



Bangkok Dusit Medical Services (BGH)

Analyst Presentation

2Q11 Results

August 24, 2011

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BDMS Updates & Highlights

BDMS Updates

Consolidation of Phyathai and Paolo Memorial Hospitals since April 2011

- Currently, BDMS owns and manages 27 hospitals (with total beds* of 4,987), of which 25 hospitals are under 5 renowned local hospital brands:-

 BDMS Bangkok Dusit Medical Services	Brand	No. of Hospitals	No. of Beds*
	Bangkok Hospital	13	2,173
	Phyathai hospital	4	1,097
	Samitivej Hospital	3	825
	Paolo Memorial Hospital	4	697
	BNH Hospital	1	144
	Royal International Hospital	2	51

* Maximum number of beds according to the structure of the hospitals

Hospital Network in Key Strategic Locations

Hospitals under Management



Group 1

	Ownership	No. of Beds ⁽¹⁾
1. Bangkok Hospital	100%	263
2. Bangkok Heart Hospital	100%	56
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. BNH Hospital (BNH)	91.4%	144



Group 3

9. Bangkok Pattaya (BPH)	97.2%	400
10. Bangkok Rayong (BRH)	100%	170
11. Bangkok Chantaburi (BCH)	99.7%	170
12. Bangkok Trat (BTH)	99.8%	114
13. Bangkok Samui (BSH)	100%	50
14. Bangkok Phuket (BPK)	99.7%	317
15. Bangkok Hat Yai (BHH)	98.8%	165



Group 4

16. Bangkok Ratchasima (BKH)	89.5%	300
17. Bangkok Prapradaeng (BPD)	79.0%	60
18. Royal Angkor International	80.0%	21
19. Royal Rattanak International	70.0%	30



Group 5

	Ownership	No. of Beds ⁽³⁾
20. Phyathai 1 (PYT1)	100% ⁽⁴⁾	350
21. Phyathai 2 (PYT2)	99.0% ⁽⁴⁾	260
22. Phyathai 3 (PYT3)	97.6% ⁽⁴⁾	230
23. Phyathai Sriracha (PYTS)	63.4% ⁽⁴⁾	257
24. Paolo Paholyothin (PMED)	100%	237
25. Paolo Samutprakarn	88.7%	200
26. Paolo Chokchai 4	80.7%	120
27. Paolo Nawamin	99.8%	140



(1) Structured beds



(3) Registered beds



(2) Indirect shareholding through Samitivej PCL (4) Indirect shareholding through Prasit Patana PCL which BGH hold 97.1%

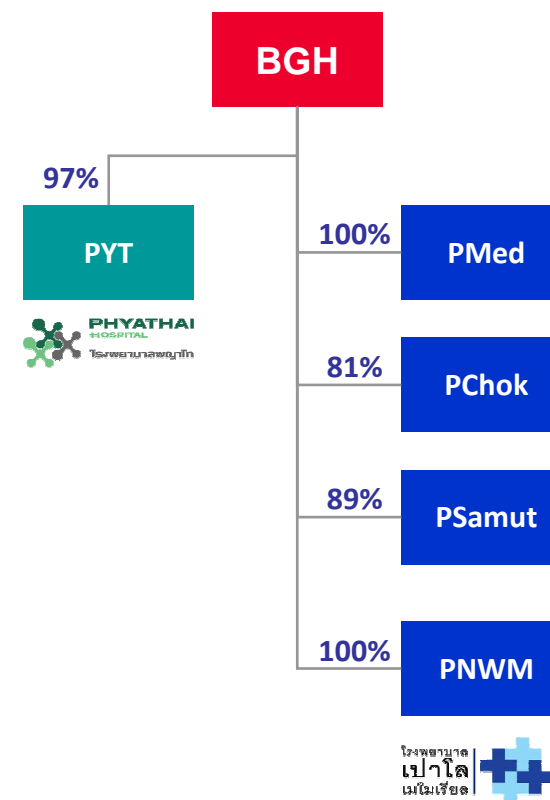
Merger Update

Transaction Completed

- Tender Offer for Prasit Patana PCL (PYT) completed 23 May 2011
- Ending 97% shareholding in PYT
- Total new shares issued = 299.4 mm shares
- Current outstanding shares = 1,545.4 mm shares
- Consolidation of PYT and Paolo Memorial hospitals financial performance in 2Q11

Immediate Synergies

- Refinanced ~THB 6,000 mm secured loans of Phyathai & Paolo Memorial Hospitals in April 2011
 - Changing from a secured to an unsecured borrowing structure
 - Lowering the borrowing cost by ~2.25% p.a.
 - Maintaining the same maturity profile of borrowings at ~8.5 years



BDMS Highlights

2Q11 Consolidated Financial Summary

- Revenue from hospital operations of THB 8,983 mm increased by THB 3,745 mm or 71% from 2Q10, primarily due to:
 - Revenue of organic BDMS hospital operations of Baht 6,238 mm or increased 19% yoy
 - Consolidation of revenues from Phyathai Hospital Group and Paolo Memorial Hospital Group of Baht 2,745 mm
- A record net profit of THB 1,387 mm increased 338% yoy from
 - BDMS organic profit of THB 623 mm increased 97% yoy
 - Profit from Phyathai Hospital Group (PPCL) & Paolo Memorial Hospital Group of THB 285 mm
 - Non-recurring items of THB 479 mm from gain on fair value adjustment of investment in PPCL & Udon Pattana (1994) Co.,Ltd
- Excluding the non-recurring items, net profit was at a record of THB 908 mm, an increase of 187% yoy

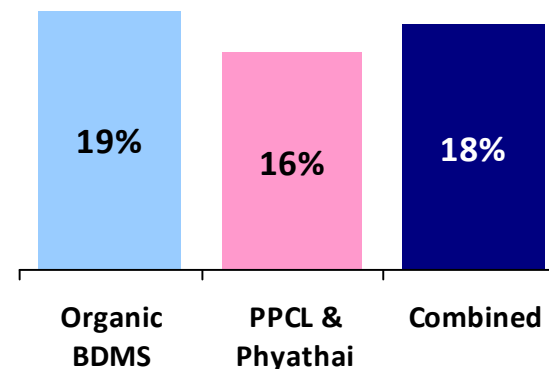
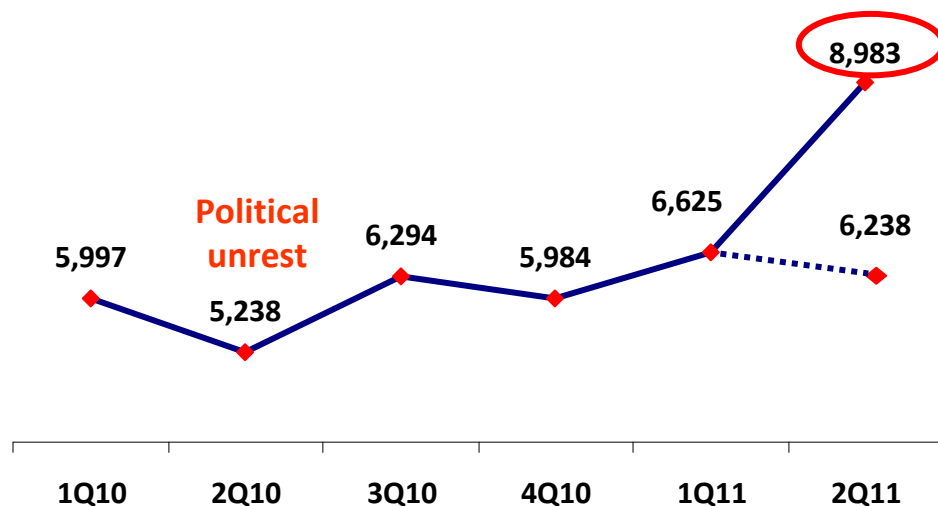
Operational Statistics

Strong Patient Revenue Growth

Patient Revenue

(THB mm)

2Q11 Organic Patient Revenue Growth (yoy)

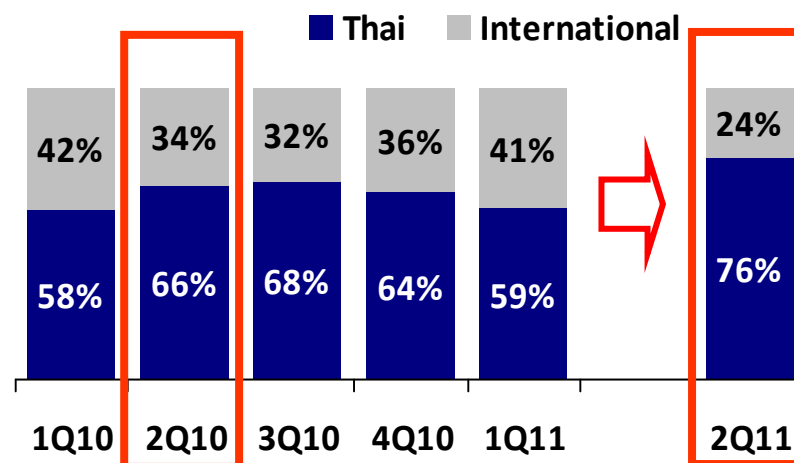


Commentary

- During 2Q11, total patient revenue grew 71% yoy due mainly to
 - Organic patient revenue growth from increasing number of outpatients & inpatients
 - Acquisition of Phyathai & Paolo Memorial Hospitals

Gearing More Towards Thai Patients

Revenue Contribution by Nationality

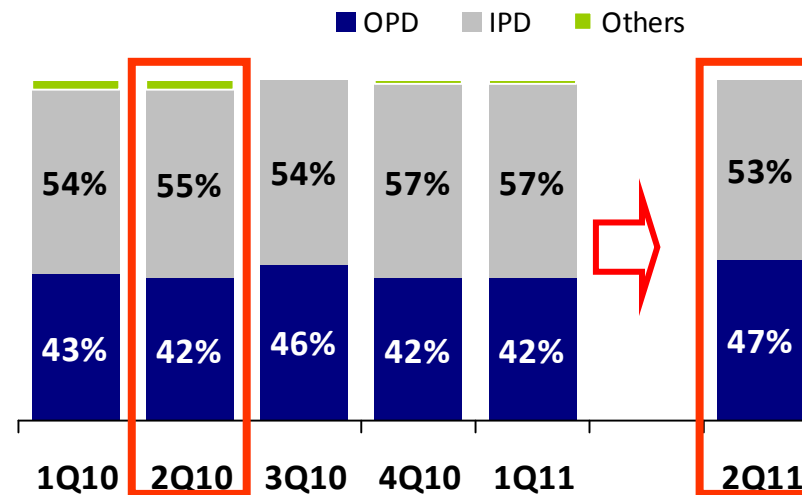


Commentary

- International revenues portion dropped from 34% in 2Q10 to 24% in 2Q11 as most of patients from Phyathai & Paolo Memorial Hospitals are Thai patients
- In 2Q11, **organic** BDMS revenue from Thai patients grew 16% yoy while international patients grew 24% yoy
 - Top 5 international patient revenues are from Japan, USA, Australia, UK and Myanmar which contribute 2.8%, 1.9%, 1.8%, 1.7% and 1.4% of total patient revenues respectively
 - International patient revenues also grew significantly for France (+36%) and Ethiopia (+29%)

Changing Patient Mix

Revenue Breakdown by Patient Types

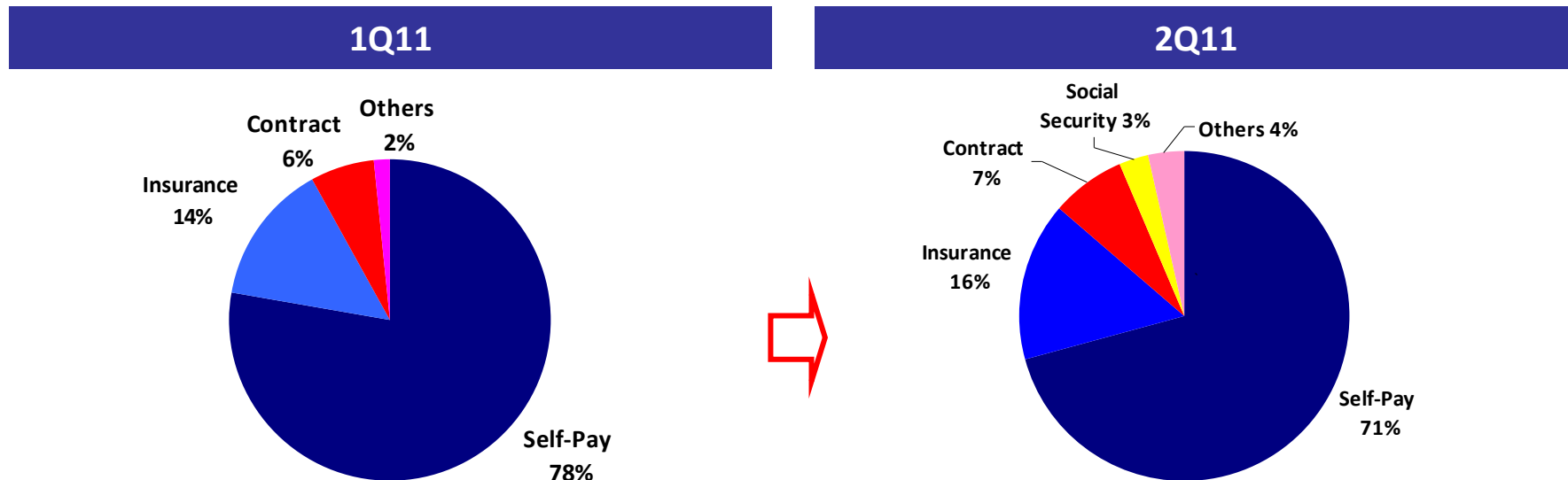


Commentary

- In 2Q11, Combined **organic** OPD revenues increased 18% yoy while IPD revenues increased 17% yoy
 - Organic BDMS patient revenue growth: - OPD + 21% yoy & IPD +17% yoy
 - Organic PPCL& Paolo Memorial Hospitals patient revenue growth :- OPD + 15% yoy & IPD +17% yoy

Diversified Patient Base

Patient Revenue by Type of Payment

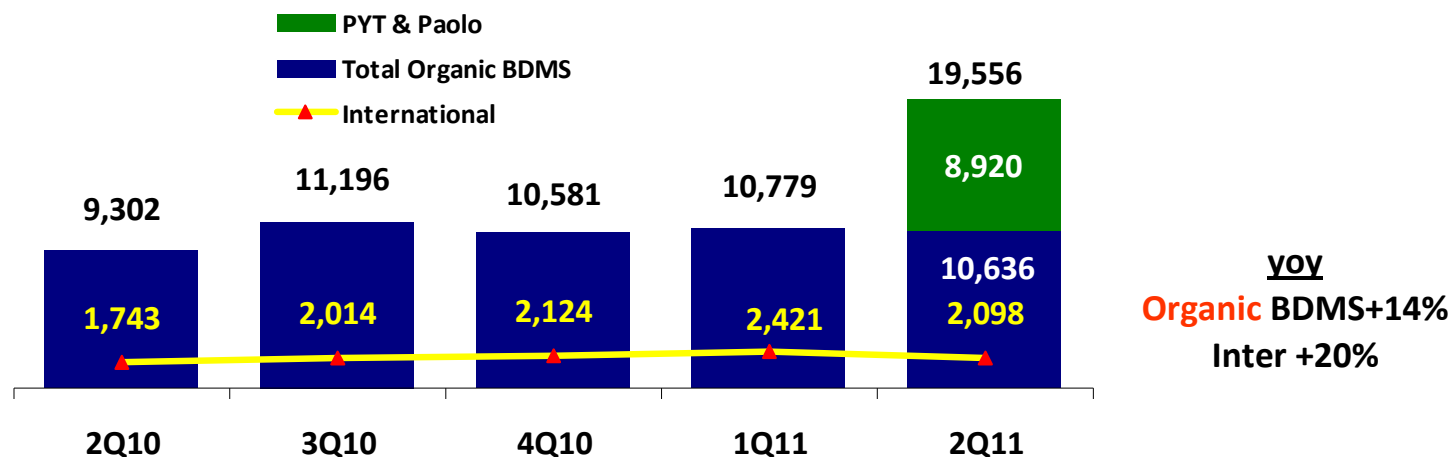


Commentary

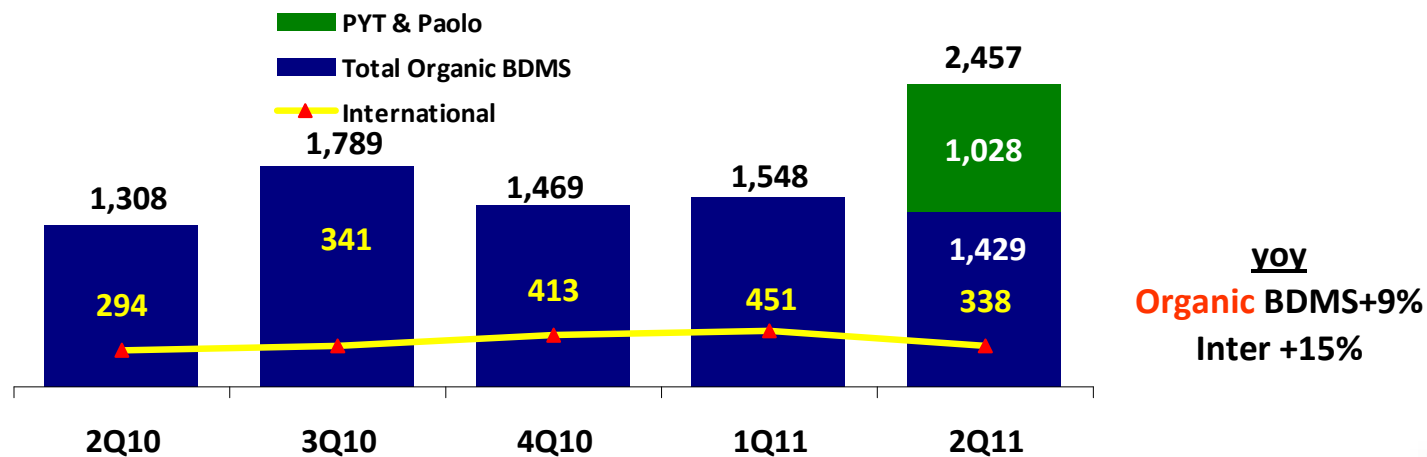
- Integration of Phyathai & Paolo Memorial Hospitals allows BDMS to tap new patient demographic and entry into Social Security Scheme and Civil Servant Healthcare Scheme

Patient Base Expansion From Both Organic Growth & Acquisitions

Number of OPD Visits per Day



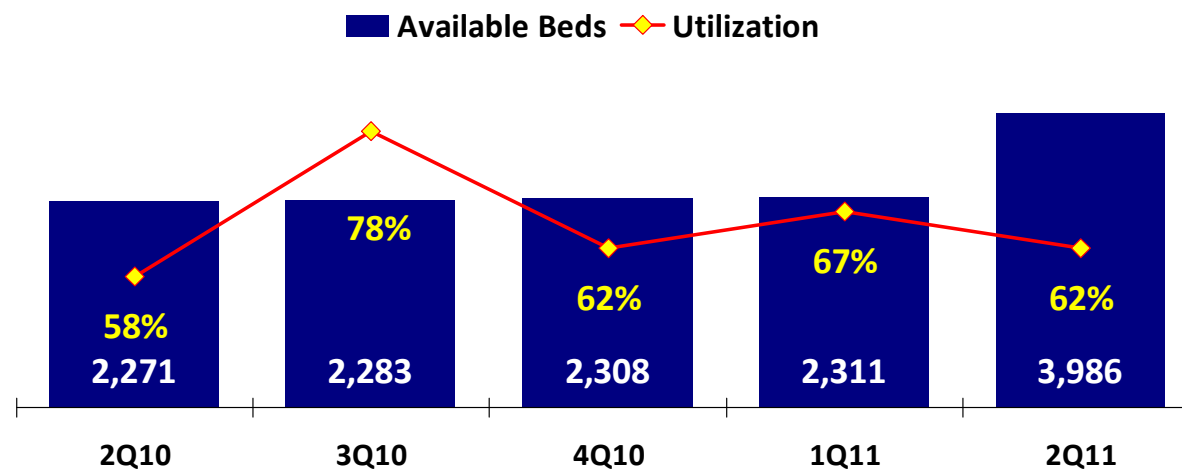
Average Daily Census (ADC)



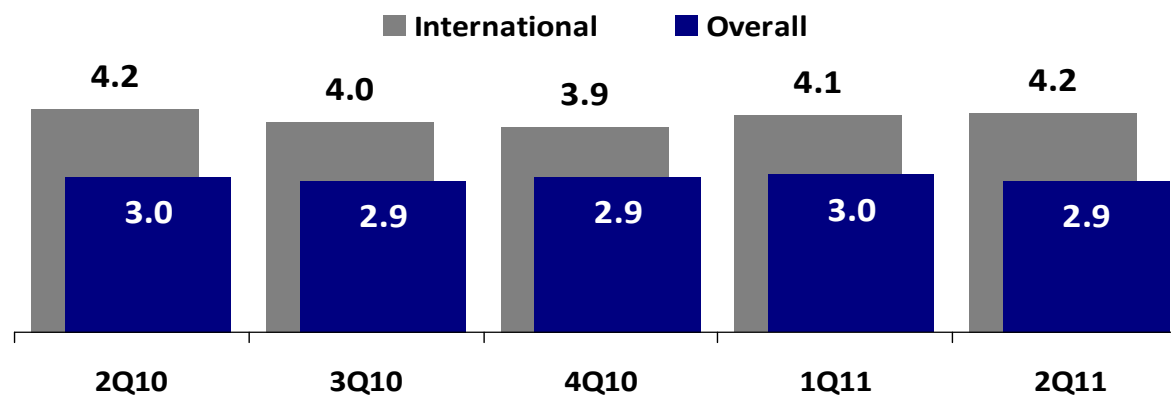
Remarks:- Including social security patients

Utilization of Beds

Utilization Based on Available Beds



Average Length of Stay (days)

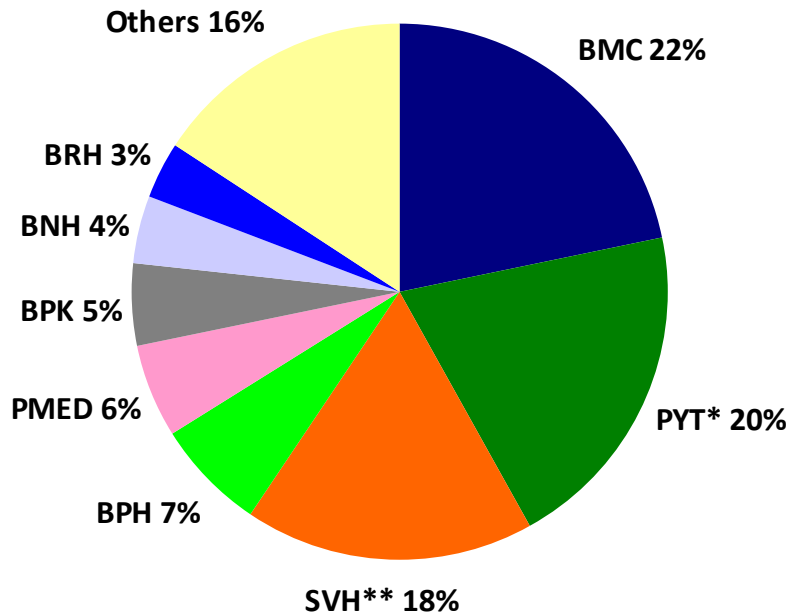


Remarks:- Including social security patients

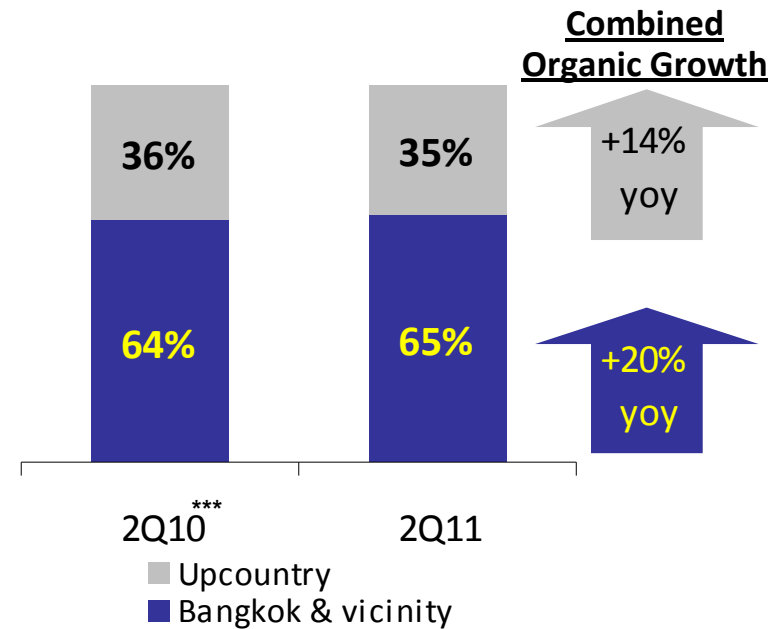
Financial Highlights

Diversified Sources of Revenues

Revenue Contribution by Hospitals in 2Q11



Revenue Contribution & Growth by Locations



Commentary

- During 2Q11, top 5 hospitals contributed 73% of total revenue
- Bangkok & vicinity hospitals that grew more than 20% yoy : -BNH(+34%), PCHOK(+26%), BPD(+25%), BMC(+21%), SVH(+21%), PMED(+21%)
- Upcountry hospitals that grew more than 14% :-BHH(+24%), SSH(+21%), BPH(+16%), BTH(+16%)

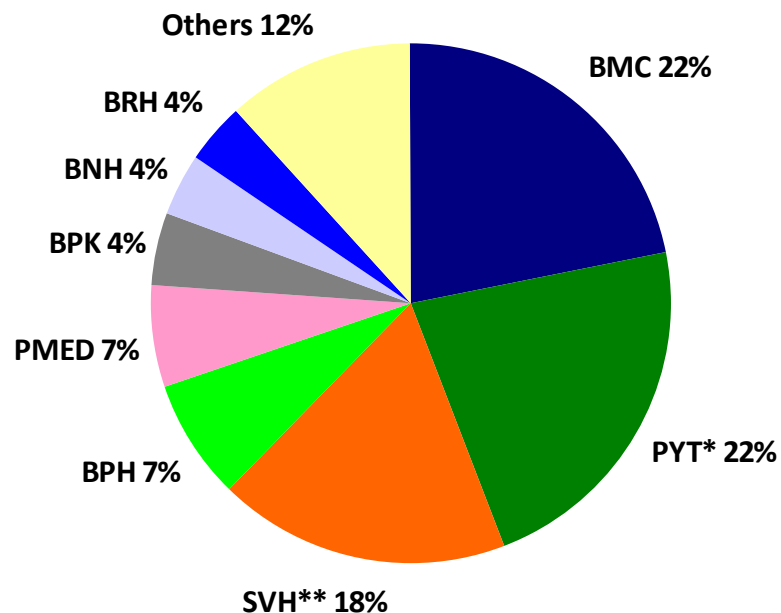
* PYT included Phyathai 1, Phyathai 2, Phyathai 3 and Phyathai Sriracha

** SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

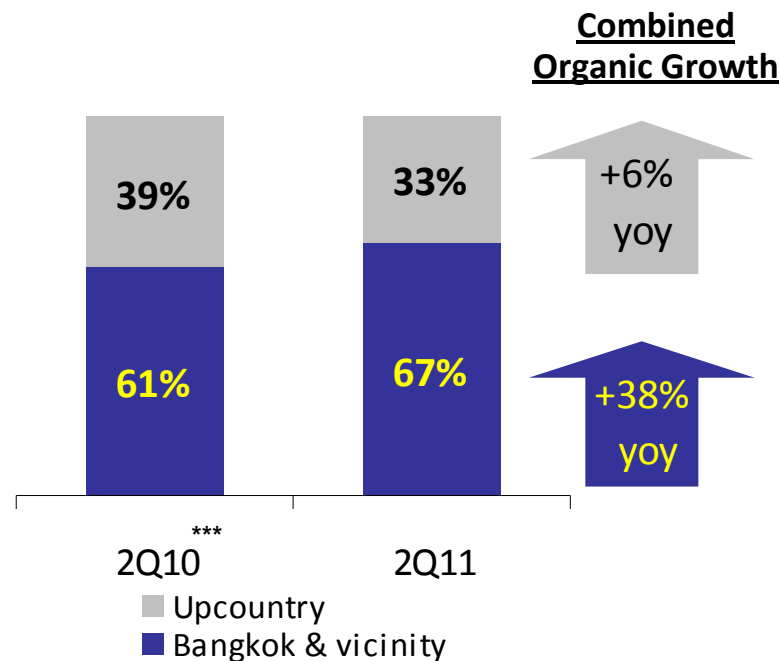
*** Including PPCL & Paolo

EBITDA Contribution

EBITDA Contribution in 2Q11



EBITDA Contribution& Growth by Locations



Commentary

- During 2Q11, top 5 hospitals contributed 76% of total EBITDA

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

** SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

*** Including PPCL & Paolo

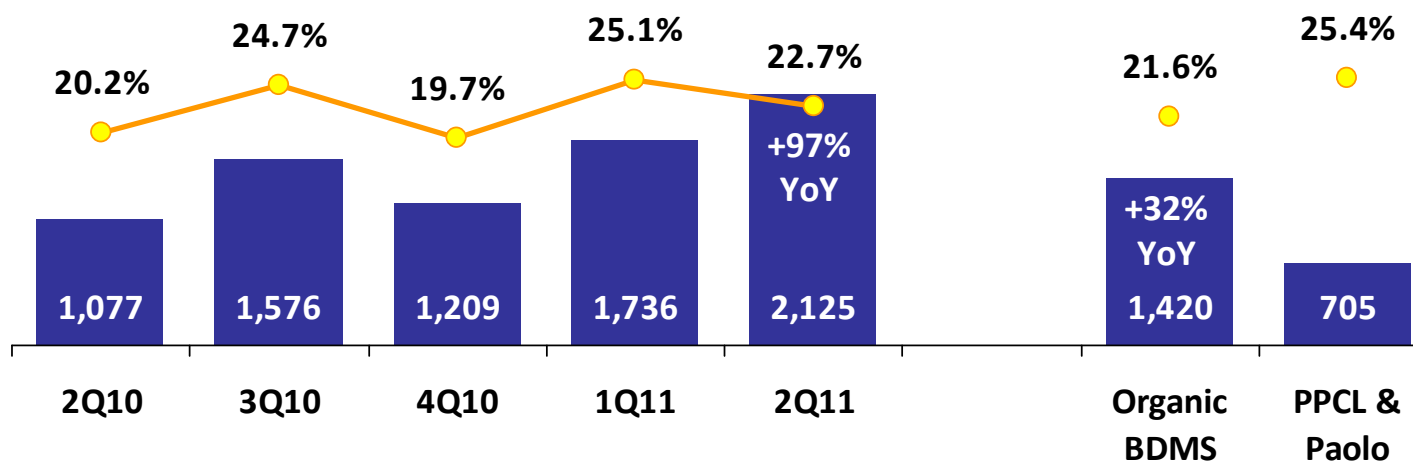
EBITDA is calculated from revenue from hospital operations + revenue from F&B + other income – cost from hospital operations – SG&A expenses



Quarterly Profitability Trend

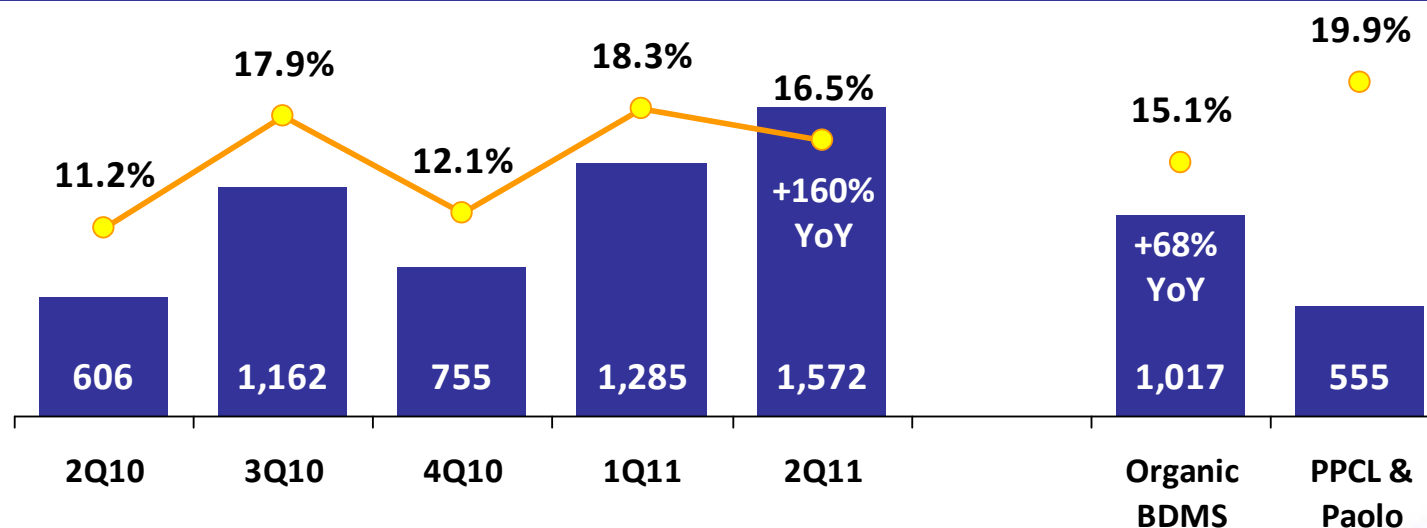
EBITDA & EBITDA Margin

(THB mm)



EBIT & EBIT Margin

(THB mm)



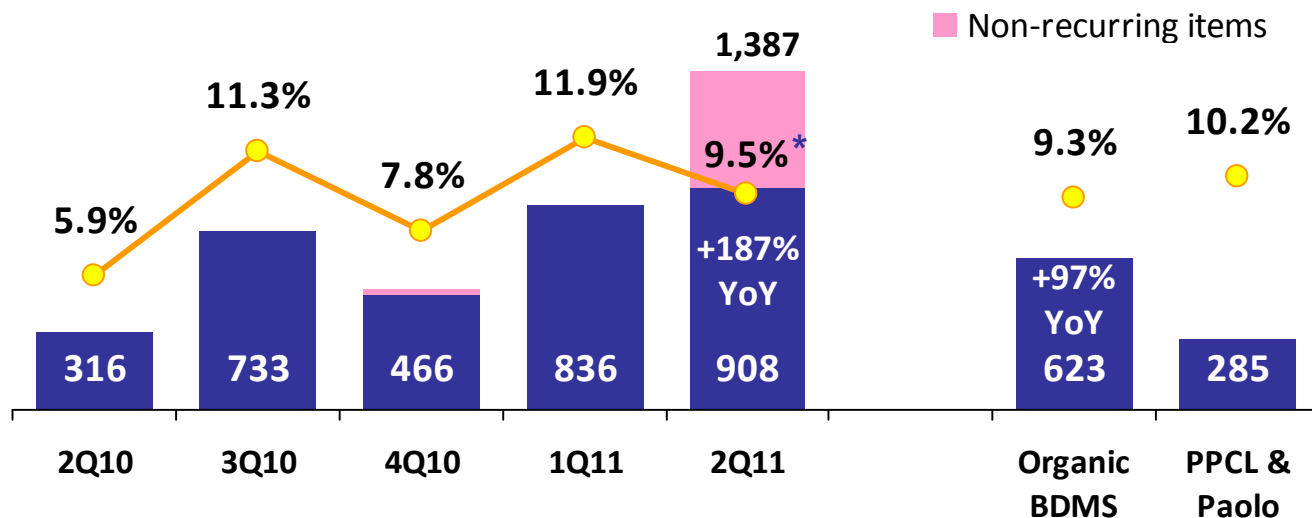
Excluding non-recurring items



Quarterly Profitability Trend

Net Profit & Net Profit Margin

(THB mm)



Commentary

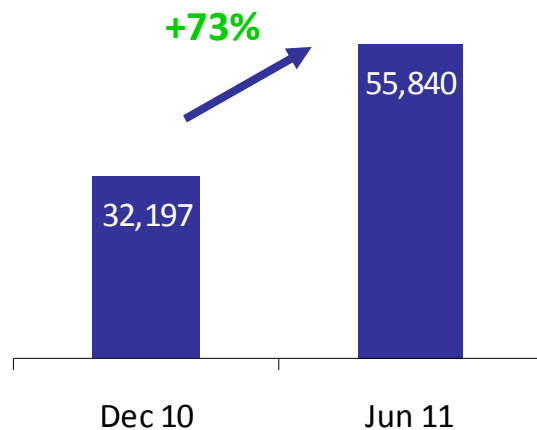
- Non-recurring items totaling THB 479 million were as a result of the revaluation of the original stake from carrying cost to fair value resulting in gain on fair value adjustment of investment in:-
 - PPCL (original stake of 19%) for THB 440 million
 - Udon Pattana(1994) Co., Ltd (original stake of 10%) for THB 39 million

* Excluding non-recurring items

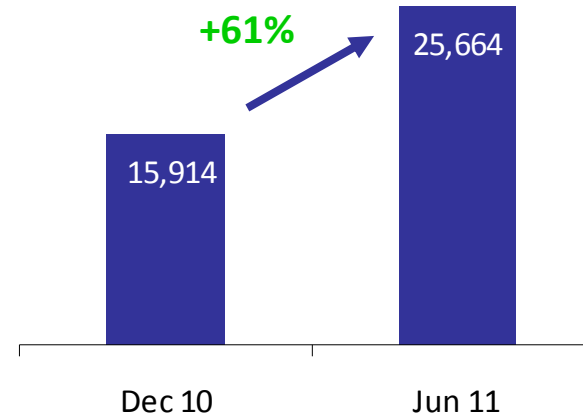


Balance Sheet Summary

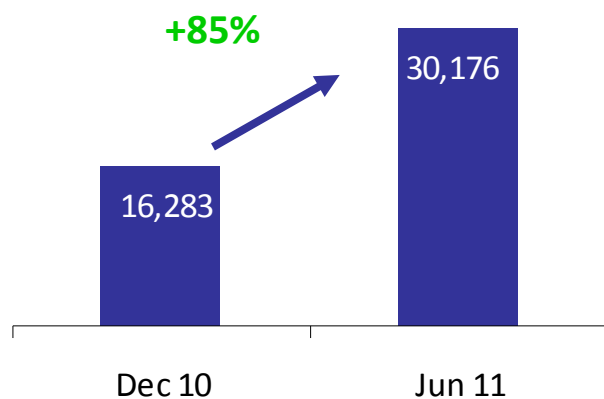
Total Assets (THB mm)



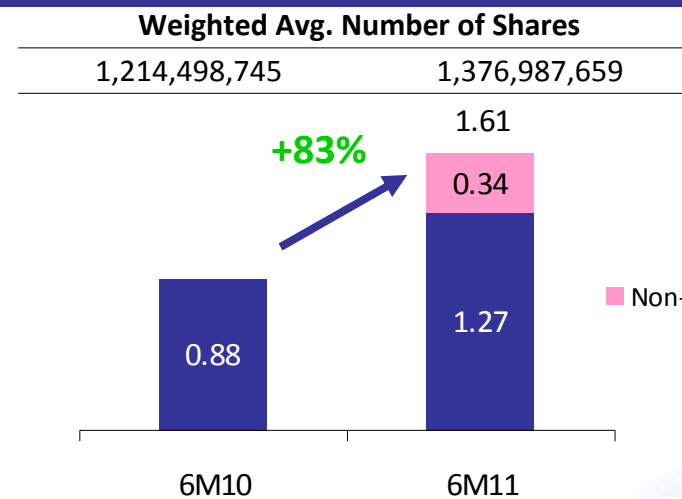
Total Liabilities (THB mm)



Total Equity (THB mm)

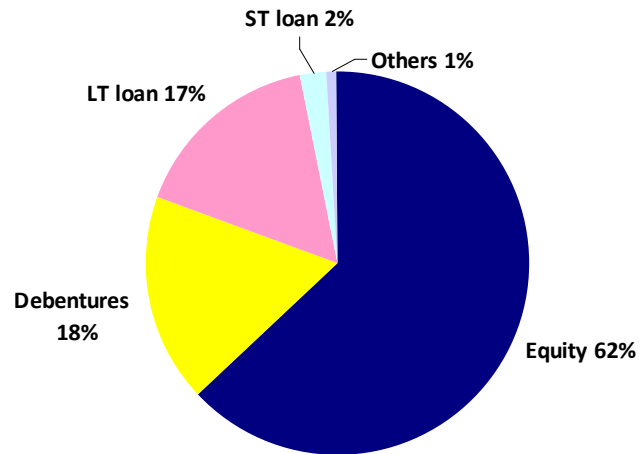


Earnings per share (THB)



Capital Management

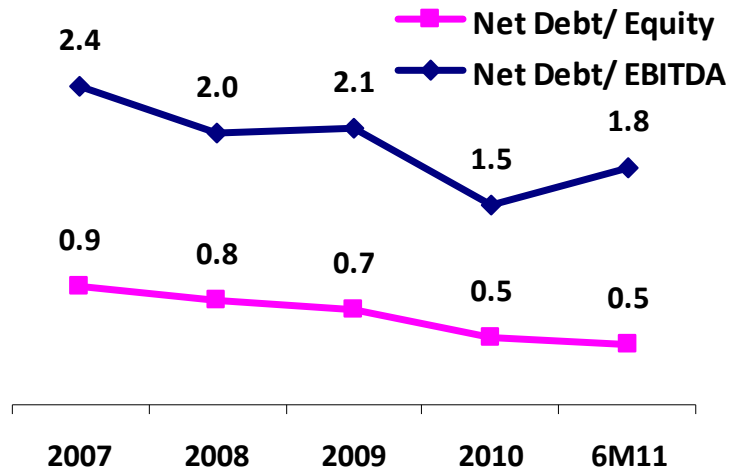
Capital Structure as Jun 11



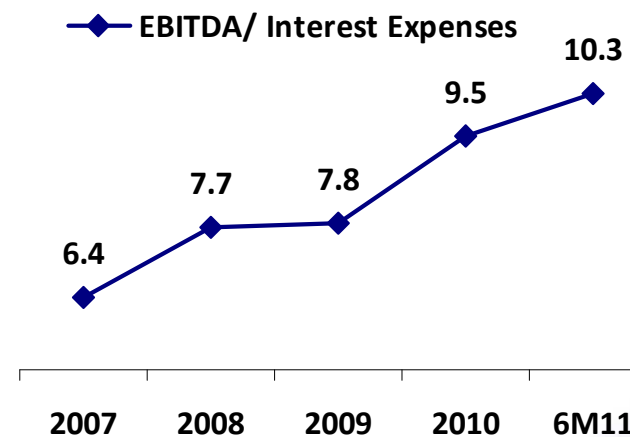
Commentary

- Leverage ratios (net debt/EBITDA and net debt/equity) are well within covenants

Gearing Ratios



Interest Coverage



For more information & updates :- www.bangkokhospital.com