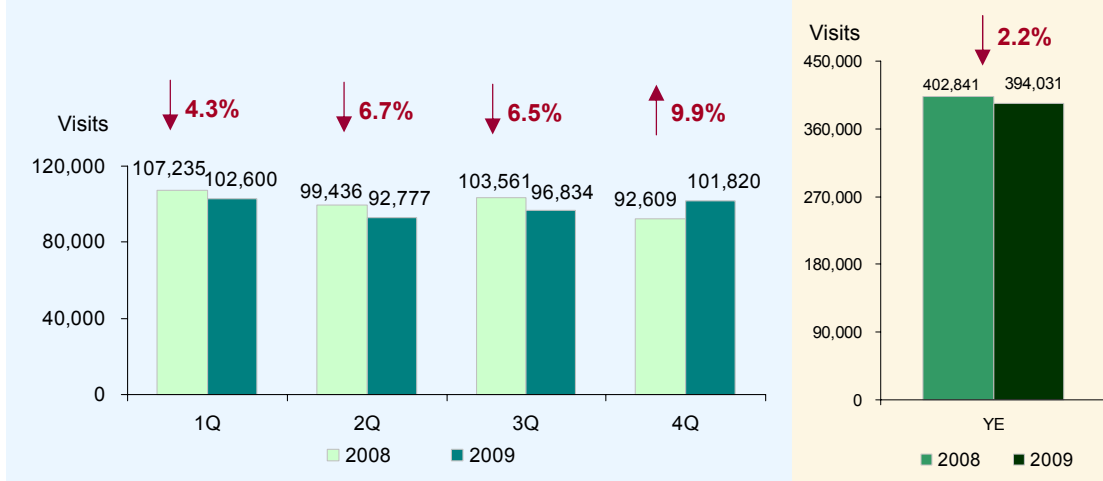
International Volume

International Admissions



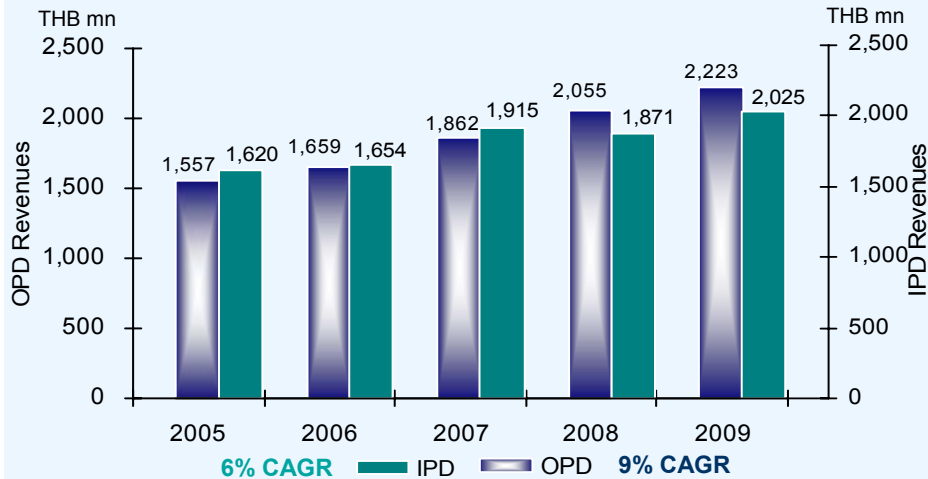
- Sharp international volume turn-around in 4Q09
- 2009 highest international admission volume in fourth quarter
- Continued improving trend into 2010: International volume up ~3% in Jan 2010

International Visits



International Patients

International Revenues



• **International revenue:** Despite the slow down in volume for the year 2009, international revenue is up 8%, primarily from the higher intensity

• 2009 significant changes in international revenue:

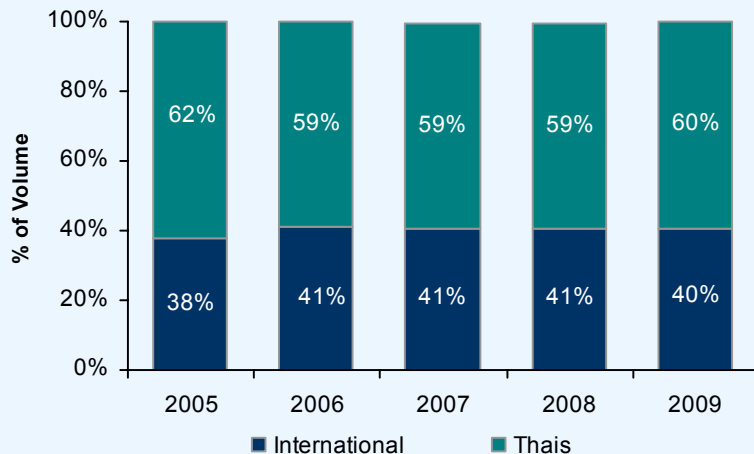
Top 10 countries

- Middle East +15%
- Myanmar +16%
- US +8%
- Cambodia -27%

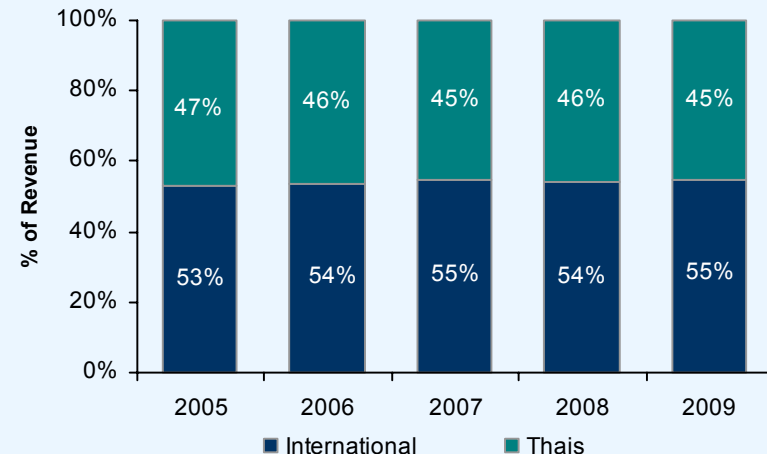
Other targeted country highlights

- Sudan +250%
- Mongolia +20%

Volume Contribution by Nationality



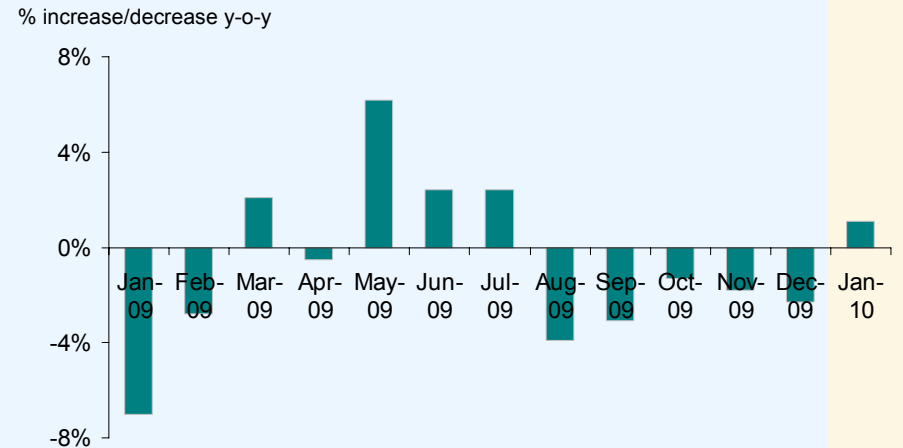
Revenue Contribution by Nationality



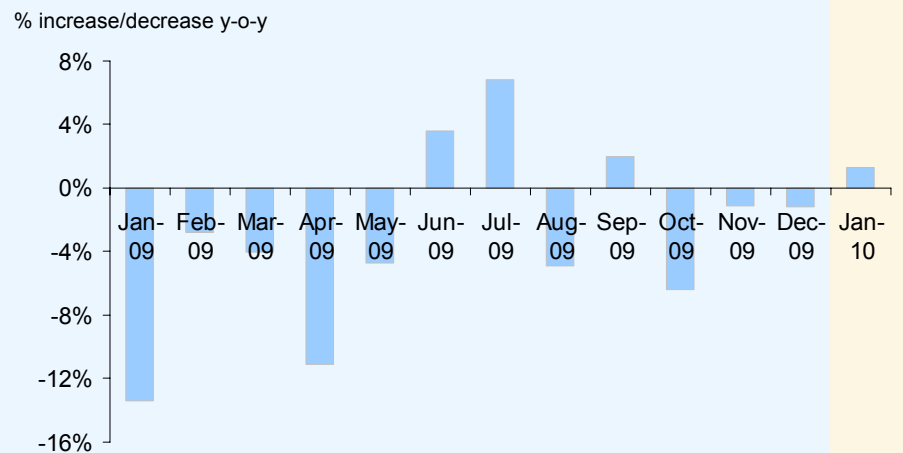
Thai Patients Volume Trend

- Overall 2009 Thai volume:
 - Visits -0.8%
 - Admissions -3.1%
- 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
 - Advertising campaigns
- January looks promising with positive growth

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



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

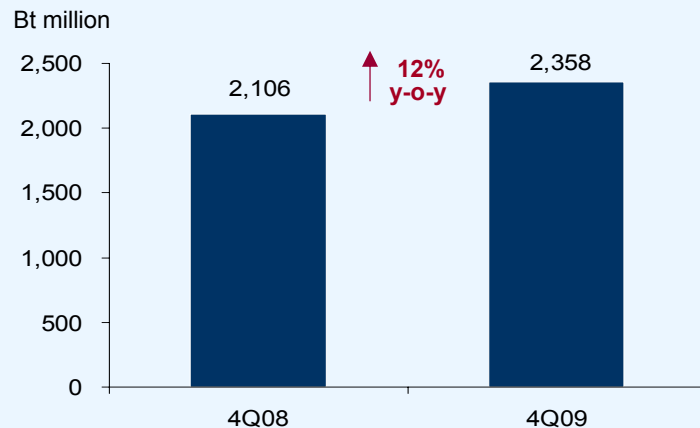


Agendas

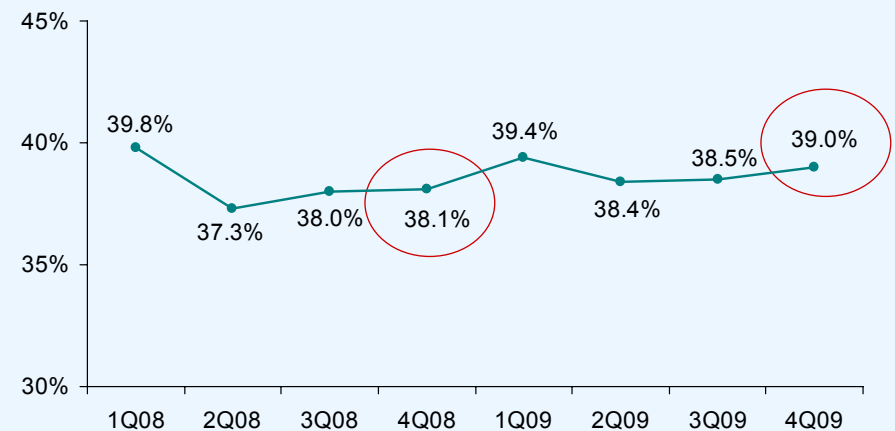
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Sales & Gross Margin - 4Q09

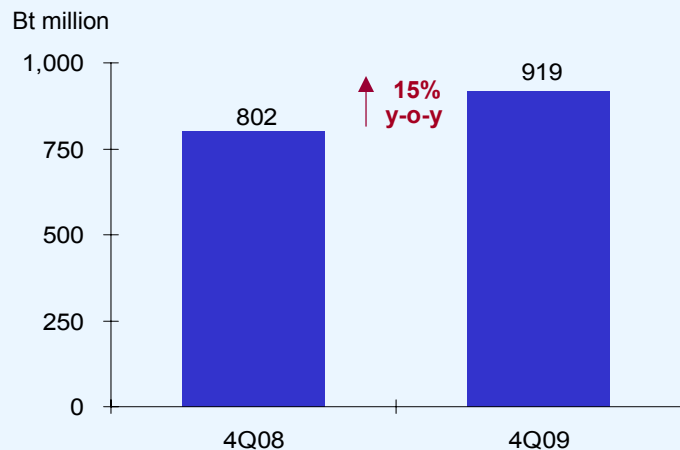
Sales from Hospital Operations



Gross Margin Trend



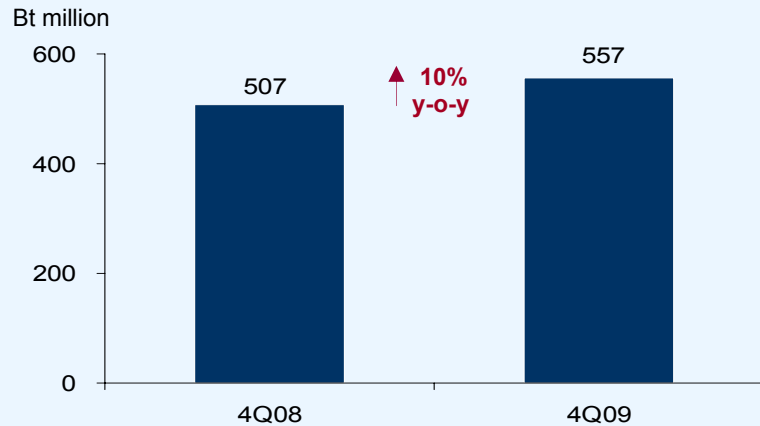
Gross Profit



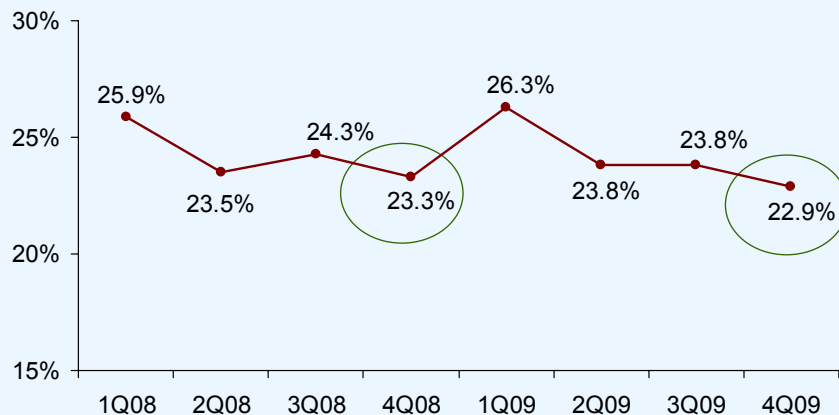
- Sales from hospital operations was up 12% y-o-y as a result of:
 - Inpatient revenue growth of 15%
 - Outpatient revenue growth of 11%
- 4Q09 gross margin improved to 39.0% as a result of tight cost control since end of 2008

EBITDA & EBITDA Margin - 4Q09

EBITDA



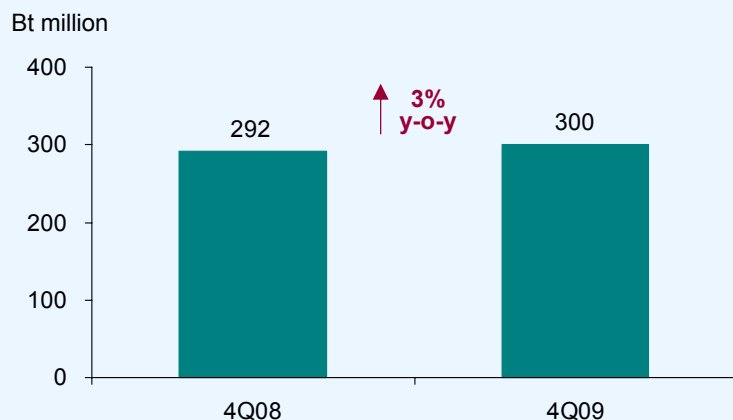
EBITDA Margin Trend



- Administrative expenses increased by 16% y-o-y from:
 - additional bonus accrual to be in line with the 2008 rate, and
 - expenses of two start-up companies:
 - Asia Global Health Co., Ltd.
 - Asia Global Research Co., Ltd.
- EBITDA increased by 10%, lower than the increase of revenues and gross profit
- Therefore, EBITDA margin in 4Q09 was 22.9% compared to 23.3% in 4Q08

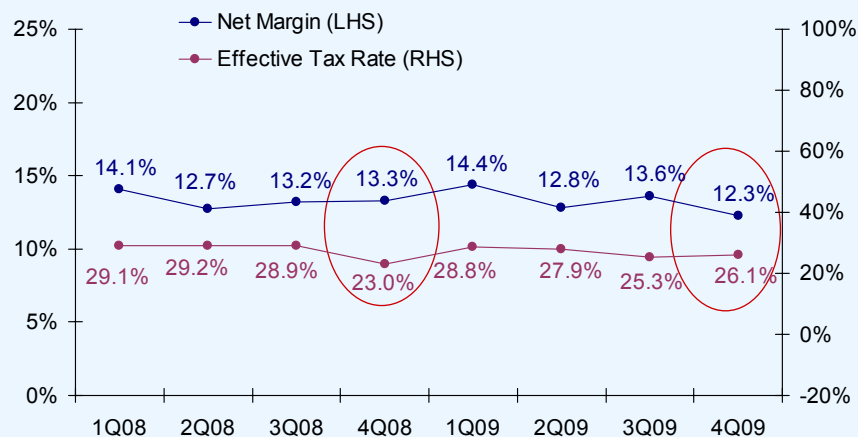
Net Profit & Net Profit Margin - 4Q09

Net Profit



- Higher other expenses in 4Q09 vs. 4Q08:
 - Financing costs:** one-time prepayment expense of Bt 12 million upon refinance of loan in Oct 09
 - Corporate tax:** especially low effective tax rate in 4Q08 because tax privilege used in 4Q08 while being applied throughout the year in 2009
 - Contribution from Bumrungrad International Limited:** contribution from operations remained stable, but accounting adjustments resulted in share loss from Bumrungrad International Limited of Bt 0.7 million. Accounting adjustments are:
 - impairment of goodwill of ARC's Japan clinics and
 - impairment of Bumrungrad International Limited's software, netted off with
 - change in accounting method for the recognition of minority interest in AHI Group

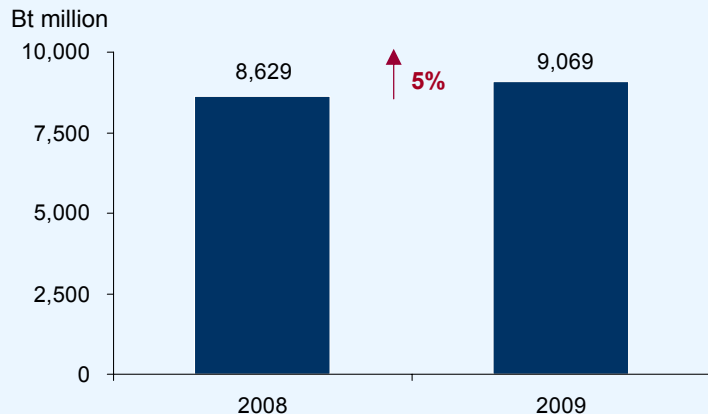
Net Profit Margin & Effective Tax Rate



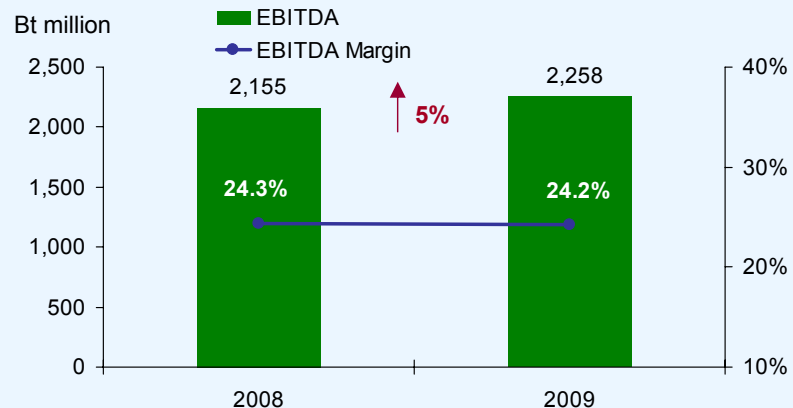
- Therefore, net profit increased by 3% y-o-y
- Net profit margin declined to 12.3% in 4Q09, from 13.3% in 4Q08

Financial Summary – YE09

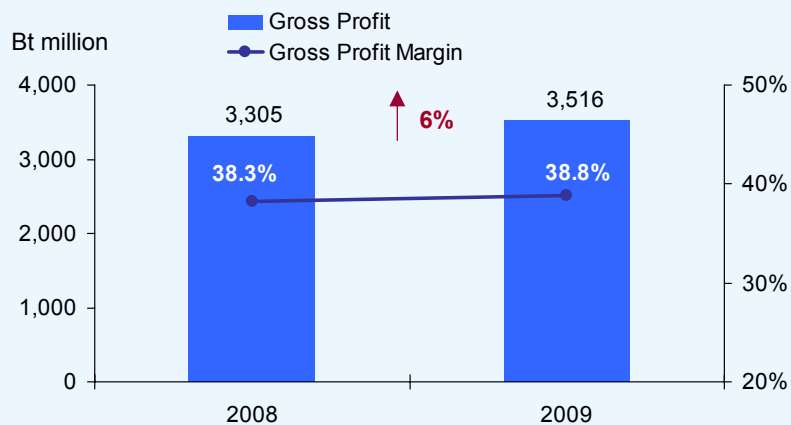
Sales from Hospital Operations



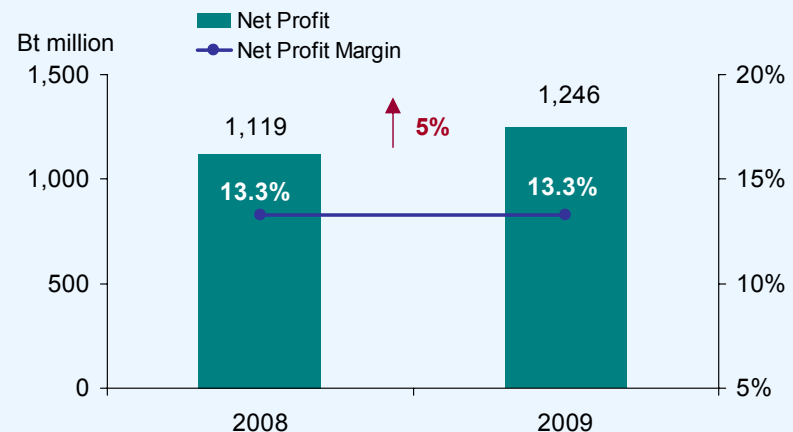
EBITDA & EBITDA Margin



Gross Profit & Gross Profit Margin

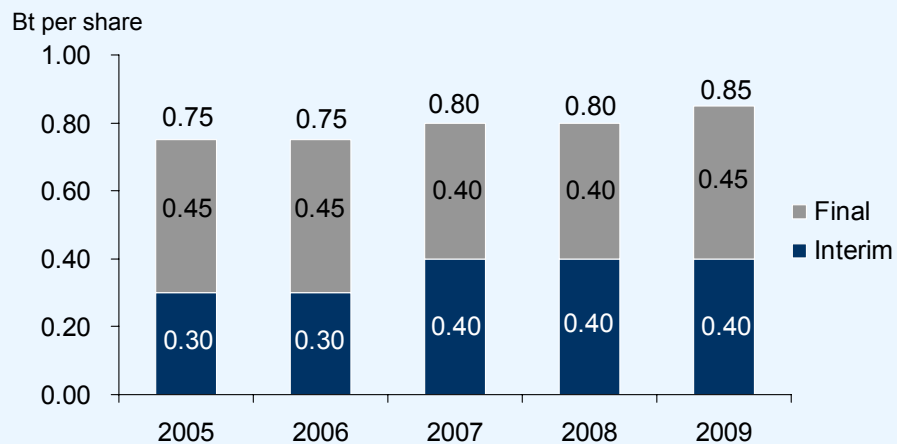


Net Profit & Net Profit Margin

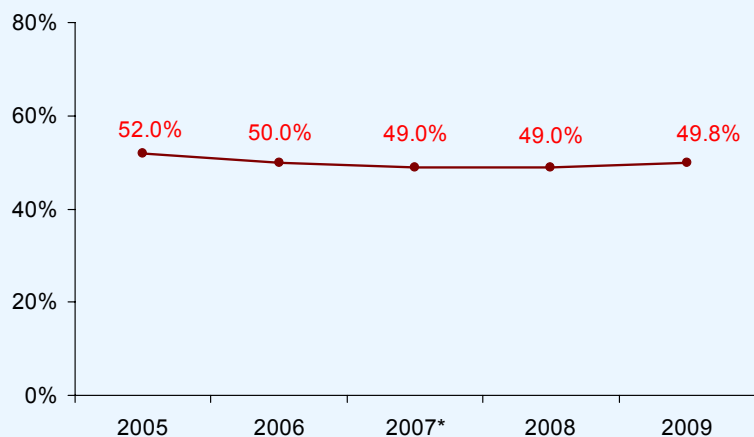


Dividend Payment

Dividend Payment



Payout Ratio



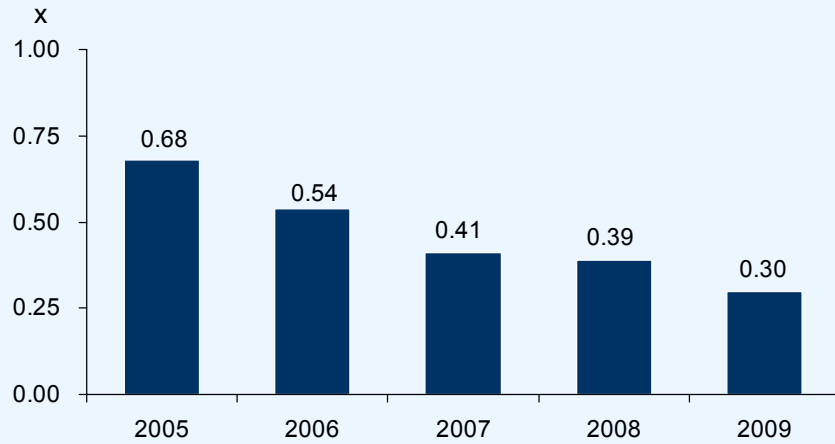
- The board of directors announced the dividend payment (subject to shareholders' approval) with details as follows:
 - Dividend payment for the year of Bt 0.85 per share
 - Record date: 15 March 2010
 - Book closing date: 16 March 2010
 - Dividend payment date: 25 May 2010

* Net profit used to calculate the dividend payout ratio in 2007 is:

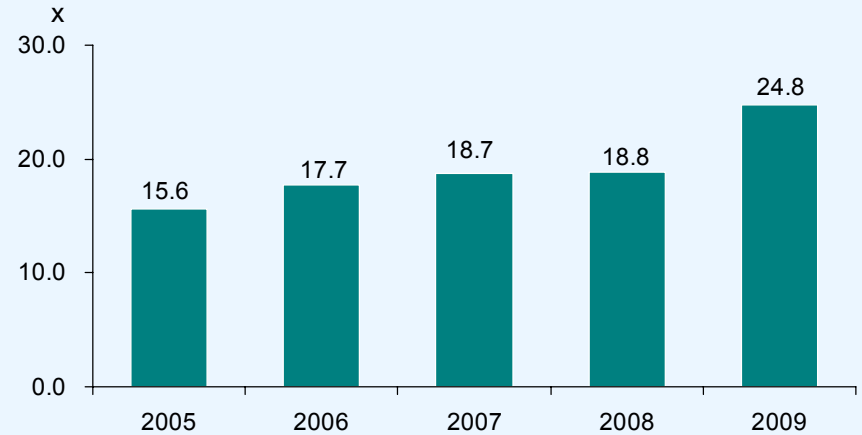
2007 net profit	Baht 1,605 million
- share gain from GCS	- Baht 829 million
+ dividend received from GCS	+ Baht 418 million
= Net profit for dividend payment	Baht 1,195 million

Leverage

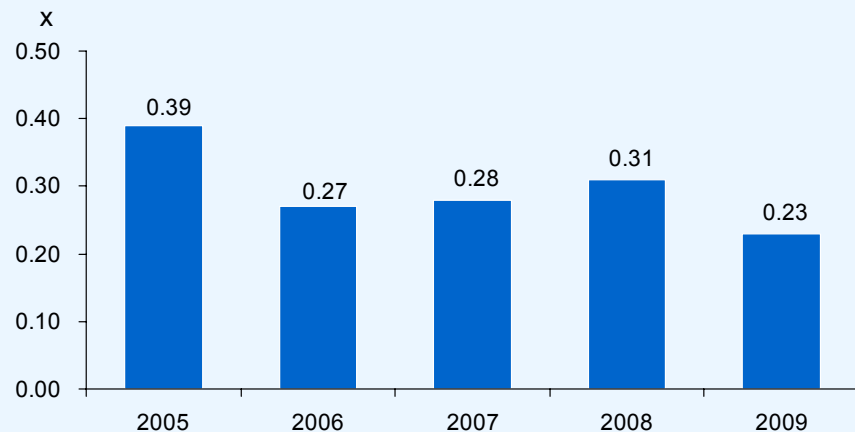
Debt to Equity



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
- Debt refinanced in Oct 2009 with 2-year grace period, and therefore debt outstanding will not be reduced for the next two years

Agendas

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

Update on Bumrungrad International Hospital Bangkok

⇒ Continuous Domestic Marketing Efforts:

- Walk Rally in Feb 2010

⇒ Healthy Living Club members

- Continuous increase; over 23,000 members as of end-Feb 2010

โรงพยาบาลกรุงเทพขอเชิญท่านเข้าร่วม

Walk Rally

เพื่อสุขภาพ

วันอาทิตย์ที่ 21 กุมภาพันธ์ 2553
ที่สวนลุมพินี เวลา 6.30 - 12.00 น.
โดยไม่เสียค่าใช้จ่าย

เป็นการระดมทุนจากแพทย์ เพื่อ
ผู้ที่มีโรคเรื้อรังที่ตนเองไม่ใส่ใจดูแล

สมัครเข้าร่วมกิจกรรม กรุณาแจ้งความประสงค์
โทร: 02 667 2000 ในวันจันทร์-ศุกร์
ณ ชั้น 5 ชั้น T-Shirt จำนวน: 1 ชุด
รับจำนวนจำกัด 300 ท่านแรกเท่านั้น

บริการตรวจสุขภาพเบื้องต้น

- ตรวจความดันและคลื่นหัวใจเบื้องต้น
- ตรวจวัดไขมันในเลือด
- ตรวจวัดความหนาแน่นของกระดูก

ขอความดีใจจากโรคมะเร็ง โรคมะเร็งลำไส้ใหญ่ โรคมะเร็งเต้านม โรคมะเร็งตับ โรคมะเร็งปอด โรคมะเร็งต่อมไทรอยด์

บริการอาสาสมัครเพื่อสุขภาพ

- ให้ความรู้เกี่ยวกับโรคภัยไข้เจ็บ
- ให้ความรู้เกี่ยวกับสุขภาพจิต
- ให้ความรู้เกี่ยวกับสุขภาพเด็ก
- ให้ความรู้เกี่ยวกับโรคเรื้อรัง จากคุณหมอ

www.bumrungrad.com




New Year's Greeting Cards to members



Update on Bumrungrad International Hospital Bangkok

⇒ Renovations:

- Inpatient rooms:
 - 341 rooms completed as of Dec 09;
entire project to complete by May 2010
 - The renovation is on budget and ahead
of schedule
- Women's Center:
 - Grand opening will be on 9 March 2010
 - The renovation is on budget and on
schedule



Updates on Bumrungrad International Limited



A Bumrungrad International Ltd Company

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



Asia Renal Care

A Bumrungrad International Ltd Company

- Number of clinics decreased from 105 to 102 clinics as of December 09 due to consolidation
- -1 in Taiwan, -1 in Philippines, -1 Thailand

Mafraq Hospital

Managed by Bumrungrad International Ltd

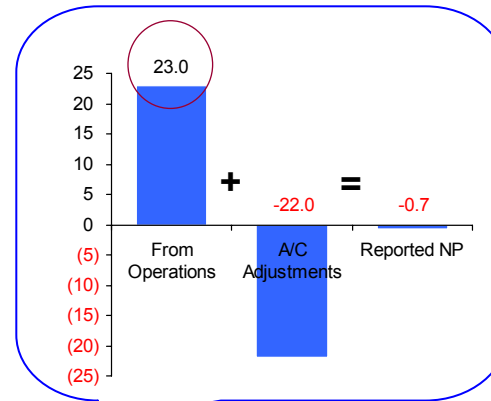
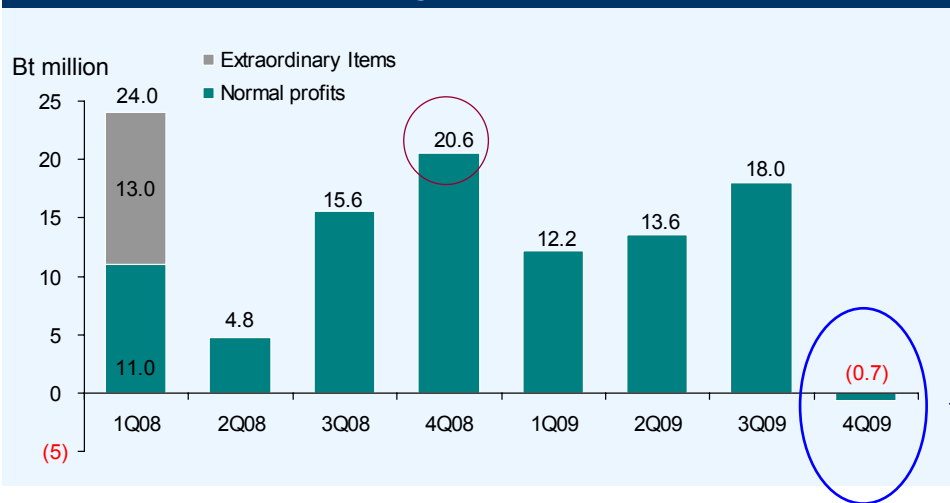


- Able to meet KPIs and is entitled to incentive fees

Bumrungrad International Limited reported net profit of Baht 85 million in 2009
Bumrungrad International Limited is still aggressively looking for acquisitions

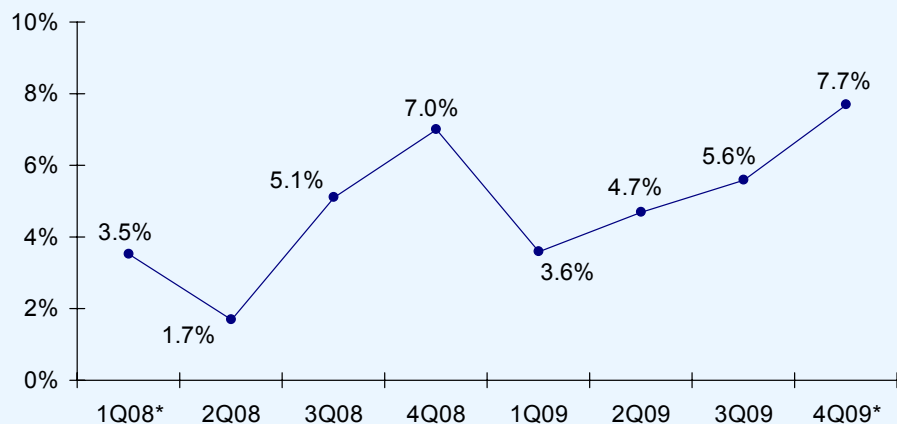
Contribution from Bumrungrad International Limited

Share of Profit from Bumrungrad International Limited to BH



- Accounting adjustments resulted in reported share of loss from Bumrungrad International Limited in 4Q09:
 - impairment of goodwill of ARC's Japan clinics and
 - impairment of Bumrungrad International Limited's software, netted off with
 - change in accounting method for the recognition of minority interest in AHI Group
- Excluding accounting adjustments, the contribution of profit from operations increased to Bt 23 million in 4Q09
- Improving trend on contribution of normal operations from Bumrungrad International Limited

% of Contribution of Net Profit from Normal Operations to BH



* Excluding Bumrungrad International's extraordinary & accounting adjustment items

Thank You