

Bangkok Dusit Medical Services Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month and six-month periods ended 30 June 2016

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 June 2016, the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2016 and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2016, 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 periods. 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.

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 15 August 2016

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	<u>Note</u>	<u>30 June 2016</u>	<u>31 December 2015</u>	<u>30 June 2016</u>	<u>31 December 2015</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		3,870,333	5,528,543	2,084,301	3,617,144
Short-term investments		164,845	28,281	909	1,353
Trade and other receivables	2, 3	6,215,819	6,484,343	1,251,375	1,470,058
Short-term loans to related parties	4	-	-	1,642,205	1,326,939
Inventories		1,297,747	1,285,769	97,182	99,358
Other current assets		<u>270,393</u>	<u>255,432</u>	<u>63,736</u>	<u>30,945</u>
Total current assets		<u>11,819,137</u>	<u>13,582,368</u>	<u>5,139,708</u>	<u>6,545,797</u>
Non-current assets					
Restricted financial institution deposits		17,628	60,708	14,000	14,000
Investments in associated companies	5	15,675,121	15,093,035	9,028,589	9,028,589
Investments in subsidiary companies	6	-	-	39,630,464	39,070,483
Other long-term investments	7	1,159,618	1,085,157	758,661	771,950
Long-term loans to related parties	4	-	-	5,302,570	5,786,371
Investment properties		297,236	284,768	531,788	530,238
Property, premises and equipment	8	53,841,263	52,949,906	8,520,620	8,070,215
Land not used in operation		297,308	297,308	296,981	296,981
Goodwill		16,932,250	16,932,250	-	-
Intangible assets		1,093,249	1,036,728	457,257	385,143
Other non-current assets					
Leasehold rights	4	643,860	670,177	354,240	362,422
Others	4	<u>365,001</u>	<u>342,590</u>	<u>25,914</u>	<u>26,501</u>
Total non-current assets		<u>90,322,534</u>	<u>88,752,627</u>	<u>64,921,084</u>	<u>64,342,893</u>
Total assets		<u>102,141,671</u>	<u>102,334,995</u>	<u>70,060,792</u>	<u>70,888,690</u>

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 June 2016

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	30 June 2016	31 December 2015	30 June 2016	31 December 2015
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	9	53,436	75,860	-	-
Trade and other payables	4, 10	4,093,022	4,934,751	918,336	1,288,883
Current portion of long-term loans from					
financial institutions	11	1,757,510	1,708,224	1,714,462	1,672,206
Current portion of liabilities under					
finance lease agreements	12	53,240	57,206	12,126	10,230
Current portion of debentures	13	-	999,836	-	999,836
Short-term loans		89,000	97,700	-	-
Short-term loans from related parties	4	-	-	6,429,870	8,303,334
Income tax payable		742,975	726,683	152,004	138,544
Accrued expenses		4,040,198	4,855,181	907,701	1,151,084
Current portion of deferred income - membership		218,154	362,351	102,211	105,204
Other current liabilities		309,213	355,450	40,906	80,187
Total current liabilities		11,356,748	14,173,242	10,277,616	13,749,508
Non-current liabilities					
Long-term loans from financial insitutions					
- net of current portion	11	6,840,014	7,737,989	6,822,704	7,697,532
Liabilities under finance lease agreements					
- net of current portion	12	28,752	46,945	2,859	6,528
Debentures - net of current portion	13	12,590,784	9,591,141	12,590,784	9,591,141
Convertible debentures - liability component	14	9,776,773	9,683,481	9,776,773	9,683,481
Provision for long-term employee benefits		1,609,536	1,529,573	362,398	348,779
Long-term portion of deferred income - membership		701,989	621,902	123,346	130,357
Deferred tax liabilities		2,491,229	2,485,688	199,092	201,577
Other non-current liabilities	4	349,770	290,007	259,219	197,496
Total non-current liabilities		34,388,847	31,986,726	30,137,175	27,856,891
Total liabilities		45,745,595	46,159,968	40,414,791	41,606,399

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 June 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>30 June 2016</u>	<u>31 December 2015</u>	<u>30 June 2016</u>	<u>31 December 2015</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
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	27,423,513	27,375,018	5,833,321	5,524,811
Other components of shareholders' equity	<u>4,026,631</u>	<u>3,795,303</u>	<u>1,674,977</u>	<u>1,619,777</u>
Equity attributable to owners of the Company	53,955,771	53,675,948	29,646,001	29,282,291
Non - controlling interests of the subsidiaries	<u>2,440,305</u>	<u>2,499,079</u>	-	-
Total shareholders' equity	<u>56,396,076</u>	<u>56,175,027</u>	<u>29,646,001</u>	<u>29,282,291</u>
Total liabilities and shareholders' equity	<u>102,141,671</u>	<u>102,334,995</u>	<u>70,060,792</u>	<u>70,888,690</u>

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

Directors

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2016**

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

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Revenues					
Revenues from hospital operations	4	14,862,936	14,117,145	3,196,636	3,080,338
Other income					
Revenue from sales of goods and foods	4	636,392	544,446	15,023	11,516
Interest income and gain on sale of short-term investments		17,807	8,269	80,520	77,713
Dividend income	5, 6, 7	16,900	11,320	996,043	1,473,434
Others		240,015	191,308	295,920	209,697
Total other income		911,114	755,343	1,387,506	1,772,360
Total revenues		15,774,050	14,872,488	4,584,142	4,852,698
Expenses					
Cost of hospital operations and goods sold	4	10,558,413	9,824,455	2,058,669	1,912,871
Administrative expenses	4	3,216,143	3,146,211	954,182	925,076
Total expenses		13,774,556	12,970,666	3,012,851	2,837,947
Profit before share of income from investments in associated companies, finance expenses and income tax expenses					
		1,999,494	1,901,822	1,571,291	2,014,751
Share of income from investments in associated companies	5	330,565	316,743	-	-
Profit before finance expenses and income tax expenses					
		2,330,059	2,218,565	1,571,291	2,014,751
Finance expenses	4	(179,881)	(290,785)	(198,380)	(307,363)
Profit before income tax expenses					
		2,150,178	1,927,780	1,372,911	1,707,388
Income tax expenses	16	(393,313)	(375,283)	(76,583)	(66,849)
Profit for the period		1,756,865	1,552,497	1,296,328	1,640,539
Profit attributable to:					
Equity holders of the Company		1,669,393	1,491,478	1,296,328	1,640,539
Non-controlling interests of the subsidiaries		87,472	61,019		
		1,756,865	1,552,497		
Basic earnings per share					
Profit attributable to equity holders of the Company	17	0.11	0.10	0.08	0.11
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the period	1,756,865	1,552,497	1,296,328	1,640,539
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain (loss) on change in value of available-for-sale investments - net of income tax	(700)	4,617	(29,436)	(72)
Exchange differences on translation of financial statements in foreign currencies	7,399	63,199	-	-
Share of other comprehensive income from associated companies	33,704	(26,632)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	40,403	41,184	(29,436)	(72)
Total comprehensive income for the period	1,797,268	1,593,681	1,266,892	1,640,467
Total comprehensive income attributable to:				
Equity holders of the Company	1,709,887	1,531,584	1,266,892	1,640,467
Non-controlling interests of the subsidiaries	87,381	62,097		
	1,797,268	1,593,681		

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 six-month period ended 30 June 2016**

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

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Revenues					
Revenues from hospital operations	4	31,269,131	28,962,256	6,664,232	6,371,869
Other income					
Revenue from sales of goods and foods	4	1,362,969	1,247,506	27,268	22,661
Interest income and gain on sale of short-term investments		27,376	26,580	160,413	166,018
Dividend income	5, 6, 7	16,900	11,320	3,571,287	2,702,080
Others		404,263	391,072	544,969	405,077
Total other income		1,811,508	1,676,478	4,303,937	3,295,836
Total revenues		33,080,639	30,638,734	10,968,169	9,667,705
Expenses					
Cost of hospital operations and goods sold	4	21,683,312	19,801,821	4,208,391	3,888,246
Administrative expenses	4	6,462,770	6,095,813	1,811,265	1,740,170
Total expenses		28,146,082	25,897,634	6,019,656	5,628,416
Profit before share of income from investments in associated companies, finance expenses and income tax expenses					
		4,934,557	4,741,100	4,948,513	4,039,289
Share of income from investments in associated companies	5	667,215	639,270	-	-
Profit before finance expenses and income tax expenses					
		5,601,772	5,380,370	4,948,513	4,039,289
Finance expenses	4	(393,380)	(561,051)	(436,252)	(596,093)
Profit before income tax expenses					
		5,208,392	4,819,319	4,512,261	3,443,196
Income tax expenses	16	(956,453)	(896,964)	(176,581)	(167,652)
Profit for the period					
		4,251,939	3,922,355	4,335,680	3,275,544
Profit attributable to:					
Equity holders of the Company		4,075,665	3,780,272	4,335,680	3,275,544
Non-controlling interests of the subsidiaries		176,274	142,083		
		4,251,939	3,922,355		
Basic earnings per share					
Profit attributable to equity holders of the Company	17	0.26	0.24	0.28	0.21
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the period	4,251,939	3,922,355	4,335,680	3,275,544
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain on change in value				
of available-for-sale investments - net of income tax	125,400	12,275	55,200	13,019
Exchange differences on translation of financial statements in foreign currencies	(25,691)	41,877	-	-
Share of other comprehensive income from associated companies	210,506	(12,736)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	310,215	41,416	55,200	13,019
Total comprehensive income for the period	4,562,154	3,963,771	4,390,880	3,288,563
Total comprehensive income attributable to:				
Equity holders of the Company	4,386,986	3,820,946	4,390,880	3,288,563
Non-controlling interests of the subsidiaries	175,168	142,825		
	4,562,154	3,963,771		

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 six-month period ended 30 June 2016

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
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 equity from associated companies	Convertible debentures - equity component	Surplus investment over book value of subsidiary companies	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity		
Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Appropriated-statutory reserve	Unappropriated reserve											
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	
Balance as at 31 December 2014															
Profit for the period	-	-	-	3,780,272	-	-	-	-	-	-	-	3,780,272	142,083	3,922,355	
Other comprehensive income for the period	-	-	-	-	12,269	-	41,141	(12,736)	-	-	40,674	40,674	742	41,416	
Total comprehensive income for the period	-	-	-	3,780,272	12,269	-	41,141	(12,736)	-	-	40,674	3,820,946	142,825	3,963,771	
Dividend Paid (Note 15)	-	-	-	(3,562,521)	-	-	-	-	-	-	-	(3,562,521)	-	(3,562,521)	
Share of Interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	(3,859)	-	-	(3,859)	(3,859)	-	(3,859)	
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	(1,235)	(1,235)	(1,235)	49,995	48,760	
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(130,227)	(130,227)	
Balance as at 30 June 2015	<u>1,549,096</u>	<u>20,481,531</u>	<u>305,000</u>	<u>170,000</u>	<u>23,276,856</u>	<u>271,351</u>	<u>2,639,479</u>	<u>(9,242)</u>	<u>366,455</u>	<u>585,527</u>	<u>(2,602,567)</u>	<u>1,251,003</u>	<u>47,033,486</u>	<u>2,280,536</u>	<u>49,314,022</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 six-month period ended 30 June 2016

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
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 equity from associated companies	Convertible debentures - equity component	Surplus of investment over book value of subsidiary companies	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity		
Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Appropriated-statutory reserve	Unappropriated											
1,549,096	20,481,531	305,000	170,000	27,375,018	337,256	5,110,102	37,429	328,121	585,527	(2,603,132)	3,795,303	53,675,948	2,499,079	56,175,027	
Balance as at 31 December 2015															
Profit for the period	-	-	-	4,075,665	-	-	-	-	-	-	-	4,075,665	176,274	4,251,939	
Other comprehensive income for the period	-	-	-	-	125,400	-	(24,585)	210,506	-	-	311,321	311,321	(1,106)	310,215	
Total comprehensive income for the period	-	-	-	4,075,665	125,400	-	(24,585)	210,506	-	-	311,321	4,386,986	175,168	4,562,154	
Dividend Paid (Note 15)	-	-	-	(4,027,170)	-	-	-	-	-	-	-	(4,027,170)	-	(4,027,170)	
Share of interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	(3,860)	-	-	(3,860)	(3,860)	-	(3,860)	
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	(76,133)	(76,133)	(76,133)	(86,717)	(162,850)	
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(147,225)	(147,225)	
Balance as at 30 June 2016	<u>1,549,096</u>	<u>20,481,531</u>	<u>305,000</u>	<u>170,000</u>	<u>27,423,513</u>	<u>462,656</u>	<u>5,110,102</u>	<u>12,844</u>	<u>534,767</u>	<u>585,527</u>	<u>(2,679,265)</u>	<u>4,026,631</u>	<u>53,955,771</u>	<u>2,440,305</u>	<u>56,396,076</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 six-month period ended 30 June 2016

(Unit: Thousand Baht)

Separate financial statements								
Other components of shareholders' equity								
Other comprehensive income								
Surplus on changes								
Retained earnings								
Issued and paid-up share capital	Premium on ordinary shares	Appropriated-statutory reserve	Unappropriated	in value of available-for-sale investments	Revaluation surplus on land	Convertible debentures - equity component	Total other components of shareholders' equity	Total shareholders' equity
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
Profit for the period	-	-	-	3,275,544	-	-	-	3,275,544
Other comprehensive income for the period	-	-	-	-	13,019	-	13,019	13,019
Total comprehensive income for the period	-	-	-	3,275,544	13,019	-	13,019	3,288,563
Dividend Paid (Note 15)	-	-	-	(3,562,521)	-	-	-	(3,562,521)
Balance as at 30 June 2015	1,549,096	20,418,607	170,000	4,411,280	287,244	673,862	585,527	1,546,633
Balance as at 31 December 2015	1,549,096	20,418,607	170,000	5,524,811	360,388	673,862	585,527	1,619,777
Profit for the period	-	-	-	4,335,680	-	-	-	4,335,680
Other comprehensive income for the period	-	-	-	-	55,200	-	55,200	55,200
Total comprehensive income for the period	-	-	-	4,335,680	55,200	-	55,200	4,390,880
Dividend Paid (Note 15)	-	-	-	(4,027,170)	-	-	-	(4,027,170)
Balance as at 30 June 2016	1,549,096	20,418,607	170,000	5,833,321	415,588	673,862	585,527	1,674,977

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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before income tax expenses	5,208,392	4,819,319	4,512,261	3,443,196
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation and amortisation expenses	2,306,701	2,116,721	446,996	398,209
Write-off of assets	6,555	2,946	5,141	255
Bad debts and doubtful debts	56,665	49,220	20,172	21,466
Loss on impairment of investment	-	15,000	-	-
Reverse on loss on impairment of assets	(5,154)	-	(2,700)	-
Reserve of loss on deteriorated inventories	475	1,763	296	1,024
Amortisation of deferred income - membership	(138,448)	(228,324)	(70,732)	(70,294)
Share of income from investments in associated companies	(667,215)	(639,270)	-	-
Amortisation of expense for debentures and convertible debentures	15,619	15,068	15,619	15,068
Gain on sale of other long-term investments	(61,663)	-	(61,663)	-
Gain on disposal of property, premises and equipment	(12,416)	(3,689)	(4,872)	(2,017)
Gain on liquidation of an associated company	(519)	-	-	-
Unrealised loss (gain) on foreign exchange	5,092	16,268	5,092	(3,947)
Long-term employee benefit expenses	93,298	87,246	17,499	15,237
Annual leave expense	33,643	31,600	8,498	5,777
Interest income	(27,376)	(26,580)	(160,413)	(166,018)
Dividend income	(16,900)	(11,320)	(3,571,287)	(2,702,080)
Interest expense	393,380	561,051	436,252	596,093
Profit from operating activities before changes in operating assets and liabilities	7,190,129	6,807,019	1,596,159	1,551,969

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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Trade and other receivables	211,681	(395,024)	195,613	(226,422)
Inventories	(12,453)	7,984	1,880	2,844
Other current assets	(14,961)	(16,959)	(32,790)	(36,535)
Other non-current assets	16,312	(6,948)	(3,506)	13,150
Increase (decrease) in operating liabilities				
Trade and other payables	(234,202)	(227,418)	(35,343)	29,222
Accrued expenses	(850,785)	821,799	(252,150)	234,066
Deferred income - membership	74,338	275,172	60,728	51,826
Other current liabilities	(46,239)	(171,754)	(39,281)	(82,870)
Provision for long-term employee benefits	(13,335)	(17,713)	(3,880)	-
Other non-current liabilities	59,761	(14,615)	61,725	(16,196)
Net cash from operating activities	6,380,246	7,061,543	1,549,155	1,521,054
Cash received from interest incomes	27,554	28,090	163,311	169,338
Cash paid for interest expenses	(317,954)	(419,364)	(366,438)	(457,467)
Cash received from tax refund	8,306	2,932	-	-
Cash paid for income tax expenses	(991,733)	(882,182)	(177,292)	(131,847)
Net cash from operating activities	5,106,419	5,791,019	1,168,736	1,101,078

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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Decrease (increase) in short-term investments	(136,564)	1,638,200	445	1,582,956
Decrease (increase) in restricted financial institution deposits	43,080	(1,444)	-	-
Dividend received	299,329	270,665	3,571,287	2,702,080
Cash received from repayment of the capital of an associated compar	17,694	-	-	-
Cash paid for purchase of investments in subsidiaries and associated company	(7,828)	(307,182)	(559,981)	(989,353)
Cash received from other long-term investments	143,952	25,000	143,952	-
Cash paid for investment property	(1,551)	(2,104)	(1,551)	(2,104)
Cash received from disposal of property, premises and equipment	37,315	17,130	7,926	2,659
Cash paid for purchase of property, premises and equipment	(3,753,619)	(3,106,090)	(1,179,398)	(811,736)
Cash paid for leasehold rights	(13,178)	(3,000)	-	-
Decrease (increase) in short-term loans to related parties	-	-	(315,266)	60,291
Increase in long-term loans to related parties	-	-	(220,000)	(710,330)
Cash received from long-term loans to related parties	-	-	680,504	442,704
Cash paid for purchase of intangible assets	(166,252)	(92,617)	(108,153)	(35,298)
Net cash from (used in) investing activities	(3,537,622)	(1,561,442)	2,019,765	2,241,869

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 six-month period ended 30 June 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from financing activities				
Increase (decrease) in short-term loans	(8,700)	10,000	-	-
Increase (decrease) in short-term loans from related parties	-	-	(1,873,464)	1,112,637
Cash received from bank overdraft and short-term loans				
from financial institutions	3,436	5,862,768	-	5,800,000
Repayment of bank overdraft and short-term loans				
from financial institutions	(25,209)	(5,303,021)	-	(5,300,000)
Repayment of long-term loans from				
financial institutions	(829,630)	(755,111)	(814,368)	(727,172)
Repayments of liabilities under				
finance lease agreements	(28,919)	(42,638)	(5,357)	(5,652)
Cash received from issue of debentures	2,999,015	1,997,586	2,999,015	1,997,586
Cash paid for redemption of debentures	(1,000,000)	(2,500,000)	(1,000,000)	(2,500,000)
Proceeds from non-controlling interests of the subsidiaries				
from additional call-up share capital of subsidiaries	-	52,191	-	-
Cash paid for investment in subsidiary companies				
from non - controlling interests	(162,605)	(3,431)	-	-
Dividend paid	(4,027,170)	(3,562,521)	(4,027,170)	(3,562,521)
Dividend paid by a subsidiary company to				
non-controlling interests	(147,225)	(130,227)	-	-
Net cash used in financing activities	(3,227,007)	(4,374,404)	(4,721,344)	(3,185,122)
Net increase (decrease) in cash and cash equivalents	(1,658,210)	(144,827)	(1,532,843)	157,825
Cash and cash equivalents at beginning of period	5,528,543	3,608,367	3,617,144	1,862,515
Cash and cash equivalents at end of period	3,870,333	3,463,540	2,084,301	2,020,340

Supplemental cash flows information:

Non-cash items:

Assets acquired under finance lease agreements	4,983	13,748	3,328	111
Increase (decrease) in accounts payable				
- property, premises and equipment	(498,621)	363,773	(341,743)	269,165
Increase (decrease) in payable to construction - retention	(94,584)	(102,031)	15,445	11,984
Dividend receivable	-	4,550	-	-

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 six-month periods ended 30 June 2016

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 2015) “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 on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015. There have been changes in the structure of the subsidiaries during the period as discussed in Note 6 to the financial statements.

1.4 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become 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, 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's and its subsidiaries' financial statements.

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 2015.

2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade receivables - related parties	5,907	12,072	17,001	23,662
Trade receivables - unrelated parties-net	5,764,365	6,182,436	983,156	1,335,013
Other receivables - related parties	574	218	89,697	92,413
Other receivables - unrelated parties	444,973	289,617	161,521	18,970
Total trade and other receivables - net	6,215,819	6,484,343	1,251,375	1,470,058

3. Trade accounts receivable

As at 30 June 2016 and 31 December 2015, the aging analysis of the outstanding trade accounts receivable is as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<u>Related parties</u>				
Less than 3 months	5,681	11,730	16,303	22,356
3 - 6 months	225	316	625	1,254
6 - 12 months	1	9	68	52
over 12 months	-	17	5	-
Total trade accounts receivable - related parties	5,907	12,072	17,001	23,662
<u>Unrelated parties</u>				
Less than 3 months	4,845,811	5,219,929	732,729	1,090,299
3 - 6 months	541,365	601,096	143,630	164,679
6 - 12 months	373,229	335,000	102,409	104,749
over 12 months	518,588	487,687	274,700	225,426
Total trade accounts receivable - unrelated parties	6,278,993	6,643,712	1,253,468	1,585,153
Less: Allowance for doubtful accounts	(514,628)	(461,276)	(270,312)	(250,140)
Total trade accounts receivable - unrelated parties - net	5,764,365	6,182,436	983,156	1,335,013
Total trade accounts receivable -net	5,770,272	6,194,508	1,000,157	1,358,675

4. 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 periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Associated companies</u>				
Revenues from hospital operations and lab services	2.4	10.4	2.6	3.0
Dividend income (Note 5)	-	-	281.1	246.1
Other income	2.9	13.0	-	-
Costs of goods and services	5.5	0.6	0.1	-
Dividend paid	2.4	2.1	2.4	2.1
<u>Subsidiary companies</u>				
Revenues from hospital operations and lab services	-	-	24.8	18.3
Consulting and management fee income	-	-	179.0	147.8
Interest income	-	-	69.4	74.1
Dividend income (Note 6)	-	-	703.4	1,220.2
Other income	-	-	15.8	17.4
Costs of goods and services	-	-	181.9	223.3
Consulting and management fee expenses	-	-	56.6	58.6
Other expenses	-	-	8.2	27.5
Interest expenses	-	-	21.0	20.7
<u>Individuals or related companies</u>				
Revenues from hospital operations and lab services	0.3	1.8	0.3	0.3
Dividend income (Note 7)	8.1	3.6	8.1	3.6
Other income	2.7	2.5	2.6	2.4
Costs of goods and services	8.0	3.0	2.9	0.1
Consulting and management fee expenses	0.8	0.8	-	-
Other expenses	23.2	5.6	15.3	0.7
Dividend paid	262.2	279.1	262.2	279.1
Purchases of investments	42.8	-	-	-

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<u>Associated companies</u>				
Revenues from hospital operations and lab services	11.7	15.3	5.4	6.0
Dividend income (Note 5)	-	-	281.1	246.1
Other income	2.9	13.0	-	-
Costs of goods and services	8.0	0.8	0.3	-
Other expenses	0.1	1.4	-	-
Dividend paid	2.4	2.1	2.4	2.1
<u>Subsidiary companies</u>				
Revenues from hospital operations and lab services	-	-	52.4	40.6
Consulting and management fee income	-	-	372.1	303.6
Interest income	-	-	141.1	146.8
Dividend income (Note 6)	-	-	3,278.6	2,448.8
Other income	-	-	41.6	29.4
Costs of goods and services	-	-	366.8	408.4
Consulting and management fee expenses	-	-	115.0	118.3
Other expenses	-	-	13.1	49.2
Interest expenses	-	-	49.2	43.8
<u>Individuals or related companies</u>				
Revenues from hospital operations and lab services	1.5	2.1	0.8	0.6
Dividend income (Note 7)	8.1	3.6	8.1	3.6
Other income	4.7	4.1	4.4	4.0
Costs of goods and services	16.8	5.1	4.9	0.4
Consulting and management fee expenses	1.6	1.6	-	-
Other expenses	31.4	11.9	17.9	5.3
Dividend paid	262.2	279.1	262.2	279.1
Purchases of investments	42.8	-	-	-

The outstanding balances of the above transactions as at 30 June 2016 and 31 December 2015 have been separately shown in the statement of financial position as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<u>Trade receivables - related parties (Note 2)</u>				
Associated companies	5,595	10,723	2,519	2,225
Subsidiary companies	-	-	14,268	20,824
Related companies	312	1,349	214	613
Total trade receivables - related parties	5,907	12,072	17,001	23,662
<u>Other receivables - related parties (Note2)</u>				
Consulting and management fee receivable				
Subsidiary companies	-	-	65,743	57,097
Total	-	-	65,743	57,097
<u>Others</u>				
Associated companies	11	36	-	36
Subsidiary companies	-	-	23,417	35,116
Related companies	563	182	537	164
Total	574	218	23,954	35,316
Total other receivables - related parties	574	218	89,697	92,413
<u>Leasehold rights - a related party</u>				
(included in other non-current assets)				
A related party	43,662	46,708	-	-
Total leasehold rights - a related party	43,662	46,708	-	-
<u>Deposits and long-term prepaid expense - a related party</u>				
(included in other non-current assets)				
Subsidiary company	-	-	1,613	2,298
Total deposits and long-term prepaid expense - related party	-	-	1,613	2,298

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<u>Trade payables - related parties (Note 10)</u>				
Associated companies	5,555	3,070	159	429
Subsidiary companies	-	-	105,692	129,496
Related companies	3,233	2,550	899	336
Total trade payables - related parties	8,788	5,620	106,750	130,261
<u>Other payables - related parties (Note 10)</u>				
Associated company	-	8	-	-
Subsidiary companies	-	-	67,760	82,528
Related companies	15,376	4,435	11,987	1,708
Total other payables - related parties	15,376	4,443	79,747	84,236
<u>Deposits - related parties</u>				
(included in other non-current liabilities)				
Subsidiary company	-	-	2,875	2,866
Related companies	765	765	765	765
Total deposits - related parties	765	765	3,640	3,631

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

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2015	Increase	Decrease	30 June 2016
<u>Short-term loans to related parties</u>				
Subsidiary companies	1,326,939	554,104	(238,838)	1,642,205
Total short-term loans to related parties	1,326,939	554,104	(238,838)	1,642,205
<u>Long-term loans to related parties</u>				
Subsidiary companies	5,786,371	220,000	(703,801)	5,302,570
Total long-term loans to related parties	5,786,371	220,000	(703,801)	5,302,570
<u>Short-term loans from related parties</u>				
Subsidiary companies	8,303,334	69,518	(1,942,982)	6,429,870
Total short-term loans from related parties	8,303,334	69,518	(1,942,982)	6,429,870

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 three subsidiary companies. The subsidiary company is to receive monthly management income at a certain percentage of net revenue 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 subsidiary company has entered into the service and information technology management agreements with another subsidiary company. The subsidiary company has to pay a monthly fee 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 2019.

The Subsidiaries

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

Air ambulance service agreementSubsidiary 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 0.9 million (31 December 2015: USD 1.1 million) and overdraft facility amounting to USD 1.0 million (31 December 2015: USD 1.0 million) for an overseas subsidiary 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 June			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	91.0	78.0	91.0	78.0
Post-employment benefits	0.2	0.6	0.2	0.6
Total	91.2	78.6	91.2	78.6

	(Unit: Million Baht)			
	For the six-month period ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	117.8	100.5	117.8	100.5
Post-employment benefits	0.5	1.1	0.5	1.1
Total	118.3	101.6	118.3	101.6

(Unaudited but reviewed)

5. Investments in associated companies

Company's name	Natures of business	Paid-up Capital	% Shareholding		Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements			
					Equity Method		Cost Method			
					30 June	31 December	30 June	31 December	30 June	31 December
					2016	2015	2016	2015	2016	2015
<u>Associated companies held by the 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	4,311,089	3,930,146	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	192,431	202,268	69,952	69,952		
Bumrungrad Hospital Public Co., Ltd.	Hospital	Baht 730 million	23.95	23.95	10,789,931	10,608,288	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							15,294,520	14,741,771		
<u>Associated companies held by the subsidiary companies</u>										
Al Ghaith Bangkok Dusit Management Services LLC.	Management services	UAE DIRHAM 0.15 million	30.00	30.00	-	-				
G. Wasupol Co., Ltd.	Liquidation	Baht 54 million	-	25.83	-	17,175				
General Hospital Products Public Co., Ltd. (indirectly held by subsidiaries at 45.49%)	Manufacturer and distributor of medical supplies	Baht 120 million	45.49	44.67	380,601	334,089				
Total investments in associated companies held by subsidiary companies					380,601	351,264				
Total investments in associated companies in the consolidated financial statements					15,675,121	15,093,035				

General Hospital Products Public Co., Ltd.

In the first quarter of 2016, Royal Bangkok Healthcare Co., Ltd., a subsidiary company in which the Company has a 100% shareholding, purchased additional shares in General Hospital Products Public Co., Ltd. totaling of Baht 7.8 million. The total investments in General Hospital Products Public Company Limited, including of the shareholding by another subsidiary, totally representing 45.49% of the paid up capital of such company which is indirectly held by the Group.

G. Wasupol Co., Ltd.

On 15 June 2016, the Extraordinary General Meeting of shareholders of G. Wasupol Co., Ltd. passed the resolution to approve its liquidation and repayment of the share capital and share premium to shareholders. Bangkok Hospital Sanamchan Co., Ltd., a subsidiary company in which the Company has a 100% shareholding, and Tepakorn Hospital Co., Ltd., in which Bangkok Hospital Sanamchan Co., Ltd., has a 45% shareholding, already received cash refund of the share capital and share premium in June 2016 totaling of Baht 17.69 million.

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

Company's name	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	Share of income (loss) from investments in associated companies during the six-month period ended		Dividend received during the six-month period ended	
	30 June	30 June	30 June	30 June
	2016	2015	2016	2015

Associated companies held by the Company and a subsidiary company

Cool & Joy Co., Ltd.	-	-	-	-
Ramkhamhaeng Hospital Public Co., Ltd.	197,333	183,904	27,531	27,531
Udon Patana (1994) Co., Ltd.	(9,837)	-	-	-
Bumrungrad Hospital Public Co., Ltd.	439,668	436,720	253,532	218,563

Associated companies held by the subsidiary companies

Sodexo Support Services (Thailand) Co., Ltd.	-	4,365	-	-
Al Ghaith Bangkok Dusit Management Services LLC.	-	-	-	-
G. Wasupol Co., Ltd.	-	9,461	-	-
General Hospital Products Public Co., Ltd.	40,051	4,820	-	-
Total	667,215	639,270	281,063	246,094

(Unaudited but reviewed)

Share of income from investment in two associated companies which are listed company on the Stock Exchange of Thailand for the six-month period ended 30 June 2016 of Baht 637.0 million (30 June 2015: two associated companies of Baht 620.6 million) representing 95 percent (30 June 2015: 97 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.

(Unaudited but reviewed)

6. 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 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	30 June 2015
Samitivej Public Co., Ltd.	Hospital	Baht 1,000 million	95.76	95.76	1,639,071	1,639,071	478,818	766,109
Bangkok Hospital Hatyai Co., Ltd.	Hospital	Baht 500 million	98.81	98.81	574,612	574,612	123,512	123,500
Bangkok Phuket Hospital Co., Ltd.	Hospital	Baht 500 million	99.69	99.69	610,246	610,246	149,537	249,215
BNH Medical Center Co., Ltd.	Hospital	Baht 586 million	91.48	91.48	602,657	602,657	268,095	80,428
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	708,993	626,401	190,640
Bangkok Rayong Hospital Co., Ltd.	Hospital	Baht 400 million	100.00	100.00	415,020	415,020	60,000	120,000
Bangkok Samui Hospital Co., Ltd.	Hospital	Baht 150 million	100.00	100.00	150,000	150,000	75,000	75,000
Bangkok Trat Hospital Co., Ltd.	Hospital	Baht 250 million	99.76	99.76	245,889	245,889	29,927	17,457
Wattanavej Co., Ltd.	Hospital	Baht 180 million	99.69	99.69	450,643	450,643	143,560	125,615
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	Baht 300 million	91.39	91.36	934,698	934,348	41,125	54,814
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiaries at 24.66%.	Central Lab	Baht 75 million	74.02	74.02	56,768	56,768	66,622	66,622
Bio Molecular Laboratories (Thailand) Co., Ltd.	Central Lab	Baht 10 million	95.00	95.00	9,502	9,502	28,500	23,750
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	-	-
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	-	-

(Unaudited but reviewed)

(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 June	31 December	30 June	31 December	30 June	30 June
			2016	2015	2016	2015	2016	2015
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	1,086,000	-	-
Greenline Synergy Co., Ltd.	Information and Technology service	Baht 200 million	100.00	100.00	200,000	200,000	-	-
Bangkok Hospital Kao Yai Co., Ltd.	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	98.56	98.56	9,260,445	9,260,264	873,787	349,435
Paolo Medic Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	3,222,872	3,222,872	-	-
Paolo Samutprakarn Co., Ltd.	Hospital	Baht 42 million	93.64	93.64	1,737,638	1,737,638	137,658	137,611
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	100,024	-
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 800 million	100.00	100.00	799,930	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 42.86 million	87.05	87.05	551,318	551,318	7,462	-
Thonburi Medical Center Public Co., Ltd. (held by the Company at 34.43% and indirectly held by subsidiary at 29.02%)	Hospital	Baht 193.8 million	34.43	29.01	442,252	327,802	-	-
Bangkok Hospital Surat Co., Ltd.	Not yet operate	Baht 300 million	100.00	100.00	300,000	165,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments -		Dividend received	
					cost method		during the period	
			30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	30 June 2015
BDMS Inter Pte. Ltd.	Investment	USD 100,000	100.00	100.00	3,381	3,381	-	-
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	-	-
Bangkok Save Drug Co., Ltd.	Investment	Baht 450 million	100.00	100.00	450,000	450,000	-	-
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. (held by the Company at 49% and indirectly held by subsidiary at 51%)	Air transportation services	Baht 100 million	49.00	49.00	50,859	50,859	-	-
Bangkok Hospital Chiangrai Co., Ltd.	Not yet operate	Baht 100 million	100.00	100.00	100,000	100,000	-	-
Bangkok Hospital Muangraj Co., Ltd.	Hospital	Baht 1,300 million	100.00	100.00	1,300,000	1,300,000	-	-
BDMS Property Management Co., Ltd.	Non-Hospital Assets Managements	Baht 10 million	100.00	-	10,000	-	-	-
Total investments in subsidiary companies					39,784,526	39,224,545	3,278,599	2,448,767
Less: Allowance for impairment of investments					(154,062)	(154,062)		
Total investments in subsidiary companies - net					<u>39,630,464</u>	<u>39,070,483</u>		

Bangkok Ratchasima Hospital Co., Ltd.

In the first quarter of 2016, the Company purchased additional investment totaling Baht 0.3 million in Bangkok Ratchasima Hospital Co., Ltd. As a result, the Company's shareholding in that company increased to 91.39 percent.

Thonburi Medical Center Public Co., Ltd.

In the first quarter of 2016, the Company purchased additional investment totaling Baht 114.5 million in Thonburi Medical Center Public Co., Ltd. As a result, the Company and its subsidiary company's total shareholding in that company increased to 63.45 percent.

Bangkok Hospital Surat Co., Ltd.

In March 2016, the Company paid for the call-up additional share capital of Baht 135 million of Bangkok Hospital Surat Co., Ltd. As a result, the subsidiary had an issued and paid up share capital of Baht 300 million (30 million ordinary shares at Baht 10 each).

BDMS Property Management Co., Ltd.

Referring to Board of Directors of the Company's Meeting No. 2/2016 held on 29 February 2016, has resolution to establish a new subsidiary company, namely BDMS Property Management Co., Ltd. The objective is to manage the asset of the Group which is not directly relevant to hospital operation. The new company has registered capital of Baht 10 million and is wholly owned by the Company. The subsidiary has registered its establishment in April 2016.

Prasit Patana Public Co., Ltd.

In the second quarter of 2016, the Company purchased additional investment totaling Baht 0.2 million in Prasit Patana Public Co., Ltd. As a result, the Company's shareholding in that company is 98.56 percent.

Bangkok Udon Hospital Co., Ltd.

On 1 April 2016, the 2016 Annual General Meeting of shareholders of Bangkok Udon Hospital Co., Ltd. passed the resolution to approve the increase of its registered capital from Baht 500 million to Baht 800 million through the increase in capital of 30 million additional ordinary shares with a par value of Baht 10 each. The Company already paid for the additional shares totaling Baht 300 million in May 2016.

Bangkok Helicopter Services Co., Ltd.

In May 2016, Royal Bangkok Healthcare Co., Ltd., a subsidiary company, purchased shares of Bangkok Helicopter Services Co., Ltd. from South East Air Co., Ltd. which is a related party and from a related person of 5.1 million shares at Baht 8.4 per share at the amount of Baht 42.8 million. As a result, the Company and its subsidiaries hold 10 million shares or 100% shareholding of Bangkok Helicopter Services Co., Ltd.

(Unaudited but reviewed)

7. 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 period	
				30 June 2016	31 December 2015	30 June 2016	30 June 2015
<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	41,617	-	1,770	1,770	5	5
Aikchol Hospital Public Co., Ltd.	Hospital	150	0.20	350	350	165	195
Bangkok Chain Hospital Public Co., Ltd.	Hospital	2,494	1.05	187,540	269,829	2,625	2,625
				189,660	271,949	2,795	2,825
Surplus on changes in value of available-for-sale investments				145,331	78,121	-	-
Investments in listed securities				334,991	350,070	2,795	2,825
<u>Investments in related companies</u>							
Bangkok Airways Public Co., Ltd.	Airline	2,100	0.85	39,466	39,466	8,057	3,581
				39,466	39,466	8,057	3,581
Surplus on changes in value of available-for-sale investments				374,153	372,363	-	-
Investments in related companies				413,619	411,829	8,057	3,581

(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 period	
				30 June	31 December	30 June	30 June
				2016	2015	2016	2015
<u>Investments in unrelated companies</u>							
Thai Longstay Management Co., Ltd.	Travel business	100	0.53	531	531	-	-
Superior Biotech Holding Co., Ltd.	Investment	113	3.55	5,000	5,000	160	200
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	4,520	4,520	613	613
Investments in unrelated companies				10,051	10,051	773	813
Total other long-term investments in the separate financial statements				758,661	771,950	11,625	7,219

(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 period	
				30 June 2016	31 December 2015	30 June 2016	30 June 2015
<u>Investment held by the subsidiary companies</u>							
<u>Available-for-sale investments</u>							
Investments in investment unit				10,000	10,000	-	-
Surplus on changes in value of available-for-sale investments				1,291	1,225	-	-
Investments in investment unit				11,291	11,225	-	-
<u>Investment in listed securities</u>							
Mahachai Hospital Public Company Limited	Hospital	160	4.28	143,724	143,724	2,875	2,053
Kiatnakin Bank Public Company Limited	Bank	8,468	0.02	6,450	6,450	400	-
				150,174	150,174	3,275	2,053
Surplus (loss) on changes in value of available-for-sale investments				57,687	(29,997)	-	-
Investments in listed securities				207,861	120,177	3,275	2,053

(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 period	
				30 June	31 December	30 June	30 June
				2016	2015	2016	2015
<u>Investments in unrelated companies</u>							
Thai Herbal Products Co., Ltd.	Sales of herbal products	80	0.60	290	290	-	48
Prasitthirat Co., Ltd.	Educational institution known as “Rangsit university”	150	33.33	107,192	107,192	2,000	2,000
Asia Laboratories Center Limited	Central lab	5	8.00	400	400	-	-
Kendall Gammatron Limited	Trading of medical supplies	120	5.10	8,000	8,000	-	-
Black Brain Health, LLC.	Manufacturer and distributor of complementary medicine	USD 1.38 million	8.31	17,975	17,975	-	-
Investments in unrelated companies				133,857	133,857	2,000	2,048
<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 investment				(24,493)	(24,493)	-	-
Investments in ordinary shares (ceased operations) - net				47,948	47,948	-	-
Total other long-term investments - net in the consolidated financial statements				1,159,618	1,085,157	16,900	11,320

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 and other shareholders are major shareholders 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.

Bangkok Chain Hospital Public Co., Ltd.

In the second quarter of 2016, the Company sold investment totaling 11.4 million shares in Bangkok Chain Hospital Public Co., Ltd. at the amount of Baht 144.0 million. The Company had recognised gain from selling these investments amounting to Baht 61.7 million in its' income statements for the three-month and six-month periods ended 30 June 2016. In July 2016, the Company sold the remaining investment totaling 26.1 million shares in such company at the amount of Baht 331.3 million. The Company will recognise gain from selling these investments amounting to Baht 143.8 million in the third quarter of 2016.

8. Property, premises and equipment

Movement of the property, premises and equipment during the six-month period ended 30 June 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2015	52,949,906	8,070,215
Acquisitions during the period - at cost	3,165,396	856,429
Disposals and write-off during the period - net book value as of disposal and write-off date	(28,143)	(5,904)
Transfer in/(Transfer out) during the period	(6,213)	248
Depreciation expenses for the period	(2,197,567)	(403,068)
Reverse of loss on impairment	5,154	2,700
Translation adjustment	(47,270)	-
Net book value as at 30 June 2016	<u>53,841,263</u>	<u>8,520,620</u>

(Unaudited but reviewed)

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

Movements in bank overdrafts and short-term loans from financial institutions during six-month period ended 30 June 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2015	75,860	-
Addition	3,436	-
Less: Repayment	(25,209)	-
Translation adjustment	(651)	-
Balance as at 30 June 2016	53,436	-

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

10. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade payables - related parties	8,788	5,620	106,750	130,261
Trade payables - unrelated parties	2,734,699	2,971,644	362,620	383,176
Other payables - related parties	15,376	4,443	79,747	84,236
Other payables - unrelated parties	911,244	1,435,544	278,503	615,939
Accounts payable - construction and retention	422,915	517,500	90,716	75,271
Total trade and other payables	4,093,022	4,934,751	918,336	1,288,883

(Unaudited but reviewed)

11. Long-term loans from financial institutions

Movements of long-term loans from financial institutions during the six-month period ended 30 June 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2015	9,446,213	9,369,738
Less: Repayment during period	(829,630)	(814,368)
Unrealised gain on exchange rate	(18,204)	(18,204)
Translation adjustment	(855)	-
Balance as at 30 June 2016	8,597,524	8,537,166
Less: Current portion of long-term loans from financial institutions	(1,757,510)	(1,714,462)
Long-term loans from financial institutions - net of current portion	<u>6,840,014</u>	<u>6,822,704</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 June 2016 was Baht 573.0 million (31 December 2015: Baht 744.9 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 June 2016, this loan has outstanding balance of Baht 1,319.0 million (31 December 2015: Baht 1,519.0 million).

(Unaudited but reviewed)

- 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 June 2016, this loan has outstanding balance of Baht 362.3 million (31 December 2015: Baht 401.0 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 principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. As at 30 June 2016, this loan has outstanding balance of Baht 943.6 million (31 December 2015: Baht 1,078.4 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 June 2016, this loan has outstanding balance of Baht 2,500.0 million (31 December 2015: Baht 2,500.0 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 June 2016, this loan has outstanding balance of USD 20.0 million or equivalent to Baht 706.9 million (31 December 2015: USD 20.0 million or equivalent to Baht 725.1 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 June 2016, this loan has outstanding balance of Baht 708.3 million (31 December 2015: Baht 833.3 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 drawdown the loan totaling 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 June 2016, this loan has outstanding balance of Baht 1,424.0 million (31 December 2015: Baht 1,568.0 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 June 2016, this loan has outstanding balance of USD 0.7 million or equivalent to Baht 25.1 million. (31 December 2015: USD 1.1 million or equivalent to Baht 38.0 million).
- b) 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 has cancelled to transfer the claim in service expense on claims transfer agreement to the financial institution. As at 30 June 2016, the subsidiary company has outstanding balance of Baht 35.3 million (31 December 2015: Baht 37.5 million).
- c) 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. The loan was fully repaid in August 2015.
- d) In 2015, Thonburi Medical Centre Public Company Limited, a subsidiary company entered into an 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. The loan was fully repaid in May 2016. (31 December 2015: 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.

(Unaudited but reviewed)

12. Liabilities under finance lease agreements

As at 30 June 2016 and 31 December 2015, liabilities under finance lease agreements are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Liabilities under finance lease agreements	84,662	108,364	15,286	17,284
Less: Deferred interest expenses	(2,670)	(4,213)	(301)	(526)
Total	81,992	104,151	14,985	16,758
Less: Current portion of liabilities under finance lease agreements	(53,240)	(57,206)	(12,126)	(10,230)
Liabilities under finance lease agreements - net of current portion	28,752	46,945	2,859	6,528

As at 30 June 2016 and 31 December 2015, 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 June 2016 Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	55,108	29,554	84,662
Deferred interest expenses	(1,868)	(802)	(2,670)
Present value of future minimum finance lease payments	53,240	28,752	81,992

	(Unit: Thousand Baht) As at 31 December 2015 Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	60,138	48,226	108,364
Deferred interest expenses	(2,932)	(1,281)	(4,213)
Present value of future minimum finance lease payments	57,206	46,945	104,151

(Unaudited but reviewed)

(Unit: Thousand Baht)

As at 30 June 2016

	Separate financial statements		
	Less than 1		
	year	1-5 years	Total
Future minimum finance lease payments	12,379	2,907	15,286
Deferred interest expenses	(253)	(48)	(301)
Present value of future minimum finance lease payments	12,126	2,859	14,985

(Unit: Thousand Baht)

As at 31 December 2015

	Separate financial statements		
	Less than 1		
	year	1-5 years	Total
Future minimum finance lease payments	10,628	6,656	17,284
Deferred interest expenses	(398)	(128)	(526)
Present value of future minimum finance lease payments	10,230	6,528	16,758

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.

13. Debentures

Movements of debentures net from debenture expenses and amortisation of expenses during the six-month period ended 30 June 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements
Balance as at 1 January 2016	10,590,977
Debentures issued during the year	2,999,015
Redemption of debentures during the year	(1,000,000)
Amortisation of debenture expenses	792
Balance as at 30 June 2016	12,590,784
Less: Current portion of debentures	-
Debentures - net of current portion	12,590,784

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. In 2014, the Company repurchased and redeemed the 5-year debentures totally Baht 2,000 million. In June 2016, the Company redeemed the 7-year debentures totally Baht 1,000 million.

On 3 March 2011, the Company had issued unsecured, name registered and unsubordinated debentures without a debenture holders' 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 redeemed such debentures in 2015.

In August 2012, the Company had issued unsecured, name registered and unsubordinated debentures without a debenture holders' 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 debenture holders' 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. The interest rate swap contract was terminated on 30 June 2016 as described in Note 22.1.

On 10 May 2013, the Company had issued unsecured, name registered and unsubordinated debentures without a debenture holders' 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 debenture holders' 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 22.1.

(Unaudited but reviewed)

On 24 June 2016, the Company had issued unsecured, name registered and unsubordinated debentures without a debenture holders' 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. This debenture is 10-year debentures at the coupon rate of 2.99% per annum with interest payable every six-month.

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

14. 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

(Unaudited but reviewed)

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.

15. Dividend paid

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 six-month period ended 30 June 2015		3,563	0.23

The Company paid such dividend in May 2015.

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2015	Annual General Meeting of the shareholders on 21 April 2016	4,027	0.26
Total dividend during the six-month period ended 30 June 2016		4,027	0.26

The Company paid such dividend in May 2016.

(Unaudited but reviewed)

16. 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 six-month periods ended 30 June 2016 and 2015 were made up as follows:

(Unit: Thousand Baht)				
For the three-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax charge	415,330	389,053	83,361	69,338
Deferred tax:				
Relating to origination and reversal of temporary differences	(22,017)	(13,770)	(6,778)	(2,489)
Income tax expense reported in the statements of income	<u>393,313</u>	<u>375,283</u>	<u>76,583</u>	<u>66,849</u>

(Unit: Thousand Baht)				
For the six-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax charge	984,801	933,546	192,867	174,203
Deferred tax:				
Relating to origination and reversal of temporary differences	(28,348)	(36,582)	(16,286)	(6,551)
Income tax expense reported in the statements of income	<u>956,453</u>	<u>896,964</u>	<u>176,581</u>	<u>167,652</u>

Corporate income tax rate

Corporate income tax for the six-month periods ended 30 June 2016 and 2015 was calculated at the rate of 20 percent on taxable net profit.

17. 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 six-month period ended 30 June 2016 after the issue of convertible debentures (as mentioned in Note 14) since the calculated earnings per share assuming the conversion of all convertible debentures to ordinary shares is antidilutive.

18. 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.

(Unaudited but reviewed)

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.

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.

19. Commitments and contingent liabilities

As at 30 June 2016 and 31 December 2015, commitments and contingent liabilities are as follows:

(Unit: Million Baht)						
As at 30 June 2016						
	Consolidated financial statements			Separate financial 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 17)	222	352	771	16	45	106
- the office equipment rental and other services	313	75	-	88	7	-
- the medical equipment provision and maintenance contracts	505	168	-	60	-	-
- the building construction and decoration contracts	638	-	-	219	-	-
Total	<u>1,678</u>	<u>595</u>	<u>771</u>	<u>383</u>	<u>52</u>	<u>106</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	As at 31 December 2015					
	Consolidated financial statements			Separate financial 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 17)	220	322	781	22	44	111
- the office equipment rental and other services	317	69	-	173	8	-
- the medical equipment provision and maintenance contracts	200	187	-	118	-	-
- the building construction and decoration contracts	1,333	-	-	119	-	-
- the sale and purchase contract for land	124	-	-	-	-	-
Total	2,194	578	781	432	52	111

Contingent liabilities

As at 30 June 2016, the Company and its subsidiaries had outstanding bank guarantees of approximately Baht 306 million (31 December 2015: Baht 606 million) and the Company's was Baht 36 million (31 December 2015: Baht 335 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.

A subsidiary company has guaranteed credit facility with a financial institution amounting to Baht 3.9 million for a former associated company. In the first quarter of 2016, a subsidiary already cancelled this guarantee for credit facility.

20. 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.

(Unaudited but reviewed)

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 periods ended 30 June 2016 and 2015, the Company and its subsidiaries has no major customer with revenue of 10 percent or more of its revenues.

21. 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

(Unaudited but reviewed)

As of 30 June 2016, the Company and its subsidiaries had the following assets that were measured at fair value using different level of input as follow.

	(Unit: Thousand Baht)	
	Consolidated	
	financial	Separate
	statements	financial statements
	<u>Level 1</u>	<u>Level 1</u>
Financial assets measured at fair value		
Investment in available-for-sale	967,762	748,610

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

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

22.1 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 13. 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 24 June 2016, the Company agreed with the financial institution to change interest rate whereby they agreed to reduce the interest rate in the third year. The interest rate swap contract was terminated on 30 June 2016.

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 13.

(Unaudited but reviewed)

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

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
			financial statements	
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
Fair value of interest rate swap contract - asset	89.4	35.9	89.4	35.9

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.

22.2 Forward exchange contract

As at 30 June 2016 and 31 December 2015, a subsidiary company has the outstanding balance of selling forward exchange contracts as follows:

Balance as at	Foreign currency	Amount sold	Contractual exchange rate for amount sold
			(Baht per foreign currency unit)
30 June 2016	US Dollar	358,329	35.21 - 35.75
31 December 2015	US Dollar	756,315	35.76 - 36.22

As at 30 June 2016 and 31 December 2015, the Company has the outstanding balance of buying forward exchange contracts as follows:

Balance as at	Foreign currency	Amount bought	Contractual exchange rate for amount bought
			(Baht per foreign currency unit)
30 June 2016	US Dollar	856,250	35.18 - 35.85
31 December 2015	US Dollar	237,961	33.96 - 35.81

(Unaudited but reviewed)

Net fair value

Selling forward exchange contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
Fair value of selling forward exchange contract – assets (liabilities)	47.9	(205.5)	-	-

Buying forward exchange contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2016	2015	2016	2015
Fair value of buying forward exchange contract – assets (liabilities)	(366.0)	230.3	(366.0)	230.3

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.

23. Approval of financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 15 August 2016.