



Bumrungrad Hospital Public Company Limited

Analyst Meeting No.2/2012 – 1Q12 Results Update

17 May 2012

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Overview

Operational Update

- 1Q12: Strong volume and high revenue intensity in 1Q12 caused the growth rate in revenue from hospital operations. Inpatient and outpatient service revenue increased by 15.6% and 14.7%, respectively.
- 1Q12 reported net profit has an impressive 40.1% increase from 1Q11.

Financial Performance

- | | | | |
|-------------------|-------------|-------------------|-------|
| • 1Q12 Revenues | 15.6% y-o-y | | |
| • 1Q12 EBITDA | 18.2% y-o-y | EBITDA margin | 28.2% |
| • 1Q12 Net profit | 40.1% y-o-y | Net profit margin | 17.7% |

Updates and Ongoing Focus

- BI Bangkok
- Thailand
- International

Agenda

Strategy

Operational Update

Financial Performance

Associated Companies

Strategy

Bumrungrad International Hospital

- Campus Expansion
- Doctor Recruitment

Metro Bangkok

- Expand in our existing market segment – **2nd Campus**
- Expand into a new market segment – **2nd Brand**

Mid Tier Market Thailand

- Invested in Kasemrad Hospital Group

International

- Review of selective opportunities

Campus Expansion

Back office

- Move off campus into leased office space
- Move into new BI Support Building

Clinics

- Open 5 floors in Bumrungrad International Clinic building
- Expand clinics in Bumrungrad International Hospital Building

Inpatient

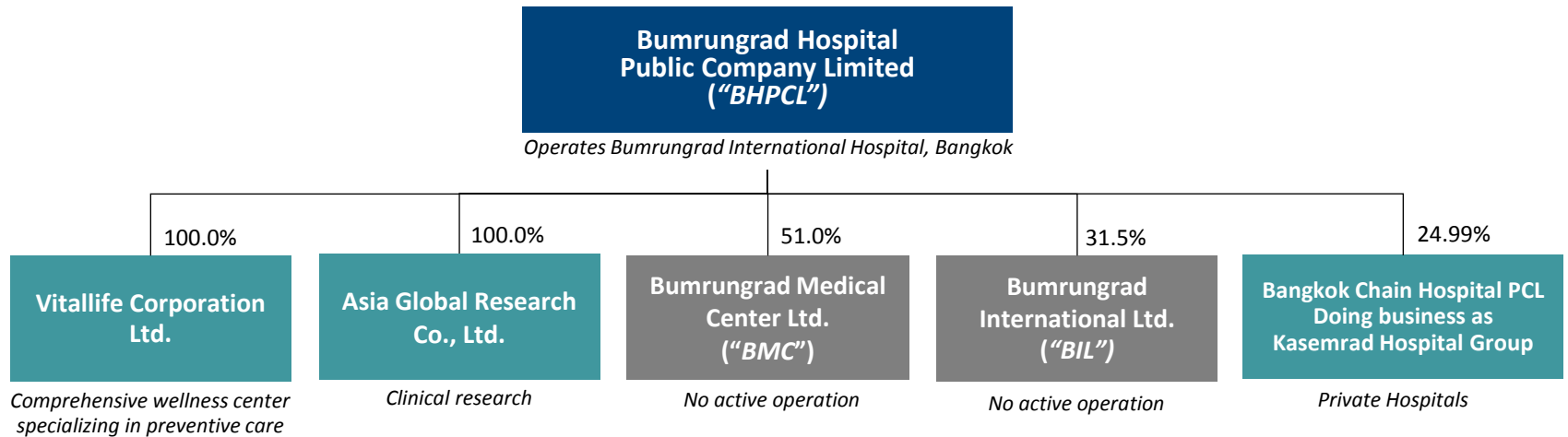
- Add 44 ICU beds and 61 ward beds in Bumrungrad International Hospital building
- Expand ancillary services

Bumrungrad International Support Building

- Bought 6,700 sq. meters of land on Petchburi Road.
- Capability to construct building for back offices, employee housing and parking

Est. Capital Investment (Million THB)	Y11	Y12	Y13	Y14	Y15	Total
	648	962	1,389	718	299	4,016

Realignment of the Corporate Structure



- BIL ceased its operating activity. The second capital reduction was completed in 1Q12. As a result BHPCL received Baht 271 million.

Agenda

Strategy

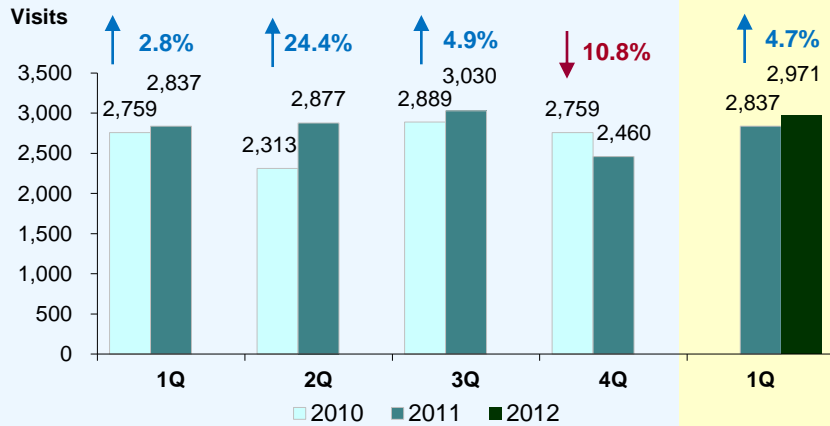
Operational Update

Financial Performance

Associated Companies

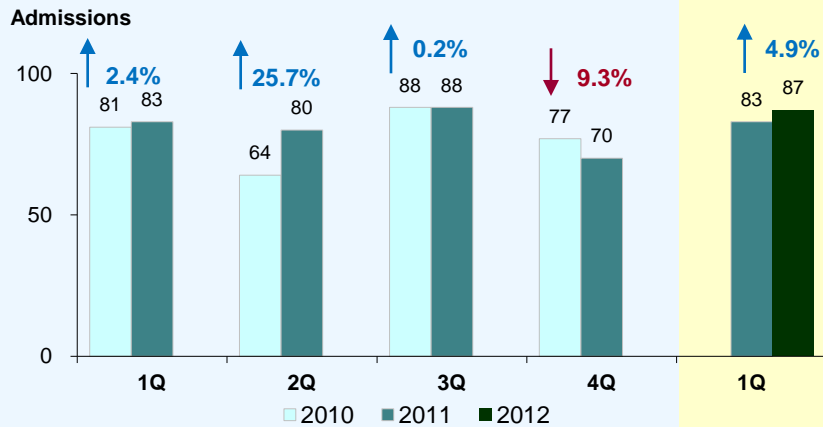
Overall Volume Trend

Average Visits per Day

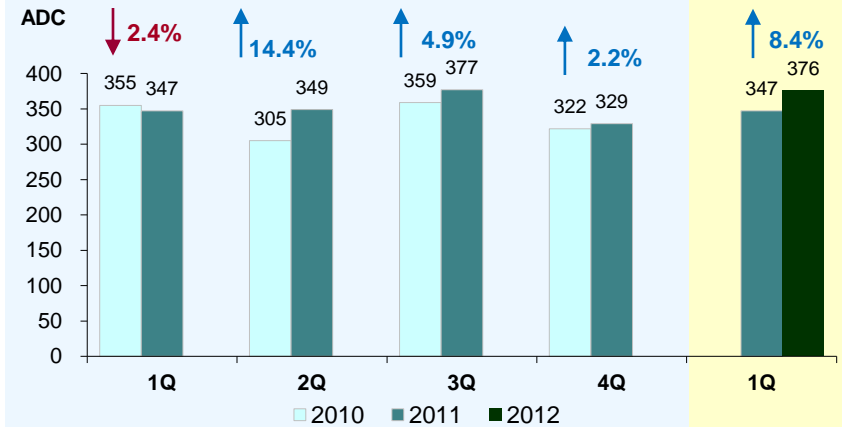


Inpatient and outpatient volumes increased in 1Q12 compared with 1Q11, primarily due to strong growth in international markets.

Average Admissions per Day

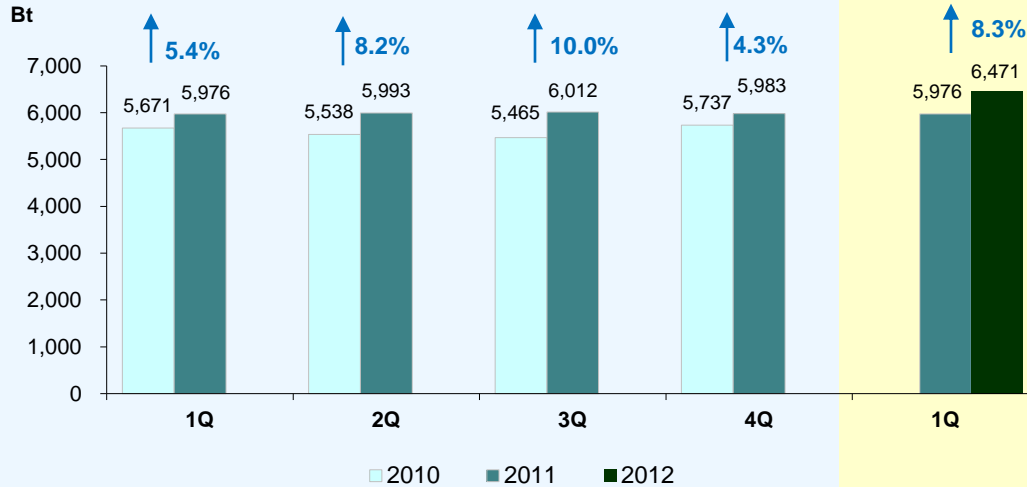


Average Daily Census



Revenue Intensity

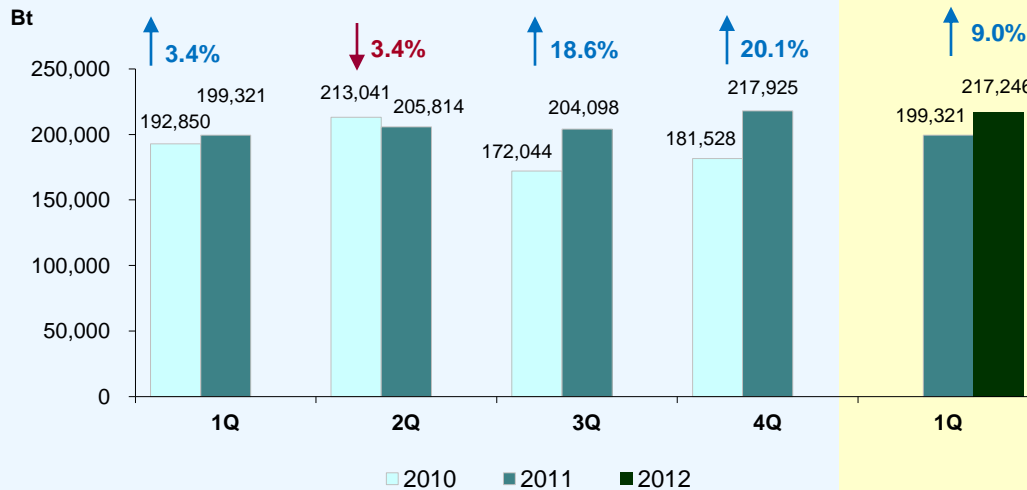
Revenue per Visit



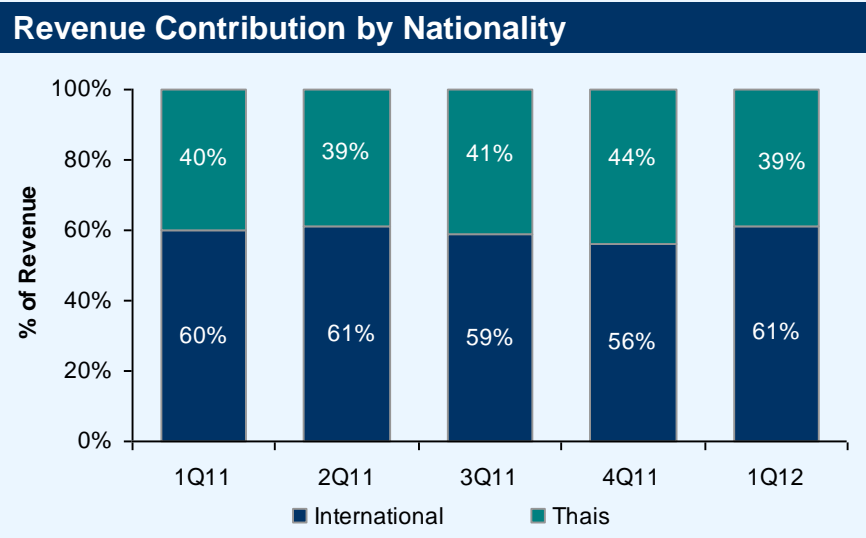
Revenue per unit of service reflects a 3.3% increase from the annual price adjustment. The remaining amount is revenue intensity or increased consumption:

- OPD revenue intensity per visit increased 5.0% in 1Q12.
- IPD revenue intensity per admission increased 5.7% from increased length of stay.
- IPD revenue intensity per patient day increased 2.1% from the international patients.

Revenue per Admission

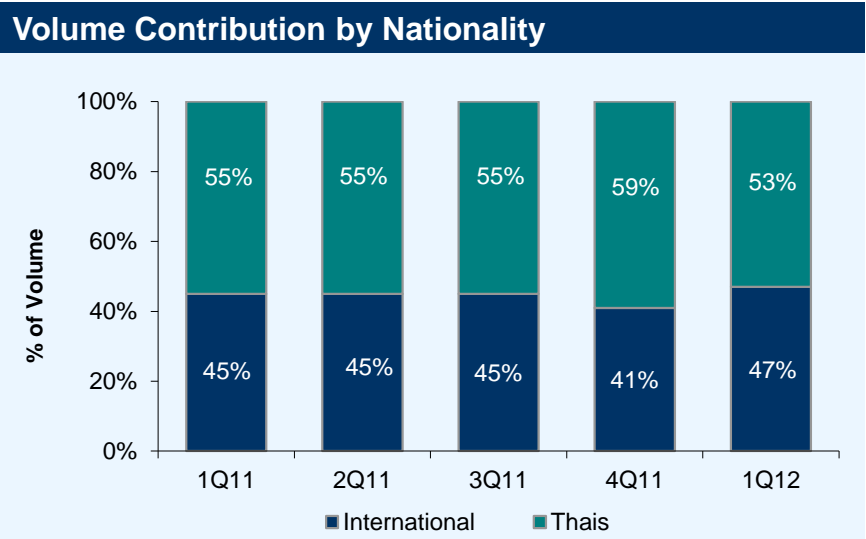


International Breakdown

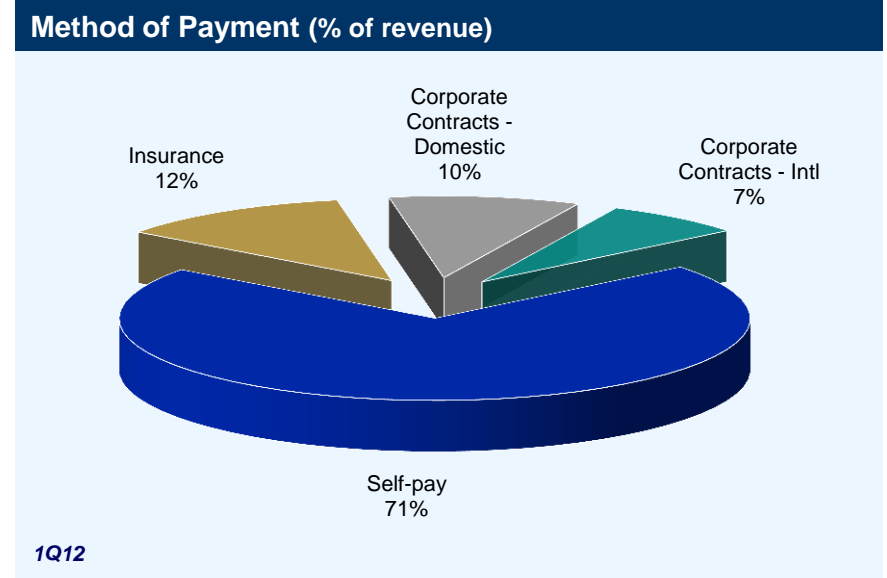
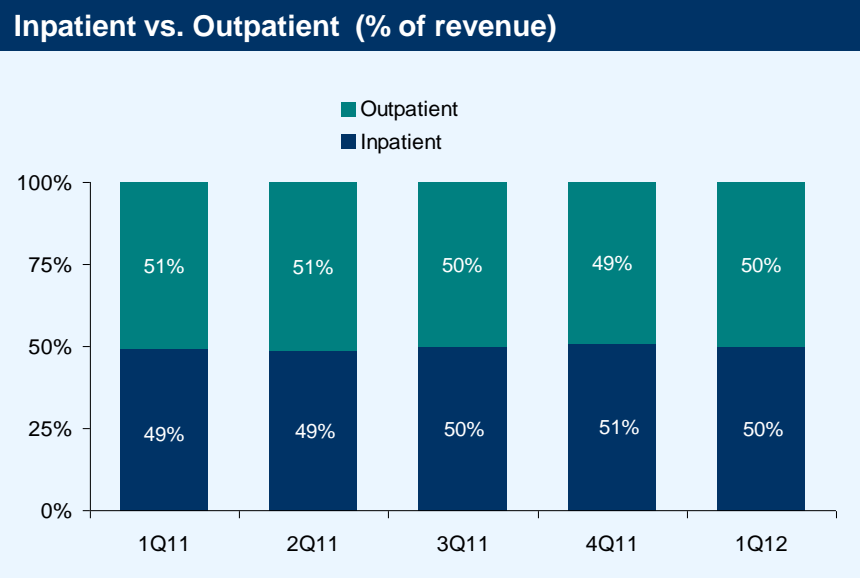


- For 1Q12, international revenue was up 17.7% from 1Q11, primarily from revenue intensity.
- Top 5 revenue contribution countries (1Q12)

UAE	8%
USA	6%
Myanmar	5%
Oman	5%
Kuwait	4%



Revenue Breakdown



- Revenue contribution for outpatient and inpatient services mostly in line with historical amount.
- 1Q12 Revenue growth:
 - Outpatient revenue increased by 14.7% y-o-y
 - Inpatient revenue increased by 15.6% y-o-y
- Self-pay remains the primary method of payment

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Strategy

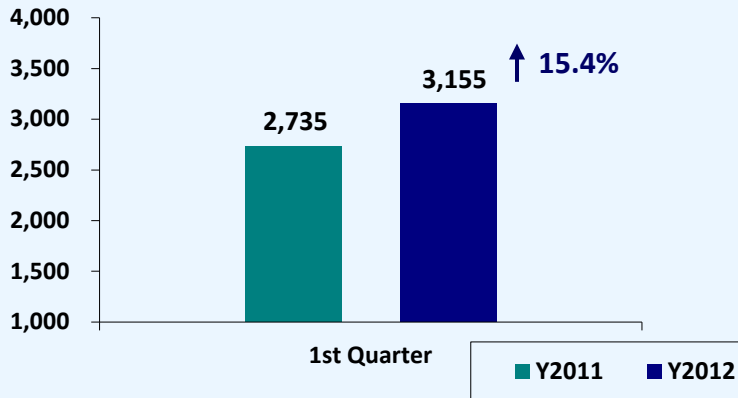
Operational Update

Financial Performance

Associated Companies

Revenue and Gross Margin

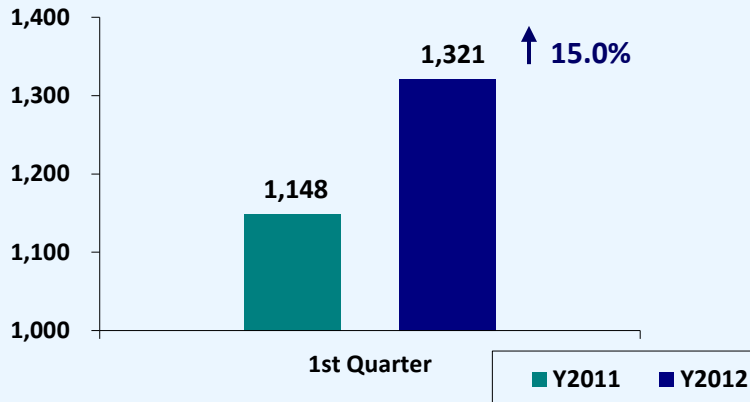
Revenue from Hospital Operations (THB mm)



Gross Profit Margin Trend



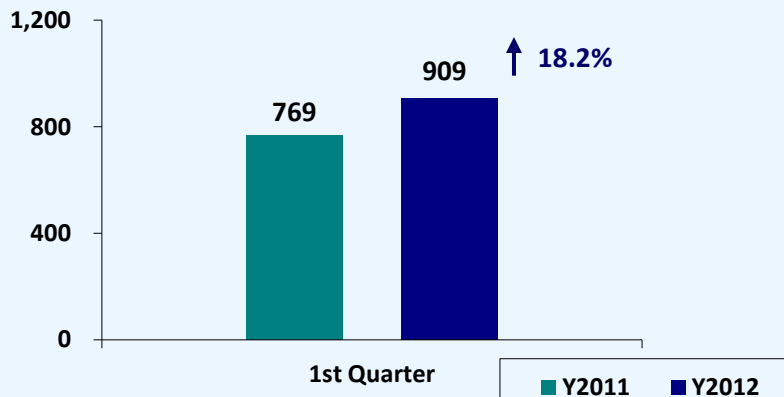
Gross Profit (THB mm)



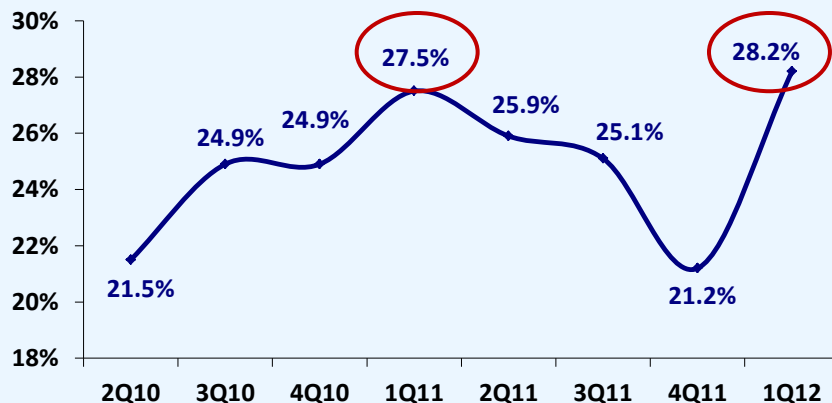
- *Cost of hospital operations increased by 15.6% from Baht 1,586 million in 1Q11 to Baht 1,834 million in 1Q12.*
- *The increase in Cost of hospital operations was slightly higher than the 15.4% increase in revenue from hospital operations due mostly to increased doctor fees related to the high intensity cases.*

EBITDA and EBITDA Margin

EBITDA (THB mm)



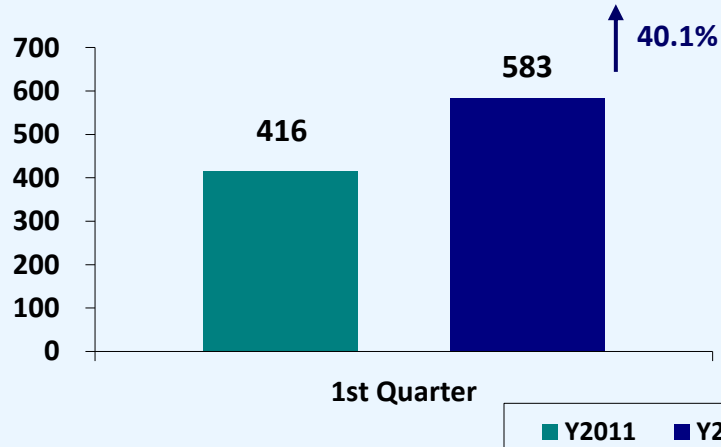
EBITDA Margin Trend



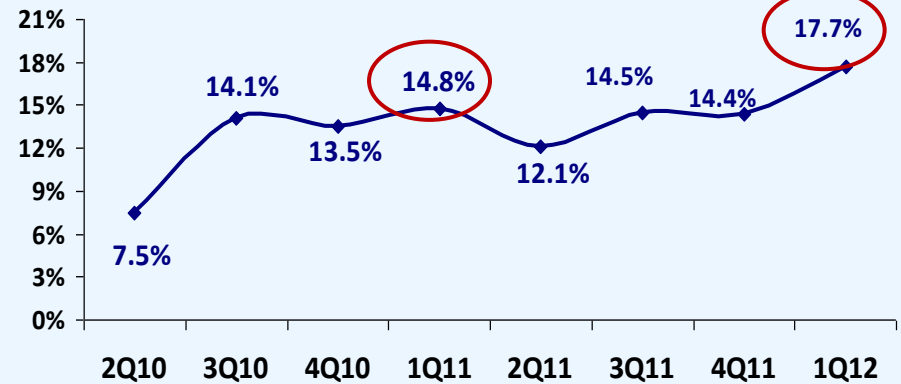
- 1Q12 Administrative expenses were Baht 485 million, a 9.5% increase year over year from Baht 443 million in 1Q11.
- The increase was mainly due to additional staff related expense and marketing expense. However, Administrative expenses increased at a lesser rate than the corresponding 15.6% increase in Total revenues, reflecting efficiency in cost management.
- EBITDA margin improved from 27.5% in 1Q11 to 28.2% in 1Q12.

Net Profit, Net Profit Margin and Diluted EPS

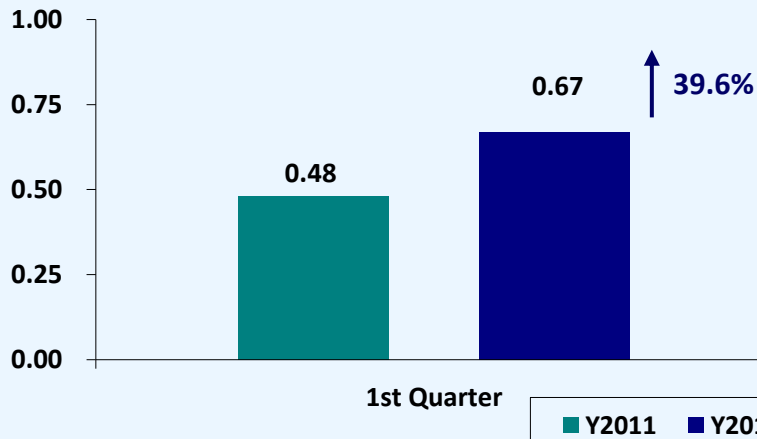
Net Profit (THB mm)



Net Profit Margin



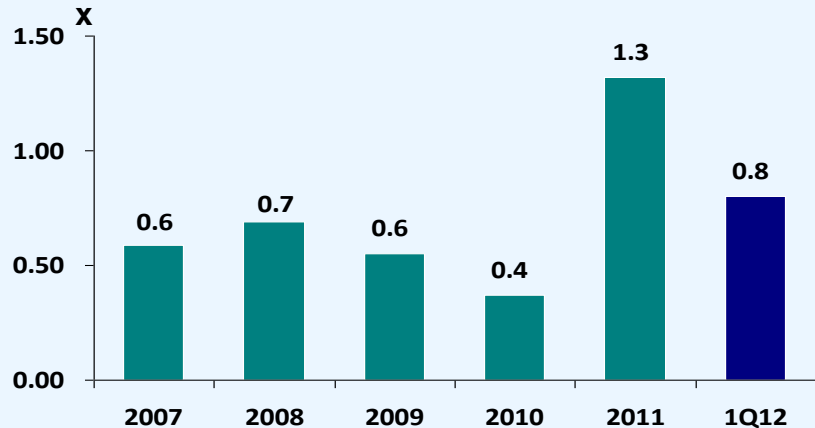
Diluted EPS (THB)



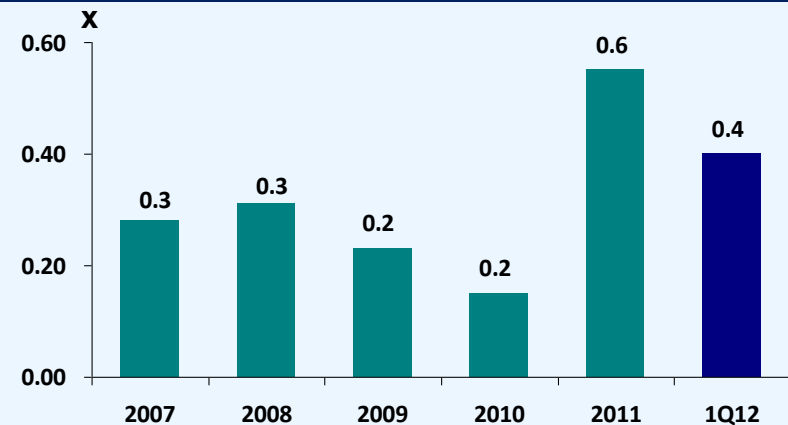
- Corporate income tax in 1Q12 was Baht 159 million, a decrease from Baht 185 million in 1Q11. This variance was due to the reduction of the statutory corporate income tax rate from 30% in 2011 to 23% in 2012.
- As a result of the robust revenue growth, cost efficiency, and reduced statutory corporate income tax rate, net profit jumped by 40.1% in 1Q12 from the same period in the prior year, and the Net profit margin improved 19.6% from 14.8% to 17.7%

Leverage

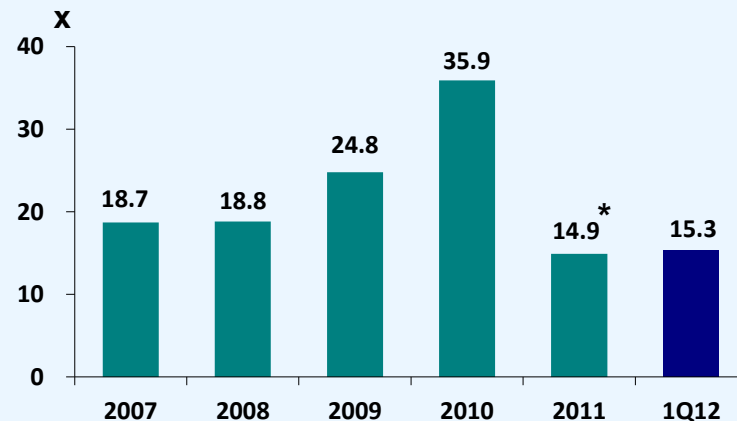
Net Debt to EBITDA



Net Debt to Equity



Interest Coverage



*Interest expense related to the purchase of common shares of Bangkok Chain Hospital PCL doing business as Kasemrad Hospital Group to calculate interest coverage ratio was Baht 111 million based on remaining days after the transaction settled. Assuming this interest expense was incurred for the full year, interest expense from this transaction would be Baht 140 million and interest coverage ratio would be 12.9x

Net debt to EBITDA, Net debt to equity, and Interest coverage ratio for 1Q12 all improved from YE2011. The improvements were the direct result of the strong operating results and cash collections, providing the significant increase in Cash and cash equivalents.

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Associated Companies

Kasemrad Hospital Group (KH)

- KH Acquisition Date: 23 March 2011
- BH Investment % : 24.99%
- BH recognized share of KH's income in 1Q12, following the investment in March 2011, is set out in the table below.

(Unit: Thousand Baht)	1Q12	1Q11
Share of income from KH	57,516	*
Depreciation for fixed assets revaluation	(2,113)	-
Share of income from KH -net	55,403	-
Consulting fee for KH loan	-	(2,231)
Finance cost related to KH <i>(Bond debenture allocation 1Q12; KH loan 1Q11)</i>	(40,975)	(3,257)
Tax benefit from finance cost and consulting fee in 1Q11	9,424	1,646
Amortization of bond issuance cost	(939)	-
Net income/(loss) from KH	22,913	(3,842)

* The Company did not recognize the share of income of Baht 3.6 million from Kasemrad Hospital Group in 1Q11, as the acquisition occurred during the last few days of 1Q11.

Thank You