

INSIDE THIS ISSUE:

Major Development	1
9M16 Performance	2
Summary of Balance Sheets	4
IR Activities	6

Performance Highlights

Major Development

1. Affirmed the Company rating and senior unsecured debenture rating at AA- by Tris Rating

On November, 2016, Tris Rating affirmed the Company and senior unsecured debenture ratings at AA- with stable outlook. The ratings reflect Company's leading market position as the largest private hospital operator in Thailand, our extensive hospital network, solid reputations of hospital brands, as well as our experienced management team and capable physicians. The ratings also take into consideration our sound operating performance and a moderate financial risk profile.

2. Acquisition of the entire business of Mayo Polyclinic Co., Ltd. (Mayo Hospital)

On October 26, 2016, Board of Directors approved Paolo Medic Co., Ltd. to acquire and receive the transfer of the entire business of Mayo Polyclinic Co., Ltd. which is a company operating Mayo Hospital, a 162-bed private hospital in Bangkok. The considered payment will not be more than Baht 1,395 million in cash. The Company will use cash flow from operation and/or financing activity for this entire business transfer. In addition, the entire business transfer will be completed in January 2017.

3. BDMS Wellness Clinic

On September 28, 2016, Board of Directors approved the establishment of a subsidiary under the name of BDMS Wellness Clinic Company Limited with registered capital of Baht 6,400 million to purchase and acquire land in the NaiLert Park project area with the total area of approximately 15 rai to operate BDMS Wellness Clinic. The Company will also acquire buildings on the land which are

- 1) Swiss Hotel Park Nai Lert, a six-floor hotel with the area of approximately 28,600 square meters
- 2) Promenade building, a twelve-floor with area of approximately 31,000 square meters
- 3) One-floor building used for staff cafeteria with the area of approximately 400 square meters

Thailand



Overseas



The total value of transaction is approximately Baht 12,800 million including the purchase price of land and building of Baht 10,800 million and investment and development of asset for business operation of Baht 2,000 million.

BDMS Wellness Clinic will provide holistic wellness services focused on Preventive Medicine and Longevity and Anti-aging. The operation will be opened in 2017.

4. Expansion of Medicpharma

On November 2, 2016, Medicpharma opened new medicine factory located in Sinsakhon Industrial Estate with the land size of 15 rai. This new factory will increase manufacturing capacity and will produce generic drug in the form of solid, liquid, semi-solid dosage and penicillin in accordance with international standard. The factory also achieved Good Manufacturing Practice: GMP PIC/s.

The old factory will shift to vitamin and food supplement.

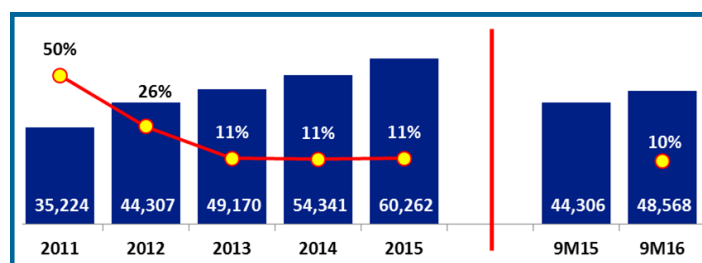
9M16 Performance

Bangkok Dusit Medical Services Public Company Limited (“Company”) reported consolidated net profit of Baht 6,201 million, increased by 10% yoy. If including non-recurring items which are gain on sell of investment totaling Baht 206 million in 9M16, net profit would be Baht 6,409 million or increased by 9% yoy. The summarized IQ16 consolidated performance is as follows:-

1. Operating income

Total operating income were Baht 51,177 million, an increase of Baht 4,374 million or 9% from 9M15, primarily due to:

- ◆ Revenues from hospital operations were Baht 48,568 million, an increase of Baht 4,262 million or 10% from 9M15. The growth was contributable to an increase in number of outpatients and inpatients across our network hospitals, patient ward renovation, patient referral system and qualified clinical staffs and specialist doctors together with the opening of Paolo Rangsit since January 2016 and an increasing healthcare inflation, intensity and complexity cases.



Revenue from hospital operations

Existing hospitals grew approximately 7% yoy while new network hospitals grew approximately 65% yoy. Such growth from new network hospitals was mainly from Muangraj Hospital, Samitivej Chonburi Hospital, Bangkok Hospital Chiangmai, Bangkok Hospital Khon Kaen and Paolo Rangsit Hospital. In addition, the proportion of existing to new hospitals is 92%:8% respectively. Revenue of network hospitals in Bangkok and vicinity grew 7% yoy while revenue of network hospitals in the upcountry grew 14% yoy in 9M16.

In 9M16, Thai and international patients grew 8% and 11% yoy respectively resulting in the revenue proportion between Thai and international patients remained unchanged at 71%:29% in 9M15 and in 9M16. From type of patient perspectives, outpatient revenues grew by 12% yoy while the inpatient revenues increased by 8% yoy in 9M16.

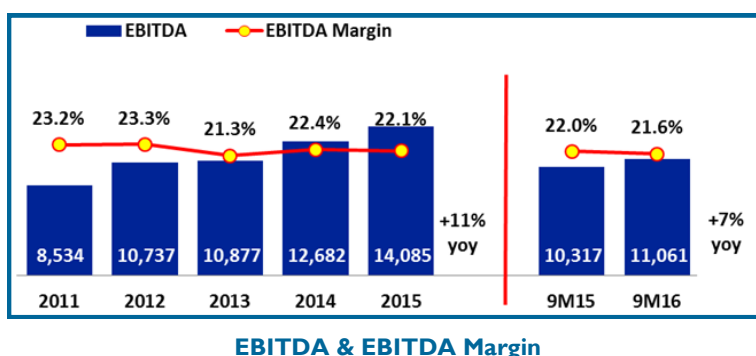
- ◆ Revenues from sales of goods and food were Baht 2,068 million in 9M16, an increase of 6% yoy, mainly from an increase in sales of A.N.B., Medicpharma and Save Drug.
- ◆ Other incomes were Baht 542 million in 9M16, slightly decreased by 1% yoy mainly from income tax refund of our subsidiary from The Revenue Department totaling Baht 57 million in IQ15.

2. Operating expenses

The Company and its subsidiaries reported total operating expenses & depreciation of Baht 43,665 million, an increase of Baht 3,955 million or 10% yoy.

- ◆ Cost of hospital operations and others (including depreciation and amortization) were Baht 33,591 million, increased by 11% yoy. An increase was due mainly to rising in doctor fees and clinical staffs expenses as a result of an increase in newly recruited specialist doctors both full-time and part-time and clinical staffs to accommodate the network expansion.
- ◆ The administrative expenses (including depreciation and amortization) were Baht 10,073 million, increased by 7% yoy, due mainly to an increase non-clinical personnel expenses and other administrative expenses. However, administrative expenses grew at the slower pace than total operating income.
- ◆ The depreciation and amortization expenses were Baht 3,548 million in 9M16, increased by 10% yoy due mainly to depreciation and amortization of new network hospitals.

EBITDA increased from 10,317 million in 9M15 to Baht 11,061 million in 9M16 or increased by 7% yoy. However, EBITDA margin decreased from 22.0% in 9M15 to 21.6% in 9M16.



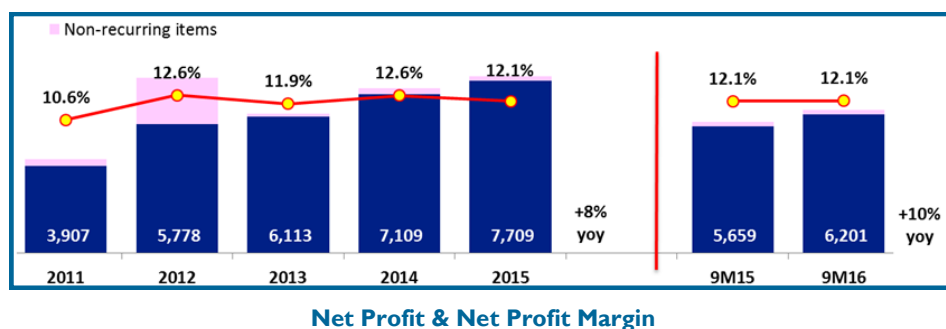
3. Others majors items

- ◆ Share of income from investments in associated companies were Baht 1,063 million in 9M16, an increase of Baht 97 million or 10% yoy. Share of income from investments in associated companies were mainly from investment in Bumrungrad Hospital Public Co., Ltd. of Baht 671 million together with investment in Ramkhamhaeng Hospital Public Co., Ltd. of Baht 344 million.
- ◆ Finance expenses decreased to Baht 635 million in 9M16 or decreased by 25% yoy due mainly to (1) an interest rate swap contract with financial institution for debenture totaling Baht 4,000 million by the exchange of a floating interest rate for a fixed rate resulting in interest savings during this period together with (2) an adjustment in the assumption for calculating expected convertible bonds redemption as the current BDMS share price already exceeds the redemption price of convertible bonds.
- ◆ Tax expenses in 9M16 were Baht 1,519 million, an increase from Baht 1,357 million in 9M15, due mainly to an increase in pre-tax profit.

4. Non-recurring items

In 9M16, the Company and its subsidiaries recorded non-recurring items of totaling Baht 209 million mainly from gain on sale of investment in Bangkok Chain Hospital Public Co., Ltd. (before taxes) of Baht 206 million.

In 9M15, the Company and its subsidiaries recorded non-recurring items of totaling Baht 209 million from gain on fair value adjustments of investment in relation to the Entire Business transfer of G. Wasupol Co., Ltd. (Muangraj Hospital) which the Company's subsidiary previously held for 25.8%.



As a results, Recurring profit was Baht 6,201 million in 9M16, increased by 10% yoy. However, recurring profit margin remained unchanged at 12.1% in 9M15 and in 9M16. EPS (pre non-recurring) was Baht 0.40 per share or increased by 10% yoy.

If including the non-recurring items, net profit was Baht 6,409 million, increased by 9% yoy. However, net profit margin remained unchanged at 12.5% in 9M15 and in 9M16. EPS was Baht 0.41 per share or increased by 9% yoy.

Summary of Balance Sheets

(Unit : THB mm)	Sep-16	Dec-15	Chg %
Total Assets	105,111	102,335	3%
Total Liabilities	47,807	46,160	4%
Total shareholders' equity	57,304	56,175	2%

The consolidated financial position of the Company and its subsidiaries as of September 30, 2016: The Company and its subsidiaries reported total assets of Baht 105,111 million increased from December 31, 2015.

Total consolidated liabilities as of September 30, 2016 were Baht 47,807 million, which was increased from December 31, 2015, due mainly to an issuance of debentures of Baht 3,000 million together with an increase in short-term loans from financial institutions of Baht 1,874 million netted with redemption of maturing debentures of Baht 1,000 million.

Total consolidated shareholders' equity as of September 30, 2016 was Baht 57,304 million, slightly increased from December 31, 2015.

Financial Analysis	9M16	9M15
Returns (%)		
Return on Asset	8.0	8.0
Return on Equity	15.2	15.7
Liquidity (x)		
Current Ratio	0.8	0.9
Quick Ratio	0.7	0.8
Asset & Liabilities Management		
Average Collection Period	35.9	35.9
Average Inventory Period	10.6	10.0
Average Accounts Payable	38.3	39.7
Leverage & Coverage Ratio (x)		
Interest Coverage	17.4	12.1
	Sep-16	Dec-15
Total Debt to Equity	0.6	0.5
Net Debt to Equity	0.5	0.4
Net Debt to EBITDA	1.9	1.7

Remark

- Excluding non-recurring items
- Assets & Liabilities Management is calculated based on 360 days
- Interest coverage = EBITDA/Interest Expenses
- Debt refers to interest bearing debt

Return on assets in 9M15 remained unchanged from 9M15 while return on equity decreased from 9M15 as a result of the performance of new network hospitals which are ramping up and currently generate lower returns than existing hospitals.

Current ratio and quick ratio in 9M16 slightly decreased from 9M15. Average collection period remains unchanged at 35.9 days in 9M15 and in 9M16.

Interest coverage ratio increased from 12.1x in 9M15 to 17.4x in 9M16 due mainly to decrease in finance expenses during the period.

Total interest bearing debt to equity increased from 0.5x as of December 31, 2015 to 0.6x as of September 30, 2016. Net interest bearing debt to equity also increased from 0.4x as of December 31, 2015 to 0.5x as of September 30, 2016 and net interest bearing debt to EBITDA increased from 1.7x as of December 31, 2015 to 1.9x as of September 30, 2016.

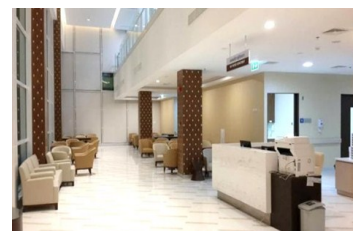
The leverage and coverage ratios are well within the financial covenants of the long-term loans and debentures.

IR Activities

Hospital Tour at Bangkok Hospital Chiangmai



On 5 October 2016, Major General Dr. Niwat Boonyuen, Deputy CEO Group 4 and Hospital Director Bangkok Hospital Chiangmai and team together with BDMS Investor Relations welcomed institutional investors to visit BDMS network hospitals, Bangkok Hospital Chiangmai (BCM). BCM is a tertiary care hospital targeting Thai and International patients in Chiangmai, Northern region and neighboring countries.



Analyst Meeting 3Q16 Results



BDMS hosted the 4/2015 Analyst meeting for 3Q16 and 9M16 results on November 18, 2016. The meeting was led by Khun Narumol Noi-am, CFO, Dr. Poramaporn Prasarttong-Osoth, CEO Group 1 and Hospital Director, Bangkok Hospital, Khun Att Thongtang, CEO Group 5 and Khun Wisanu Assawes, Deputy CEO, Non-Hospital Group. The meeting provided the investment community an opportunity to update on the Company's performance and strategic direction together with addressing any questions or comment to the management.

Presentation material also posted on our website at www.bangkokhospital.com under investor relations.



Bangkok Dusit Medical Services

Thailand



Overseas



Bangkok Dusit Medical Services Public Company Limited (SET Symbol : BDMS) is the largest private hospital operator in Thailand in terms of patient services revenue and market capitalization with approximately THB 105,111 million in assets as of September 2016. Bangkok Dusit Medical Services Public Company Limited ("BDMS") currently has 41 hospitals in Thailand and 2 hospitals in Cambodia. BDMS is focused on Bangkok and various high-growth markets in Thailand and overseas. The Company is committed to be the leading network healthcare provider by meeting the needs of Thai and foreign patients with high quality, internationally-accepted standards, and value for money services together with the state-of-the art medical technology.

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