

Bumrungrad Hospital Public Company Limited

Analyst Meeting No. 2/2011

1Q11 Results Update

18 May 2011



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Overview

Operational Update

- Total patient volumes and revenue per episode continued to grow for 1Q11 compared with 1Q10.
- Outpatient service revenue increased by 8% year over year while inpatient service revenue increased by 6% year over year.

Financial Performance

- 1Q11 results reflected improved operation
- 1Q11 Revenues ↑ 7% y-o-y
- 1Q11 EBITDA ↑ 13% y-o-y
- 1Q11 Net profit ↑ 13% y-o-y

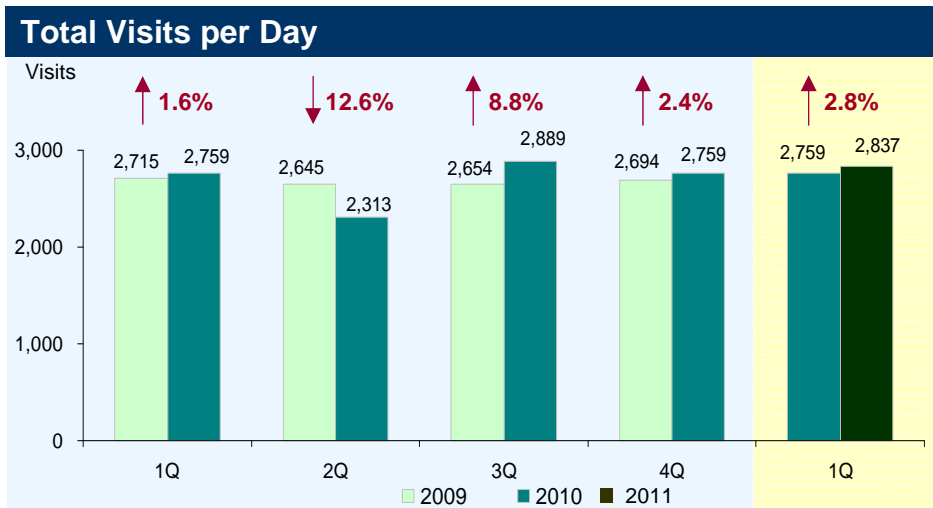
Updates & Ongoing Focus

- 2011 Strategy
 - Campus expansion
 - Physician recruitment

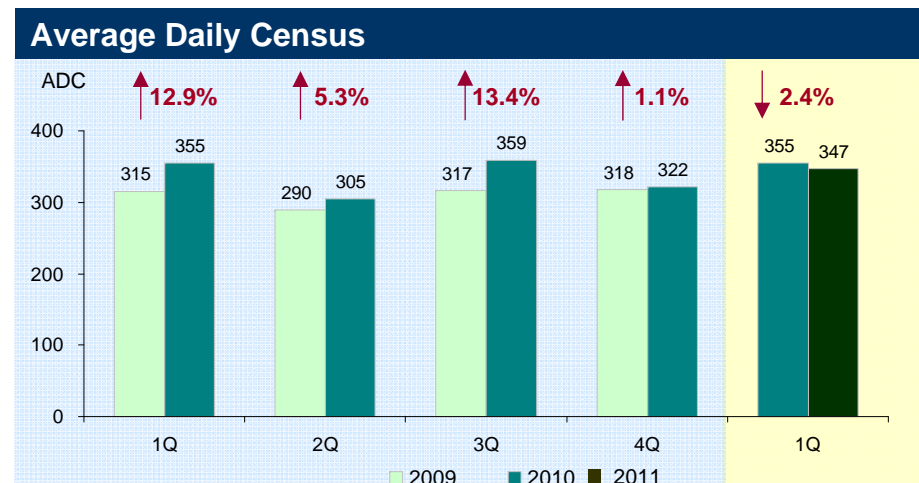
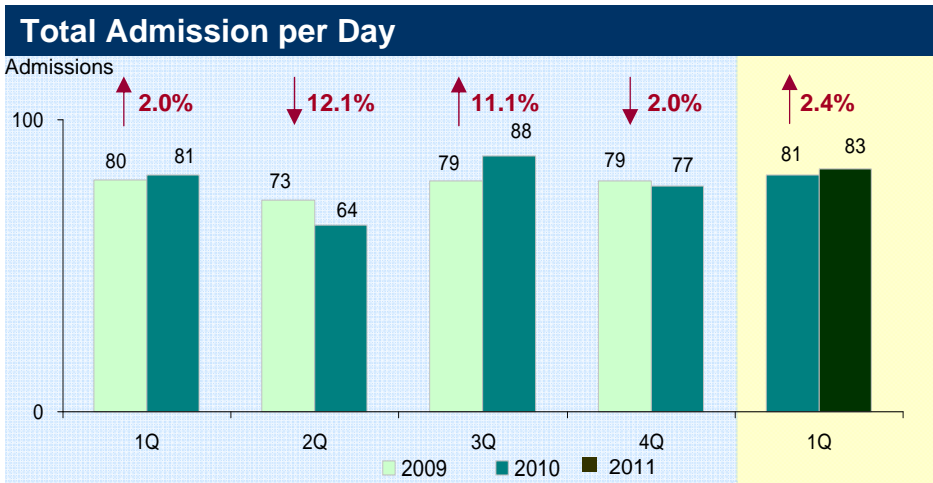
Agendas

- **Operational Update**
- **Financial Performance**
- **Associated Companies**

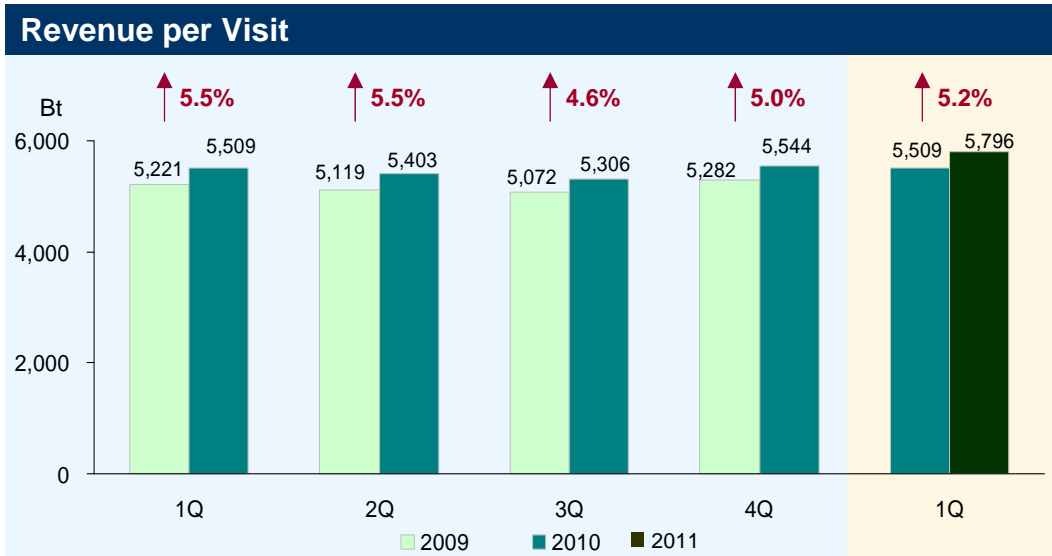
Overall Volume Trend



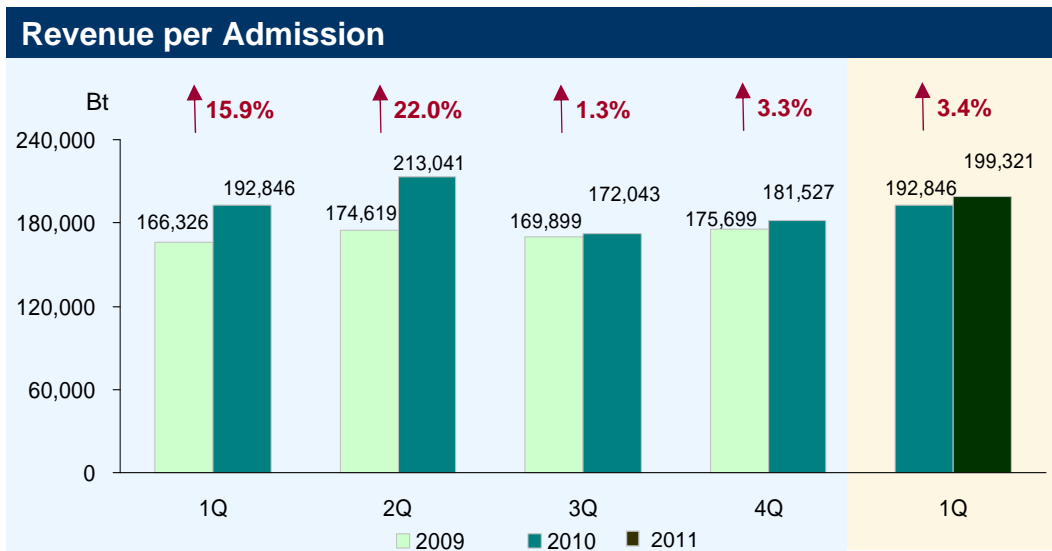
- 1Q11 total visits increased by 2.8% compared to 1Q10.
- 1Q11 total admission increased by 2.4% compared to 1Q10.
- ADC decreased in 1Q11 due to lower length of stays compared to 1Q10.
- Focus on campus expansion and physician recruitment.
- The additional clinic space will allow Bumrungrad International Hospital to recruit doctors in sub-specialties to enhance capacities in providing advanced medical care to patients.



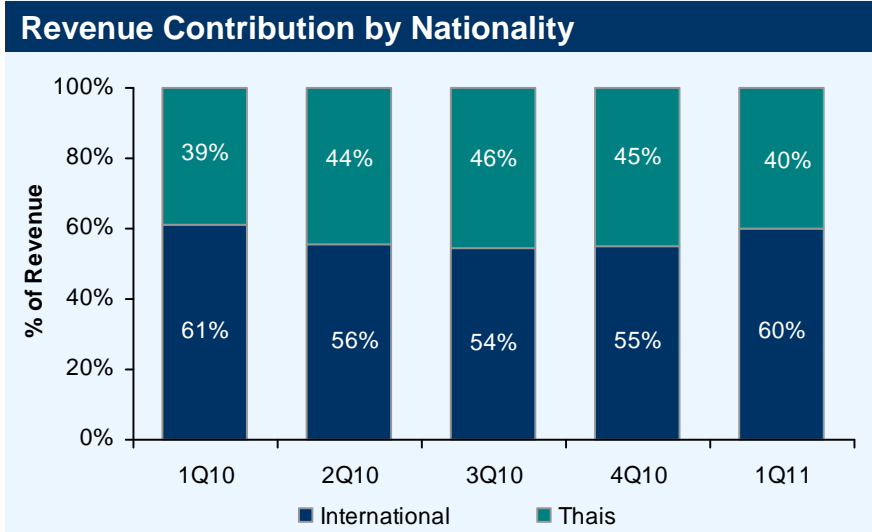
Revenue Intensity



- Revenue per visit growth resulted from increased consumption in outpatient ancillary services and annual price adjustment.
- Revenue per admission continued to grow compared the prior year.



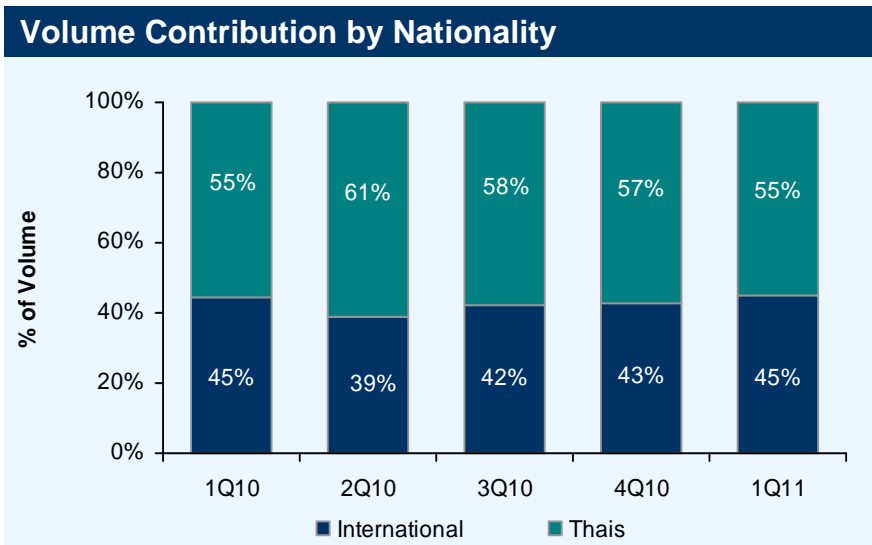
International Breakdown



- **International revenue:** Up 6% y-o-y, primarily from volume growth

- **Top 5 countries revenue contribution (3M11)**

- UAE 11%
- US 6%
- Myanmar 4%
- Oman 3%
- Bangladesh 3%

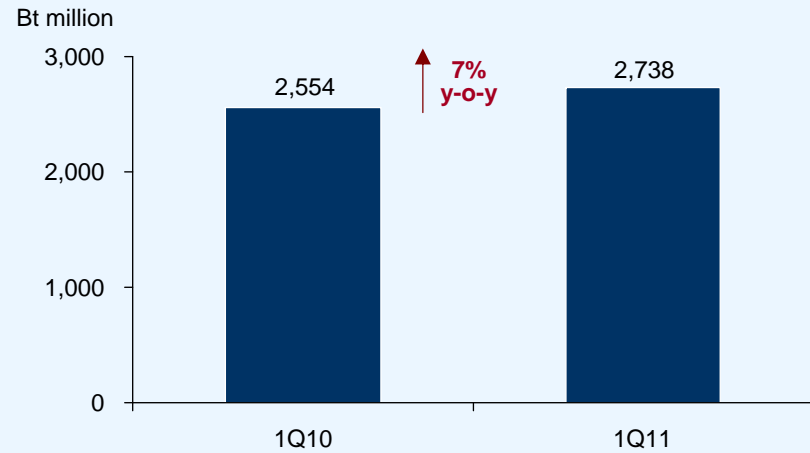


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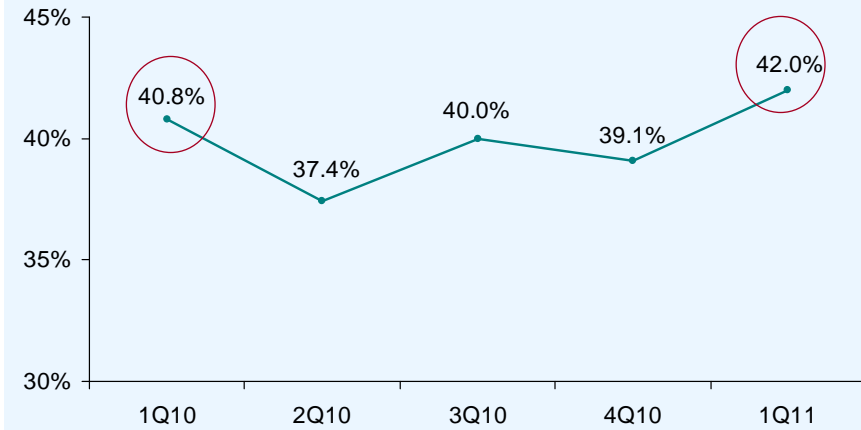
- Operational Update
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Revenue & Gross Margin – 1Q11

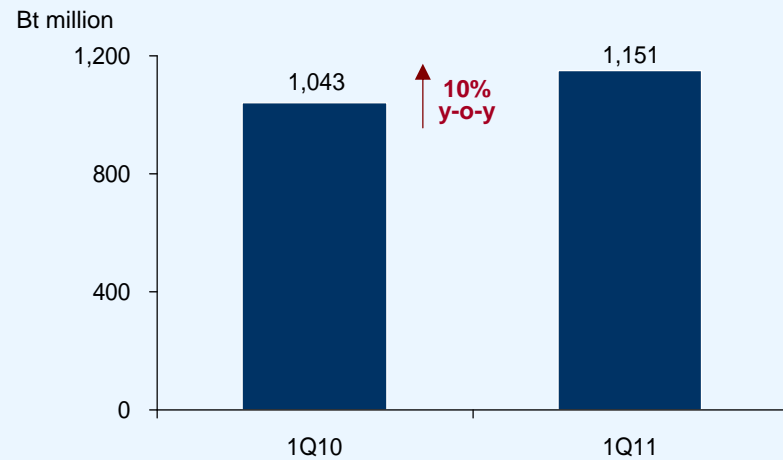
Revenue from Hospital Operations



Gross Margin Trend



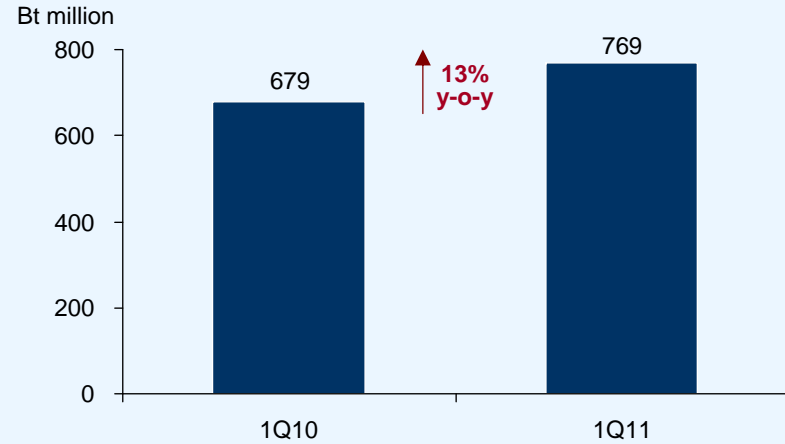
Gross Profit



- Revenues from hospital operations increased 7% y-o-y as total patient volumes and revenue per episode continued to grow for 1Q11 compared with 1Q10.
- 1Q11 gross margin was 42.0% from 40.8% in 1Q10, attributable to continuous cost control and economies of scale.

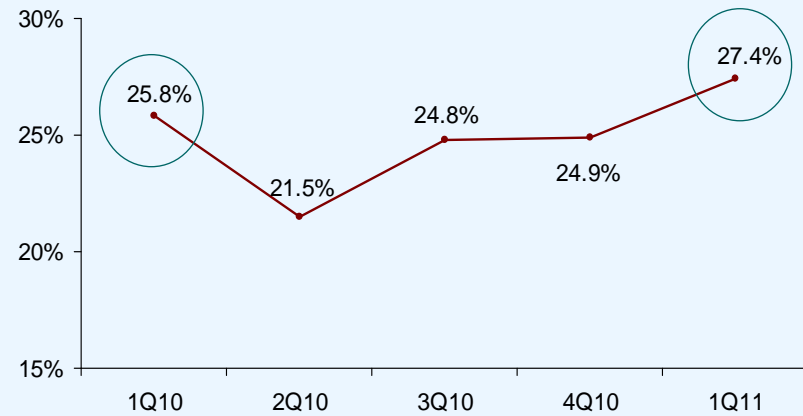
EBITDA & EBITDA Margin – 1Q11

EBITDA



- Administrative expenses increased 2% y-o-y, lower than growth of total revenues from;
 - Lower marketing expenses
 - Lower provision for bad debt
 - Lower donation expenses
 - Lower expenses related to subsidiaries, AGH and AGR

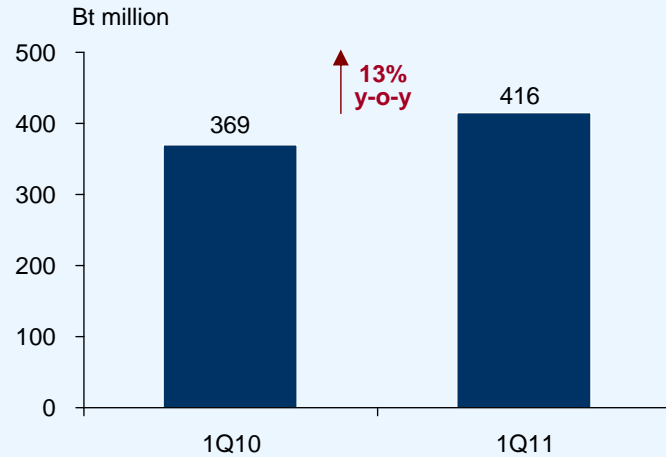
EBITDA Margin Trend



- EBITDA margin in 1Q11 was 27.4% compared to 25.8% in 1Q10

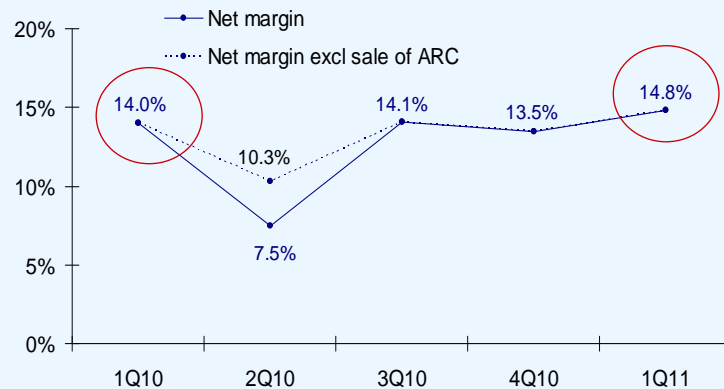
Net Profit & Net Profit Margin – 1Q11

Net Profit



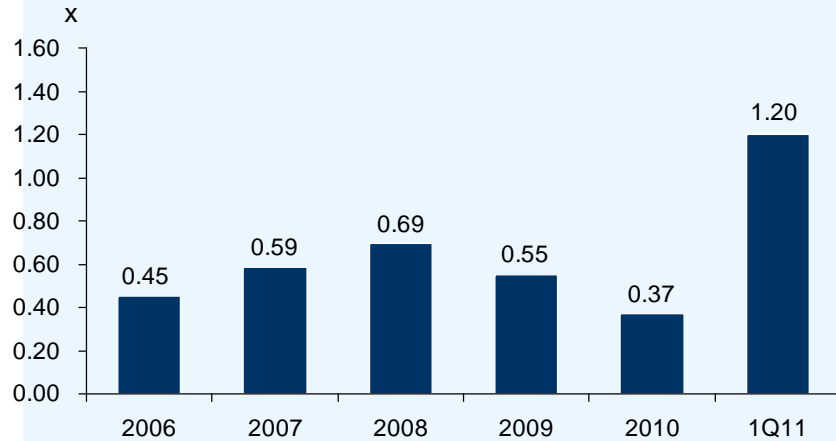
- Lower rate of increase in cost of hospital operations and administrative expenses delivered an increase in 1Q11 net profit to Baht 416 million, 13% increase y-o-y from Baht 369 million in 1Q10.
- Net profit margin increased to 14.8% in 1Q11, from 14.0% in 1Q10.

Net Profit Margin

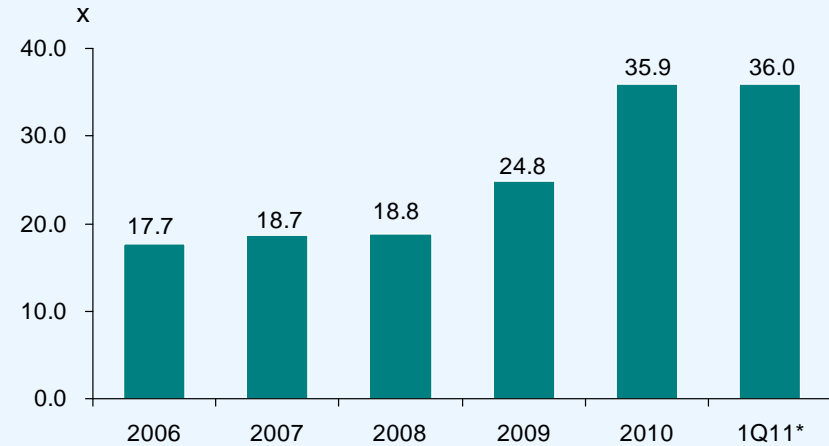


Leverage

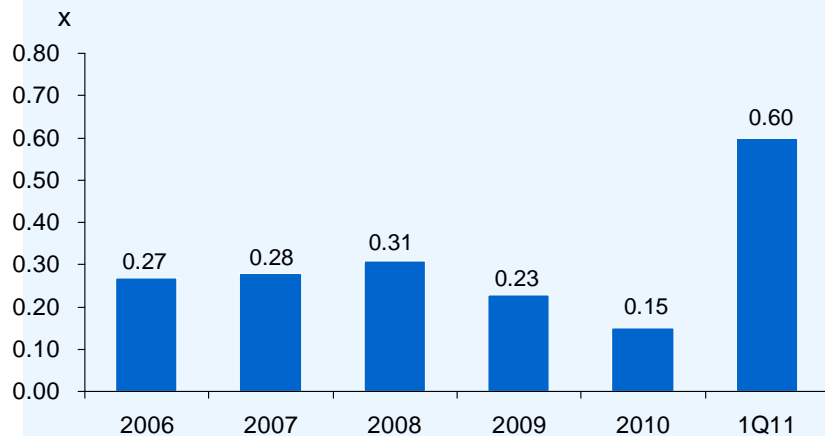
Net Debt to EBITDA



Interest Coverage



Net Debt to Equity



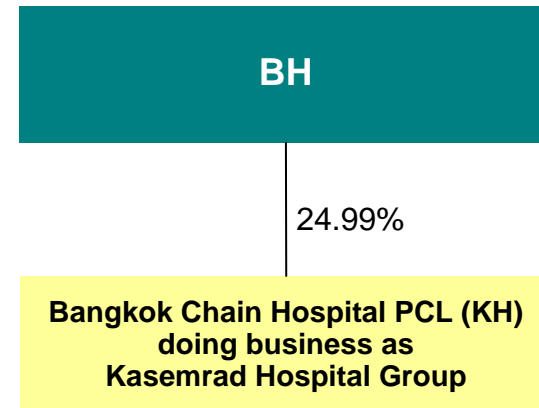
- Net debt to EBITDA and Net debt to Equity ratios were higher due to an increase in Bt 3,570 million short-term loans from the purchase of common shares of Bangkok Chain Hospital PCL doing business as Kasemrad Hospital Group on 18 March 2011.
- Interest expenses related to the purchase of common shares of Kasemrad Hospital Group to calculate interest coverage ratio was Bt 3.5 million based on remaining days in the quarter after the transaction settled.
- *If we assumed impact for the full quarter, interest expenses from this transaction will be Bt 51 million and interest coverage ratio will be 15.1x.

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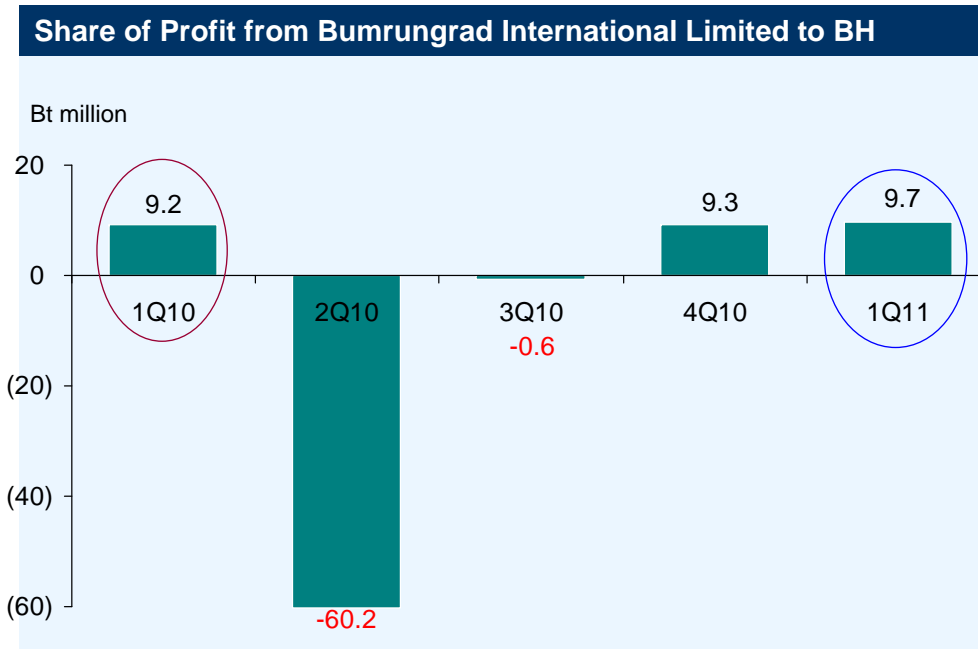
Kasemrad Hospital Group (KH)

- The Company did not recognize the share of income from Kasemrad Hospital Group in 1Q11 due to time constraints after the transaction settled.
- The Company will commence recognition of share of income from Kasemrad Hospital Group in 2Q11.
- The table below represents the financial figure if BH has recognized KH's share of income in 1Q11.



	<i>Bt mn</i>
<i>KH's net profit in 1Q11</i>	143
<i>BH's ownership in KH</i>	24.99%
<i>Share of income from KH (9 days)</i>	3.6

Contribution from Bumrungrad International Limited



- BIL contributed Baht 9.7 million share of income in 1Q11, an increase from Baht 9.2 million in 1Q10.

Reduction in Capital of BIL

- By resolution of the extraordinary general meeting of the BIL shareholders held on 14 March 2011, the share capital of BIL was reduced, by way of a reduction of the number of shares, from Baht 3,199,336,700 to Baht 1,176,000,000.
- An amount of Baht 2,023,336,700 (20,233,367 shares at par value of Baht 100 per share) was made available for this partial reduction of capital and provided for a cash payout to shareholders.
- The reduction was made on a pro rata basis for all shareholders and will therefore not change the ownership percentage positions of any shareholder.
- After elimination of BIL's retained deficit, the resulting cash distributed by BIL to shareholders on 19 April 2011 was Baht 1,944,910,646.

Shareholders	Pre-capital reduction		Post-capital reduction		Cash distribution (Bt)
	No of shares	% holding	No of shares	% holding	
Bumrungrad Hospital Pcl. (BH)	10,077,910	31.5%	3,704,400	31.5%	612,646,853
Asia Financial Holdings	6,238,707	19.5%	2,293,200	19.5%	379,257,576
Istithmar	6,238,707	19.5%	2,293,200	19.5%	379,257,576
Temasek	6,238,707	19.5%	2,293,200	19.5%	379,257,576
Bangkok Bank Pcl.	3,199,336	10.0%	1,176,000	10.0%	194,491,065
Total	31,993,367	100.0%	11,760,000	100.0%	1,944,910,646

- The capital reduction follows the sale of all the shares of Asia Renal Care Limited (ARC) by BIL during 2010. As BIL's cash balances were in excess of its cash requirements, the capital reduction reflects the exercise of prudent financial management and corporate governance.
- BH plans to use the cash receipt from BIL's capital reduction for its working capital.

Updates on Bumrungrad International Limited



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



- Able to meet KPIs and is entitled to incentive fees

Bumrungrad International Limited is focusing on expansion opportunities

- *In the hospital sector*
- *In Asian markets which are supportive of private sector healthcare*
- *Where valuations are reasonable*
- *Project timing is difficult to predict given decision points of asset sponsors or governments*

Bangkok Facility Expansion Plan

Outpatient Service	<ul style="list-style-type: none">• Plan to open 5 clinic floors at Bumrungrad International Clinic in 2012
Inpatient Services	<ul style="list-style-type: none">• Plan to add about 28 ICU beds in Bumrungrad Hospital Building to serve more high acuity patients
CAPEX	<ul style="list-style-type: none">• Baht 1.1bn through mid-2012

Thank You