



**Bangkok Dusit Medical Services (BGH)  
Analyst Presentation  
Third Quarter 2009 Results  
November 20, 2009**

Thailand



Overseas



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# Contents

- Overview

- Operational Statistics

- Financial Highlights

- Going Forward

# Overview



## 3Q09 Highlights

### Challenging Operating Environment

#### Operation Summary

- Core revenues grew by 5% yoy to THB 5,633 mm due mainly to
  - Strong growth in Thai patients (7% yoy) as a result of concerns about H1N1 pandemic and seasonal flu while international patient revenues grew slightly by 1% yoy
  - Continued growth in OPD revenues (2% yoy) while IPD revenues grew 5% yoy resulting in the utilization of 70% during 3Q09

#### Financial Highlights

- Net profit increased by 59% yoy to THB 569 mm from organic growth in patient revenues together with the continuous improvement of cost containment measures

#### Development

- JCI accreditation in BNH, BPK and BPH



# Operational Statistics

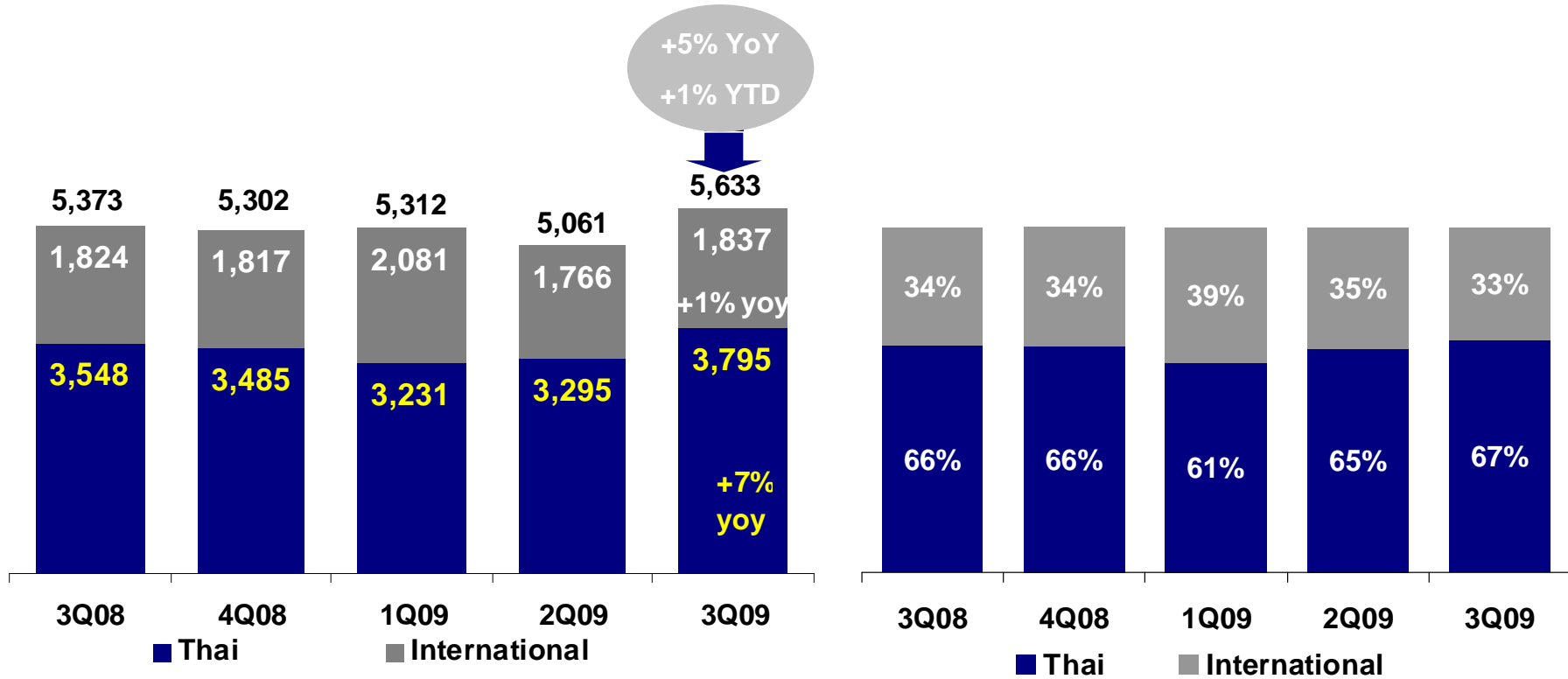


# Strong Revenue Growth from Thai Patients

Patient Revenue Growth

(THB mm)

Thai and International Portion

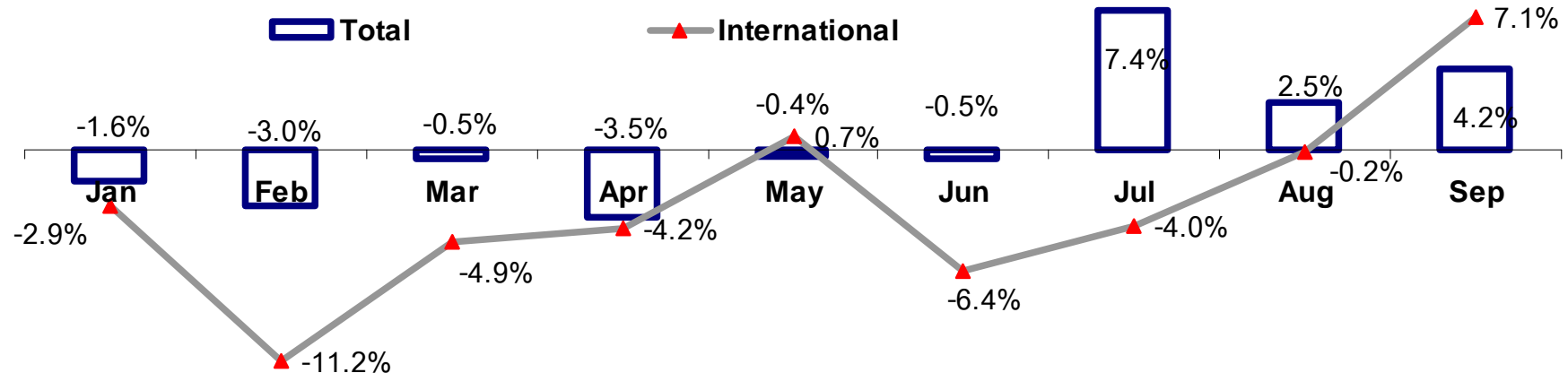


## Commentary

- In 3Q09, Thai patient revenues grew strongly at 7% yoy due mainly to concerns about H1N1 pandemic and seasonal flu in July 09

# Improving International Patient Revenue Trend

## % of Patient Revenue Growth ( YOY)



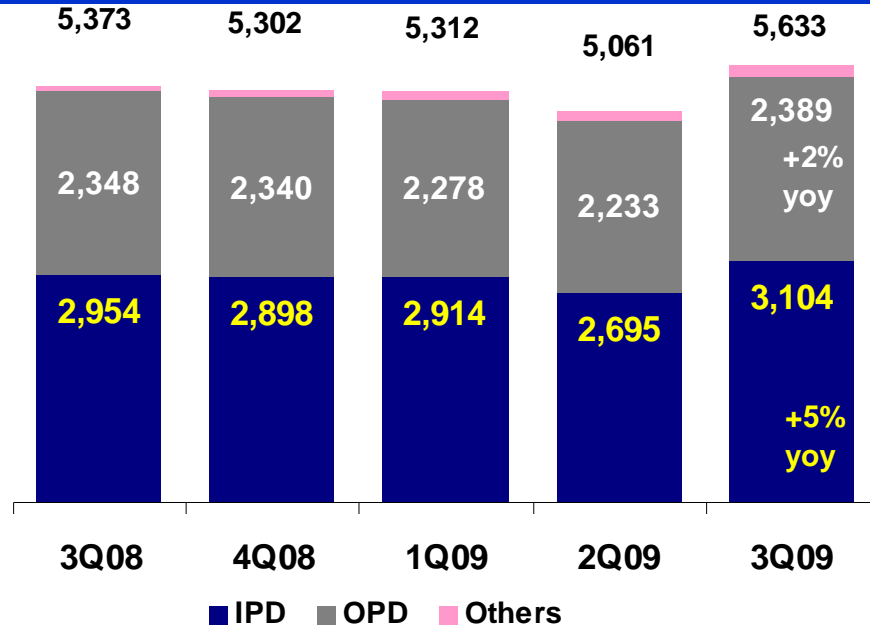
## Commentary

- In 3Q09, international patient revenues grew slightly at 1% yoy
  - Top 5 international patient revenues are from Japan, UAE, UK, USA and Qatar which contribute 4.6%, 3.7%, 3.0%, 2.7% and 1.7% of total patient revenue respectively
  - International patient revenues still positively grew for Qatar (+44%) and Japan (+7%) while revenues from UAE and UK dropped slightly

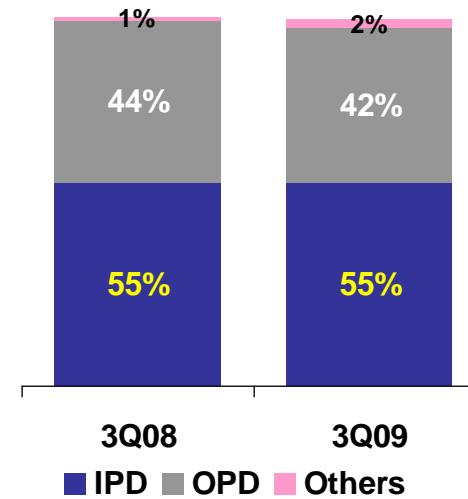


# Patient Revenue Breakdown By Patient Types

**Patient Revenue By Patient Types (THB mm)**



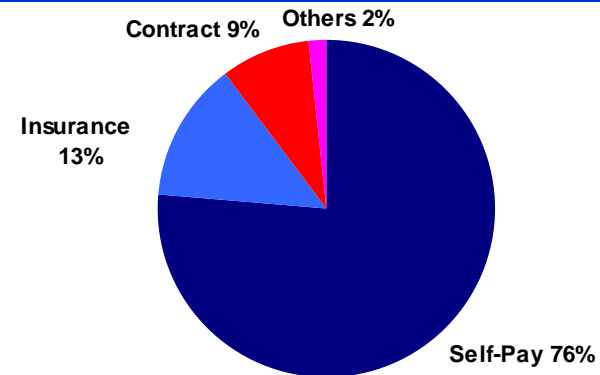
**Revenue Breakdown by Patient Types**



## Commentary

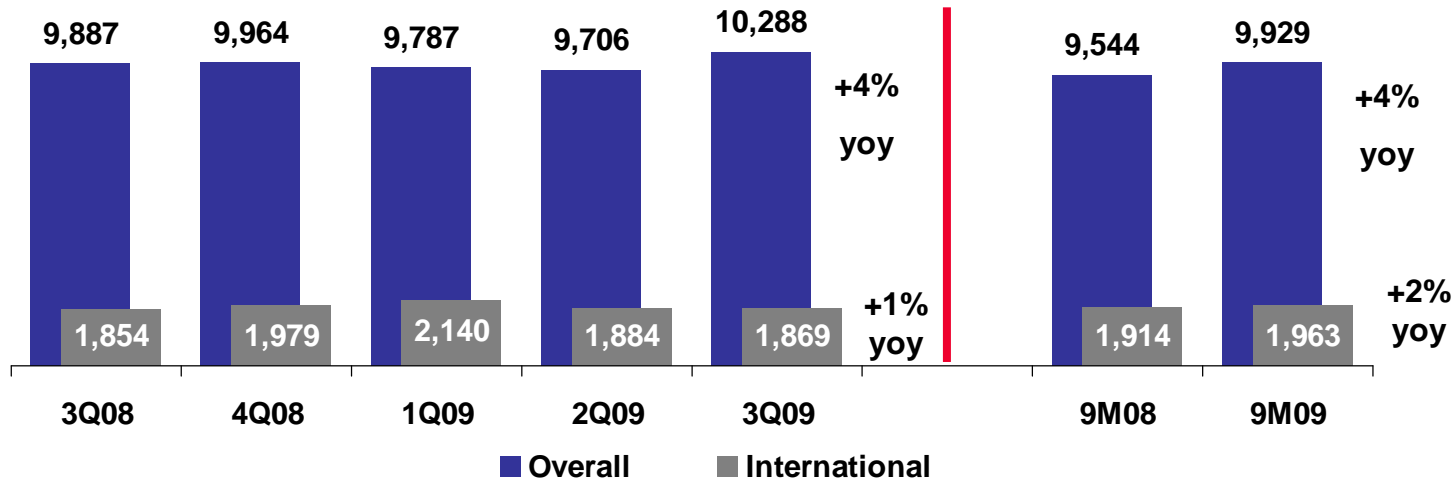
- OPD revenues increased 2% yoy while IPD revenues grew 5% yoy
- Self-Pay continue to be the primary method of payment

**Patient Revenue by Type of Payment – 3Q09**

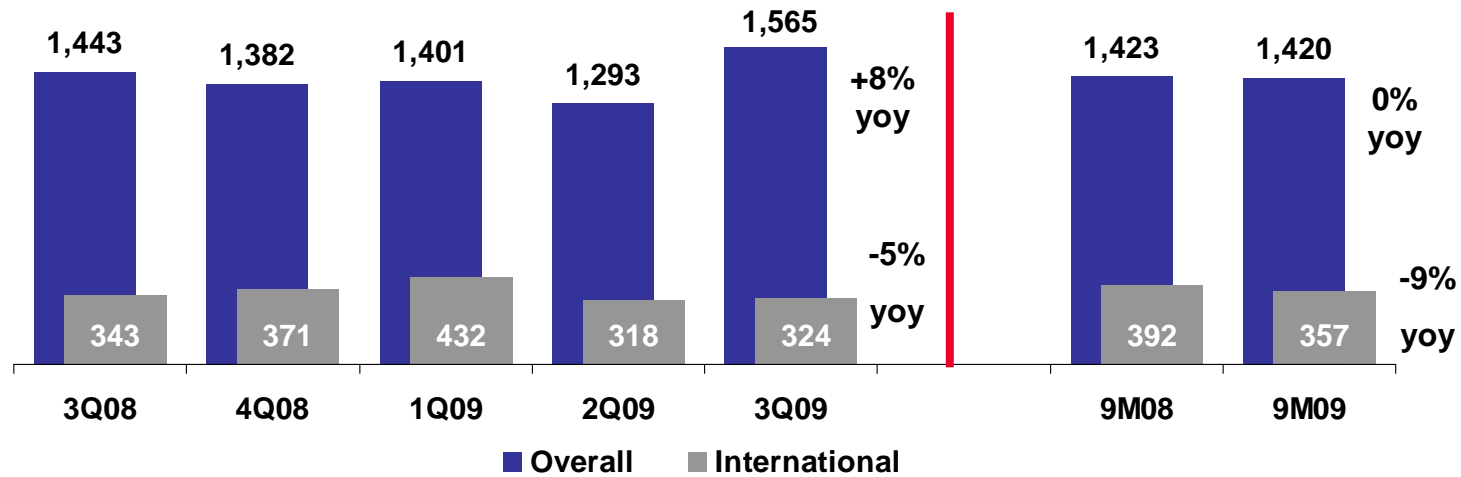


# Continued Focus on Volume

## OPD : Number of OPD Visits per Day

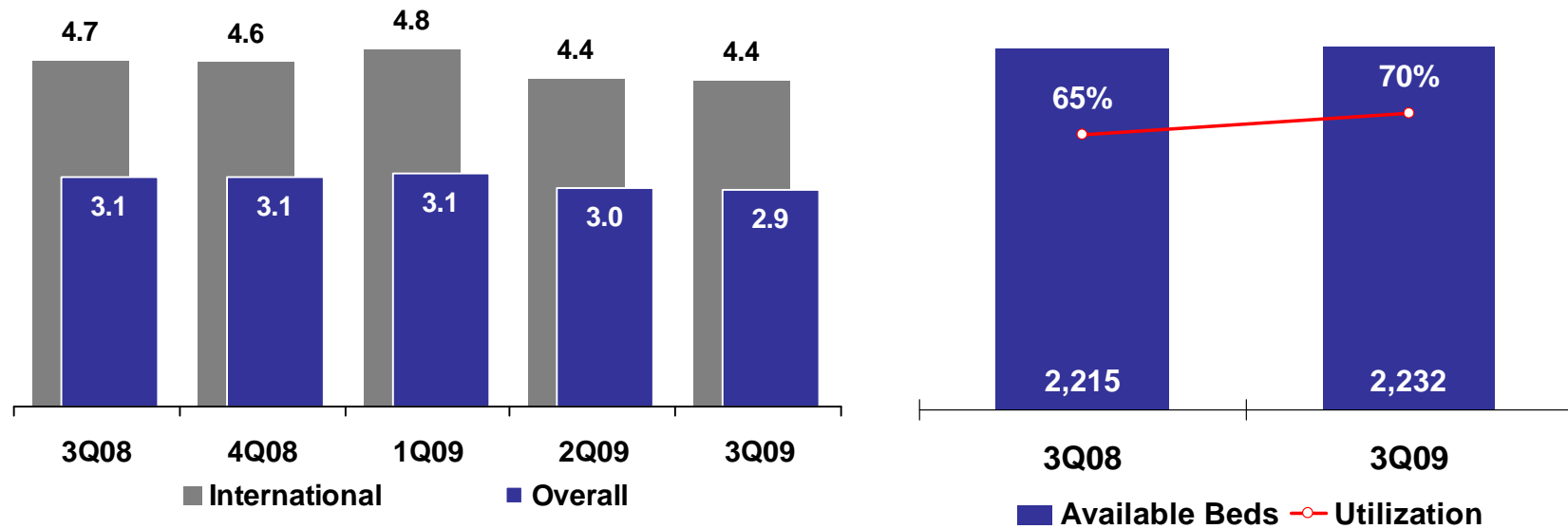


## IPD: ADC (Average Daily Census)



# Utilization of Beds

## Average Length of Stay      Utilization Based on Available Beds



## Commentary

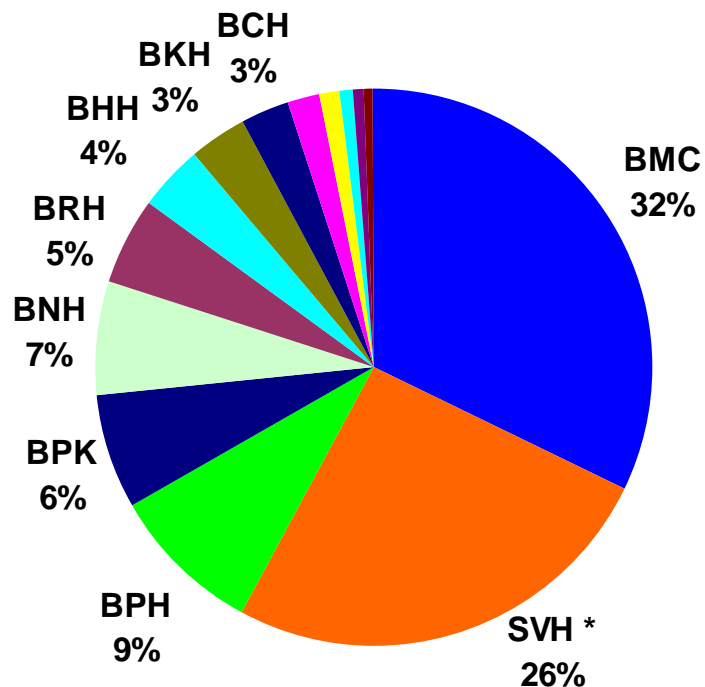
- Significantly increase in IPD patients during 3Q09 resulting in utilization of 70%

# Financial Highlights

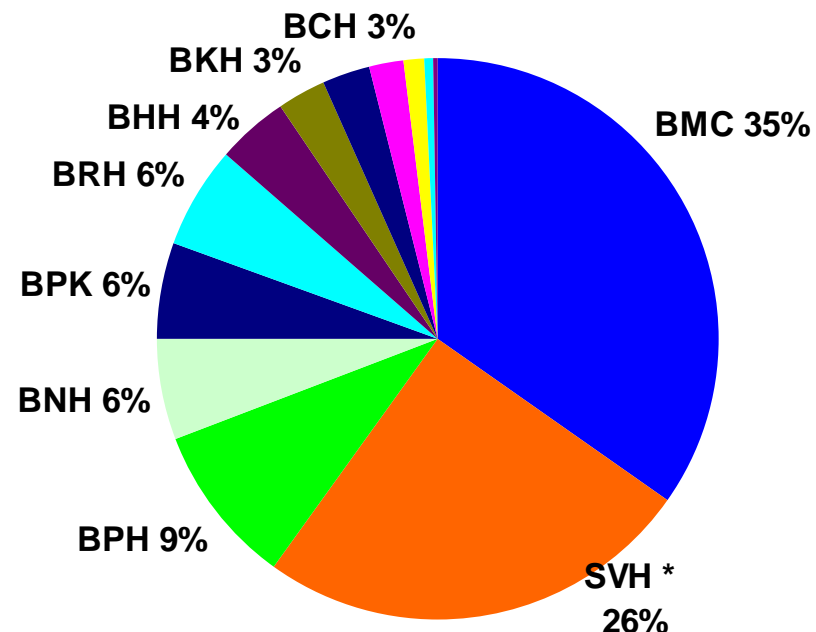


# Revenue and EBITDA Contribution

## Revenue Breakdown in 3Q09



## EBITDA\*\* Contribution in 3Q09



## Commentary

- During 3Q09, top 5 hospitals contributed 80% of total revenue and 82% of total EBITDA
  - Revenue from BMC, Samitivej Sukhumvit and BNH grew slightly
  - Slight drop in revenue in BPH due mainly to decrease in international patients
  - Strong revenue growth in BPK (+10%), BKH (+31%), BSH(+28%), and BTH(+29%)

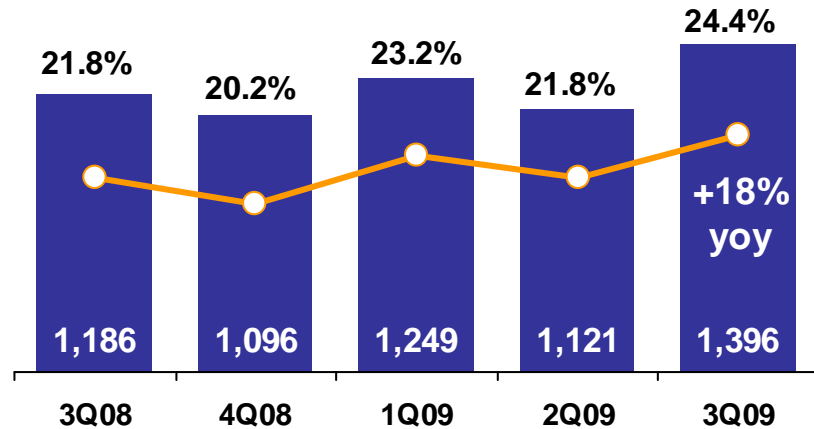


\*\* EBITDA is calculated from revenue from hospital operations + revenue from F&B + other income – cost from hospital operations – SG&A expenses

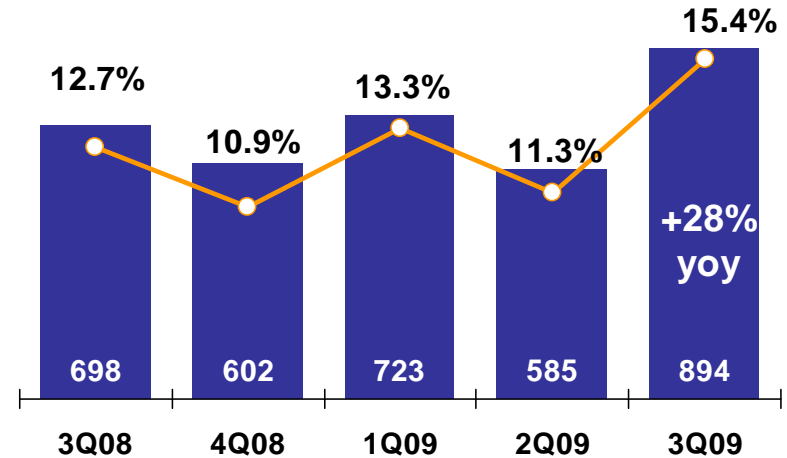
\* SVH included Samitivej Sukhumvit, Srinakarin and Sriracha

# Quarterly Profitability Trend

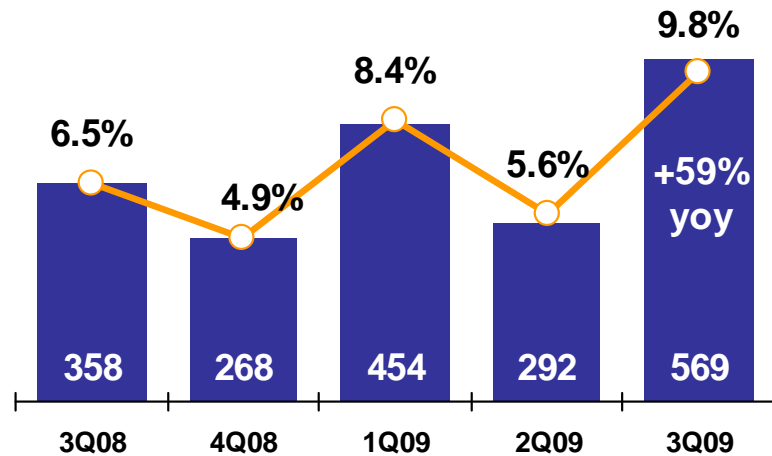
**EBITDA & EBITDA Margin (THB mm)**



**EBIT & EBIT Margin (THB mm)**



**Net Profit & Net Profit Margin (THB mm)**

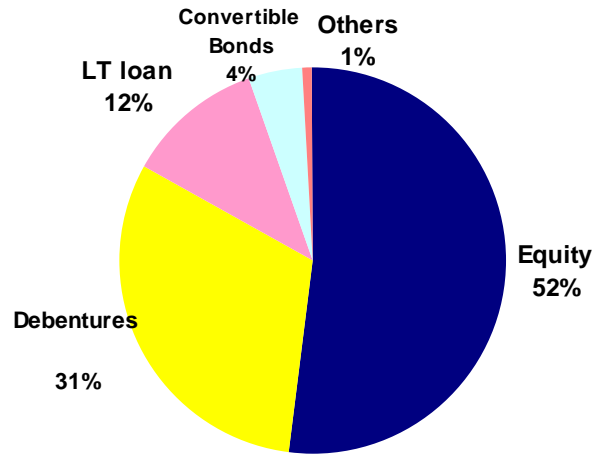


## Commentary

- Profitability and margin increased as a result of the continued cost containment measures which included
  - Optimizing labor productivity and freezing non-clinical headcounts
  - Rationalize administrative expenses

# Capital Management

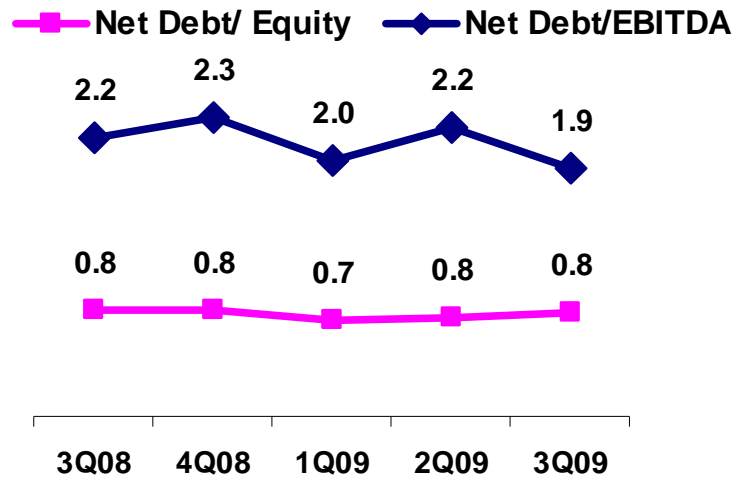
## Capital Structure as of Sep 09



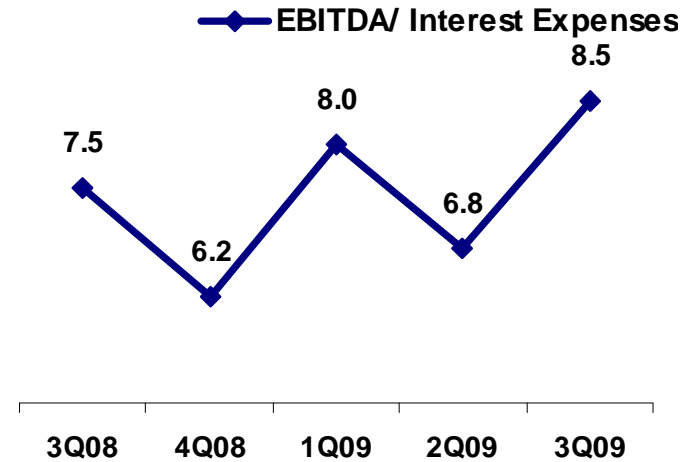
## Commentary

- Convertible Bonds holders exercised put option on July 12, 2009 for USD 29 mm with the remaining amount of USD 27 mm
- Leverage ratios (net debt/EBITDA and net debt/equity) are well within covenants
- Adopt a conservative approach to management of interest rate exposure

## Net Debt / EBITDA & Net Debt to Equity



## Interest Coverage



# Going Forward





# Going Forward

## Maintain a Prudent and Conservative Stance

### Improving Organizational Efficiency

- Optimize tangible asset utilization
- Leverage competitive advantage from network hospitals
- Implement cost control measures in all areas

### Ensuring Business Growth

- Grow revenue from existing market
- Acquire new patients in new markets
- Develop new product/technologies & increase outreach
- Enhance referral within BDMS & other providers
- JCI accreditation of BSH in 2010



### Hospital Projects in Pipeline

- 60 beds hospital in Hua Hin in 2011

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