

# **Bumrungrad Hospital Public Company Limited**

**Analyst Meeting No. 3/2009**

**2Q09 Results Update**

**13 August 2009**



# Overview

## Operational Update

- Thai volume starting to see an increase in 2Q09 as a result of the effective marketing activities
- Continued slight volume decline in 2Q09 for international market because of domestic political uncertainties and global economic slowdown
- The increased revenue intensity and effective cost control resulted in an increase in net profit

## Financial Performance

- |                 |            |               |            |
|-----------------|------------|---------------|------------|
| • 2Q Sales      | ↑ 2% y-o-y | 1H Sales      | ↑ 3% y-o-y |
| • 2Q EBITDA     | ↑ 4% y-o-y | 1H EBITDA     | ↑ 5% y-o-y |
| • 2Q Net profit | ↑ 3% y-o-y | 1H Net profit | ↑ 5% y-o-y |

## Updates & Strategy

- Bumrungrad International Hospital Bangkok: Continuous focused marketing effort towards Thai and domestic market
- Bumrungrad International Limited seeing stable operations

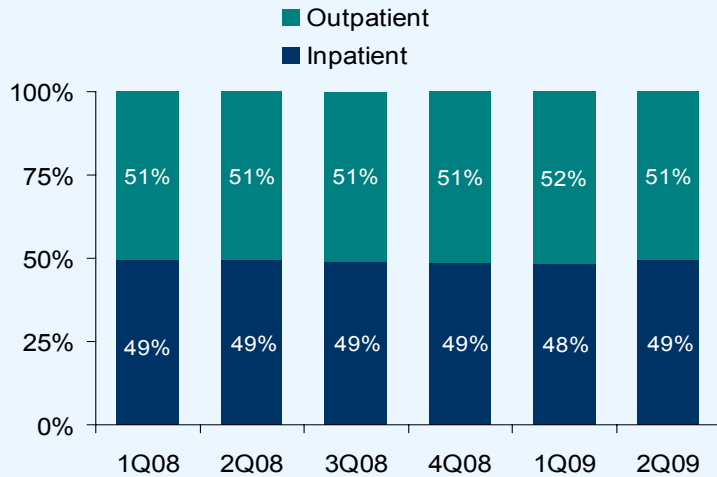
# Agendas

---

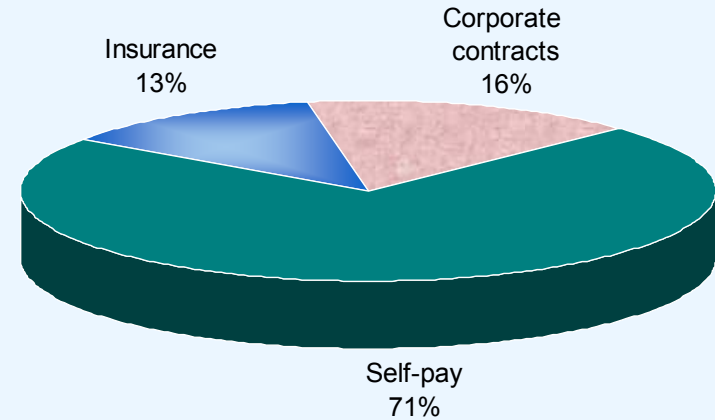
- **Operational Update**
- **Financial Performance**
- **Recent Updates**

# Revenue Breakdown

Inpatient vs. Outpatient - Quarterly (% of revenue)



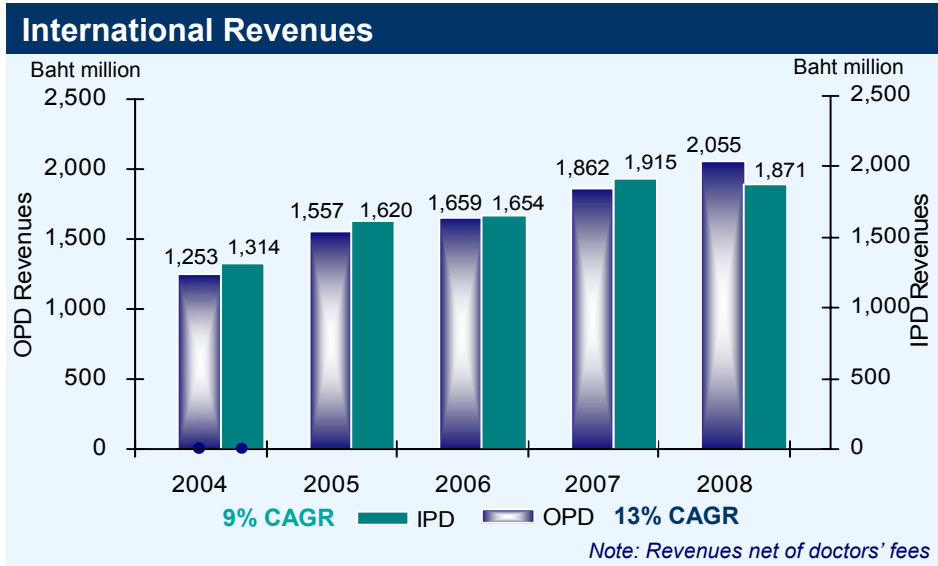
Method of Payment (% of revenue)



As of June 2009

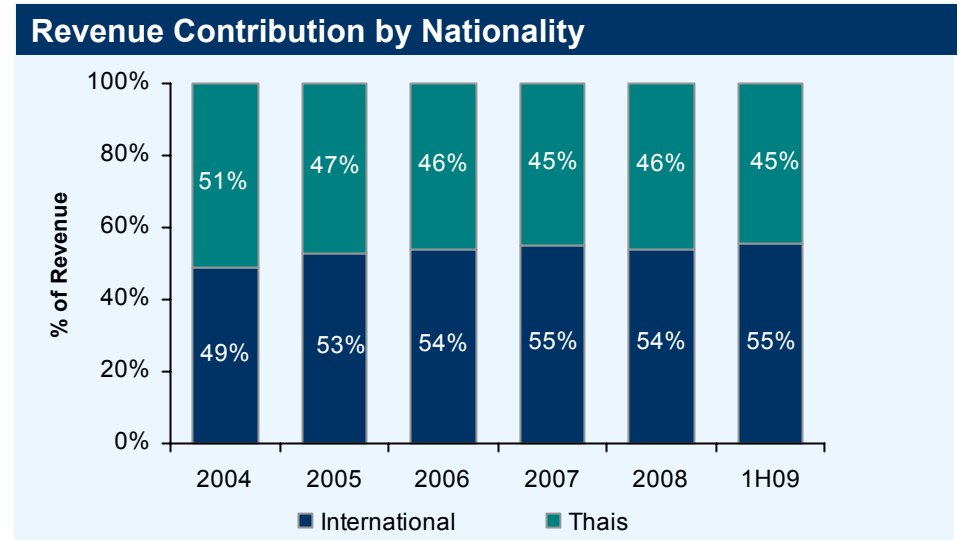
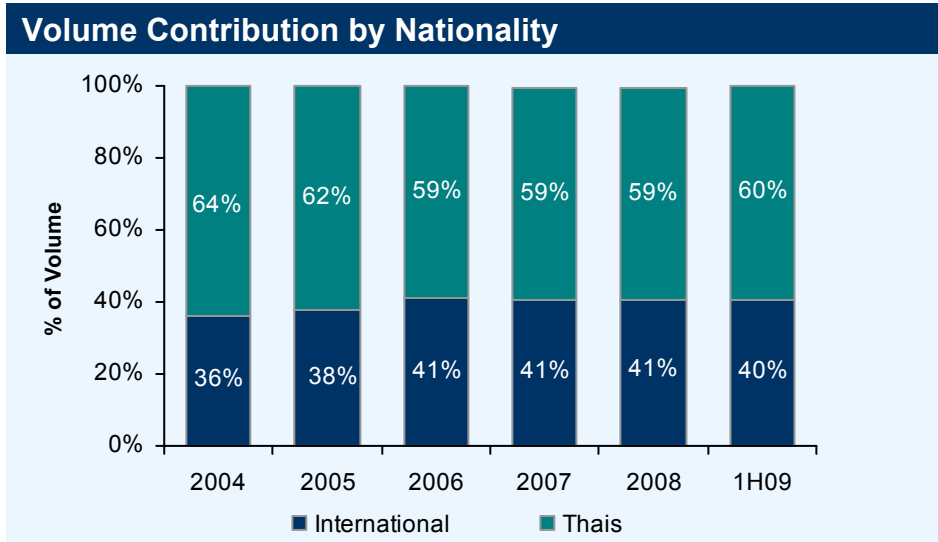
- Revenue contribution from outpatient continues as majority share following worldwide trends towards ambulatory care; BI Clinic well positioned for future growth
- Corporate contracts increasing especially from foreign accounts; self-pay remains the primary method of payment

# International Patients



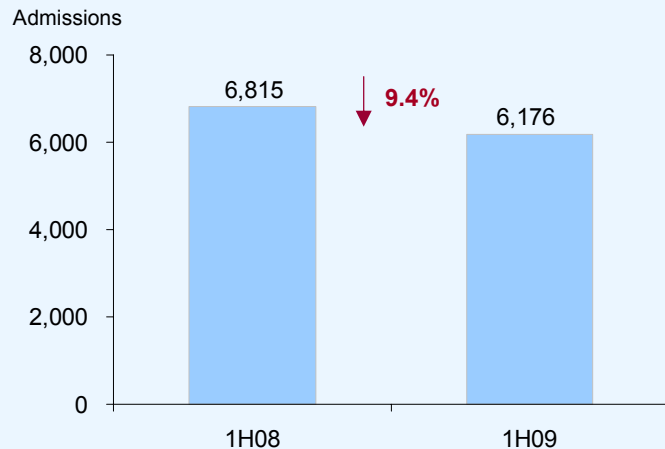
### 1H09 statistics:

- International volume** for 1H09 y-o-y:
  - Volume down moderately for both OPD and IPD as a result of political uncertainties, global economic slowdown and the pandemic situation
- International revenue** for 1H09 up 6% y-o-y primarily from the higher intensity

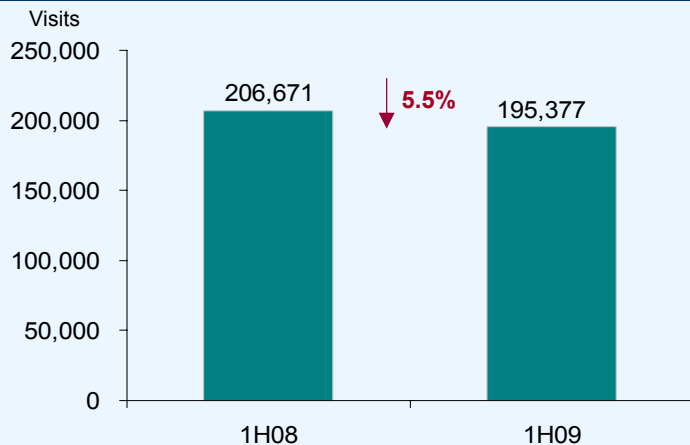


# International Volume

## International Admissions



## International Visits



- Continued slow international volume in 2Q09 following the continued political uncertainties, global economic slowdown and the pandemic situation
- **International revenue:** Despite the slow down in volume, 1H09 international revenue is up 6%, primarily from the higher intensity
- 1H09 significant changes in international revenue:

### Top 10 countries

- Middle East +20%
- Myanmar +10%
- US flat
- Cambodia -30%

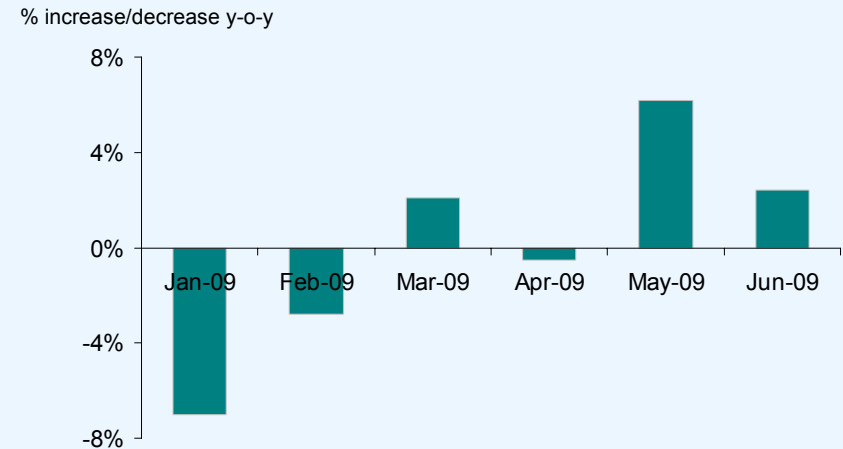
### Other targeted country highlights

- Nepal +30%
- Sudan +240%
- Switzerland +40%
- Mongolia +40%

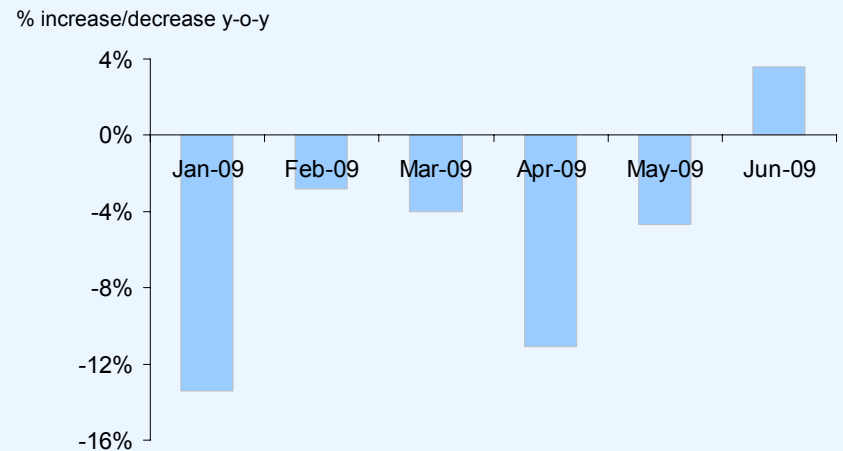
# Thai Patients Volume Trend

- Although the international volume continues to be slow, Thai volume is starting to see a pick-up, especially in outpatient, the faster-growing segment
- This is the result of the continuous effort in the domestic marketing activities since second half of 2008:
  - Healthy Living Club Membership
  - Quarterly fairs/ events
  - TV programs (Chid Moh)

## Thai Outpatient Visits (% y-o-y increase/decrease)



## Thai Inpatient Admissions (% y-o-y increase/decrease)



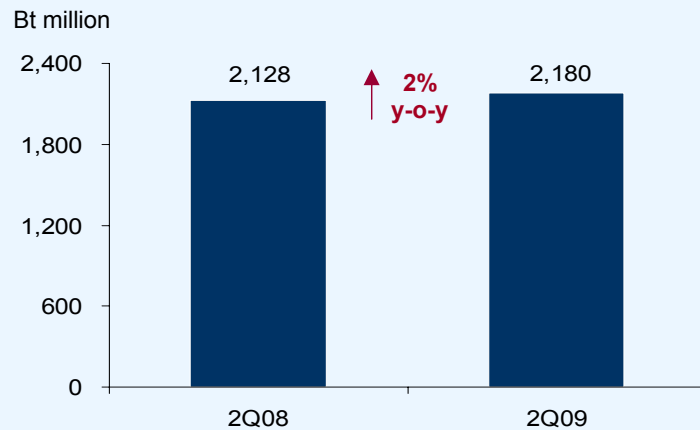
# Agendas

---

- **Operational Update**
- **Financial Performance**
- **Recent Updates**

# Sales & Gross Margin – 2Q09

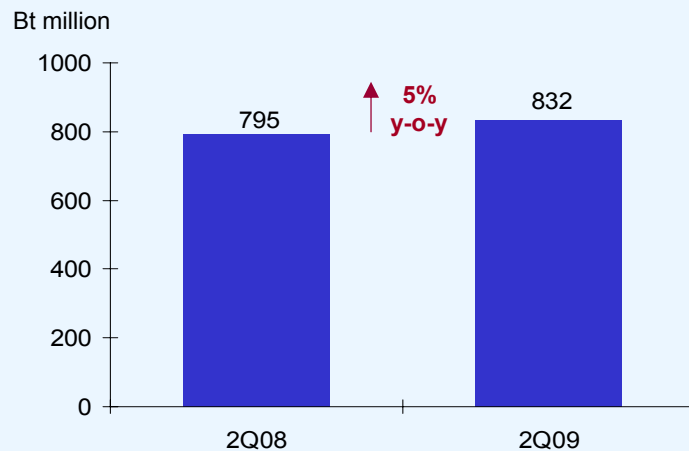
## Sales from Hospital Operations



## Gross Margin Trend



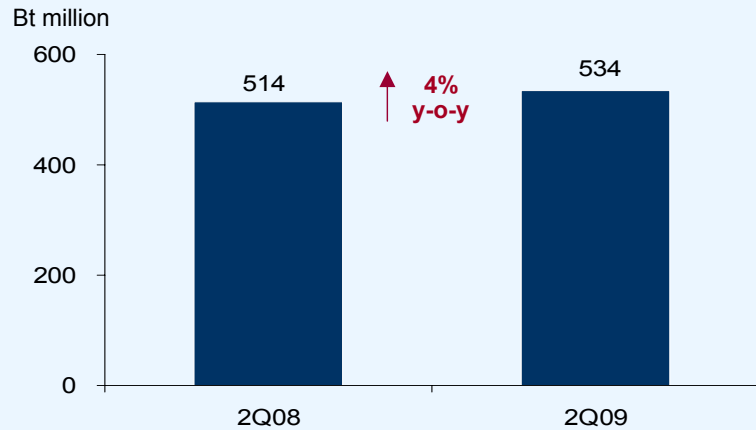
## Gross Profit



- Sales from hospital operations was up 2% y-o-y as a result of:
  - Inpatient revenue growth of 2%
  - Outpatient revenue growth of 6%
- 2Q09 gross margin improved to 38.4% from 37.3% as a result of tight cost control since end of 2008

# EBITDA & EBITDA Margin – 2Q09

## EBITDA



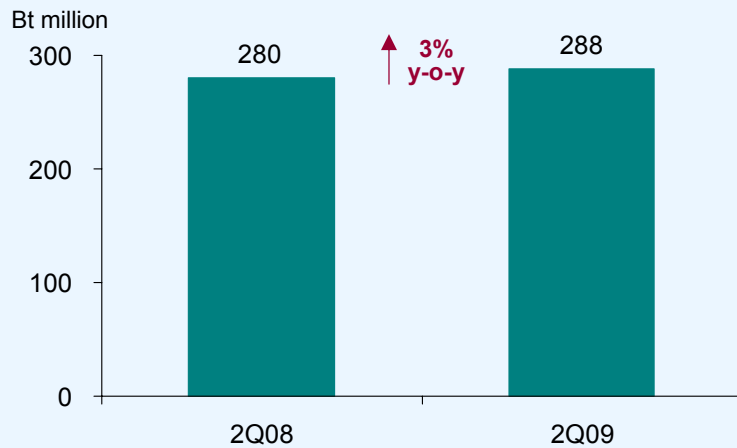
- EBITDA increase by 4% y-o-y
- Therefore EBITDA margin in 2Q09 improved to 23.8% from 23.5% in 2Q08

## EBITDA Margin Trend



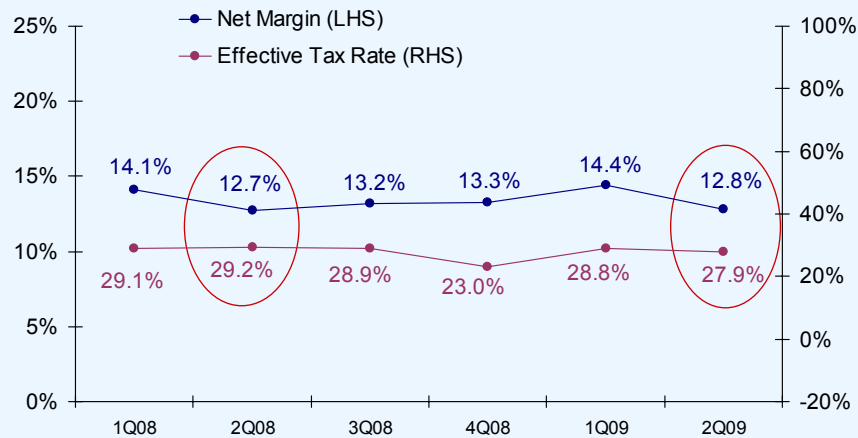
# Net Profit & Net Profit Margin – 2Q09

## Net Profit



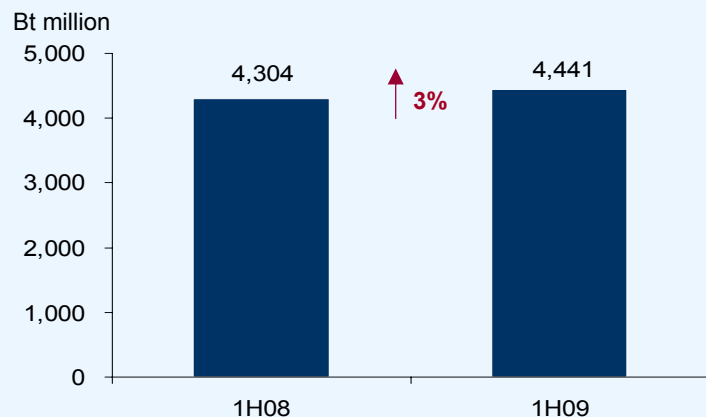
- Net profit increased by 3% y-o-y, with net profit margin at 12.8% in 2Q09, compared to 12.7% in 2Q08

## Net Profit Margin & Effective Tax Rate

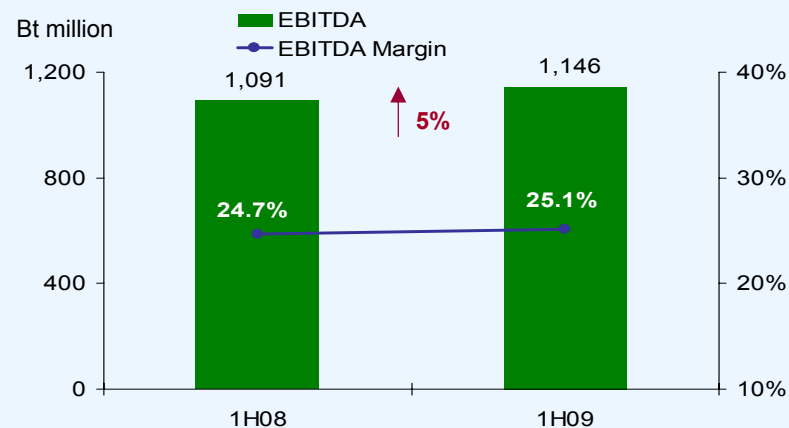


# Financial Summary – 1H09

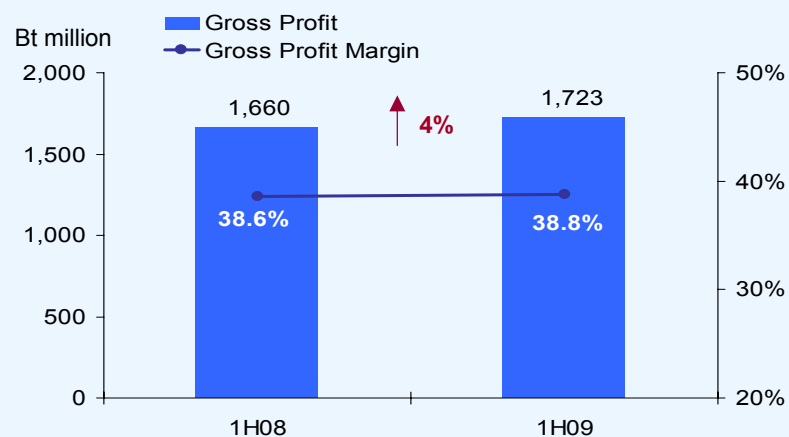
## Sales from Hospital Operations



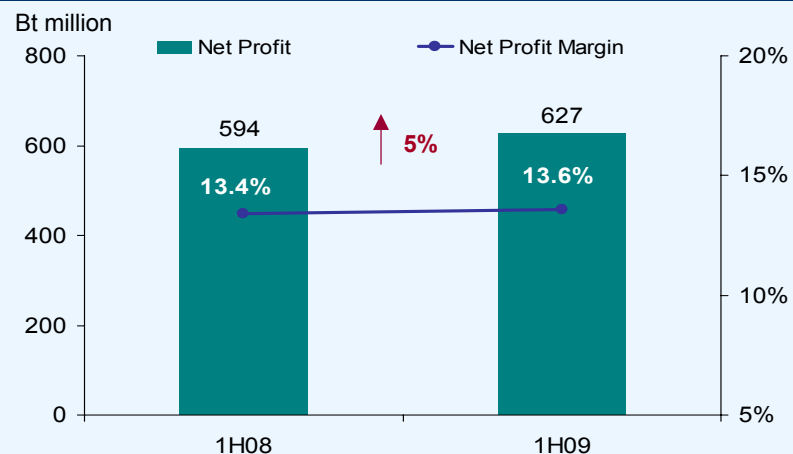
## EBITDA & EBITDA Margin



## Gross Profit & Gross Profit Margin

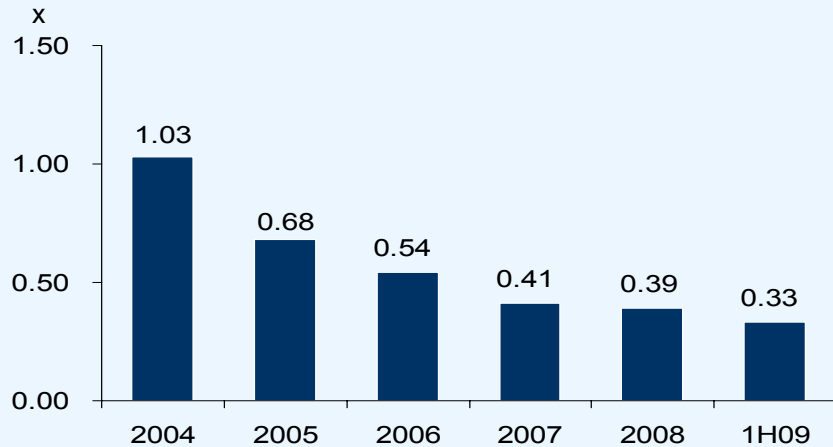


## Net Profit & Net Profit Margin

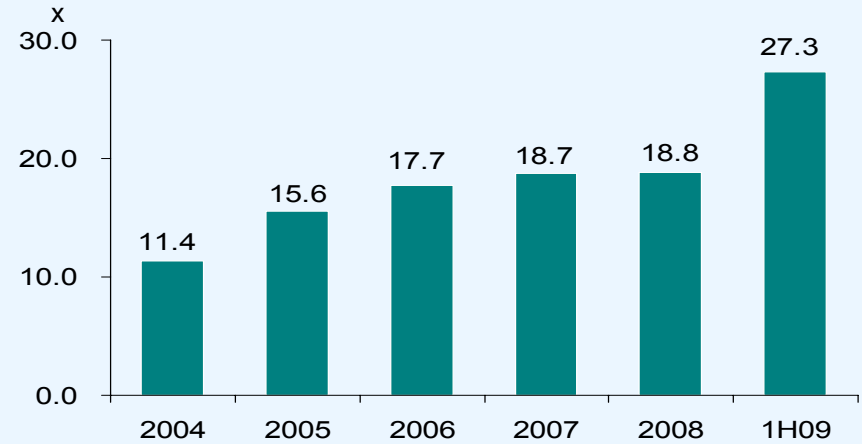


# Leverage

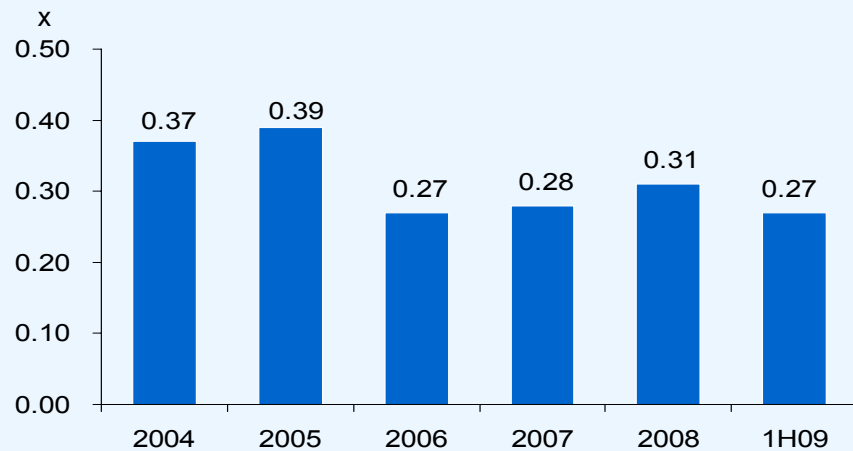
## Debt to Equity



## Interest Coverage

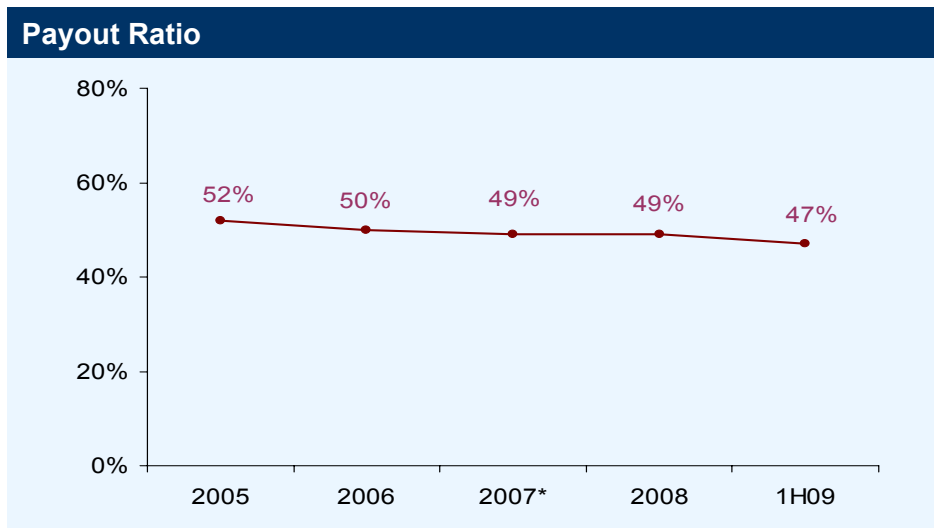
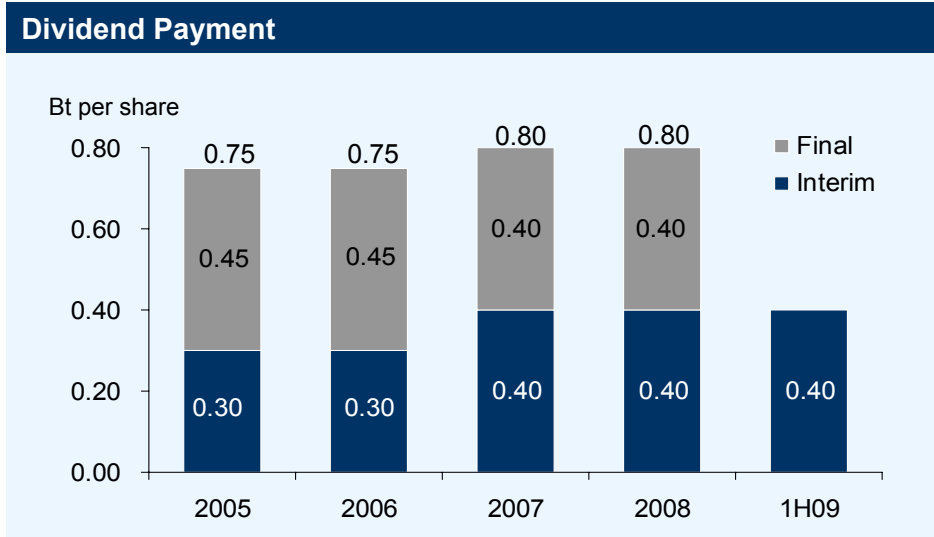


## Net Debt to Equity



- Improvement of the balance sheet over the years, both in terms of D/E and interest coverage as the long-term debt is gradually paid-off

# Dividend Payment



- The board of directors announced an interim dividend payment:
  - Interim dividend payment of Bt 0.40 per share
  - Record date: 20 Aug 2009
  - Book closing date: 21 Aug 2009
  - Dividend payment date: 4 Sept 2009

\* Net profit used to calculate the dividend payout ratio in 2007 is the profit attributable to normal operations:

2007 net profit	Baht 1,605 million
- share gain from GCS	- Baht 829 million
+ dividend received from GCS	+ Baht 418 million
<b>= Net profit for dividend payment</b>	<b>Baht 1,195 million</b>

# Agendas

---

- **Operational Update**
- **Financial Performance**
- **Recent Updates**

# Continuous Efforts on Thai Marketing

## ⇒ Results of the 2Q09 event (“Big Heart” Event)

- Public education
- Mass media & publicity
- Sold heart evaluation packages & healthy living club membership programs
- Increased Thai volume and new patient registrations in May & June

## ⇒ Healthy Living Club members

- Continuous increase; approximately 16,000 members as of beginning of Aug 2009

## ⇒ 3Q09 events: Cancer Event & “Living in Bangkok”



# Updates on Bumrungrad International Limited



- AHI's profitability continues to improve
- Expansion plan is progressing on schedule



- Number of clinics increased from 96 to 103 clinics as of June 09
- +2 in Philippines, +2 in Singapore, +3 in Thailand



- Project is still on hold

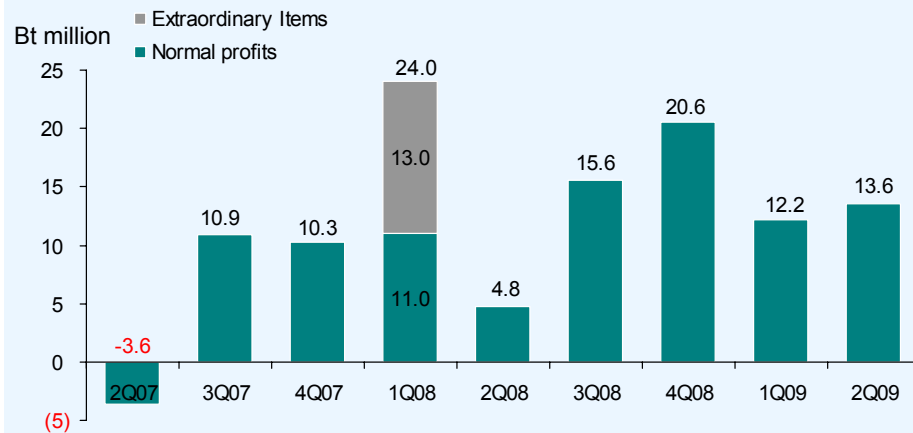


- Able to meet KPIs and is entitled to incentive fees

***Bumrungrad International Limited reported net profit of Baht 82 million in 1H09***  
***Bumrungrad International Limited is still aggressively looking for acquisitions***

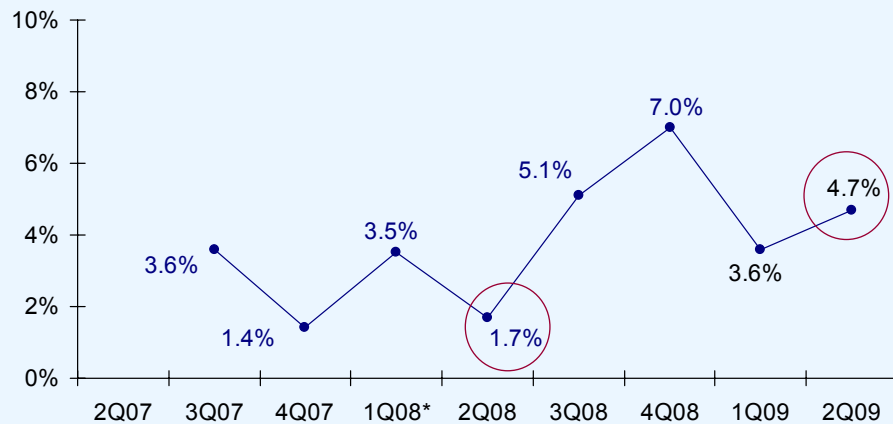
# Contribution from Bumrungrad International Limited

## Share of Profit from Bumrungrad International Limited to BH



- Improving trend on contribution from Bumrungrad International Limited

## % of Net Profit Contribution from Bumrungrad International Limited to BH



\* Excluding Bumrungrad International's extraordinary items

# Asia Global Research Co., Ltd.

---



- Asia Global Research Co., Ltd. (AGR) has been incorporated on 10 June 2009
- Paid-up capital is Baht 20 million
- The company operates clinical research businesses, with two functions:
  - Contract Research Organization (CRO)
  - Site Management Organization (SMO)

---

**Thank You**