



**Bangkok Dusit Medical Services (BGH)**  
**Analyst Presentation**  
**1Q13 Results**  
**May 16, 2013**

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# BDMS Updates & Highlights



# Updates

## Samitivej Thonburi Hospital (Formerly known as Krungdhon Hospital)



- Rebranding to become Samitivej Thonburi Hospital since May 1, 2013
- In the process of upgrading the facilities, medical equipment, IT and nurse dormitory with total CAPEX of ~ THB 550 million during the next 18 months

## Bangkok Hospital Chinatown



- Converting the office building to become a secondary care 59-bed hospital on 30 year leased land & building
- Located in the heart of Chinatown, Bangkok
- Targeting Chinese & Thai living in Chinatown
- Plan for the opening in 1Q14

# Updates

## Additional investment in Medic Pharma



- Increase stake in Medic Pharma, the manufacturer and distributor of pharmaceutical products, from 49% to 87% for ~ THB 160 mm in May 2013
- Medic Pharma's revenue of THB470 mm and NPAT of THB57 mm in 2012
- This investment would further enhance BDMS non-hospital business and create synergy with ANB Laboratories, BDMS pharmaceutical manufacturer and distributor

## Bond Issuance

- Bond issuance of THB 4,000 million (10-year) at 4.63% p.a. partly to repay maturing bonds of THB 2,000 million in Mar 13
- Another bond issuance of THB 2,000 million (7-year) at 4.19% p.a. and THB 1,000 million (10-year) at 4.39% p.a. in May 13 to finance new hospitals construction and expansion



# Summary of Investment in Progress

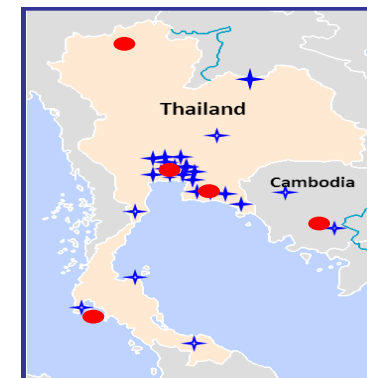
## New Hospitals in Pipeline



Royal Phnom Penh Hospital



Bangkok Hospital Chiangmai



| Hospitals                           | Total Beds | 1 <sup>st</sup> Phase | Project Details   | Commission Date |
|-------------------------------------|------------|-----------------------|---|-----------------|
| Royal Phnom Penh Hospital, Cambodia | 120        | 60                    | ▪ Secondary care hospital targeting Cambodian and expatriates | 4Q13            |
| Bangkok Hospital Chinatown          | 59         | 59                    | ▪ Secondary care hospital                                     | 1Q14            |
| Bangkok Hospital Phuket 2           | 100        | 50                    | ▪ Secondary care hospital targeting middle income patients    | 1Q14            |
| Bangkok Hospital Chiangmai          | 200        | 55                    | ▪ Tertiary care & regional hub hospital                       | Mid 2014        |
| Soonthornphu Hospital               | 143        | 55                    | ▪ Secondary care hospital targeting middle income patients    | By 2014         |

# Strong Operating Momentum

## Consolidated Financial Summary

| (Unit : THB mm)                  | 1Q13   | 1Q12   | % yoy |
|----------------------------------|--------|--------|-------|
| Revenue from hospital operations | 12,007 | 10,666 | 13%   |
| EBITDA                           | 3,076  | 2,746  | 12%   |
| EBITDA Margin                    | 24.7%  | 24.8%  |       |
| EBIT                             | 2,649  | 2,124  | 25%   |
| EBIT Margin                      | 21.3%  | 19.2%  |       |
| Net Profit *                     | 1,948  | 1,399  | 39%   |
| Net Profit Margin*               | 15.7%  | 12.6%  |       |

\* Excluding non-recurring items



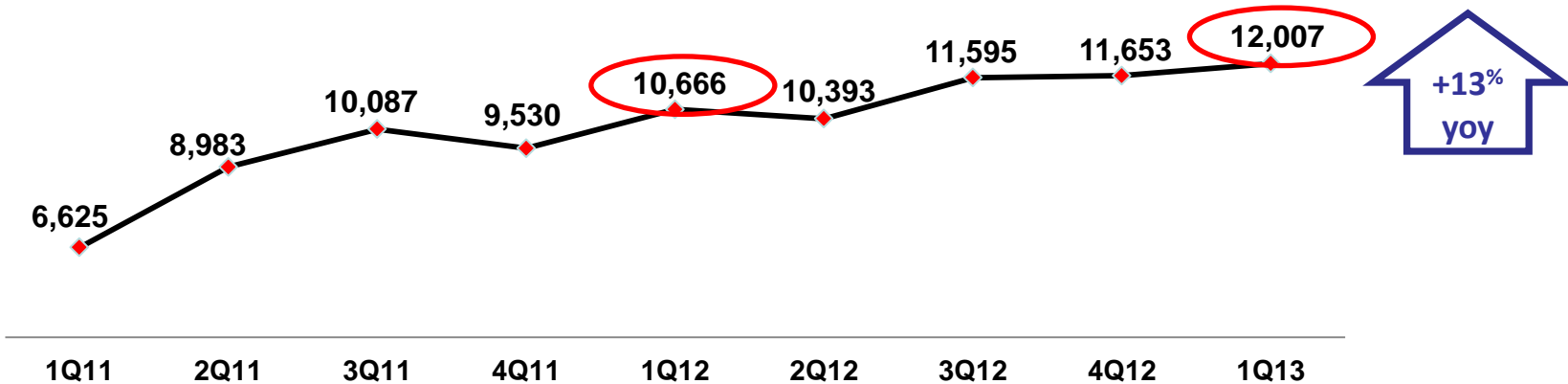
# Operational Statistics



# Continued Double Digit Revenue Growth

## Patient Revenue Trend

(THB mm)

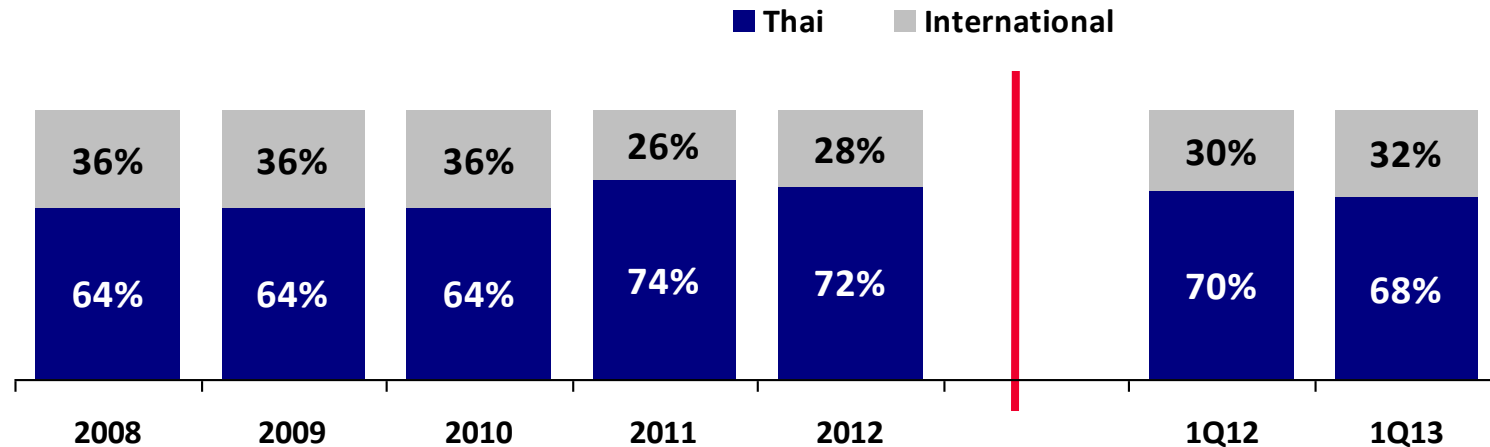


## Commentary

- 1Q13 Patient revenue increased by **13% yoy**, primarily by
  - Growth in number of outpatients and inpatients across our network hospitals
  - Rising healthcare inflation
  - Patient ward renovation to accommodate rising patient demand
  - Increasing patient referral

# Expanding Both Thai and International Patients

## Revenue Contribution by Nationality



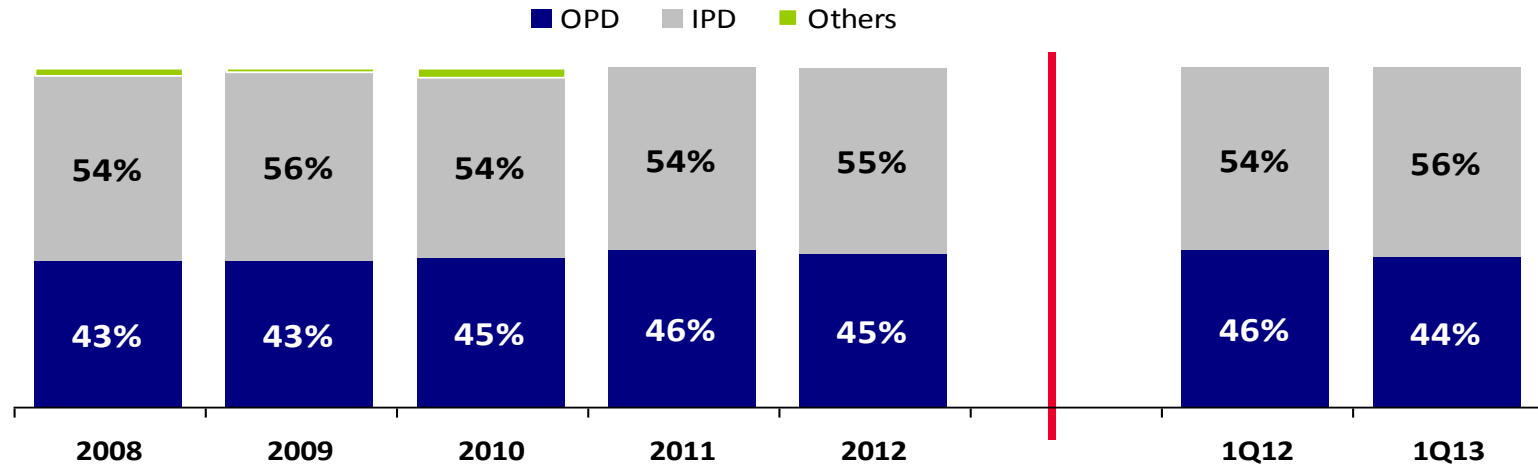
## Commentary

- **1Q13** revenue from Thai patients grew 12% while international patients grew 14% yoy
  - Top 5 international patient revenues are from Japan, UK, Australia, Germany and Myanmar which contribute 2.7%, 2.1%, 2.0%, 1.9% and 1.8% of total patient revenues respectively
  - International patient revenues grew significantly for Australia(+45%), Myanmar (+43%) and UAE(+24%)

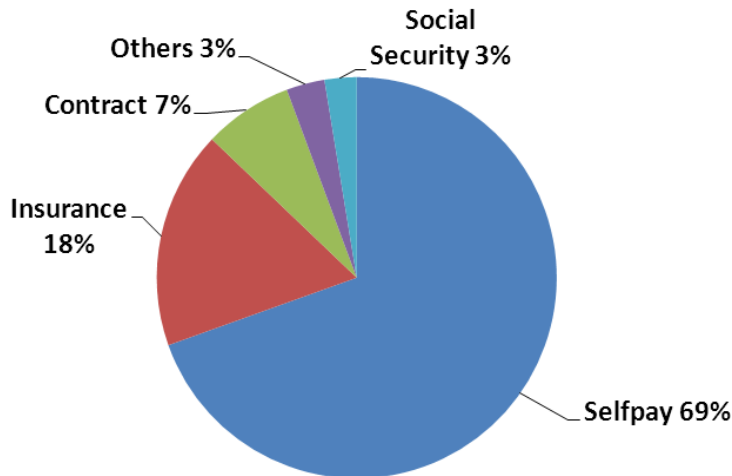
Remarks:- For comparative purposes, all operational statistics assuming consolidation of PYT and Paolo since Jan 2011

# Patient Mix

## Revenue Breakdown by Patient Types



## 1Q13 Patient Revenue by Payor

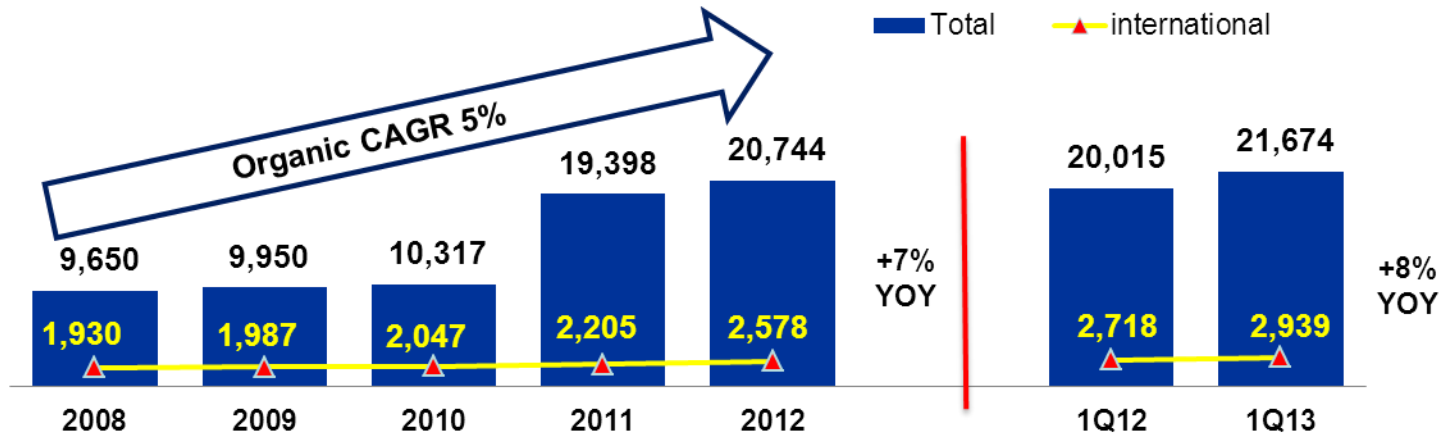


## Commentary

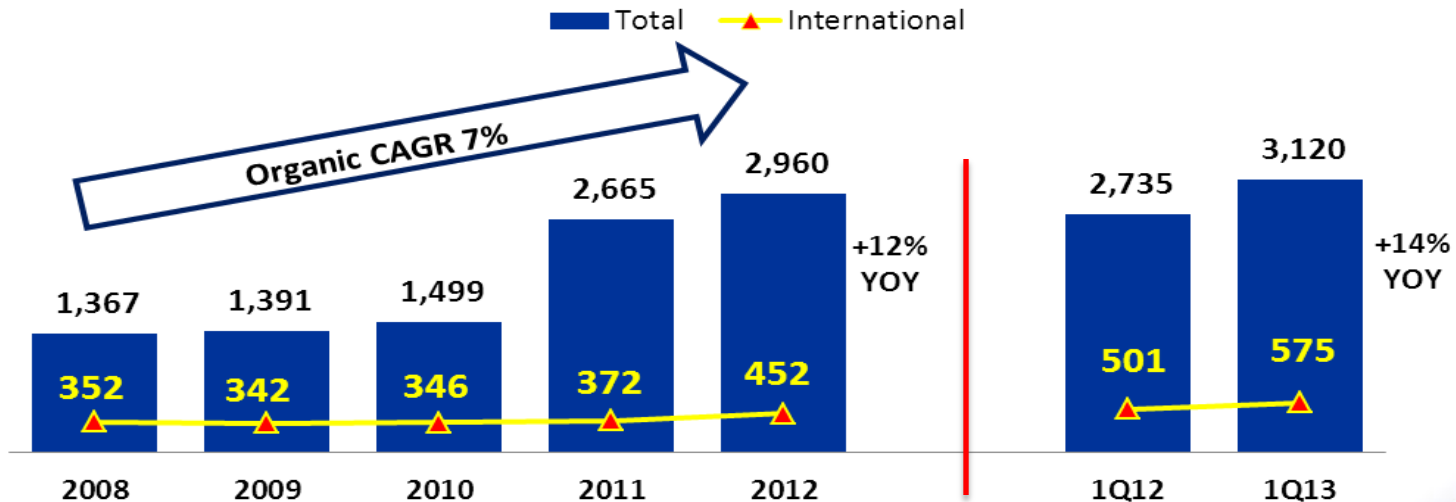
- **1Q13** OPD revenues increased 12% yoy while IPD revenues increased 14% yoy

# Patient Base Expansion for Both Outpatients and Inpatients

## Number of OPD Visits per Day



## Average Daily Census ( ADC )



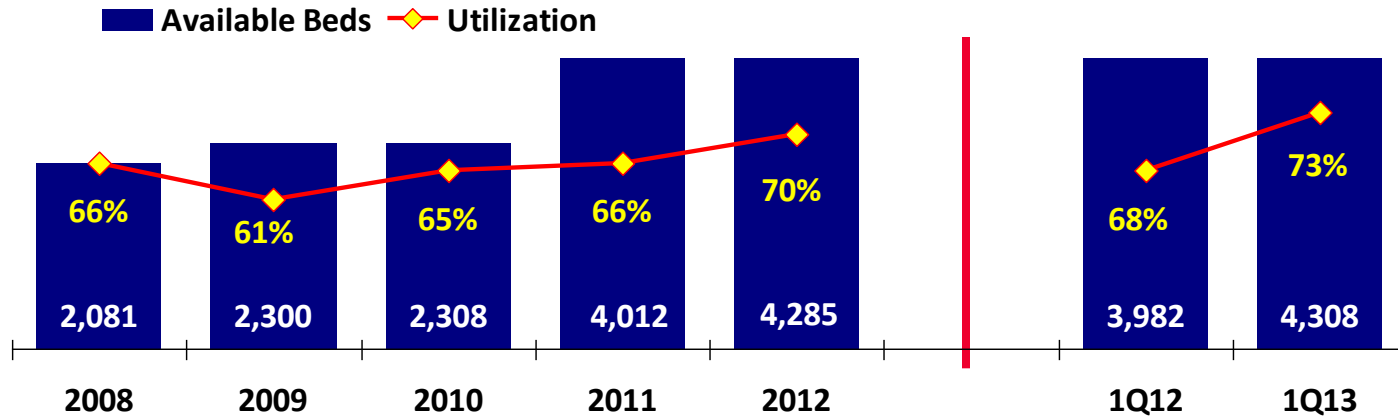
Remarks:- Including social security patients

- Organic growth excluding Phyathai and Paolo

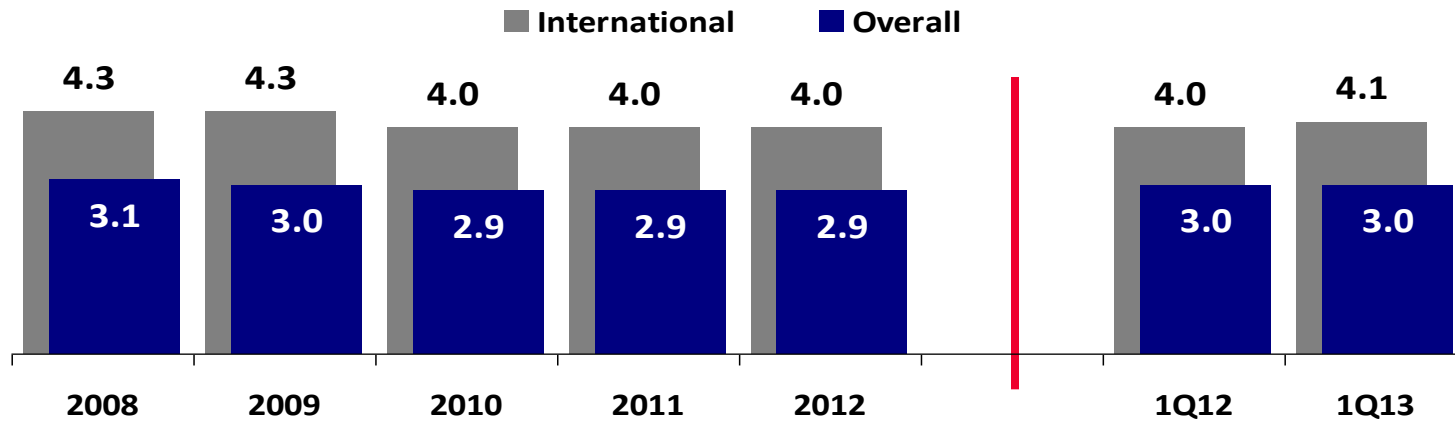


# Utilization of Beds

## Utilization Based on Available Beds



## Average Length of Stay (days)



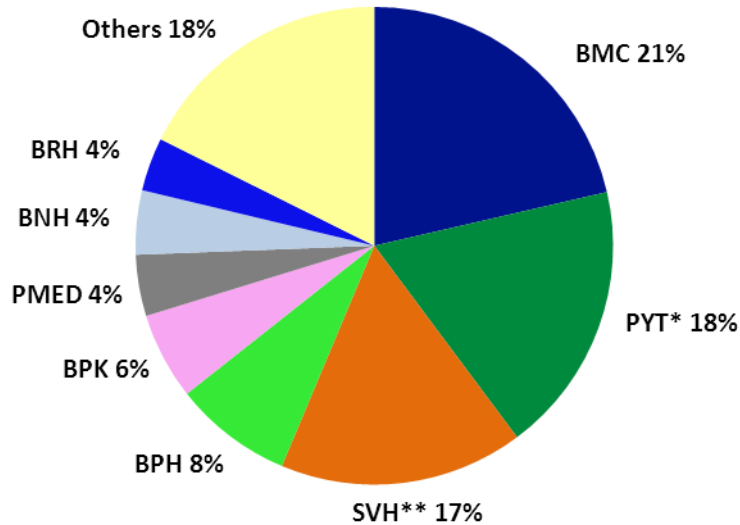
Remarks:- Including social security patients

# Financial Highlights

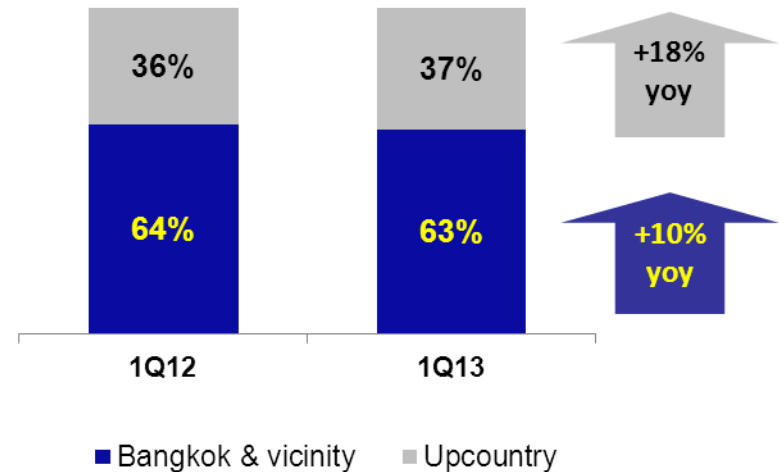


# Diversified Sources of Revenues

## Revenue Contribution in 1Q13



## Revenue Contribution & Growth by Locations



## Commentary

- During **1Q13**, top 5 hospitals contributed 70% of total revenue
- Bangkok & vicinity hospitals that grew more than 10% yoy : - PNWM(+25%), BNH(+16%), SNH(+15%), Psamut (+14%) yoy
- Upcountry hospitals that grew more than 18% yoy :- BHN(+68%), BKH(+29%), BSH(+27%), BRH(+23%), PYTS (+19%) yoy

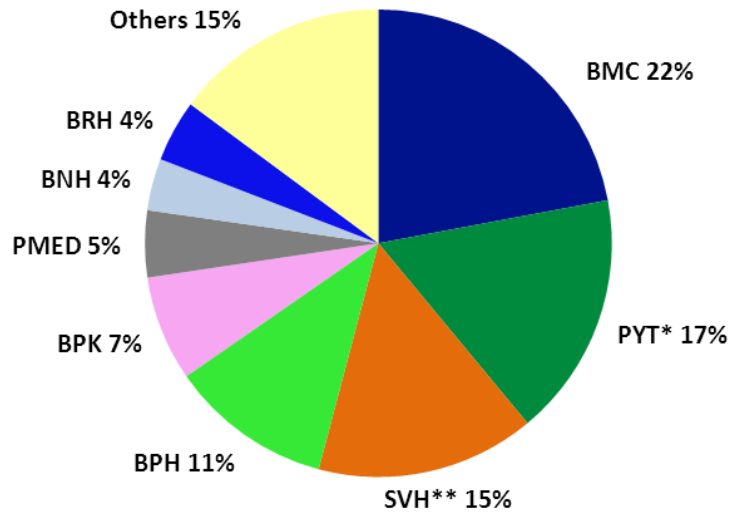
\* PYT included Phyathai 1, Phyathai 2, Phyathai 3 and Phyathai Sriracha

\*\* SVH included Samitivej Sukhumvit, Srinakarini and Sriracha

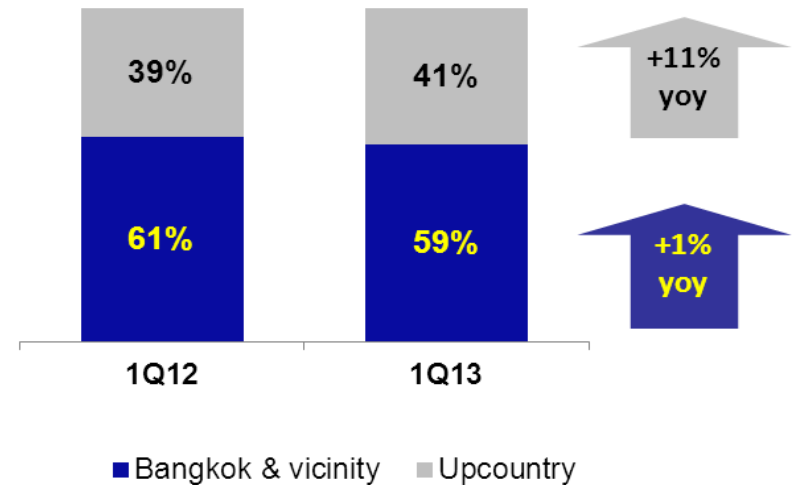


# EBITDA Contribution

## EBITDA Contribution in 1Q13



## EBITDA Contribution & Growth by Locations



## Commentary

- During **1Q13**, top 5 hospitals contributed 72% of total EBITDA

\* PYT included Phyathai 1, Phyathai 2, Phyathai 3 and Phyathai Sriracha

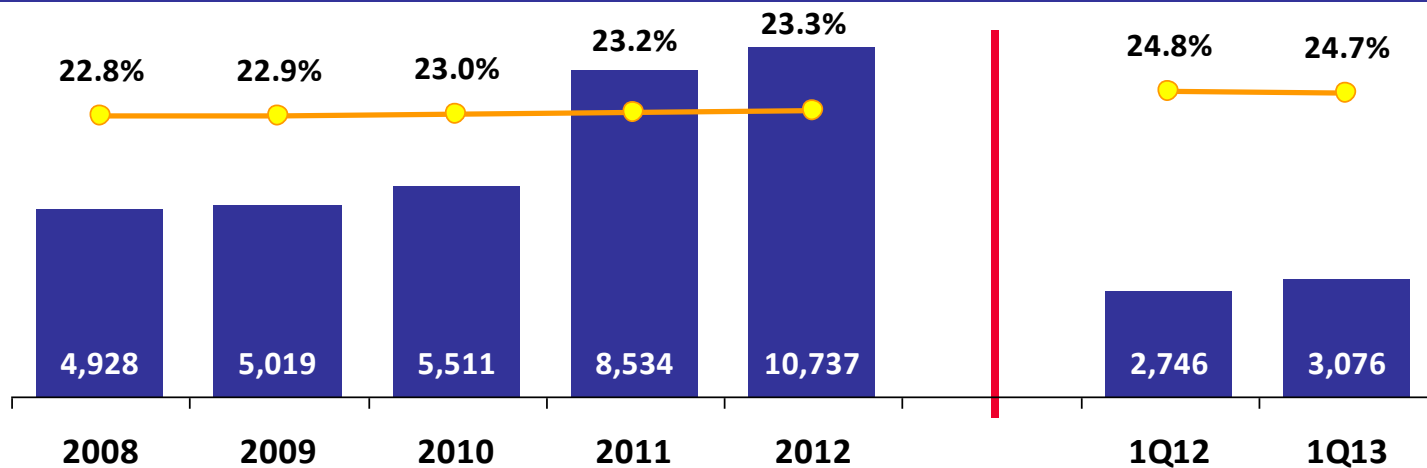
\*\* SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

EBITDA is calculated from revenue from hospital operations + revenue from F&B + other income – cost from hospital operations – SG&A expenses

# Profitability Trend

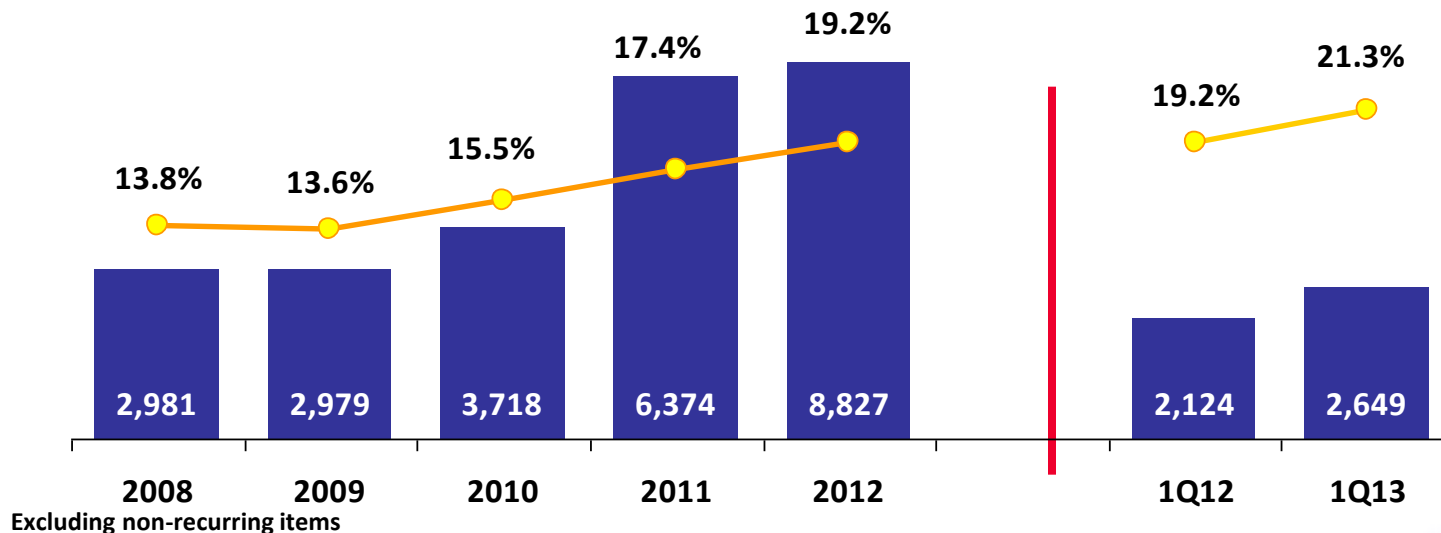
## EBITDA & EBITDA Margin

(THB mm)



## EBIT & EBIT Margin

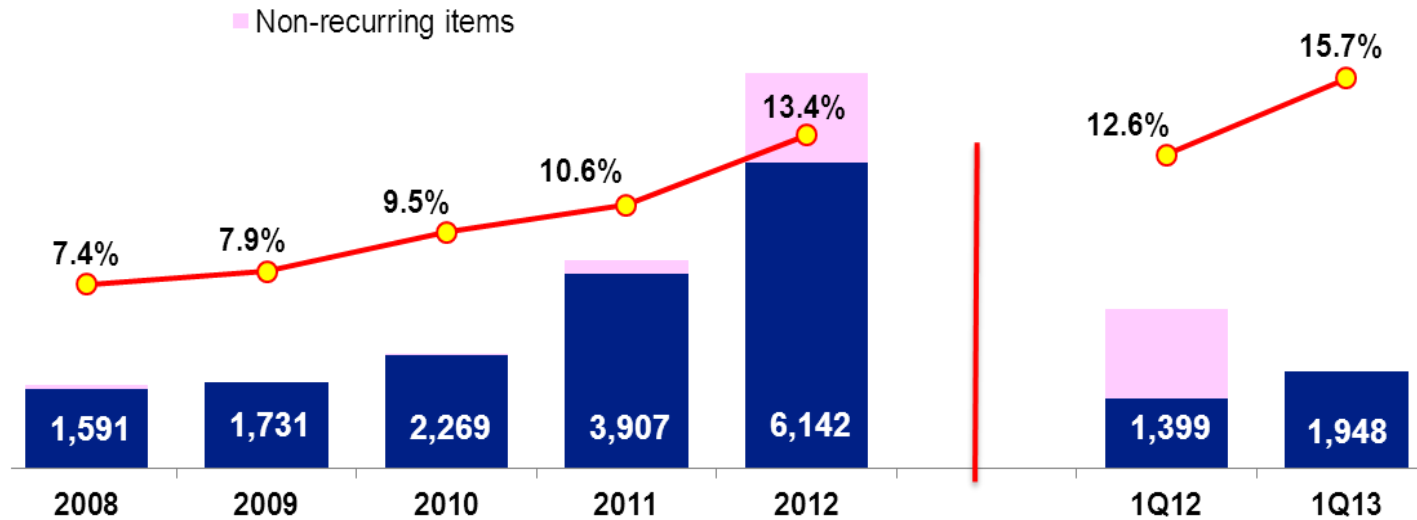
(THB mm)



# Profitability Trend

## Net Profit & Net Profit Margin\*

(THB mm)



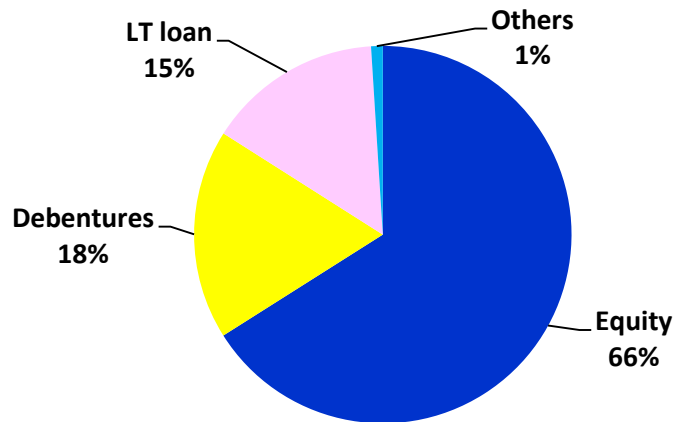
## Commentary

- **1Q13** Net profit (excluding non-recurring items) increased 39% yoy from growth in number of outpatients and inpatients across our network hospitals and increase in share of income from associates

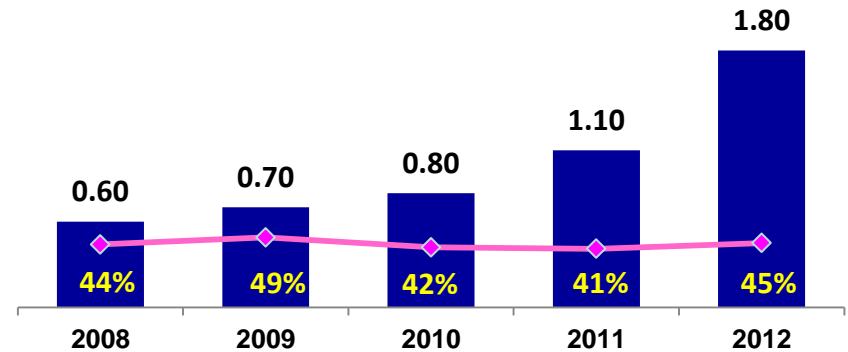
\* Excluding non-recurring items

# Capital Management

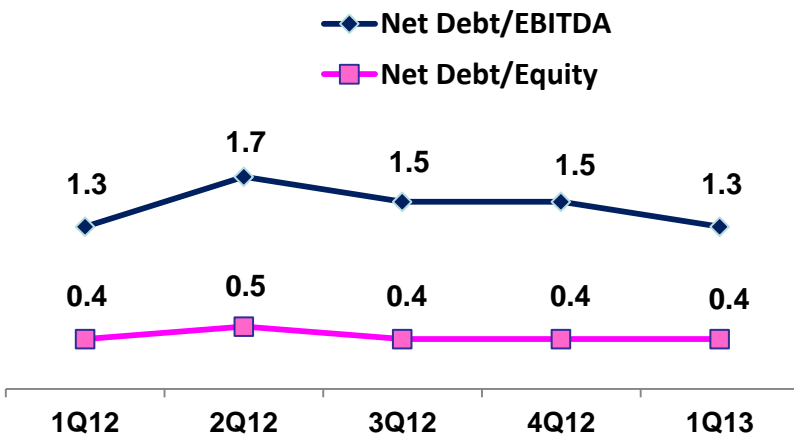
## Capital Structure as of Mar 2013



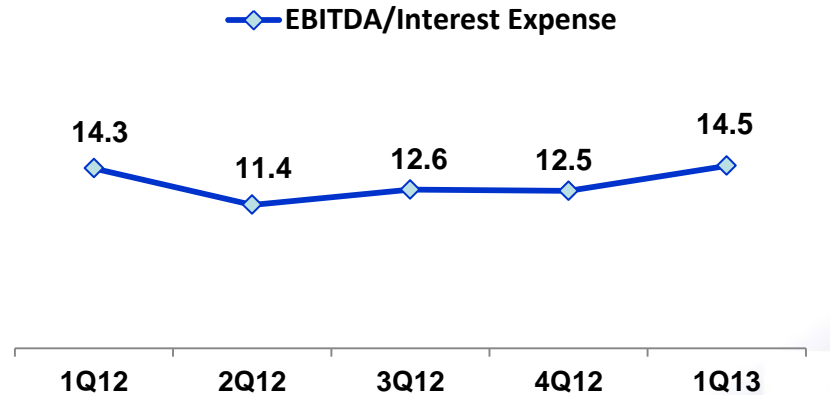
## Dividend Payment & Payout Ratio



## Gearing Ratios: Well Within Covenants



## Interest Coverage



# Appendix : Hospital Network in Key Strategic Locations

## Hospitals under Management



### Group 1

|                           | Ownership  | No. of Beds <sup>(1)</sup> |
|---------------------------|------------|----------------------------|
| 1. Bangkok Hospital       | 100%       | 343                        |
| 2. Bangkok Heart Hospital | (BMC) 100% | 97                         |
| 3. Wattanosoth Hospital   |            | 48                         |
| 4. Bangkok Huahin (BHN)   |            | 60                         |



### Group 2

|  |       |     |
|--|-------|-----|
| 5. Samitivej Sukhumvit (SVH)               | 95.8% | 275 |
| 6. Samitivej Srinakarin (SNH)              | 95.8% | 400 |
| 7. Samitivej Sriracha <sup>(2)</sup> (SSH) | 67.5% | 150 |
| 8. Samitivej Thonburi <sup>(3)</sup> (STH) | 45.0% | 150 |
| 9. BNH Hospital (BNH)                      | 91.5% | 144 |



### Group 3

|                              |       |     |
|------------------------------|-------|-----|
| 10. Bangkok Pattaya (BPH)    | 97.3% | 400 |
| 11. Bangkok Rayong (BRH)     | 100%  | 220 |
| 12. Bangkok Chantaburi (BCH) | 99.7% | 170 |
| 13. Bangkok Trat (BTH)       | 99.8% | 114 |
| 14. Bangkok Samui (BSH)      | 100%  | 50  |
| 15. Bangkok Phuket (BPK)     | 99.7% | 317 |
| 16. Bangkok Hat Yai (BHH)    | 98.8% | 165 |



### Group 4

|                                  |       |     |
|----------------------------------|-------|-----|
| 17. Bangkok Ratchasima (BKH)     | 90.4% | 300 |
| 18. Bangkok Pakchong             | 90.4% | 30  |
| 19. Bangkok Prapradaeng (BPD)    | 79.0% | 60  |
| 20. Bangkok Udon (BUD)           | 100%  | 120 |
| 21. Royal Angkor International   | 80.0% | 21  |
| 22. Royal Rattanak International | 70.0% | 30  |



### Group 5

|                                 | Ownership            | No. of Beds <sup>(4)</sup> |
|---------------------------------|----------------------|----------------------------|
| 23. Phyathai 1 (PYT1)           | 100% <sup>(5)</sup>  | 350                        |
| 24. Phyathai 2 (PYT2)           | 99.2% <sup>(5)</sup> | 260                        |
| 25. Phyathai 3 (PYT3)           | 98.2% <sup>(5)</sup> | 230                        |
| 26. Phyathai Sriracha (PYTS)    | 66.5% <sup>(5)</sup> | 257                        |
| 27. Paolo Paholyothin (Pmed)    | 100%                 | 237                        |
| 28. Paolo Samutprakarn (Psamut) | 93.3%                | 200                        |
| 29. Paolo Chokchai 4 (Pchok)    | 85.7%                | 120                        |
| 30. Paolo Nawamin (Pnwm)        | 99.8%                | 140                        |



- (1) Structured beds
- (2) Indirect shareholding through Samitivej PCL
- (3) Formerly known as Krungdhon hospital (KDH)
- (4) Registered beds
- (5) Indirect shareholding through Prasit Patana PCL which BGH hold 98.3%