



Bangkok Dusit Medical Services (BGH)
Analyst Presentation
2Q13 & 6M13 Results
August 15, 2013

Important Notice

- The information contained in this presentation is for information purposes only and does not constitute an offer or invitation to sell or the solicitation of an offer or invitation to purchase or subscribe for share in Bangkok Dusit Medical Services Public Company Limited (“BGH” and shares in BGH, “shares”) in any jurisdiction nor should it or any part of it from the basis of , or be relied upon in any connection with, any contract or commitment whatsoever.
- This presentation may include information which is forward-looking in nature. Forward-looking information involve known and unknown risks, uncertainties and other factors which may impact on the actual outcomes, including economic conditions in the markets in which BGH operates and general achievement of BGH business forecasts, which will cause the actual results, performance or achievements of BGH to differ, perhaps materially, from the results, performance or achievements expressed or implied in this presentation.
- This presentation has been prepared by the BGH. The information in this presentation has not been independently verified. No representation, warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information and opinions in this presentation. None of the BGH or any of its agents or advisors or any of their respective affiliates, advisors or representatives, shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.
- This presentation is made, furnished and distributed for information purposes only. No part of this presentation shall be relied upon directly or indirectly for any investment decision-making or for any other purposes.
- This presentation and all other information, materials or documents provided in connection therewith, shall not, either in whole or in part, be reproduced, redistributed or made available to any other person, save in strict compliance with all applicable laws.

Contents

- **BDMS Updates and Highlights**

- **Operational Statistics**

- **Financial Performance**

BDMS Updates & Highlights



Investment Updates

New Hospitals in Pipeline



Royal Phnom Penh Hospital



Bangkok Hospital Chinatown



Hospitals	Total Beds	1 st Phase	Project Details	Commission Date
1 Royal Phnom Penh Hospital, Cambodia	104	40	Basic Tertiary care hospital targeting Cambodian and expatriates	1Q14
2 Bangkok Hospital Chinatown	58	18	Basic Tertiary care hospital aiming to tap into affluent ethnic Thai- Chinese residents	1Q14
3 Deebuk Hospital (Bangkok Hospital Phuket 2)	100	20	Secondary care hospital targeting middle income patients	1Q14
4 Bangkok Hospital Khon Kaen	120	50	Acquired Vachprasit Hospital during 2Q13 and upgrading to become Basic Tertiary care hospital targeting patients living in Khon Kaen and neighboring provinces	1Q14

Investment Updates

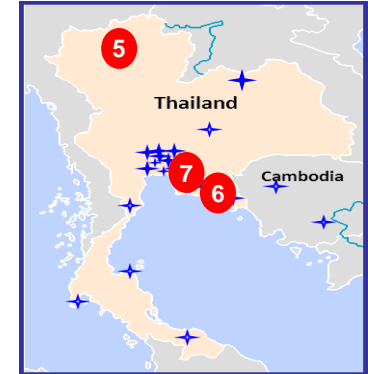
New Hospitals in Pipeline



Bangkok Hospital Chiangmai



Soonthornphu Hospital



Hospitals	Total Beds	1 st Phase	Project Details	Commission Date
5 Bangkok Hospital Chiangmai	185	21	▪ Hub Tertiary care hospital targeting Thai & international patients	Mid 2014
6 Soonthornphu Hospital	195	25	▪ Secondary care hospital targeting middle income patients	Mid 2014
7 Jomtien Hospital (Bangkok Hospital Pattaya 2)	250	100	▪ Secondary care hospital targeting middle income patients	Mid 2015

Bangkok Hospital Phitsanulok

New Hospitals in Pipeline



- Bangkok Hospital Phitsanulok would acquire Ratanavej Hospital, two private hospitals in Phitsanulok, namely Ratanavej Hospital for Children and Ratanavej Hospital 2 with registered beds totaling ~158 beds
- Payment : In cash of not exceeding THB 577 mm, subject to due diligence which is expected to be completed by Sep 2013
- Upon completion of the acquisition, BDMS would offer newly issued shares under a general mandate by way of a private placement, as previously approved by AGM

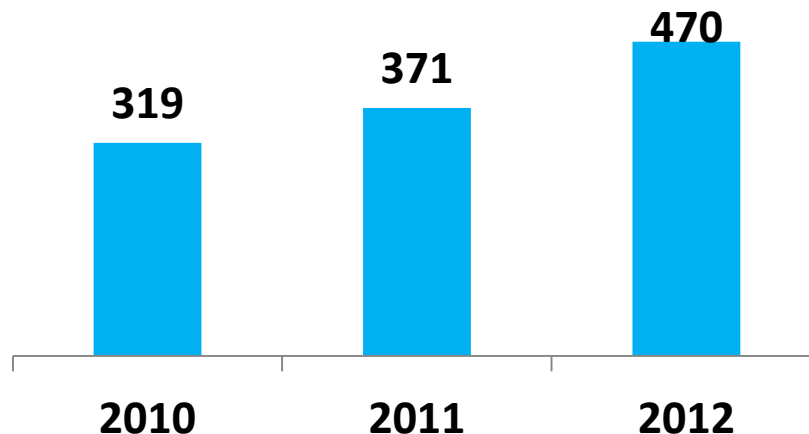


Increase Stake in Medic Pharma

Production Building



Revenue (THB mm)



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



Consolidated Financial Summary

2Q13 Results

- Revenue from hospital operations of THB 11,548 mm increased by 11% from 2Q12 mainly from growing number of outpatients and inpatients across network hospitals together with rising healthcare inflation
- EBIT of THB 1,772 mm decreased slightly by 7% yoy as a result of an increase in both clinical and non-clinical staff expenses to accommodate rising demand of network hospitals and in preparation for new network hospitals
- Net profit (excluding non-recurring items) of THB 1,216 mm decreased by 5% yoy

6M13 Results

- Revenue from hospital operations of THB 23,555 mm increased by 12% from 6M12 mainly from growing number of outpatients and inpatients across network hospitals, and rising healthcare inflation
- EBIT of THB 4,421 mm increased by 10% yoy
- Net profit (excluding non-recurring items) of 3,164 mm increased by 18% yoy



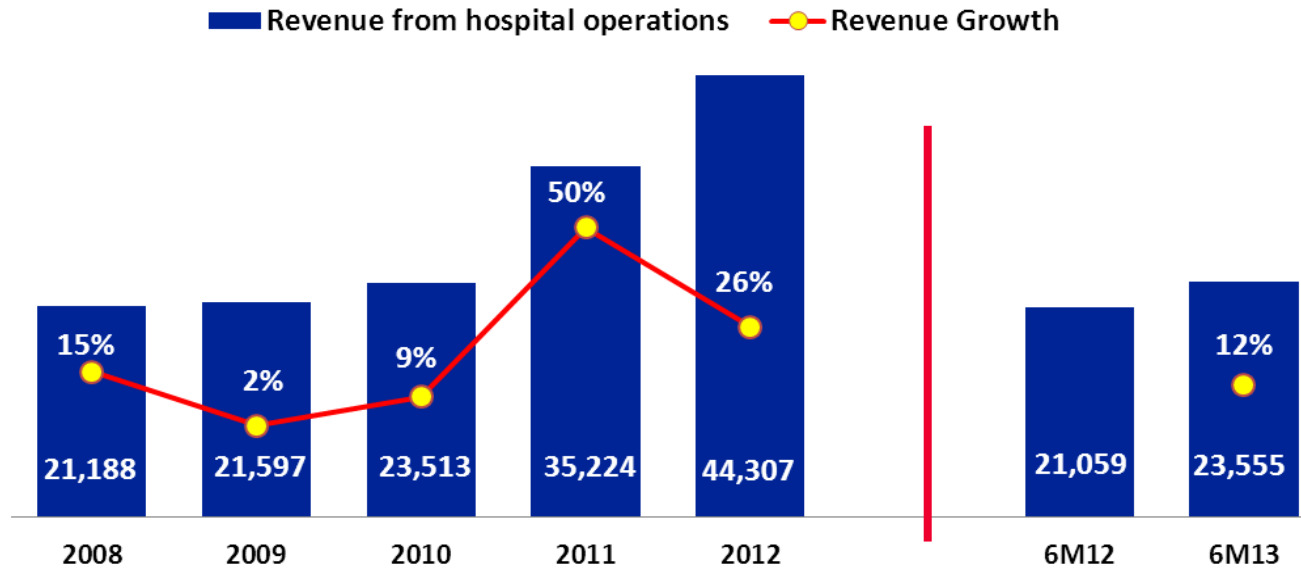
Operational Statistics



Continued Double Digit Revenue Growth

Patient Revenue Trend

(THB mm)

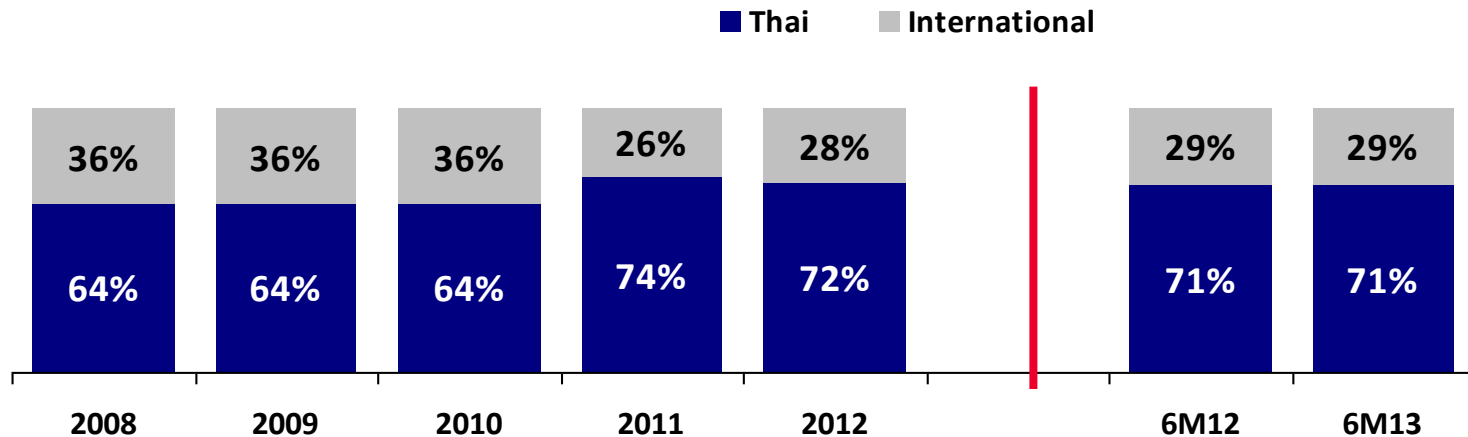


Commentary

- **6M13** Patient revenue increased by **12% yoy**, primarily by
 - Growth in number of outpatients and inpatients across our network hospitals
 - Rising healthcare inflation

Expanding Both Thai and International Patients

Revenue Contribution by Nationality



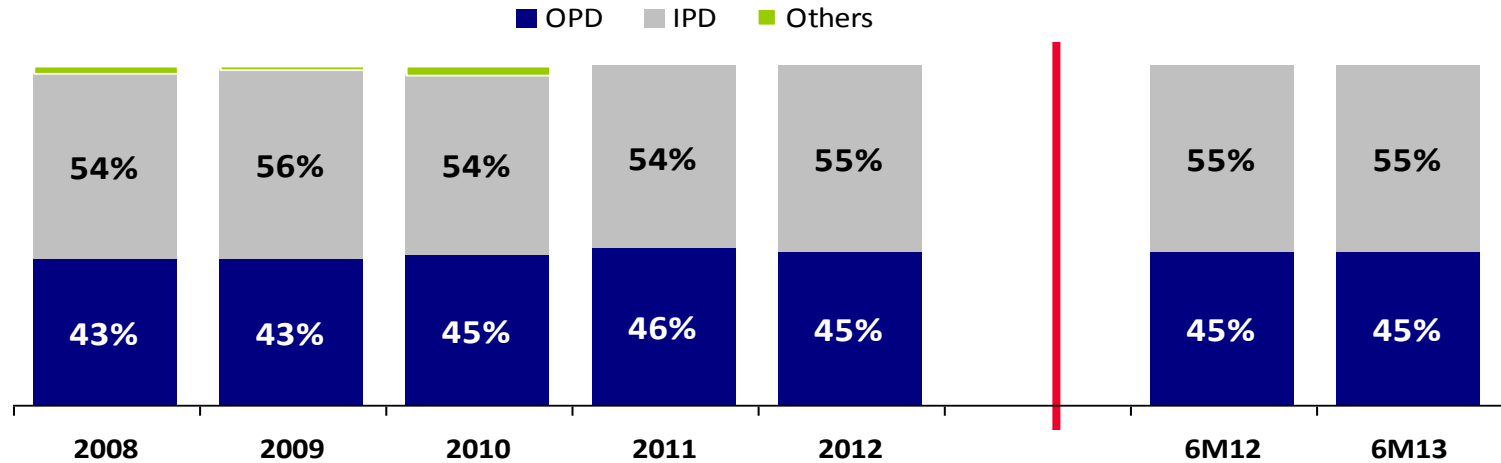
Commentary

- **6M13** revenue from Thai patients grew 11% while international patients grew 13% yoy
 - Top 5 international patient revenues are from Japan, UK, Australia, Myanmar, and UAE which contribute 2.7%, 2.0%, 1.9%, 1.8% and 1.7% of total patient revenues respectively
 - International patient revenues grew significantly for Myanmar(+32%), Australia(+32%) and UAE(+16%)

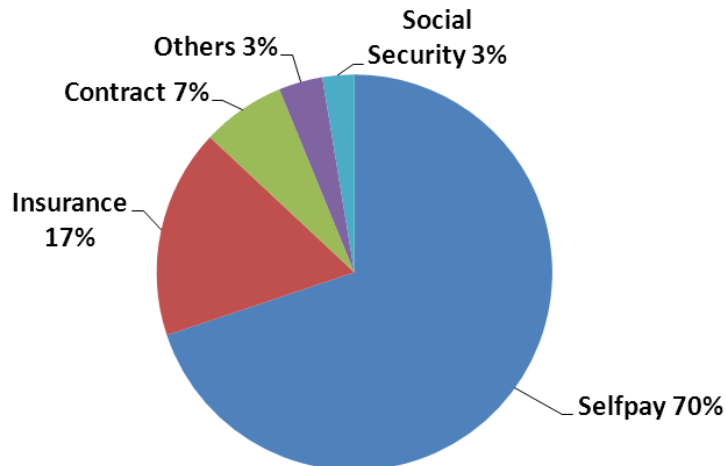
Remarks:- Operational statistics data in 2011 are including PYT & Paolo since Jan 2011

Patient Mix

Revenue Breakdown by Patient Types



6M13 Patient Revenue by Payor

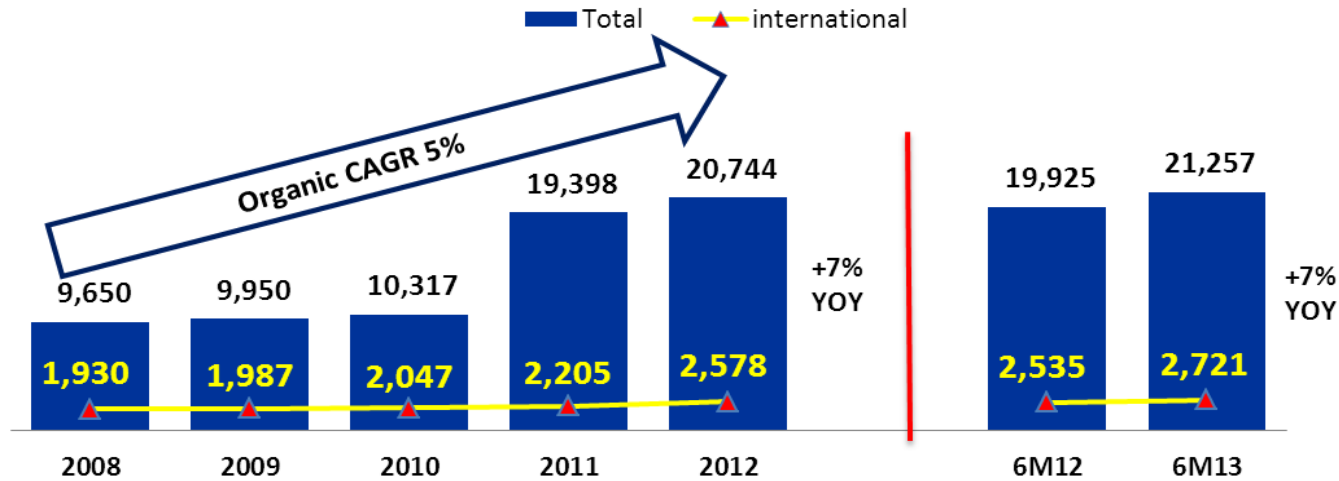


Commentary

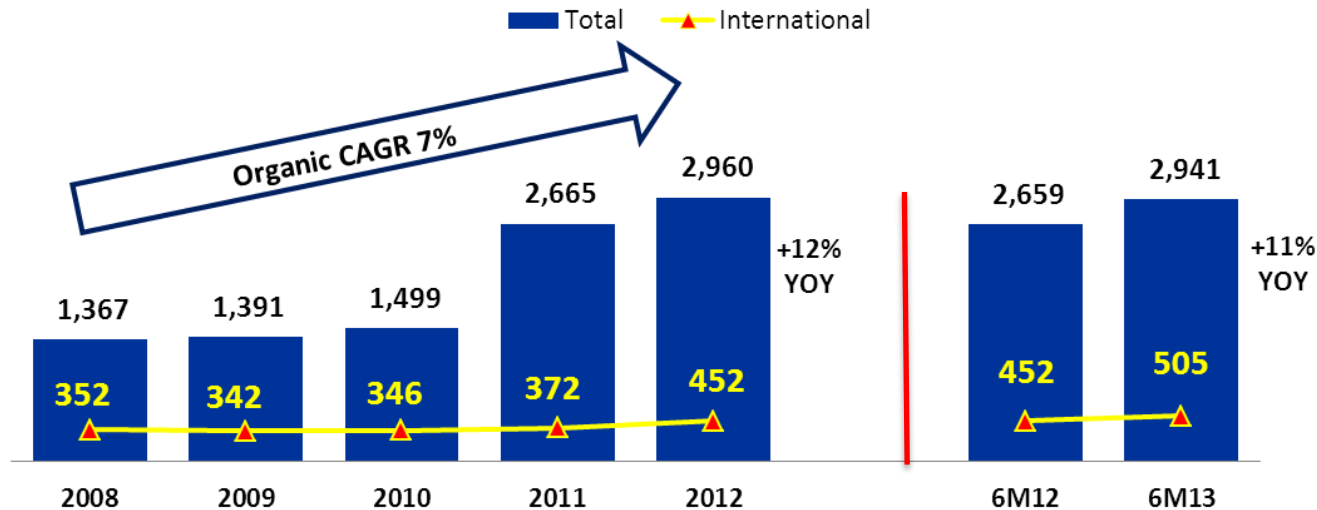
- **6M13** OPD revenues increased 11% yoy while IPD revenues increased 13% yoy

Patient Base Expansion From Both Organic Growth & Acquisitions

Number of OPD Visits per Day



Average Daily Census (ADC)



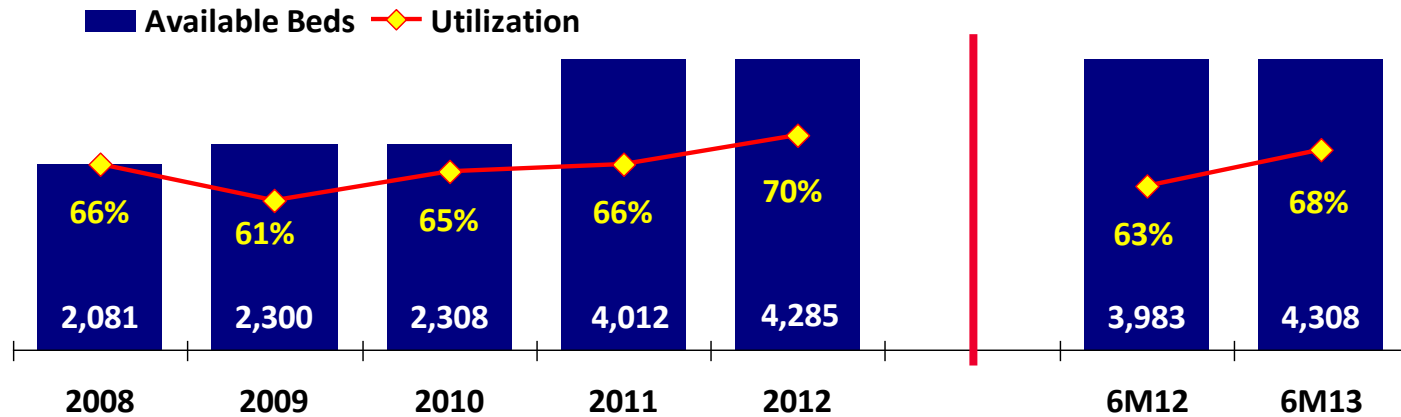
Remarks:- Including social security patients

- Organic growth excluding Phyathai and Paolo

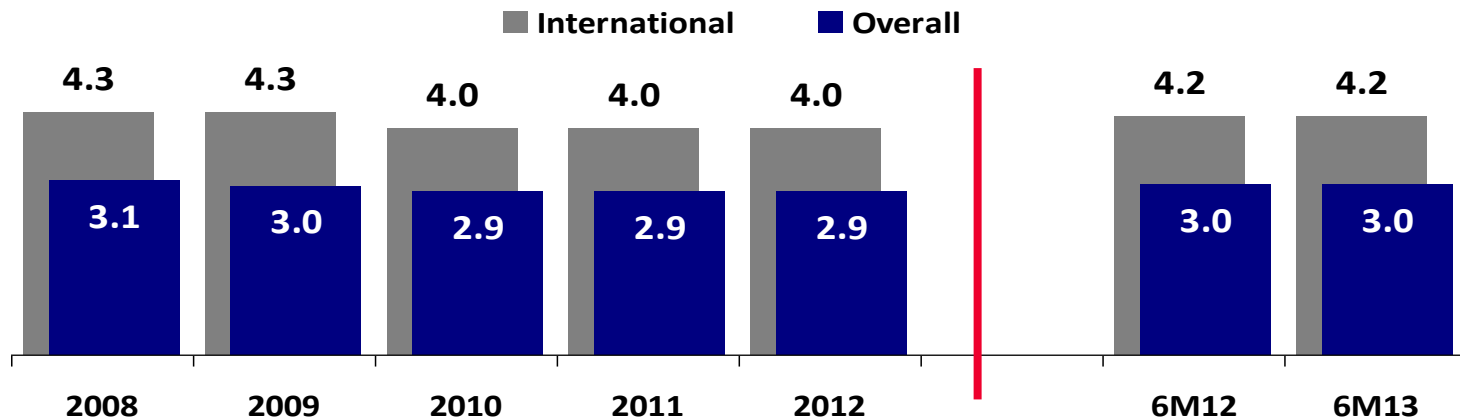


Utilization of Beds

Utilization Based on Available Beds



Average Length of Stay (days)



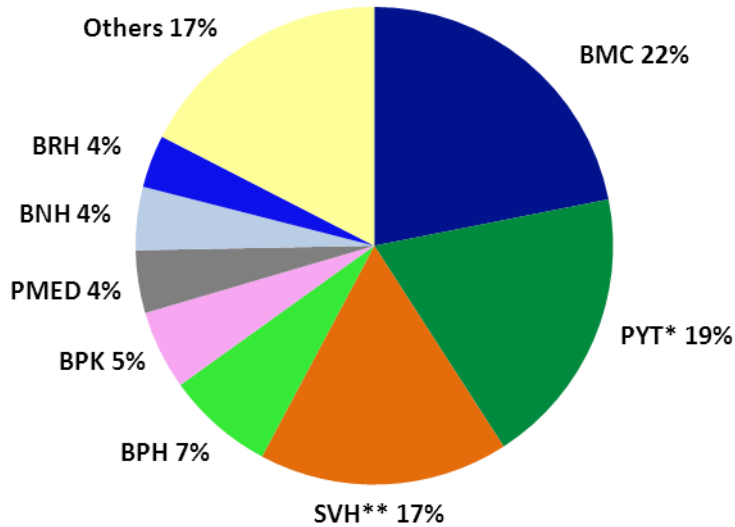
Remarks:- Including social security patients

Financial Highlights

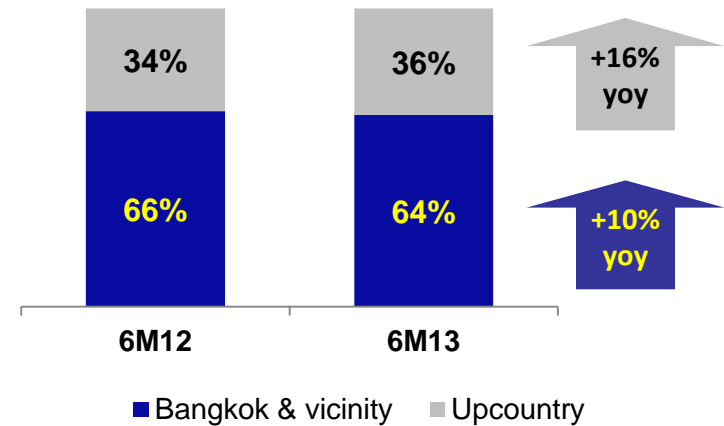


Diversified Sources of Revenues

Revenue Contribution in 6M13



Revenue Contribution & Growth by Locations



Commentary

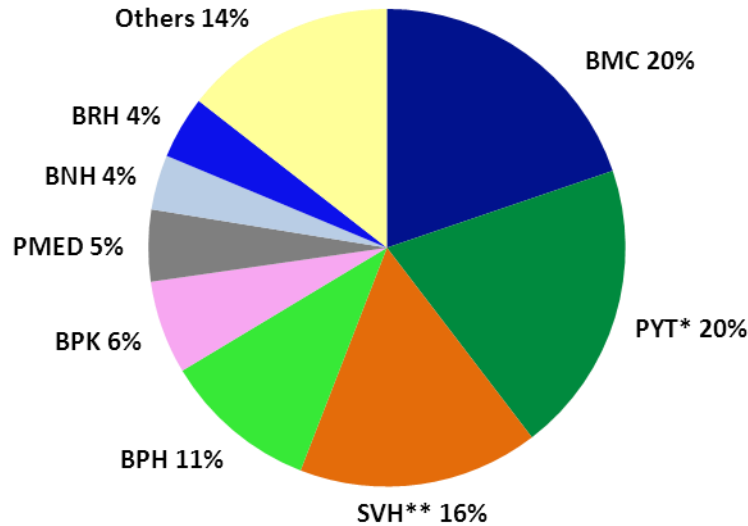
- During **6M13**, top 5 hospitals contributed 70% of total revenue
- Bangkok & vicinity hospitals that grew more than 10% yoy : - PNWM(+21%), BPD(+16%), BNH(+14%), PYT3 (+14%), SNH(+11%), BMC(+10%)
- Upcountry hospitals that grew more than 16% yoy :- BHN(+50%), BSH (+22%), BKH (+21%), SSH(+19%), BRH (+19%)

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

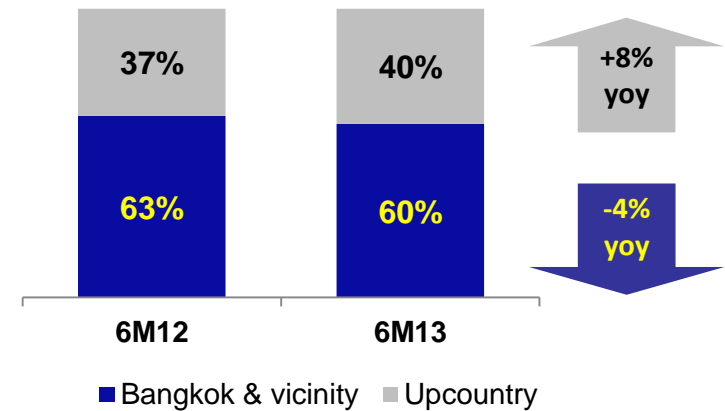
** SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

EBITDA Contribution

EBITDA Contribution in 6M13



EBITDA Contribution & Growth by Locations



Commentary

- During **6M13**, top 5 hospitals contributed 73% of total EBITDA
- EBITDA of hospitals in BKK & vicinity decreased 4% yoy mainly from an increase in clinical and non-clinical staff expenses to accommodate rising demand of existing network hospitals and in preparation for new network hospitals

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

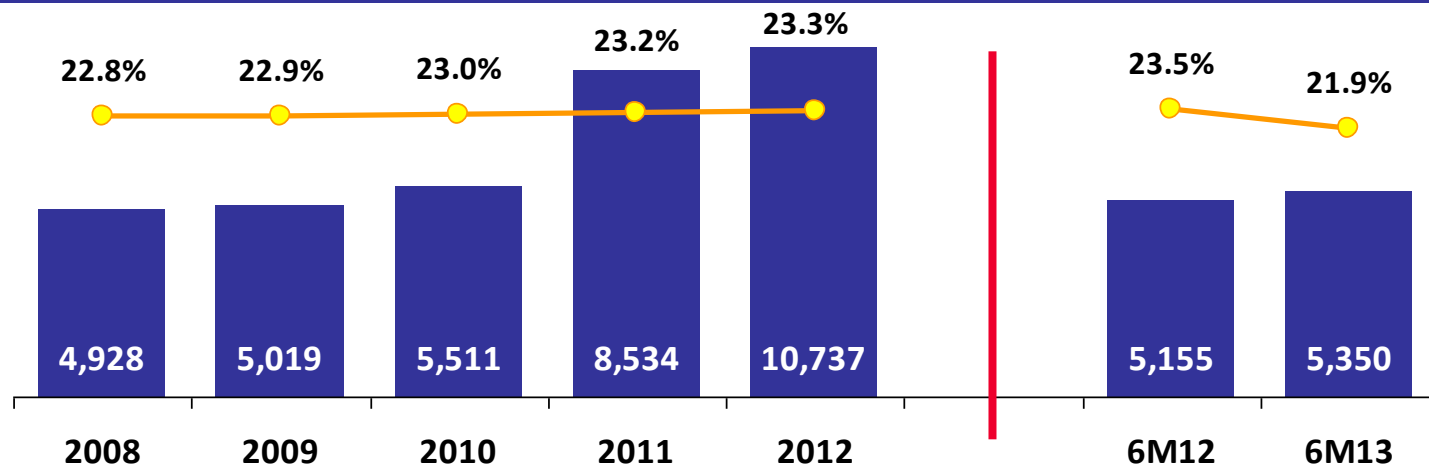
** SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

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

Profitability Trend

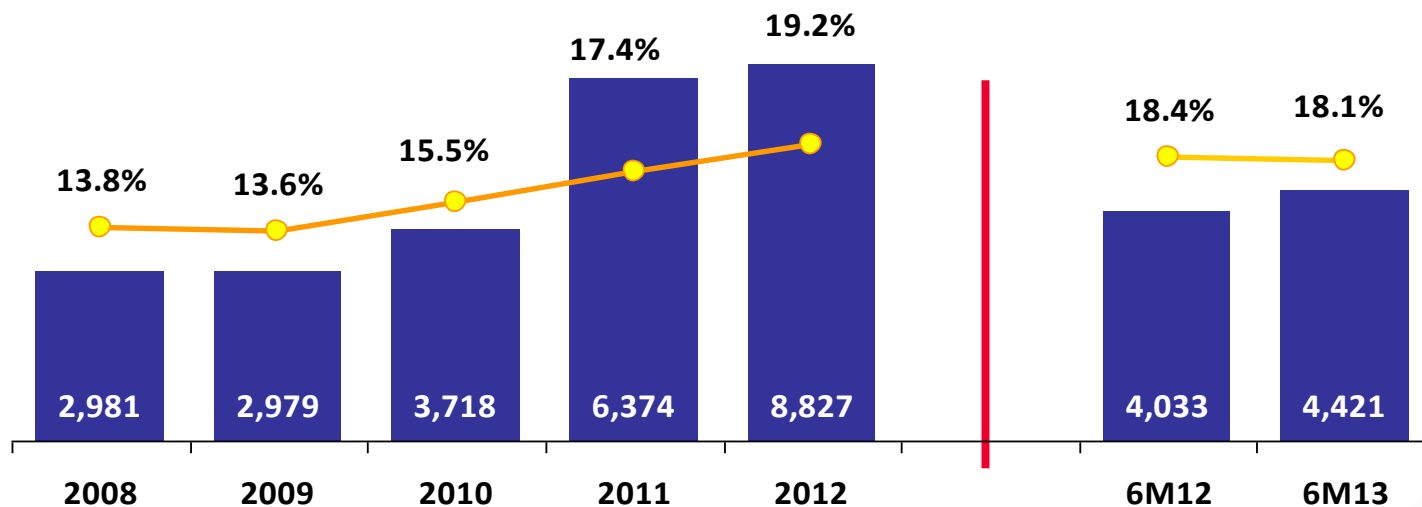
EBITDA & EBITDA Margin*

(THB mm)



EBIT & EBIT Margin*

(THB mm)



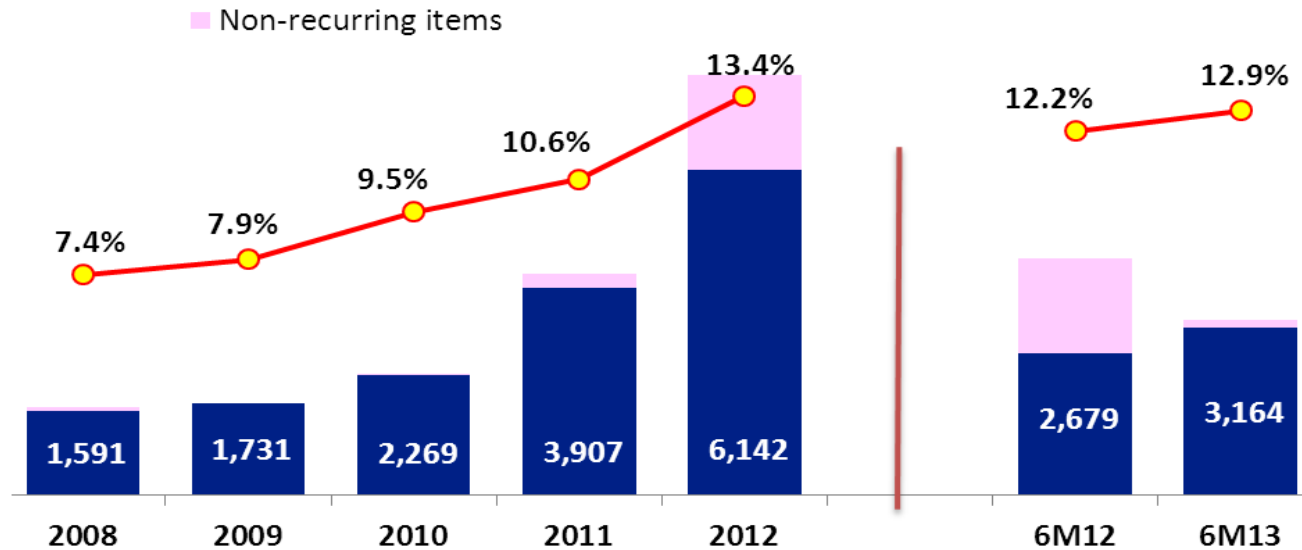
* Excluding non-recurring items



Profitability Trend

Net Profit & Net Profit Margin*

(THB mm)



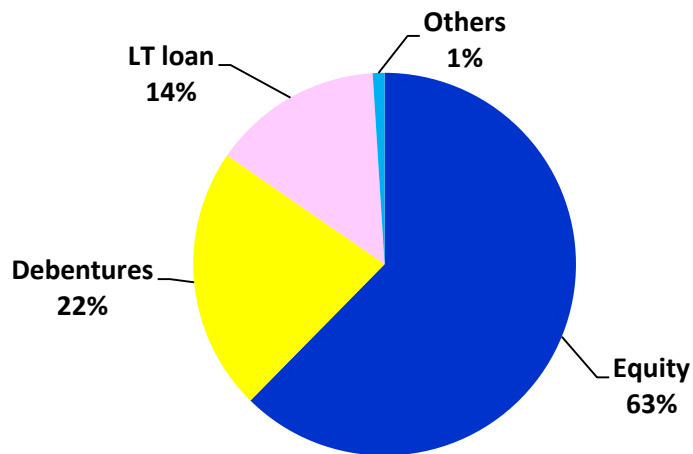
Commentary

- **6M13** Net profit (excluding non-recurring items) increased 18% yoy from growth in number of outpatients and inpatients across our network hospitals and higher asset utilization

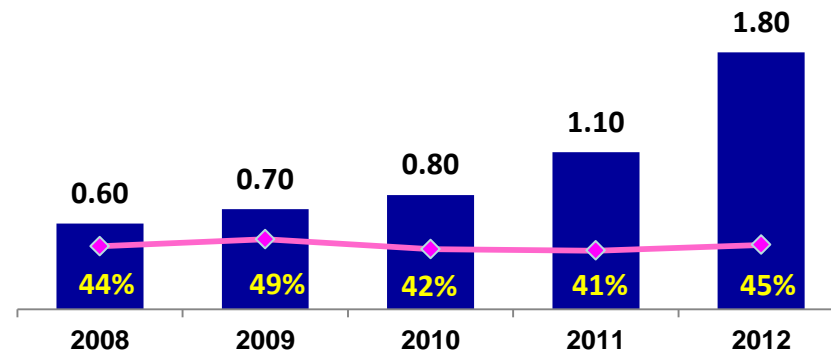
* Excluding non-recurring items

Capital Management

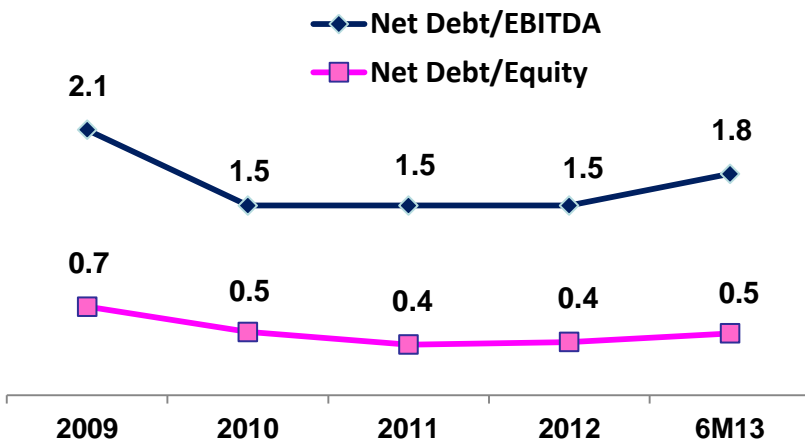
Capital Structure as of June 2013



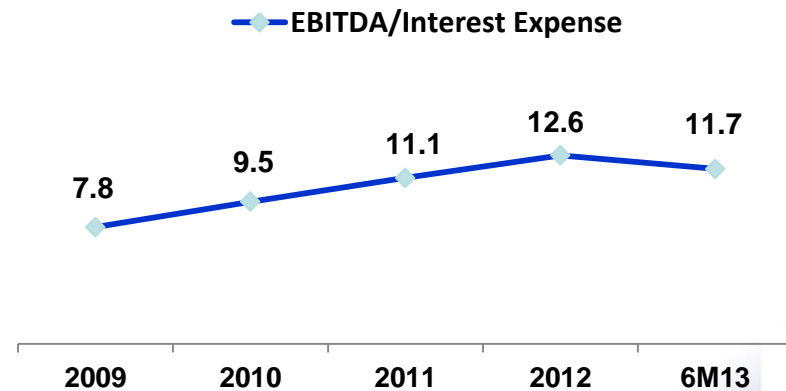
Dividend Payment & Payout Ratio



Gearing Ratios: Well Within Covenants



Interest Coverage



Appendix: Hospital Network in Key Strategic Locations

Hospitals under Management



Group 1

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



Group 2

5. Samitivej Sukhumvit (SVH)	95.8%	275
6. Samitivej Srinakarin (SNH)	95.8%	400
7. Samitivej Sriracha ⁽²⁾ (SSH)	67.5%	150
8. Samitivej Thonburi ⁽³⁾ (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 ⁽⁴⁾
23. Phyathai 1 (PYT1)	100% ⁽⁵⁾	350
24. Phyathai 2 (PYT2)	99.2% ⁽⁵⁾	260
25. Phyathai 3 (PYT3)	98.2% ⁽⁵⁾	230
26. Phyathai Sriracha (PYTS)	66.5% ⁽⁵⁾	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%