

Bangkok Dusit Medical Services Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month and nine-month periods ended
30 September 2015

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Dusit Medical Services Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries as at 30 September 2015, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2015, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Bangkok Dusit Medical Services Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Accounting Standard No. 34 Interim Financial Reporting.

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 12 November 2015

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Assets					
Current assets					
Cash and cash equivalents		3,559,871	3,608,367	1,556,275	1,862,515
Short-term investments		155,039	1,877,618	1,350	1,583,292
Trade and other receivables	3, 4, 5	6,488,574	5,822,137	1,367,634	1,051,773
Short-term loans to related parties	5	-	-	1,278,921	1,755,709
Dividend receivable - related parties	5	9,026	9,100	4,476	-
Inventories		1,122,701	1,110,813	88,056	98,629
Other current assets		323,469	270,022	58,353	22,939
Total current assets		11,658,680	12,698,057	4,355,065	6,374,857
Non-current assets					
Restricted financial institution deposits		30,970	29,526	14,000	14,000
Investments in associated companies	6	14,804,159	14,182,876	9,028,589	9,028,589
Investments in subsidiary companies	7	-	-	38,992,226	36,557,177
Other long-term investments	8	943,089	1,006,683	626,853	664,246
Long-term loans to related parties	5	-	-	5,982,606	5,341,175
Investment properties		267,554	265,450	521,213	519,109
Property, premises and equipment	9	49,140,048	46,935,259	8,050,206	7,386,790
Land not used in operation		297,308	297,308	296,981	296,981
Goodwill		16,930,970	15,999,934	-	-
Intangible assets		924,261	861,367	382,769	310,490
Other non-current assets					
Leasehold rights	5	679,224	700,376	366,890	379,562
Others	5	374,457	392,821	27,048	46,320
Total non-current assets		84,392,040	80,671,600	64,289,381	60,544,439
Total assets		96,050,720	93,369,657	68,644,446	66,919,296

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	10	271,653	21,850	200,000	-
Trade and other payables	5, 11	4,498,402	4,388,736	1,239,876	927,758
Current portion of long-term loans from					
financial institutions	12	1,692,385	1,592,368	1,660,813	1,537,681
Current portion of liabilities under					
finance lease agreements	13	61,819	59,338	10,162	10,718
Current portion of debentures	14	999,738	2,499,843	999,738	2,499,843
Short-term loans		97,700	88,700	-	-
Short-term loans from related parties	5	-	-	6,752,812	4,703,039
Income tax payable		341,505	631,985	71,469	82,258
Accrued expenses		4,259,468	2,796,220	985,988	592,525
Current portion of deferred income - membership		278,865	307,563	105,841	104,650
Other current liabilities	5	355,489	507,179	58,494	139,229
Total current liabilities		12,857,024	12,893,782	12,085,193	10,597,701
Non-current liabilities					
Long-term loans from financial insitutions					
- net of current portion	12	8,243,172	9,371,613	8,191,791	9,306,926
Liabilities under finance lease agreements					
- net of current portion	13	59,598	101,403	8,639	15,404
Debentures - net of current portion	14	9,590,955	8,592,144	9,590,955	8,592,144
Convertible debentures - liability component	15	9,596,179	9,345,725	9,596,179	9,345,725
Provision for long-term employee benefits		1,480,044	1,356,593	268,840	245,985
Long-term portion of deferred income - membership		734,124	666,509	133,201	159,154
Deferred tax liabilities		1,836,036	1,843,794	212,528	231,950
Other non-current liabilities	5	130,876	199,996	37,781	54,733
Total non-current liabilities		31,670,984	31,477,777	28,039,914	27,952,021
Total liabilities		44,528,008	44,371,559	40,125,107	38,549,722

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>30 September 2015</u>	<u>31 December 2014</u>	<u>30 September 2015</u>	<u>31 December 2014</u>
	(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
16,497,868,714 ordinary shares of Baht 0.1 each	<u>1,649,787</u>	<u>1,649,787</u>	<u>1,649,787</u>	<u>1,649,787</u>
Issued and fully paid-up				
15,490,956,540 ordinary shares of Baht 0.1 each	1,549,096	1,549,096	1,549,096	1,549,096
Share premium				
Premium on ordinary shares	20,481,531	20,481,531	20,418,607	20,418,607
Difference from shareholding restructure	305,000	305,000	-	-
Retained earnings				
Appropriated - statutory reserve	170,000	170,000	170,000	170,000
Unappropriated	25,364,281	23,059,105	4,877,937	4,698,257
Other components of shareholders' equity	<u>1,255,161</u>	<u>1,215,423</u>	<u>1,503,699</u>	<u>1,533,614</u>
Equity attributable to owners of the Company	49,125,069	46,780,155	28,519,339	28,369,574
Non - controlling interests of the subsidiaries	<u>2,397,643</u>	<u>2,217,943</u>	-	-
Total shareholders' equity	<u>51,522,712</u>	<u>48,998,098</u>	<u>28,519,339</u>	<u>28,369,574</u>
Total liabilities and shareholders' equity	<u>96,050,720</u>	<u>93,369,657</u>	<u>68,644,446</u>	<u>66,919,296</u>

The accompanying notes are an integral part of the financial statements.

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Directors

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Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2015**

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)			
Revenues					
Revenues from hospital operations	5	15,343,479	13,831,559	3,287,694	2,961,818
Other income	5				
Revenue from sales of goods and foods		701,022	424,456	11,974	12,003
Interest income and gain on sale of short-term investments		7,314	10,856	79,366	69,203
Dividend income	6, 7, 8	6,391	1,875	163,717	124,270
Gain on fair value adjustment of investments	7	208,748	-	-	-
Others		158,287	226,763	226,528	278,356
Total other income		1,081,762	663,950	481,585	483,832
Total revenues		16,425,241	14,495,509	3,769,279	3,445,650
Expenses					
Cost of hospital operations and goods sold	5	10,459,076	9,192,632	2,005,583	1,834,773
Administrative expenses	5	3,353,046	2,988,836	904,203	954,465
Total expenses		13,812,122	12,181,468	2,909,786	2,789,238
Profit before share of income from investments in associated companies, finance expenses and income tax expenses					
		2,613,119	2,314,041	859,493	656,412
Share of income from investments in associated companies	6	327,015	353,710	-	-
Profit before finance expenses and income tax expenses					
		2,940,134	2,667,751	859,493	656,412
Finance expenses	5	(288,856)	(228,233)	(310,314)	(241,214)
Profit before income tax expenses		2,651,278	2,439,518	549,179	415,198
Income tax expenses	17	(460,218)	(457,794)	(82,522)	(63,925)
Profit for the period		2,191,060	1,981,724	466,657	351,273
Profit attributable to:					
Equity holders of the Company		2,087,425	1,927,900	466,657	351,273
Non-controlling interests of the subsidiaries		103,635	53,824		
		<u>2,191,060</u>	<u>1,981,724</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company	18	0.13	0.12	0.03	0.02
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Profit for the period	<u>2,191,060</u>	<u>1,981,724</u>	<u>466,657</u>	<u>351,273</u>
Other comprehensive income:				
Gain (loss) on change in value				
of available-for-sale investments	(49,748)	54,883	(42,934)	58,123
Exchange differences on translation of				
financial statements in foreign currencies	139,988	3,477	-	-
Reversal revaluation surplus on land	-	(77,173)	-	(77,173)
Transferred revaluation surplus on land to retained earnings				
due to disposal of land	-	77,173	-	77,173
Share of other comprehensive income from				
associated companies	(81,209)	24,376	-	-
Other comprehensive income for the period	<u>9,031</u>	<u>82,736</u>	<u>(42,934)</u>	<u>58,123</u>
Total comprehensive income for the period	<u>2,200,091</u>	<u>2,064,460</u>	<u>423,723</u>	<u>409,396</u>
Total comprehensive income attributable to:				
Equity holders of the Company	2,093,659	2,010,942	<u>423,723</u>	<u>409,396</u>
Non-controlling interests of the subsidiaries	<u>106,432</u>	<u>53,518</u>		
	<u>2,200,091</u>	<u>2,064,460</u>		

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(Restated)			
Revenues					
Revenues from hospital operations	5	44,305,735	39,909,872	9,659,563	8,602,037
Other income	5				
Revenue from sales of goods and foods		1,948,528	1,277,479	34,635	35,798
Interest income and gain on sale of short-term investments		33,894	44,867	245,384	228,611
Dividend income	6, 7, 8	17,712	9,427	2,865,797	1,679,275
Gain on fair value adjustment of investments	7	208,748	-	-	-
Others		549,358	509,805	631,605	613,155
Total other income		2,758,240	1,841,578	3,777,421	2,556,839
Total revenues		47,063,975	41,751,450	13,436,984	11,158,876
Expenses					
Cost of hospital operations and goods sold	5	30,189,864	26,587,761	5,870,422	5,336,519
Administrative expenses	5	9,519,892	8,363,499	2,667,780	2,574,342
Total expenses		39,709,756	34,951,260	8,538,202	7,910,861
Profit before share of income from investments in associated companies, finance expenses and income tax expenses					
		7,354,219	6,800,190	4,898,782	3,248,015
Share of income from investments in associated companies	6	966,285	840,167	-	-
Profit before finance expenses and income tax expenses					
		8,320,504	7,640,357	4,898,782	3,248,015
Finance expenses	5	(849,907)	(683,189)	(906,407)	(721,423)
Profit before income tax expenses		7,470,597	6,957,168	3,992,375	2,526,592
Income tax expenses	17	(1,357,182)	(1,234,541)	(250,174)	(155,917)
Profit for the period		6,113,415	5,722,627	3,742,201	2,370,675
Profit attributable to:					
Equity holders of the Company		5,867,697	5,504,029	3,742,201	2,370,675
Non-controlling interests of the subsidiaries		245,718	218,598		
		6,113,415	5,722,627		
Basic earnings per share					
Profit attributable to equity holders of the Company	18	0.38	0.36	0.24	0.15
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Profit for the period	<u>6,113,415</u>	<u>5,722,627</u>	<u>3,742,201</u>	<u>2,370,675</u>
Other comprehensive income:				
Gain (loss) on change in value				
of available-for-sale investments	(37,473)	124,216	(29,915)	127,350
Exchange differences on translation of				
financial statements in foreign currencies	181,865	(12,903)	-	-
Reversal revaluation surplus on land	-	(77,173)	-	(77,173)
Transferred revaluation surplus on land to retained earnings				
due to disposal of land	-	77,173	-	77,173
Share of other comprehensive income from				
associated companies	(93,945)	175,788	-	-
Other comprehensive income for the period	<u>50,447</u>	<u>287,101</u>	<u>(29,915)</u>	<u>127,350</u>
Total comprehensive income for the period	<u><u>6,163,862</u></u>	<u><u>6,009,728</u></u>	<u><u>3,712,286</u></u>	<u><u>2,498,025</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	5,914,605	5,792,307	<u>3,712,286</u>	<u>2,498,025</u>
Non-controlling interests of the subsidiaries	<u>249,257</u>	<u>217,421</u>		
	<u><u>6,163,862</u></u>	<u><u>6,009,728</u></u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Note	Other components of shareholders' equity														
	Other comprehensive income														
	Retained earnings					Surplus (loss) on changes in value of available-for-sale investments		Exchange differences on translation of financial statements in foreign currency		Share of other components of shareholders' equity from associated companies		Surplus on investment over book value of subsidiary companies		Total other components of shareholders' equity	
	Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Appropriated-statutory reserve	Unappropriated									Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries
															Total shareholders' equity
Balance as at 31 December 2013															
- As previously reported	1,549,096	20,481,531	305,000	170,000	18,686,664	(30,725)	2,039,861	(68,364)	113,932	-	(2,566,425)	(511,721)	40,680,570	1,963,035	42,643,605
Cumulative effect of change in accounting policy	2	-	-	-	-	-	-	173	-	-	-	173	173	41,436	41,609
Balance as at 31 December 2013															
- As restated	1,549,096	20,481,531	305,000	170,000	18,686,664	(30,725)	2,039,861	(68,191)	113,932	-	(2,566,425)	(511,548)	40,680,743	2,004,471	42,685,214
Profit for the period - restated	-	-	-	-	5,504,029	-	-	-	-	-	-	-	5,504,029	218,598	5,722,627
Other comprehensive income for the period - restated	-	-	-	-	80,358	124,213	(77,173)	(11,723)	172,603	-	-	207,920	288,278	(1,177)	287,101
Total comprehensive income for the period - restated	-	-	-	-	5,584,387	124,213	(77,173)	(11,723)	172,603	-	-	207,920	5,792,307	217,421	6,009,728
Issue convertible debentures - equity component	-	-	-	-	-	-	-	-	-	585,280	-	585,280	585,280	-	585,280
Dividend paid (Note 16)	-	-	-	-	(3,098,148)	-	-	-	-	-	-	-	(3,098,148)	-	(3,098,148)
Share of Interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	-	(5,821)	-	-	(5,821)	(5,821)	-	(5,821)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	(6,009)	-	(32,594)	(38,603)	(38,603)	33,525	(5,078)
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(92,420)	(92,420)
Balance as at 30 September 2014 - As restated	1,549,096	20,481,531	305,000	170,000	21,172,903	93,488	1,962,688	(79,914)	274,705	585,280	(2,599,019)	237,228	43,915,758	2,162,997	46,078,755

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Note	Other components of shareholders' equity														
	Other comprehensive income														
	Retained earnings					Surplus on changes in value of available-for-sale investments		Exchange differences on translation of financial statements in foreign currency		Share of other components of shareholders' equity from associated companies		Surplus on investment over book value of subsidiary companies		Total other components of shareholders' equity	
	Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Appropriated-statutory reserve	Unappropriated		Revaluation surplus on land				Convertible debentures - equity component		Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity
Balance as at 31 December 2014															
- As previously reported	1,549,096	20,481,531	305,000	170,000	23,059,105	259,082	2,639,479	(50,712)	383,050	585,527	(2,601,332)	1,215,094	46,779,826	2,174,433	48,954,259
Cumulative effect of change in accounting policy	-	-	-	-	-	-	-	329	-	-	-	329	329	43,510	43,839
Balance as at 31 December 2014															
- As restated	1,549,096	20,481,531	305,000	170,000	23,059,105	259,082	2,639,479	(50,383)	383,050	585,527	(2,601,332)	1,215,423	46,780,155	2,217,943	48,998,098
Profit for the period	-	-	-	-	5,867,697	-	-	-	-	-	-	-	5,867,697	245,718	6,113,415
Other comprehensive income for the period	-	-	-	-	-	(37,481)	-	178,334	(93,945)	-	-	46,908	46,908	3,539	50,447
Total comprehensive income for the period	-	-	-	-	5,867,697	(37,481)	-	178,334	(93,945)	-	-	46,908	5,914,605	249,257	6,163,862
Dividend paid (Note 16)	-	-	-	-	(3,562,521)	-	-	-	-	-	-	-	(3,562,521)	-	(3,562,521)
Share of interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	-	(5,822)	-	-	(5,822)	(5,822)	-	(5,822)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,348)	(1,348)	(1,348)	46,819	45,471
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(116,376)	(116,376)
Balance as at 30 September 2015	<u>1,549,096</u>	<u>20,481,531</u>	<u>305,000</u>	<u>170,000</u>	<u>25,364,281</u>	<u>221,601</u>	<u>2,639,479</u>	<u>127,951</u>	<u>283,283</u>	<u>585,527</u>	<u>(2,602,680)</u>	<u>1,255,161</u>	<u>49,125,069</u>	<u>2,397,643</u>	<u>51,522,712</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Separate financial statements									
Other components of shareholders' equity									
Other comprehensive income									
Surplus (loss)									
on changes									
Retained earnings									
Issued and	Premium on	Appropriated-	Unappropriated	in value of	Revaluation	Convertible	Total other	Total	
paid-up	ordinary shares	statutory		available-for-	surplus on	debentures	components of	shareholders'	
share capital		reserve		sale	land	- equity	shareholders' equity	shareholders' equity	
				investments		component			
Balance as at 31 December 2013	1,549,096	20,418,607	170,000	4,449,793	(31,270)	751,035	-	719,765	27,307,261
Profit for the period	-	-	-	2,370,675	-	-	-	-	2,370,675
Other comprehensive income for the period	-	-	-	77,173	127,350	(77,173)	-	50,177	127,350
Total comprehensive income for the period	-	-	-	2,447,848	127,350	(77,173)	-	50,177	2,498,025
Issue convertible debentures - equity component	-	-	-	-	-	-	585,280	585,280	585,280
Dividend paid (Note 16)	-	-	-	(3,098,148)	-	-	-	-	(3,098,148)
Balance as at 30 September 2014	1,549,096	20,418,607	170,000	3,799,493	96,080	673,862	585,280	1,355,222	27,292,418
Balance as at 31 December 2014	1,549,096	20,418,607	170,000	4,698,257	274,225	673,862	585,527	1,533,614	28,369,574
Profit for the period	-	-	-	3,742,201	-	-	-	-	3,742,201
Other comprehensive income for the period	-	-	-	-	(29,915)	-	-	(29,915)	(29,915)
Total comprehensive income for the period	-	-	-	3,742,201	(29,915)	-	-	(29,915)	3,712,286
Dividend paid (Note 16)	-	-	-	(3,562,521)	-	-	-	-	(3,562,521)
Balance as at 30 September 2015	1,549,096	20,418,607	170,000	4,877,937	244,310	673,862	585,527	1,503,699	28,519,339

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from operating activities				
Profit before income tax expenses	7,470,597	6,957,168	3,992,375	2,526,592
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation and amortisation expenses	3,222,925	2,641,201	606,739	502,752
Write-off of assets	35,296	12,587	326	2,456
Bad debts and doubtful debts	112,126	51,780	35,658	25,947
Loss on impairment of investment	15,000	-	-	58,967
Loss on impairment of assets	9,000	91,069	9,000	14,018
Reserve (reversal) of loss on deteriorated inventories	2,400	(294)	1,185	(455)
Amortisation of deferred income - membership	(350,055)	(315,805)	(105,714)	(95,875)
Share of income from investments in associated companies	(966,285)	(840,167)	-	-
Gain on fair value adjustment of investments	(208,748)	-	-	-
Amortisation of expense for debentures and convertible debentures	22,780	2,218	22,780	2,218
Gain on disposal of property, premises and equipment	(5,975)	(94,248)	(2,381)	(94,450)
Unrealised loss (gain) on foreign exchange	68,424	-	(14,904)	19,102
Long-term employee benefit expenses	131,204	127,577	22,855	22,402
Annual leave expense	35,105	32,609	8,894	10,007
Interest income	(33,894)	(44,867)	(245,384)	(228,611)
Dividend income	(17,712)	(9,427)	(2,865,797)	(1,679,275)
Interest expense	849,907	683,189	906,407	721,423
Profit from operating activities before changes in operating assets and liabilities	10,392,095	9,294,590	2,372,039	1,807,218

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Trade and other receivables	(751,195)	(481,075)	(357,433)	(72,500)
Inventories	(5,099)	57,033	9,388	12,734
Other current assets	(52,893)	(46,950)	(35,414)	(20,267)
Other non-current assets	26,016	31,757	24,963	1,482
Increase (decrease) in operating liabilities				
Trade and other payables	(177,094)	321,977	(26,500)	32,212
Accrued expenses	1,430,416	1,467,572	386,852	359,902
Deferred income - membership	388,972	438,670	80,952	95,466
Other current liabilities	(171,532)	(182,406)	(80,736)	(122,397)
Provision for long-term employee benefits	(18,033)	(23,192)	-	(6,598)
Other non-current liabilities	(69,122)	(21,765)	(16,955)	(18,192)
Net cash from operating activities	10,992,531	10,856,211	2,357,156	2,069,060
Cash received from interest incomes	35,476	51,198	251,299	244,292
Cash paid for interest expenses	(648,172)	(742,307)	(707,202)	(790,279)
Cash received from tax refund	8,454	11,664	-	-
Cash paid for income tax expenses	(1,741,371)	(1,415,193)	(281,134)	(147,185)
Net cash from operating activities	8,646,918	8,761,573	1,620,119	1,375,888

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from investing activities				
Decrease (increase) in short-term investments	1,722,579	(73,800)	1,581,942	-
Increase in restricted financial institution deposits	(1,444)	(3,776)	-	-
Dividend received	780,128	377,328	2,861,320	1,679,275
Cash paid for purchase of investments in subsidiaries associated company and other long-term investments	(1,687,796)	(3,661,401)	(2,435,050)	(8,505,130)
Cash received from other long-term investments	25,000	-	-	-
Cash paid for investment property	(2,104)	(27)	(2,104)	(27)
Cash received from disposal of property, premises and equipment	48,716	31,793	8,671	8,414
Cash received from disposal of land and buildings not used in operation	-	399,157	-	399,157
Cash paid for purchase of property, premises and equipment	(4,336,748)	(5,784,774)	(859,426)	(868,836)
Cash paid for leasehold rights	(3,000)	(20,000)	-	-
Decrease in short-term loans to related parties	-	-	476,788	(186,196)
Increase in long-term loans to related parties	-	-	(1,180,710)	(500,570)
Cash received from long-term loans to related parties	-	-	622,607	694,852
Cash paid for purchase of intangible assets	(199,800)	(131,894)	(116,714)	(45,947)
Net cash from (used in) investing activities	(3,654,469)	(8,867,394)	957,324	(7,325,008)

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
Cash flows from financing activities				
Increase in short-term loans	9,000	-	-	-
Increase(decrease) in short-term loans from related parties	-	(53,762)	2,049,774	1,558,518
Cash received from bank overdraft and short-term loans				
from financial institutions	8,250,877	5,314,424	8,200,000	5,300,000
Repayment of bank overdraft and short-term loans				
from financial institutions	(8,003,021)	(5,546,703)	(8,000,000)	(5,300,000)
Cash received from long-term loans from financial institutions	1,000	3,404,825	-	3,404,825
Repayment of long-term loans from				
financial institutions	(1,102,658)	(923,184)	(1,060,427)	(680,354)
Repayments of liabilities under				
finance lease agreements	(60,265)	(73,063)	(8,056)	(10,142)
Cash received from issue of debentures	1,997,547	-	1,997,547	-
Cash paid for redemption of debentures	(2,500,000)	(2,970,000)	(2,500,000)	(2,970,000)
Cash received from issue of convertible debentures	-	9,830,930	-	9,830,930
Change in non-controlling interests	45,472	(69,167)	-	-
Dividend paid	(3,562,521)	(3,098,148)	(3,562,521)	(3,098,148)
Dividend paid by subsidiaries to non-controlling interests	(116,376)	(92,420)	-	-
Net cash from (used in) financing activities	(5,040,945)	5,723,732	(2,883,683)	8,035,629
Net increase (decrease) in cash and cash equivalents	(48,496)	5,617,911	(306,240)	2,086,509
Cash and cash equivalents at beginning of period	3,608,367	4,061,345	1,862,515	1,756,131
Cash and cash equivalents at end of period	3,559,871	9,679,256	1,556,275	3,842,640

Supplemental cash flows information:

Non-cash items:

Assets acquired under finance lease agreements	15,881	46,260	111	7,650
Increase (decrease) in accounts payable				
- property, premises and equipment	369,325	(119,629)	305,103	(4,452)
Increase (decrease) in payable to construction - retention	(63,589)	(63,062)	63,769	(3,648)
Dividend receivable	9,026	-	4,476	-
Conversion of long-term loans to subsidiary to investment				
in a subsidiary company	-	-	-	474,897

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month and nine-month periods ended 30 September 2015

1. General information

1.1 Corporate information

Bangkok Dusit Medical Services Public Company Limited (“The Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in hospital business. The registered address is at 2, Soi Soonvijai 7, New Petchburi Road, Bang Kapi, Huaykwang, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2014) “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements and disclosure of condensed notes to interim financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries (“the Group”) and have been prepared in accordance with the same basis as that applied for the consolidated financial statements for the year ended 31 December 2014. There have been changes in the structure of the subsidiaries during the period as discussed in Note 7 to the financial statements.

1.4 New financial reporting standards

(a) Financial reporting standards which became effective in the current period

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements. However, some of these standards involve changes in key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

The management of the Company reviewed whether the Company has control over investees in accordance with the principles of this standard and determined that the Company has control over 4 companies, formerly considered associates, which are Bangkok Helicopter Services Co., Ltd., S.R. Property Investment Co., Ltd., Siem Reap Land Investment Co., Ltd. and Phnom Penh First Property Co., Ltd. As a result, such companies are deemed to be subsidiaries of the Group and have to be included in the consolidated financial statements from the date on which the Company assumed control (the date on which the Company invested in these entities). The Company restated the prior period's financial statements, presented as comparative information, to reflect the effect of this change. The cumulative effect of changes in accounting policies is presented in Note 2 to the financial statements.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standard issued during the period and not yet effective

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015), effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's and its subsidiaries' management believe that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in note 1.4 to the financial statements.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.4 and Note 1.5 to the financial statements, during the current period, the Company and its subsidiaries have changed some of their accounting policies, as a result of the adoption of new financial reporting standards. The cumulative effect of the change has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

		(Unit: Million Baht)	
		As at 31 December 2014	
		Consolidated financial statements	Separate financial statements
Statements of financial position:			
Increase in current assets		19	-
Increase in non-current assets		123	-
Total increase in assets		142	-
Increase in current liabilities		15	-
Increase in non-current liabilities		83	-
Increase in other components of shareholders' equity		-	-
Increase in non-controlling interests of the subsidiaries		44	-
Total increase in liabilities and shareholders' equity		142	-

(Unit: Million Baht)

For the three-month period
ended 30 September 2014

	Consolidated financial statements	Separate financial statements
Statements of comprehensive income		
Profit or loss:		
Increase in other income	1	-
Increase in cost and expenses	(4)	-
Increase in share of income from investments in associated companies	2	-
Decrease in profit	(1)	-
Comprehensive income attributable to:		
Equity holders of the Company	-	-
Decrease in profit attributable to non-controlling interests of the subsidiaries	(1)	-
Earnings per share (Baht):		
Increase (decrease) in basic earnings per share	-	-

	(Unit: Million Baht)	
	For the nine-month period ended 30 September 2014	
	Consolidated financial statements	Separate financial statements
Statements of comprehensive income		
Profit or loss:		
Increase in other income	12	-
Increase in cost and expenses	(12)	-
Increase in share of income from investments in associated companies	1	-
Increase in profit	1	-
Comprehensive income attributable to:		
Equity holders of the Company	-	-
Increase in profit attributable to non-controlling interests of the subsidiaries	1	-
Earnings per share (Baht):		
Increase (decrease) in basic earnings per share	-	-

3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	(Restated)			
Trade receivables - related parties	13,990	8,913	15,362	16,935
Trade receivables - unrelated parties - net	6,100,760	5,509,084	1,248,550	919,616
Other receivables - related parties	29,006	28,911	87,193	80,454
Other receivables - unrelated parties	344,818	275,229	19,529	34,768
Total trade and other receivables - net	6,488,574	5,822,137	1,367,634	1,051,773

4. Trade accounts receivable

As at 30 September 2015 and 31 December 2014, the aging analysis of the outstanding trade accounts receivable is as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
<u>Related parties</u>				
Less than 3 months	13,487	8,381	14,530	16,793
3 - 6 months	479	373	539	142
6 - 12 months	14	47	293	-
over 12 months	10	112	-	-
Total trade accounts receivable - related parties	13,990	8,913	15,362	16,935
<u>Unrelated parties</u>				
Less than 3 months	4,993,865	4,616,581	955,627	869,391
3 - 6 months	690,652	601,296	225,014	60,593
6 - 12 months	400,740	309,471	121,092	32,177
over 12 months	502,679	413,212	214,621	199,574
Total trade accounts receivable - unrelated parties	6,587,936	5,940,560	1,516,354	1,161,735
Less: Allowance for doubtful accounts	(487,176)	(431,476)	(267,804)	(242,119)
Total trade accounts receivable - unrelated parties - net	6,100,760	5,509,084	1,248,550	919,616
Total trade accounts receivable -net	6,114,750	5,517,997	1,263,912	936,551

5. Related party transactions

The Company and its subsidiaries had significant business transactions with individuals or related parties, which have been concluded on commercial terms and bases agreed upon between the Company and those related parties. Below is a summary of those transactions.

<u>Transaction</u>	<u>Pricing and lending policy</u>
Revenues from hospital operations and lab services	Based on the price charged to normal customers
Revenues and expenses from consulting and management	Rates as stipulated in agreements
Revenues and costs of sales and purchases of goods and services	Based on the price charged to normal customers
Rental income and rental expenses	Rates as stipulated in agreements
Interest charge of inter-company loans	Interest rates close to that charged by commercial banks
Purchases and sales of assets	Prices are dependent on the condition of assets
Purchases of investments	The same prices as purchases from unrelated parties

The significant intercompany transactions are as follows:

(Unit: Million Baht)

	For the three-month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		(Restated)
<u>Associated companies</u>				
Revenues from hospital operations and lab services	10.0	4.1	3.0	3.0
Dividend income (Note 6)	-	-	157.4	122.4
Other income	8.1	16.2	-	-
Costs of goods and services	1.5	0.2	0.2	-
<u>Subsidiary companies</u>				
Revenues from hospital operations and lab services	-	-	16.6	11.6
Consulting and management fee income	-	-	161.3	133.5
Interest income	-	-	73.8	55.9
Other income	-	-	19.2	26.7
Costs of goods and services	-	-	215.8	167.0
Consulting and management fee expenses	-	-	59.5	61.8
Other expenses	-	-	15.1	36.7
Interest expenses	-	-	25.7	18.3
<u>Individuals or related companies</u>				
Revenues from hospital operations and lab services	1.0	0.4	0.5	0.3
Interest income	-	4.5	-	4.5
Dividend income (Note 8)	4.5	-	4.5	-
Gain on sales of assets	-	94.5	-	94.5
Other income	2.2	2.1	2.1	2.0
Costs of goods and services	4.8	1.2	0.1	0.7
Consulting and management fee expenses	0.7	0.8	-	-
Other expenses	24.9	16.6	19.8	12.4

(Unit: Million Baht)

For the nine-month period ended 30 September

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u> (Restated)
<u>Associated companies</u>				
Revenues from hospital operations and lab services	25.3	14.6	9.0	8.0
Dividend income (Note 6)	-	-	403.5	359.7
Other income	21.2	37.2	-	0.1
Costs of goods and services	2.3	0.7	0.2	-
Other expenses	-	0.1	-	-
Dividend paid	2.1	1.9	2.1	1.9
<u>Subsidiary companies</u>				
Revenues from hospital operations and lab services	-	-	57.2	48.8
Consulting and management fee income	-	-	464.9	390.3
Interest income	-	-	220.6	184.2
Dividend income (Note 7)	-	-	2,448.8	1,313.6
Gain on sales of assets	-	-	-	0.3
Other income	-	-	48.6	48.4
Costs of goods and services	-	-	624.1	523.6
Consulting and management fee expenses	-	-	177.8	184.8
Other expenses	-	-	64.4	66.9
Interest expenses	-	-	69.4	54.0
<u>Individuals or related companies</u>				
Revenues from hospital operations and lab services	3.1	2.7	1.0	0.8
Interest income	-	14.3	-	14.3
Dividend income (Note 8)	8.1	0.6	8.1	0.6
Gain on sales of assets	-	94.5	-	94.5
Other income	6.3	9.1	6.1	4.8
Costs of goods and services	9.9	4.7	0.5	0.7
Consulting and management fee expenses	2.3	2.4	-	-
Other expenses	36.8	27.8	25.1	17.1
Dividend paid	279.1	242.8	279.1	242.8

The outstanding balances of the above transactions as at 30 September 2015 and 31 December 2014 have been separately shown in the statement of financial position as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
<u>Trade receivables - related parties</u>				
Associated companies	8,234	7,087	3,012	3,104
Subsidiary companies	-	-	12,350	12,597
Related companies	5,756	1,826	-	1,234
Total trade receivables - related parties	13,990	8,913	15,362	16,935
<u>Dividend receivable - related parties</u>				
An associated company	4,550	9,100	-	-
A related company	4,476	-	4,476	-
Total dividend receivable - related parties	9,026	9,100	4,476	-
<u>Other receivables - related parties</u>				
Consulting and management fee receivable				
Subsidiary companies	-	-	55,644	46,751
Total	-	-	55,644	46,751
<u>Others</u>				
Associated companies	19,824	20,181	-	-
Subsidiary companies	-	-	31,111	32,921
Related companies	9,182	8,730	438	782
Total	29,006	28,911	31,549	33,703
Total other receivables - related parties	29,006	28,911	87,193	80,454
<u>Leasehold right - a related party (restated)</u>				
(included in other non-current assets)				
A related party	48,231	52,800	-	-
Total leasehold right - a related party	48,231	52,800	-	-

				(Unit: Thousand Baht)	
		Consolidated financial statements		Separate financial statements	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
<u>Long-term prepaid expense - a related party</u>					
(included in other non-current assets)					
Subsidiary company		-	-	2,675	3,528
Total long-term prepaid expense - a related party		-	-	2,675	3,528
<u>Trade payables - related parties</u>					
Associated companies		19,436	13,933	431	9
Subsidiary companies		-	-	110,263	138,276
Related companies		1,175	1,804	345	104
Total trade payables - related parties		20,611	15,737	111,039	138,389
<u>Other payables - related parties</u>					
Associated companies		1,222	1,980	-	-
Subsidiary companies		-	-	78,261	49,902
Related companies		2,877	3,779	785	1,746
Total other payables - related parties		4,099	5,759	79,046	51,648
<u>Deposits - related parties</u>					
(included in other non-current liabilities)					
Subsidiary companies		-	-	2,833	1,210
Related companies		765	735	765	735
Total deposits - related parties		765	735	3,598	1,945

Movement of loans to and loans from related parties during the period are summarised as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	31 December			30 September
	2014	Increase	Decrease	2015
<u>Short-term loans to related parties</u>				
Subsidiary companies	1,755,709	346,712	(823,500)	1,278,921
Total short-term loans to related parties	1,755,709	346,712	(823,500)	1,278,921
<u>Long-term loans to related parties</u>				
Subsidiary companies	5,341,175	1,264,038	(622,607)	5,982,606
Total long-term loans to related parties	5,341,175	1,264,038	(622,607)	5,982,606
<u>Short-term loans from related parties</u>				
Subsidiary companies	4,703,039	2,853,369	(803,596)	6,752,812
Total short-term loans from related parties	4,703,039	2,853,369	(803,596)	6,752,812

Short-term and long-term loans to related parties and short-term loans from related parties

The Company has entered into agreements to provide short-term loans and long-term loans with terms of 3 - 8 years with its subsidiaries and also obtained short-term loans from its subsidiaries. The loans to related parties bear interest at MLR minus fixed rate per annum and LIBOR plus fixed rate per annum stipulated in the agreement. The loans from related parties bear interest at Fixed Deposit Rate. The interest is payable on a monthly basis while principal is repayable on the basis stipulated in the agreements.

Service and management agreement

The Company

The Company has entered into management service agreements with subsidiary companies. The Company is to receive a monthly management income at a certain percentage of net revenue as stipulated in the agreements.

The Subsidiaries

A subsidiary company has entered into a hospital management agreement with subsidiary companies. The subsidiary company is to receive management income at a certain percentage of total operation result as stipulated in the agreement.

A subsidiary company has entered into service and management agreements with the Company and subsidiaries which have to pay monthly service and management fees to the subsidiary at the rates stipulated in the agreements.

A subsidiary company has entered into accounting service agreements with the Company and subsidiaries which have to pay monthly service fees to the subsidiary at the rates stipulated in the agreements.

A subsidiary company has entered into information technology management agreements with the Company and subsidiaries which have to pay monthly service fees to the subsidiary at the rate stipulated in the agreements.

A related company has entered into a maintenance and management service agreement with a subsidiary company which has to pay monthly service fee to the related company at the rate stipulated in the agreement.

Long term rental agreement

The Company

In May 2004, a subsidiary company has entered into a three-year agreement to rent land from the Company for use in hospital operations whereby the subsidiary company has to pay a monthly rental fee at the rate stipulated in the agreement. Subsequently, the subsidiary extended the agreement to 30 April 2016.

The Subsidiaries

A subsidiary company has entered into an agreement to rent land from another subsidiary company for construction of a building, expiring on 31 December 2015. The subsidiary company has to pay a monthly rental fee at the rate stipulated in the agreement. In addition, such another subsidiary company entered into an agreement to rent the building from a subsidiary company for its hospital operations, expiring on 30 April 2017. That subsidiary company has to pay a monthly rental fee at the rate stipulated in the agreement.

A subsidiary company has entered into a three-year agreement to rent land from another subsidiary company for construction of a building for use in operation from 1 January 2013 to 31 December 2015. The subsidiary company has to pay quarterly rental fee at the rate stipulated in the agreement.

Air ambulance service agreement

Subsidiary company

On 1 September 2007, a subsidiary company entered into an air ambulance service agreement with the Company. The agreement is for a period of 3 years from the date the service commenced and is renewable. The agreement stipulates the monthly minimum service fee that the subsidiary company is to earn from the Company. The Company has extended the agreement for 3 years ended on 30 September 2018.

Guarantee obligations with related parties

The Company has guaranteed long-term loan with a financial institution amount of USD 1.2 million (31 December 2014: USD 1.7 million) and overdraft facility amounting to USD 1.0 million (31 December 2014: USD 1.0 million) for an overseas subsidiary company.

A subsidiary company has guaranteed credit facility with a financial institution amounting to Baht 3.9 million for an associated company.

Directors and management's benefits

During the periods, the Company and its subsidiaries had benefits for their directors and management as below.

	(Unit: Million Baht)			
	For the three-month period ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	22.7	21.4	22.7	21.4
Post-employment benefits	0.6	0.6	0.6	0.6
Total	23.3	22.0	23.3	22.0
	(Unit: Million Baht)			
	For the nine-month period ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	123.2	107.5	123.2	107.5
Post-employment benefits	1.6	1.7	1.6	1.7
Total	124.8	109.2	124.8	109.2

6. Investments in associated companies

(Unit: Thousand Baht)								
Company's name	Natures of business	Paid-up Capital	% Shareholding		Consolidated financial statements		Separate financial statements	
					Equity Method		Cost Method	
					30 September 2015	31 December 2014	30 September 2015	31 December 2014
				(Restated)		(Restated)		(Restated)
<u>Associated companies held by the Company and a subsidiary company</u>								
Cool & Joy Co., Ltd.	Ceased operation	Baht 5 million	30.00	30.00	1,069	1,069	1,500	1,500
Ramkhamhaeng Hospital Public Co., Ltd.	Hospital	Baht 120 million	38.24	38.24	3,814,189	3,653,933	1,459,801	1,459,801
Udon Pattana (1994) Co., Ltd. (held by the Company at 15.26% and indirectly held by subsidiary at 9.85%)	Hospital	Baht 300 million	25.11	25.11	202,268	198,180	69,952	69,952
Bumrungrad Hospital Public Co., Ltd.	Hospital	Baht 730 million	23.95	23.95	10,434,328	10,164,710	7,497,336	7,497,336
Total investments in associated companies held by the Company							9,028,589	9,028,589
Total investments in associated companies held by the Company and subsidiaries					14,451,854	14,017,892		
<u>Associated companies held by subsidiary companies</u>								
Sodexo Support Services (Thailand) Co., Ltd.	Management services	Baht 5 million	26.00	26.00	14,546	7,134		
Al Ghaith Bangkok Dusit Management Services LLC.	Management services	UAE DIRHAM 0.15 million	30.00	30.00	-	-		
G. Wasupol Co., Ltd.	In process of liquidation	Baht 54 million	25.83	25.83	17,175	157,850		
General Hospital Products Public Co., Ltd. (indirectly held by subsidiaries at 44.67%)	Manufacturer and distributor of medical supplies	Baht 120 million	44.67	-	320,584	-		
Total investments in associated companies held by subsidiary companies					352,305	164,984		
Total investments in associated companies in the consolidated financial statements					14,804,159	14,182,876		

Additional investments in an associated company

In the first and second quarter of 2015, Royal Bangkok Healthcare Co., Ltd., a subsidiary company in which the Company has a 100% shareholding, invested in General Hospital Products Public Company Limited, purchasing 5,326,443 shares, representing 44.39% of the paid up capital of such company. The value of the investment is Baht 306.5 million. The total investments in General Hospital Products Public Company Limited, including of shareholding of 0.32% with the investment value of Baht 1.8 million by another subsidiary, totally representing 44.67% of the paid up capital of such company which is indirectly held by the Group. Therefore, General Hospital Products Public Company Limited changed its status to become an associated company.

Details of share of income and dividend received from the associated companies are set out below.

(Unit: Thousand Baht)				
Company's name	Consolidated financial statements		Separate financial statements	
	Share of income from investments in			
	associated companies during		Dividend received during	
	the nine-month period ended		the nine-month period ended	
	30 September	30 September	30 September	30 September
	2015	2014	2015	2014
		(Restated)		
<u>Associated companies held by the Company and a subsidiary company</u>				
Cool & Joy Co., Ltd.	-	-	-	-
Ramkhamhaeng Hospital Public Co., Ltd.	294,357	335,118	27,531	27,531
Udon Patana (1994) Co., Ltd.	4,089	6,849	-	-
Bumrungrad Hospital Public Co., Ltd.	638,742	489,005	375,928	332,215
<u>Associated companies held by the subsidiary companies</u>				
Sodexo Support Services (Thailand) Co., Ltd.	7,411	6,679	-	-
Al Ghaith Bangkok Dusit Management Services LLC.	-	-	-	-
G. Wasupol Co., Ltd.	9,461	2,516	-	-
General Hospital Products Public Co., Ltd.	12,225	-	-	-
Total	966,285	840,167	403,459	359,746

Share of income from investment in two associated companies which are listed company on the Stock Exchange of Thailand for the nine-month period ended 30 September 2015 of Baht 933.1 million (30 September 2014: Baht 824.1 million) representing 97 percent (30 September 2014: 98 percent) of total share of income from all associated companies were calculated based on interim financial statements which were reviewed by the auditors of associated companies.

7. Investments in subsidiary companies

(Unit: Thousand Baht)								
Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	30 September 2014
				(Restated)		(Restated)		
Samitivej Public Co., Ltd.	Hospital	Baht 1,000 million	95.76	95.76	1,639,071	1,639,071	766,109	526,700
Bangkok Hospital Hatyai Co., Ltd.	Hospital	Baht 500 million	98.81	98.80	574,612	574,535	123,500	98,800
Bangkok Phuket Hospital Co., Ltd.	Hospital	Baht 500 million	99.69	99.69	610,245	610,174	249,215	49,843
BNH Medical Center Co., Ltd.	Hospital	Baht 586 million	91.48	91.48	602,657	602,657	80,428	26,809
Bangkok Phrapradaeng Hospital Co., Ltd.	Hospital	Baht 105 million	84.00	84.00	101,868	101,868	-	-
Bangkok Pattaya Hospital Co., Ltd.	Hospital	Baht 280 million	97.27	97.27	708,993	708,966	190,640	136,172
Bangkok Rayong Hospital Co., Ltd.	Hospital	Baht 400 million	100.00	100.00	415,020	415,020	120,000	-
Bangkok Samui Hospital Co., Ltd.	Hospital	Baht 150 million	100.00	100.00	150,000	150,000	75,000	67,500
Bangkok Trat Hospital Co., Ltd.	Hospital	Baht 250 million	99.76	99.76	245,889	245,889	17,457	17,457
Wattanavej Co., Ltd.	Hospital	Baht 180 million	99.69	99.69	450,643	450,643	125,615	107,670
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	Baht 300 million	91.36	91.36	934,348	934,348	54,814	40,923
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiary at 24.66%)	Central Lab	Baht 75 million	74.02	74.02	56,768	56,768	66,622	-
Bio Molecular Laboratories (Thailand) Co., Ltd.	Central Lab	Baht 10 million	95.00	95.00	9,502	9,502	23,750	19,000
Angkor Pisith Co., Ltd.	Hospital	USD 10 million	80.00	80.00	287,840	287,840	-	-
Phnom Penh Medical Services Co., Ltd.	Hospital	USD 25 million	100.00	100.00	813,220	813,220	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			30 September	31 December	30 September	31 December	30 September	30 September
			2015	2014	2015	2014	2015	2014
				(Restated)		(Restated)		
Royal Rattanak Medical Services Co., Ltd	Ceased operation	Riel 26,000 million	70.00	70.00	154,063	154,063	-	-
B.D.M.S. International Medical Services Co., Ltd.	Not yet operate	Riel 9,200 million	100.00	100.00	94,208	94,208	-	-
BDMS Accounting Co., Ltd.	Accounting service	Baht 30 million	100.00	100.00	30,000	30,000	-	-
Bangkok Health Insurance Public Co., Ltd.	Health insurance	Baht 200 million	99.97	99.97	142,027	142,027	-	-
Royal Bangkok Healthcare Co., Ltd.	Investment	Baht 1,086 million	100.00	100.00	1,086,000	736,000	-	-
Greenline Synergy Co., Ltd.	Technology and information service	Baht 200 million	100.00	100.00	200,000	200,000	-	-
Bangkok Hospital Kao Yai Co., Ltd.	Hospital (Not yet operate)	Baht 70 million	100.00	100.00	70,000	70,000	-	-
BDMS Training Co., Ltd.	Training business	Baht 1 million	100.00	100.00	1,000	1,000	-	-
Prasit Patana Public Co., Ltd.	Investment	Baht 1,108 million	98.55	98.52	9,259,172	9,256,116	349,435	-
Paolo Medic Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	3,222,872	2,922,872	-	60,000
Paolo Samutprakarn Co., Ltd.	Hospital	Baht 42 million	93.64	93.61	1,737,638	1,737,239	137,611	94,200
Siam Medical Co., Ltd.	Hospital	Baht 100 million	85.71	85.71	939,775	939,775	68,571	68,571
Thai Medical Center Public Co., Ltd.	Hospital	Baht 201 million	99.76	99.76	887,131	887,131	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			30 September	31 December	30 September	31 December	30 September	30 September
			2015	2014	2015	2014	2015	2014
				(Restated)		(Restated)		
Bangkok Premier Life Insurance Broker Co., Ltd.	Life insurance broker	Baht 20 million	100.00	100.00	20,000	20,000	-	-
Bangkok Hospital Chiangmai Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	1,000,000	1,000,000	-	-
Bangkok Hospital Udon Co., Ltd.	Hospital	Baht 500 million	100.00	100.00	499,930	499,930	-	-
Bangkok Khon Kaen Hospital Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	800,000	-	-
The Medicpharma Co., Ltd.	Production and distribution of medicines	Baht 42.8 million	87.05	86.89	551,319	214,900	-	-
Thonburi Medical Center Public Co., Ltd. (held by the Company at 29.01% and indirectly held by subsidiary at 29.02%)	Hospital	Baht 193.8 million	29.01	29.01	327,802	327,802	-	-
Bangkok Hospital Surat Co., Ltd.	Hospital (Not yet operate)	Baht 90 million	100.00	100.00	90,000	90,000	-	-
BDMS Inter Pte. Ltd.	Investment	USD 40,000	100.00	100.00	1,217	1,217	-	-
N Health Asia Pte. Ltd.	Investment	USD 2 million	100.00	100.00	65,310	65,310	-	-
Samitivej Chonburi Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Phitsanulok Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Sanamchan Co., Ltd.	Hospital	Baht 3,655 million	100.00	100.00	3,655,000	3,655,000	-	-
Bangkok Phuket International Hospital Co., Ltd.	Hospital	Baht 3,610 million	100.00	100.00	3,610,000	3,610,000	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			30 September	31 December	30 September	31 December	30 September	30 September
			2015	2014	2015	2014	2015	2014
				(Restated)		(Restated)		
Bangkok Save Drug Co., Ltd.	Investment	Baht 450 million	100.00	100.00	450,000	405,000	-	-
S.R. Property Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Siem Reap Land Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Phnom Penh First Property Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	88	88	-	-
Bangkok Helicopter Services Co., Ltd.	Air transportation services	Baht 100 million	49.00	49.00	50,859	50,859	-	-
Bangkok Hospital Chiangrai Co., Ltd.	Hospital (Not yet operate)	Baht 100 million	100.00	-	100,000	-	-	-
Bangkok Hospital Muangraj Co., Ltd.	Hospital	Baht 1,300 million	100.00	-	1,300,000	-	-	-
Total investments in subsidiary companies					39,146,289	36,711,240	2,448,767	1,313,645
Less: Allowance for impairment of investments					(154,063)	(154,063)		
Total investments in subsidiary companies - net					38,992,226	36,557,177		

7.1 Investments in subsidiary companies which the Company and its subsidiary companies previously held

Royal Bangkok Healthcare Co., Ltd.

On 25 February 2015, the Extraordinary General Meeting of shareholders No. 1/2015 of Royal Bangkok Healthcare Co., Ltd passed the resolution to approve the increase of its registered capital from Baht 736 million to Baht 1,086 million through the increase in capital of additional 35 million ordinary shares with a par value of Baht 10 each. The Company already paid for the additional shares totalling Baht 350 million in the second quarter of 2015.

Paolo Samutprakarn Co., Ltd.

In 2015, the Company purchased additional investment totalling Baht 0.4 million in Paolo Samutprakarn Co., Ltd. As a result, the Company's shareholding in that company increased to 93.64 percent.

Paolo Medic Co., Ltd.

On 26 March 2015, the Annual General Meeting of the shareholders No. 1/2015 of Paolo Medic Co., Ltd. passed the resolution to approve the increase of its registered capital from Baht 300 million to Baht 600 million through the increase in capital of additional 30 million ordinary shares with a par value of Baht 10 each. The Company already invested Baht 10 each in the additional shares totalling Baht 300 million in the second quarter of 2015.

The Medicpharma Co., Ltd.

On 27 March 2015, the 2015 Annual General Meeting of shareholders of The Medicpharma Co., Ltd. passed the resolution to approve the increase of its registered capital from Baht 21.43 million to Baht 42.86 million through the increase in capital of 2.14 million additional ordinary shares with a par value of Baht 10 each. The Company already invested Baht 180 each in 1.87 million additional shares totalling Baht 336.42 million in the second quarter of 2015. As a result, the Company's shareholding in that company increased to 87.05 percent.

Prasit Patana Public Co., Ltd.

In 2015, the Company purchased additional investment totalling Baht 3.1 million in Prasit Patana Public Co., Ltd. As a result, the Company's shareholding in that company increased to 98.55 percent.

Bangkok Save Drug Co., Ltd. and Save Drug Center Co., Ltd.

On 24 August 2015, a meeting of the Board of Directors of the Bangkok Save Drug Co., Ltd. approved the call up of additional share capital of Baht 45 million. As a result, the subsidiary had an issued and paid up share capital of Baht 450 million (45 million ordinary shares at Baht 10 each).

On 10 September 2015, the extraordinary General Meeting No.1/2015 of the shareholders of Save Drug Center Co., Ltd. passed a resolution approving an increase in the registered capital, from Baht 230 million to Baht 440 million, through the issue of 21 million additional ordinary shares with a par value of Baht 10 each. Bangkok Save Drug Co., Ltd. paid up additional share capital of Baht 147 million in September 2015.

N Health Asia Pte. Ltd. and N Health Myanmar Co., Ltd.

On 28 August 2013, a meeting of the Board of Directors of the Company approved the establishment of N Health Myanmar Co., Ltd., the Company's newly established subsidiary company in Republic of the Union of Myanmar with a registered share capital of USD 500,000. The Company has indirectly invested in this new subsidiary company to a subsidiary, N Health Asia Pte. Ltd., The Company indirectly held 60 percent interest in this newly established company and it has completely registered its establishment in September 2015.

7.2 Investments in new subsidiary companies

Bangkok Hospital Chiangrai Co., Ltd.

On 30 June 2015, the Board of Directors of the Company approved the establishment of a new subsidiary company, Bangkok Hospital Chiangrai Co., Ltd. with a registered share capital of Baht 100 million, comprising 10 million shares with Baht 10 par value each. The Company holds 100 percent interest in this company. In August 2015, Bangkok Hospital Chiangrai Co., Ltd. completely registered its' establishment and has Baht 100 million paid-up capital.

Bangkok Hospital Muangraj Co., Ltd. and the entire business transfer of G. Wasupol Co., Ltd.

On 30 June 2015, the Board of Directors of the Company approved the establishment of a new subsidiary company, Bangkok Hospital Muangraj Co., Ltd. with a registered share capital of Baht 1,300 million, comprising 130 million shares with Baht 10 par value each. The Company holds 100 percent interest in this company. The Board of Directors of the Company has also approved that Bangkok Hospital Muangraj Co., Ltd. could enter into the entire business transfer of G. Wasupol Co., Ltd.

On 1 September 2015, Bangkok Hospital Muangraj Co., Ltd. has entered into the entire business transfer of G. Wasupol Co., Ltd., making cash payment for the entire business transfer of Baht 1,427 million with transferring of liabilities, which amount to not more than Baht 47 million.

The fair values of assets and liabilities as at acquisition dates are as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	64,391
Trade and other receivables	28,343
Short-term loan	608
Inventories	9,189
Other current assets	555
Available-for-sale investments	6,450
Property, premises and equipment	489,956
Intangible assets	34
Other non-current assets	2
Trade and other payables	(13,182)
Other current liabilities	(19,842)
Provision for long-term employee benefits	(10,280)
Deferred tax liabilities	(60,230)
Fair value of net assets	495,994
Fair value of the subsidiary company's existing shareholding in G. Wasupol Co., Ltd., before acquisitions*	(368,689)
Fair value of net assets acquired	127,305
Add: Goodwill	931,036
Consideration paid (Cash paid for investments) - Cash paid for entire business transfer of Baht 1,427,030 thousand deducted subsidiary company's existing shareholding in G. Wasupol Co., Ltd., of Baht 368,689 thousand)	1,058,341
Less: Cash and cash equivalents of subsidiary company	(64,391)
Net cash paid for acquisition of subsidiary company	993,950

* The Company realised gain from the remeasurement of subsidiary company's previously held shareholding of 25.836 percent in G. Wasupol Co., Ltd. to fair value in the consolidated statement of comprehensive income by Baht 209 million, under the caption "gain on fair value adjustment of investments".

(Unaudited but reviewed)

8. Other long-term investments

(Unit: Thousand Baht)							
				Consolidated and separate financial statements			
Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				30 September 2015	31 December 2014	30 September 2015	30 September 2014
<u>Investments held by the Company</u>							
<u>Available-for-sale investments</u>							
<u>Investments in listed securities</u>							
Thai Military Bank Public Co., Ltd.	Bank	41,562	-	1,770	1,770	5	4
Aikchol Hospital Public Co., Ltd.	Hospital	150	0.20	350	350	195	192
Bangkok Chain Hospital Public Co., Ltd.	Hospital	2,494	1.50	269,829	269,829	4,500	4,875
				271,949	271,949	4,700	5,071
Surplus (loss) on changes in value of available-for-sale investments				(4,306)	33,087	-	-
Investments in listed securities				267,643	305,036	4,700	5,071
<u>Investments in related companies</u>							
Bangkok Airways Public Co., Ltd.	Airline	2,100	0.85	39,466	39,466	8,058	-
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	-	4,520	-	613
				39,466	43,986	8,058	613
Surplus on changes in value of available-for-sale investments				309,693	309,693	-	-
Investments in related companies				349,159	353,679	8,058	613

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				30 September 2015	31 December 2014	30 September 2015	30 September 2014
<u>Investments in unrelated companies</u>							
Thai Longstay Management Co., Ltd.	Travel business	100	0.53	531	531	-	-
Superior Biotech Holding Co., Ltd.	Investment	53	7.58	5,000	5,000	200	200
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	4,520	-	613	-
Investments in unrelated companies				10,051	5,531	813	200
Total other long-term investments in the separate financial statements				626,853	664,246	13,571	5,884

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				30 September 2015	31 December 2014	30 September 2015	30 September 2014
<u>Investment held by the subsidiary companies</u>							
<u>Available-for-sale investment</u>							
Investments in investment unit				10,000	10,000	-	-
Surplus on changes in value of available-for-sale investment				1,193	1,060	-	-
Investments in investment unit				11,193	11,060	-	-
<u>Investment in listed securities</u>							
Mahachai Hospital Public Company Limited	Hospital	160	4.28	143,724	143,724	2,053	-
Kiatnakin Bank Public Company Limited	Bank	8,468	0.02	6,450	-	-	-
				150,174	143,724	2,053	-
Loss on changes in value of available-for-sale investment				(29,429)	(19,848)	-	-
Investments in listed securities				120,745	123,876	2,053	-
Investment in Government Saving Bank bonds				-	25,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				30 September 2015	31 December 2014	30 September 2015	30 September 2014
<u>Investments in unrelated companies</u>							
Thai Herbal Products Co., Ltd.	Sales of herbal products	80	0.60	290	290	48	143
Prasitthirat Co., Ltd.	Educational institution known as “Rangsit university”	150	33.33	107,192	107,192	2,000	1,900
Asia Laboratories Center Limited	Central lab	5	8.00	400	400	40	1,500
Kendall Gammatron Limited	Trading of medical supplies	120	5.10	8,000	8,000	-	-
General Hospital Products Public Co., Ltd.	Manufacturer and distributor of medical supplies	120	0.44	-	1,178	-	-
Black Brain Health, LLC.	Manufacturer and distributor of complementary medicine	USD 1.38 million	8.31	17,975	-	-	-
Investments in unrelated companies				133,857	117,060	2,088	3,543
<u>Investments in ordinary shares (ceased operations)</u>							
Phyathai 4 Hospital (Petchaburi Road) Co., Ltd.	Adjudged bankrupt	328	89.79	-	-	-	-
Klass - V Co., Ltd.	Adjudged bankrupt	250	89.66	-	-	-	-
Phuket Paradise Co., Ltd.	Adjudged bankrupt	409	72.26	-	-	-	-
Phyathai Herbs Co., Ltd.	In process of liquidation	196	63.64	42,889	42,889	-	-
Phuket Hospital Public Co., Ltd.	Hospital	358	19.08	-	-	-	-
Phuket International Hospital Co., Ltd.	In process of liquidation	195	6.15	29,552	29,552	-	-
				72,441	72,441	-	-
Less : Allowance for impairment of investments				(22,000)	(7,000)	-	-
Investment in ordinary shares (ceased operations) - net				50,441	65,441	-	-
Total other long-term investments - net in the consolidated financial statements				943,089	1,006,683	17,712	9,427

General Hospital Products Public Company Limited

In the first quarter of 2015, General Hospital Products Public Company Limited had changed its status from other company to become an associated company as mentioned in Note 6.

Black Brain Health, LLC.

On 20 April 2015, a Meeting of the Board of Directors No. 4/2015 of Royal Bangkok Healthcare Company Limited which is the Company's subsidiary company has approved the investment in 173,695 common shares or 8.31 percent in Black Brain Health, LLC., which locates in The United States of America at USD 2.879 each totaling USD 500,000.

Prasitthirat Company Limited

A subsidiary company has 33.33 percentage of shareholding in Prasitthirat Company Limited but has not classified it as investment in associated company because the subsidiary company has no power to participate in the financial and operating policy decisions of that company.

Investments in ordinary shares (ceased operations)

A subsidiary company has investments in companies that have ceased their operations but has not classified them as investments in subsidiary companies because the subsidiary company has no power to control such companies.

9. Property, premises and equipment

Movement of the property, premises and equipment during the nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements (Restated)	Separate financial statements
Net book value as at 31 December 2014 - As previously reported	46,501,843	7,386,790
Cumulative effect of change in accounting policy	433,416	-
Net book value as at 31 December 2014 - As restated	46,935,259	7,386,790
Increased from acquisitions (Note 7)	489,956	-
Acquisitions during the period - at cost	4,658,364	1,228,409
Disposals and write-off during the period - net book value as of disposal and write-off date	(42,741)	(6,296)
Transfer in during the period	15,361	4,747
Depreciation expenses for the period	(3,074,537)	(554,444)
Allowance for impairment	(9,000)	(9,000)
Translation adjustment	167,386	-
Net book value as at 30 September 2015	<u>49,140,048</u>	<u>8,050,206</u>

10. Bank overdrafts and short-term loans from financial institutions

Movements in bank overdrafts and short-term loans from financial institutions during nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2015	21,850	-
Addition	8,250,877	8,200,000
Less: Repayment	(8,003,020)	(8,000,000)
Translation adjustment	1,946	-
Balance as at 30 September 2015	<u>271,653</u>	<u>200,000</u>

Bank overdrafts and short-term loans from financial institutions bearing interest at the rate as stipulated in the agreements and there is no collateral.

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Restated)		
Trade payables - related parties	20,611	15,737	111,039	138,389
Trade payables - unrelated parties	2,780,657	2,853,990	355,465	358,912
Other payables - related parties	4,099	5,759	79,046	51,648
Other payables - unrelated parties	1,192,026	948,652	557,444	305,695
Accounts payable - construction and retention	501,009	564,598	136,882	73,114
Total trade and other payables	<u>4,498,402</u>	<u>4,388,736</u>	<u>1,239,876</u>	<u>927,758</u>

12. Long-term loans from financial institutions

Movements of long-term loans from financial institutions during the nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	(Restated)	
Balance as at 31 December 2014 - As previously reported	10,903,971	10,844,607
Cumulative effect of change in accounting policy	60,010	-
Balance as at 31 December 2014 - As restated	10,963,981	10,844,607
Increase	1,000	-
Less: Repayment during period	(1,102,658)	(1,060,427)
Unrealised loss on exchange rate	68,424	68,424
Translation adjustment	4,810	-
Balance as at 30 September 2015	9,935,557	9,852,604
Less: Current portion of long-term loans from financial institutions	(1,692,385)	(1,660,813)
Long-term loans from financial institutions - net of current portion	<u>8,243,172</u>	<u>8,191,791</u>

The Company

- a) In 2008, the Company entered into a 10-year loan agreement with a bank granting the credit facilities of Baht 3,438 million. The loan carries interest at the Fixed Deposit Rate plus fixed rate per annum as stipulated in the agreement with interest and principal payable on a monthly basis. This loan agreement includes a condition that the Company and its subsidiaries may not mortgage any assets and also certain covenants which the Company and its subsidiaries must comply. The outstanding balance of this loan as at 30 September 2015 was Baht 830.9 million (31 December 2014: Baht 1,088.7 million).

- b) In November 2011, the Company entered into a 7 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 3,000 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest is repayable on a monthly basis and the principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of Baht 1,619.0 million (31 December 2014: Baht 1,919.0 million).
- c) In January 2012, the Company entered into a 8 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 586 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of Baht 418.4 million (31 December 2014: Baht 470.6 million).
- d) In June 2012, the Company entered into a 7 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 1,766 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest is repayable on a monthly basis and the principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of Baht 1,145.8 million (31 December 2014: Baht 1,348.0 million).
- e) In July 2012, the Company entered into a 5-year loan agreement with a financial institution amounting to Baht 2,500 million carrying interest at the fixed rate per annum as stipulated in the agreement. The interest is repayable on a semi-annually basis and principal is repayable at the end of loan period. As at 30 September 2015, this loan has outstanding balance of Baht 2,500.0 million (31 December 2014: Baht 2,500 million).
- f) In February 2014, the Company entered into a 7-year loan agreement with a financial institution granting credit facilities of USD 20 million carrying interest at the rate of LIBOR plus fixed rates for the first year and at the fixed rates per annum as stipulated in the agreement. The interest is repayable on a quarterly basis and the principal is repayable on a semi-annually basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of USD 20.0 million or equivalent to Baht 730.7 million (31 December 2014: USD 20.0 million or equivalent to Baht 662.3 million).
- g) In April 2014, the Company entered into a 5-year loan agreement with a financial institution granting credit facilities of Baht 1,000 million carrying interest at the rate of three-month BIBOR plus fixed rates per annum as stipulated in the agreement. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of Baht 895.8 million (31 December 2014: Baht 1,000.0 million).

- h) In May 2013, the Company entered into a 7-year loan agreement with a financial institution granting credit facilities of Baht 2,000 million. In the second quarter of 2014, the Company drawn down the loan totalling Baht 2,000 million. The loan carries interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest is repayable on a monthly basis and principal is repayable on a semi-annually basis according to a condition as stipulated in the agreement. As at 30 September 2015, this loan has outstanding balance of Baht 1,712.0 million (31 December 2014: Baht 1,856.0 million).

The subsidiaries

- a) In 2007 and 2008, Angkor Pisith Co., Ltd., a subsidiary company, entered into a 7 years and 10 months loan agreement with a foreign financial institution granting credit facilities of USD 4 million. The loan bears interest at the rate of LIBOR plus a fixed rate per annum. The interest is repayable on a monthly basis and the principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. This loan is guaranteed by the Company. As at 30 September 2015, this loan has outstanding balance of USD 1.2 million or equivalent to Baht 44.5 million. (31 December 2014: USD 1.7 million or equivalent to Baht 57.1 million).
- b) In 2008, Bangkok Ratchasima Hospital Co., Ltd., a subsidiary company, entered into a 7 year loan agreement with a financial institution. The credit facilities were Baht 20 million. The loan bears interest at fixed rate per annum. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 30 September 2015, the subsidiary company has no outstanding balance (31 December 2014: Baht 2.3 million).
- c) In 2007, Bangkok Helicopter Services Co., Ltd., a subsidiary company entered into a 10-year long-term loan agreement with a financial institution granting credit facilities of Baht 200 million and revised the credit limit to Baht 190 million in 2010 which the interest and principal repayment is payable on a monthly basis carrying interest of MLR minus fixed rates as stipulated in the agreement. A subsidiary company transferred the claim in service expense on claims transfer agreement to the financial institution for loan guarantee as above. As at 30 September 2015, this loan has outstanding balance of Baht 37.5 million (31 December 2014: Baht 60.0 million).

(Unaudited but reviewed)

- d) In 2015, Thonburi Medical Centre Public Company Limited, a subsidiary company entered into a 8-year loan agreement with a bank granting the credit facilities of Baht 300 million. The loan carries interest at the rate of MLR minus fixed rates per annum as stipulated in the agreement with interest and principal payable on a monthly basis. As at 30 September 2015, the subsidiary company has outstanding balance of Baht 1.0 million.

The Company's and its subsidiaries' loan agreements contain certain covenants which the Company and its subsidiaries must comply such as financial ratios.

13. Liabilities under finance lease agreements

As at 30 September 2015 and 31 December 2014, liabilities under finance lease agreements are as follows:

	Consolidated financial		(Unit: Thousand Baht)	
	statements		Separate financial	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
Liabilities under finance lease agreements	126,980	169,770	19,480	27,412
Less: Deferred interest expenses	(5,563)	(9,029)	(679)	(1,290)
Total	121,417	160,741	18,801	26,122
Less: Current portion of liabilities under finance lease agreements	(61,819)	(59,338)	(10,162)	(10,718)
Liabilities under finance lease agreements - net of current portion	59,598	101,403	8,639	15,404

As at 30 September 2015 and 31 December 2014, the Company and its subsidiaries have future minimum lease payments which required under the finance lease agreements as follows:

	(Unit: Thousand Baht)		
	As at 30 September 2015		
	Consolidated financial statements		
	Less than		
	1 year	1-5 years	Total
Future minimum finance lease payments	65,600	61,380	126,980
Deferred interest expenses	(3,781)	(1,782)	(5,563)
Present value of future minimum finance lease payments	61,819	59,598	121,417

(Unaudited but reviewed)

(Unit: Thousand Baht)

As at 31 December 2014

	Consolidated financial statements		
	Less than		
	1 year	1-5 years	Total
Future minimum finance lease payments	63,849	105,921	169,770
Deferred interest expenses	(4,511)	(4,518)	(9,029)
Present value of future minimum finance lease payments	59,338	101,403	160,741

(Unit: Thousand Baht)

As at 30 September 2015

	Separate financial statements		
	Less than		
	1 year	1-5 years	Total
Future minimum finance lease payments	10,643	8,837	19,480
Deferred interest expenses	(481)	(198)	(679)
Present value of future minimum finance lease payments	10,162	8,639	18,801

(Unit: Thousand Baht)

As at 31 December 2014

	Separate financial statements		
	Less than		
	1 year	1-5 years	Total
Future minimum finance lease payments	11,480	15,932	27,412
Deferred interest expenses	(762)	(528)	(1,290)
Present value of future minimum finance lease payments	10,718	15,404	26,122

The Company and its subsidiaries have finance lease agreements with various leasing companies to rent medical tools, equipment, and vehicles for use in their operations. Installments are due on a monthly basis over 32-60 months and at the end of the agreements.

14. Debentures

Movements of debentures net from debenture expenses and amortisation of expenses during the nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Balance as at 1 January 2015	11,091,987
Debentures issued during the period	2,000,000
Debenture expenses	(2,454)
Redemption of debentures during the period	(2,500,000)
Amortisation of debenture expenses	1,160
Balance as at 30 September 2015	10,590,693
Less: Current portion of debentures	(999,738)
Debentures - net of current portion	<u>9,590,955</u>

On 4 June 2009, the Company had issued unsecured, name registered and unsubordinated debentures for the total number of 3,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 3,000 million. These debentures are divided into two tranches: the 5-year debentures for the amount of Baht 2,000 million at the coupon rate of 4.80% per annum and the 7-year debentures for the amount of Baht 1,000 million at the coupon rate of 5.35% per annum with interest payable every six-month. Up to 31 December 2014, the Company had repurchased such debentures for amount of 30,000 units, totalling Baht 30 million. The Company had redeemed the 5-year debentures for the amount of Baht 1,970 million in the second quarter of 2014.

On 3 March 2011, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 2,500,000 units, at the price of Baht 1,000 per unit, totalling Baht 2,500 million. These debentures are 4-year debentures at the coupon rate of 3.99% per annum with interest payable every six-month. The Company had redeemed such debentures in the first quarter of 2015.

On 29 March 2011, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 1,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 1,000 million. These debentures are 3-year debentures at the coupon rate of 3.78% per annum with interest payable every six-month. The Company had redeemed such debentures in the first quarter of 2014.

In August 2012, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 600,000 units, at the price of Baht 1,000 per unit, totalling Baht 600 million. These debentures are 10-year debentures at the coupon rate of 4.5% per annum with interest payable every six-month.

On 14 March 2013, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 4,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 4,000 million. This debenture is 10-year debentures at the coupon rate of 4.63% per annum with interest payable every six-month. On 4 April 2014 and 15 October 2014, the Company entered into an interest rate swap contract for the above debentures totalling Baht 4,000 million with a financial institution as described in Note 23.1.

On 10 May 2013, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 3,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 3,000 million. These debentures are divided into two tranches: the 7-year debentures for the number of 2,000,000 units at the coupon rate of 4.19% per annum and the 10-year debentures for the number of 1,000,000 units at the coupon rate of 4.39% per annum with interest payable every six-month.

On 25 June 2015, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 2,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 2,000 million. This debenture is 10-year debentures at the coupon rate of 3.95% per annum with interest payable every six-month. The Company entered into an interest rate swap contract for the above debentures totalling Baht 2,000 million with a financial institution as described in Note 23.1.

Debenture agreement contains certain covenants which the Company must comply with such as financial ratios, payment of dividend, assets dispositions, etc.

15. Convertible debentures

On 5 August 2014, the Extraordinary General Meeting of Shareholders' No. 1/2014 of the Company has approved for the issue and offer of the convertible debentures in the amount not exceeding Baht 10,000 million or an equivalent in other currencies and the Meeting has approved to increase its registered capital to support the conversion of the convertible debentures.

On 18 September 2014, the Company has issued the convertible debentures to the foreign investors (except the investors in the United States of America). Key terms and conditions of the convertible debentures are as the following:

Type of Debentures	Unsecured and unsubordinated convertible debentures
Maturity	5 years, commencing from the issue date
Issue Size	Baht 10,000 million
Currency	THB-Denominated, USD-Settled
Maturity Date	18 September 2019
Put Option	At 18 September 2017 equal to 106.152% of the principal amount
Call Option	At any time after 18 March 2017, if the closing price of the Company's shares is at least 130% of the applicable Early Redemption Amount, divided by the effective Conversion Ratio
Coupon	Zero
Redemption Price	110.462% of principal amount
Conversion Price	Baht 21.045 per one newly issued ordinary share

Convertible debentures agreement contains obligations and certain limitations which the Company must comply with, as specified in the offering circular of the bonds. On 19 September 2014, the convertible debentures were listed on the Singapore Exchange Securities Trading Limited.

Thai Accounting Standard No. 107 “Financial Instruments: Disclosure and Presentation”, requires the issuer of convertible debentures to present the debentures’ liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

16. Dividend paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 18 April 2014	3,098	0.20
Total dividend during the nine-month period ended 30 September 2014		3,098	0.20

The Company paid such dividend in May 2014.

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2014	Annual General Meeting of the shareholders on 17 April 2015	3,563	0.23
Total dividend during the nine-month period ended 30 September 2015		3,563	0.23

The Company paid such dividend in May 2015.

17. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2015 and 2014 were made up as follows:

(Unit: Thousand Baht)				
For the three-month periods ended 30 September				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Current income tax:				
Interim corporate income tax charge	482,256	426,355	87,914	60,376
Deferred tax:				
Relating to origination and reversal of temporary differences	(22,038)	31,439	(5,392)	3,549
Income tax expense reported in the statements of income	<u>460,218</u>	<u>457,794</u>	<u>82,522</u>	<u>63,925</u>

(Unit: Thousand Baht)				
For the nine-month periods ended 30 September				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Current income tax:				
Interim corporate income tax charge	1,415,802	1,222,050	262,117	149,714
Deferred tax:				
Relating to origination and reversal of temporary differences	(58,620)	12,491	(11,943)	6,203
Income tax expense reported in the statements of income	<u>1,357,182</u>	<u>1,234,541</u>	<u>250,174</u>	<u>155,917</u>

18. Earnings per share

Basic earnings per share is determined by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share

No disclosure of diluted earnings per share is required for the nine-month period ended 30 September 2015 after the issue of convertible debentures (as mentioned in Note 15) since the calculated earnings per share assuming the conversion of all convertible debentures to ordinary shares is antidilutive.

19. Long-term lease agreements

The Company

The Company has entered into a land rental agreement for hospital building for a period of 20 years from 26 February 2004 to 25 February 2024. The rental fee for the first 17 months is Baht 200,000 per month and will be increased by the rate as agreed in the agreement. The rental for the last 3 years will be Baht 560,000 per month.

The Company has entered into a land rental agreement for car parking lot for a period of 6 years from 1 September 2012 to 31 August 2018. The rental fee for the first 3 years is Baht 205,000 per month and the last 3 years is Baht 235,000 per month.

The Company has entered into a land rental agreement for construction of an OPD building for a period of 30 years from 28 September 2004 to 27 September 2034. The first payment date is 10 October 2005 at the rental fee of Baht 50,000 per month and this fee is to be increased every 3 years. The rate will be increased by 10% of the latest rental of every 3 years.

The Company has entered into a land rental agreement for a period of 30 years from 1 January 2006 to 31 December 2035 and the rental is paid on a monthly basis. The first payment date is 5 January 2006 and rental to be paid at Baht 30,000 per month and from 1 January 2027 onward at Baht 100,000 per month.

The Company has entered into an agreement to construct a hospital building on land owned by a government authority. The condition of the agreement states that upon completion of the building construction, the Company has to transfer the ownership over such building to that authority. After the authority accepts such transfer, in 2006 the Company entered into another land and hospital building rental agreement with that government authority. The agreement will cover a period of 30 years after the signing date of the agreement and the Company is obliged to pay rental on a yearly basis. The rental fee for the first 5 years is Baht 492,676 per year and this fee is to be increased every 5 years. The rental for the last 5 years will thus be Baht 990,943 per year.

The Company has entered into a land rental agreement for a period of 30 years from 18 March 2011 to 17 March 2041 and the rental is paid on a monthly basis with no rental for the first 3 months. The first payment date is 18 July 2011 and rental to be paid at Baht 100,000 per month and this fee is to be increased every 3 years. The rate will be increased by 10% of the latest rental of every 3 years.

The Company has entered into rental agreements with a company to operate medical clinic in a building for a period of 3 years from 28 September 2013 to 27 September 2016. The Company has to pay fee at the fixed rate and the rate stipulated in the agreement, of monthly gross operating revenue before deducted any expenses or the minimum fee stipulated in agreement whichever is higher.

The Company has entered into a land and building agreement to operate hospital business and related services for a period of 30 years from 5 April 2013 to 4 April 2043. The Company has to pay rental fee on a yearly basis at fixed rate of Baht 16,449,525 per year and leasehold right of Baht 300 million on the first date of agreement. The leasehold right was fully paid.

The Company has entered into a land and building agreement to operate medical clinic in a building for a period of 3 years from 1 February 2014 to 31 January 2017. The rental fee is Baht 260,000 per month. The Company can renew this agreement every 3 years ended 31 January 2026.

Samitivej Public Company Limited

The subsidiary company has entered into a rental agreement for a parking building dated 10 September 2003, for 30 years, effective from 8 December 2004. The total rental fee is Baht 155 million. The subsidiary company is committed to pay Baht 39 million as prepaid rental as per the schedule. The remaining rental fee will be paid on a monthly basis. In addition, the subsidiary company has entered into a service agreement with the same company for providing of services in the parking building for 30 years totalling Baht 103 million.

The subsidiary company has entered into a rental agreement with a company to operate medical clinic in a building for a period of 5 years from 28 May 2010. The contract period has been extended to 31 August 2016. The subsidiary company has to pay fee at the rate stipulated in the agreement, of monthly gross operating revenue before deducted any expenses or the minimum fee stipulated in agreement whichever is higher.

BNH Medical Center Co., Ltd.

The subsidiary company entered into an agreement with an association which is a shareholder, to lease land for the construction of a hospital for a period of 30 years, commencing 1 September 1993, with options to renew.

Paolo Medic Co., Ltd.

The subsidiary company entered into a land and premises rental agreement which will be expired in January 2037, and the rental fee is paid on a monthly basis at the amount as stipulated in the agreement.

Phyathai 1 Hospital Co., Ltd.

The subsidiary company entered into a land rental agreement with a state enterprise for a period of 3 years expiring in the year 2013 and made an additional memorandum of renewal the land rental agreement for another 3 years expiring in the year 2016. The subsidiary company will pay rental fee as stipulated in the memorandum.

Sriracha Nakorn General Hospital Public Co., Ltd.

The subsidiary company entered into a land rental agreement with the Treasury Department and the rental fee is paid on monthly basis as stipulated in the agreement.

20. Commitments and contingent liabilities

As at 30 September 2015 and 31 December 2014, commitments and contingent liabilities are as follows:

(Unit: Million Baht)

	As at 30 September 2015					
	Consolidated financial			Separate financial		
	statements			statements		
	Within 1 year	1 -5 years	Over 5 years	Within 1 year	1 -5 years	Over 5 years
Contractual commitments						
- the land and building rental contracts (including long-term agreements in Note 19)	217	366	1,043	43	98	364
- the office equipment rental and other services	265	81	1	44	-	-
- the medical equipment provision and maintenance contracts	236	203	-	34	2	-
- the building construction and decoration contracts	1,070	1	-	132	-	-
- the sale and purchase contract for land	124	-	-	-	-	-
Total	1,912	651	1,044	253	100	364

(Unit: Million Baht)

	As at 31 December 2014					
	Consolidated financial			Separate financial		
	statements			statements		
	Within 1 year	1 -5 years	Over 5 years	Within 1 year	1 -5 years	Over 5 years
Contractual commitments						
- the land and building rental contracts (including long-term agreements in Note 19)	143	318	1,108	40	106	385
- the office equipment rental and other services	271	74	-	181	1	-
- the medical equipment provision and maintenance contracts	279	114	-	114	-	-
- the building construction and decoration contracts	1,382	22	-	112	-	-
- the sale and purchase contract for land	58	-	-	-	-	-
Total	2,133	528	1,108	447	107	385

Contingent liabilities

As at 30 September 2015, the Company and its subsidiaries had outstanding bank guarantees of approximately Baht 563 million (31 December 2014: Baht 291 million) and the Company's was Baht 335 million (31 December 2014: Baht 36 million) issued by the bank on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business, such as facility usage and contractual performance.

21. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the executive committee.

The Company and its subsidiaries have two reportable segments that are hospital operations and other businesses that support hospital business including central lab, manufacturer and distributor of medicine and pharmaceutical products, assets management for healthcare business, restaurant and distribution of health food products and facility management, accounting services, technology and information service, training business, health insurance and life insurance broker. These two segments have similar economic characteristics. They both have common customer group, similar service provision methods and similar management.

In addition, the operations of the Company and its subsidiaries are carried on in the geographical areas of Thailand and overseas.

As hospital operation is the main business segment and the segment information that has been considered based on a quantitative basis is over 90 percent of the total population both operational and geographical areas. For this reason, the management considers to aggregate operating segments into one operating segment of hospital operation. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical areas.

For the nine-month periods ended 30 September 2015 and 2014, the Company and its subsidiaries has no major customer with revenue of 10 percent or more of its revenues.

22. Financial instruments measured at fair value

The Company and its subsidiaries use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 30 September 2015, the Company and its subsidiaries had the following assets that were measured at fair value using different level of input as follow.

	(Unit: Thousand)	
	Consolidated financial statements	Separate financial statements
	Level 1	Level 1
Financial assets measured at fair value		
Investment in available-for-sale	748,740	616,802

During the current period, there were no transfers within the fair value hierarchy.

23. Interest rate swap contract and forward exchange contract that are not measured at fair value

23.1 Interest rate swap contract

Interest rate swap contract is entered into to manage exposure to fluctuations in interest rate.

On 4 April 2014, the Company entered into a nine-year interest rate swap contract with a financial institution by converting the interest rate of fixed rate per annum to fixed rate for the first 4 years and floating rate based on Fixed Deposit Rate plus fixed rate per annum for the last 5 years on the debentures balance as described in Note 14. Then, on 15 October 2014, the Company agreed with the financial institution to change interest rate whereby they agreed to reduce the interest rate in the first year and to change the interest rate from floating rate in the fifth and the sixth year to a fixed rate, with the interest rate of other years maintained as same as specified in the contract.

On 17 June 2015, the Company entered into a ten-year interest rate swap contract with a financial institution by converting the interest rate of fixed rate per annum to floating rate based on 3-month BIBOR minus the fixed rate per annum on the debentures balance as described in Note 14.

Net fair value

The net fair value of interest rate swap contract at the statements of financial position date was:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Fair value of interest rate swap contract - asset				
(liabilities)	(11.2)	70.6	(11.2)	70.6

Fair value of interest rate swap contract has been calculated using rate quoted by the financial institution as if the contract was terminated at the statements of financial position date.

23.2 Forward exchange contract

As at 30 September 2015 and 31 December 2014, a subsidiary company has the outstanding balance of forward exchange contracts as follows:

Balance as at	Foreign currency	Amount sold	Contractual exchange rate for amount sold
			(Baht per foreign currency unit)
30 September 2015	US Dollar	702,990	35.28 - 36.51
31 December 2014	US Dollar	969,981	32.60 - 33.24

As at 30 September 2015 and 31 December 2014, the Company has the outstanding balance of forward exchange contracts as follows:

Balance as at	Foreign currency	Amount bought	Contractual exchange rate for amount bought
			(Baht per foreign currency unit)
30 September 2015	US Dollar	312,942	33.87 - 35.84
31 December 2014	US Dollar	-	-

Net fair value

The net fair value of forward exchange contracts at the statements of financial position date was:

Selling forward exchange contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Fair value of forward exchange contract (liabilities)	(265.7)	(229.1)	-	-

Buying forward exchange contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Fair value of forward exchange contract - assets	458.1	-	458.1	-

Fair value of forward exchange contract has been calculated using rate quoted by the financial institution as if the contracts were terminated at the statements of financial position date.

24. Events after the reporting period

On 21 August 2015, a meeting of the Board of Directors of Samitivej Public Company Limited No. 4/2558 has approved in principle for First Health Food Company Limited, which is a subsidiary company to sell investments in Sodexo Support Service (Thailand) Co., Ltd and Sodexo Healthcare Support Service (Thailand) Co., Ltd. to a company. These investments are investment in associate company and investment in subsidiary company with 26 percent and 74 percent of ownership, respectively, hold by First Health Food Company Limited. The subsidiary sold these investments in November 2015 at the amount of Baht 112.8 million. These selling of investments made Sodexo Support Service (Thailand) Co., Ltd. and Sodexo Healthcare Support Service (Thailand) Co., Ltd. are no longer an associated company and a subsidiary company.

25. Approval of financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 12 November 2015.