

Bangkok Dusit Medical Services Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month period ended 31 March 2015

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Dusit Medical Services Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries as at 31 March 2015, the related consolidated statements of income, comprehensive income and the statements of changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Bangkok Dusit Medical Services Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 13 May 2015

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Assets					
Current assets					
Cash and cash equivalents		2,575,028	3,608,367	913,633	1,862,515
Short-term investments		1,384,675	1,877,618	1,064,909	1,583,292
Trade and other receivables	3, 4	6,556,035	5,822,137	1,376,877	1,051,773
Short-term loans to related parties	5	-	-	1,904,303	1,755,709
Dividend receivable - related parties	5	9,100	9,100	1,228,646	-
Inventories		988,690	1,110,813	89,079	98,629
Other current assets		257,749	270,022	16,282	22,939
Total current assets		11,771,277	12,698,057	6,593,729	6,374,857
Non-current assets					
Restricted financial institution deposits		27,110	29,526	14,000	14,000
Investments in associated companies	6	14,625,564	14,182,876	9,028,589	9,028,589
Investments in subsidiary companies	7	-	-	36,664,023	36,557,177
Other long-term investments	8	1,000,078	1,006,683	680,610	664,246
Long-term loans to related parties	5	-	-	5,143,103	5,341,175
Investment properties		265,549	265,450	519,208	519,109
Property, premises and equipment	9	47,456,307	46,935,259	7,510,647	7,386,790
Land not used in operation		297,308	297,308	296,981	296,981
Goodwill		15,999,934	15,999,934	-	-
Intangible assets		842,491	861,367	313,712	310,490
Other non-current assets					
Leasehold rights	5	695,965	700,376	375,340	379,562
Others	5	445,709	392,821	126,581	46,320
Total non-current assets		81,656,015	80,671,600	60,672,794	60,544,439
Total assets		93,427,292	93,369,657	67,266,523	66,919,296

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	31 March 2015	31 December 2014	31 March 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	10	59,861	21,850	-	-
Trade and other payables	5, 11	3,986,202	4,388,736	931,531	927,758
Current portion of long-term loans from					
financial institutions	12	1,653,761	1,592,368	1,600,183	1,537,681
Current portion of liabilities under					
finance lease agreements	13	67,175	59,338	10,479	10,718
Current portion of debentures	14	-	2,499,843	-	2,499,843
Short-term loans		88,700	88,700	-	-
Short-term loans from related parties	5	-	-	5,924,230	4,703,039
Income tax payable		1,065,420	631,985	170,970	82,258
Accrued expenses		3,377,324	2,796,220	770,448	592,525
Current portion of deferred income - membership		296,208	307,563	103,728	104,650
Other current liabilities	5	388,728	507,179	68,887	139,229
Total current liabilities		10,983,379	12,893,782	9,580,456	10,597,701
Non-current liabilities					
Long-term loans from financial insitutions					
- net of current portion	12	9,016,687	9,371,613	8,965,463	9,306,926
Liabilities under finance lease agreements					
- net of current portion	13	83,794	101,403	13,104	15,404
Debentures - net of current portion	14	8,592,439	8,592,144	8,592,439	8,592,144
Convertible debentures - liability component	15	9,428,150	9,345,725	9,428,150	9,345,725
Provision for long-term employee benefits		1,383,438	1,356,593	253,604	245,985
Long-term portion of deferred income - membership		699,828	666,509	149,079	159,154
Deferred tax liabilities		1,822,896	1,843,794	231,161	231,950
Other non-current liabilities	5	129,871	199,996	35,397	54,733
Total non-current liabilities		31,157,103	31,477,777	27,668,397	27,952,021
Total liabilities		42,140,482	44,371,559	37,248,853	38,549,722

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
	<u>31 March 2015</u>	<u>31 December 2014</u>	<u>31 March 2015</u>	<u>31 December 2014</u>
	(Unaudited	(Audited)	(Unaudited	(Audited)
	but reviewed)	(Restated)	but reviewed)	(Restated)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
16,497,868,714 ordinary shares of Baht 0.1 each	<u>1,649,787</u>	<u>1,649,787</u>	<u>1,649,787</u>	<u>1,649,787</u>
Issued and fully paid-up				
15,490,956,540 ordinary shares of Baht 0.1 each	1,549,096	1,549,096	1,549,096	1,549,096
Share premium				
Premium on ordinary shares	20,481,531	20,481,531	20,418,607	20,418,607
Difference from shareholding restructure	305,000	305,000	-	-
Retained earnings				
Appropriated - statutory reserve	170,000	170,000	170,000	170,000
Unappropriated	25,347,899	23,059,105	6,333,262	4,698,257
Other components of shareholders' equity	<u>1,213,239</u>	<u>1,215,423</u>	<u>1,546,705</u>	<u>1,533,614</u>
Equity attributable to owners of the Company	49,066,765	46,780,155	30,017,670	28,369,574
Non - controlling interests of the subsidiaries	<u>2,220,045</u>	<u>2,217,943</u>	-	-
Total shareholders' equity	<u>51,286,810</u>	<u>48,998,098</u>	<u>30,017,670</u>	<u>28,369,574</u>
Total liabilities and shareholders' equity	<u>93,427,292</u>	<u>93,369,657</u>	<u>67,266,523</u>	<u>66,919,296</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 31 March 2015**

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

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(Restated)			
Revenues					
Revenues from hospital operations	5	14,845,111	13,439,954	3,291,531	2,860,673
Other income	5				
Revenue from sales of goods and foods		703,060	460,687	11,145	11,711
Interest income and gain on sale of short-term investments		18,311	15,246	88,305	82,326
Dividend income	6, 7, 8	-	-	1,228,646	786,946
Others		199,764	122,497	195,380	169,978
Total other income		921,135	598,430	1,523,476	1,050,961
Total revenues		15,766,246	14,038,384	4,815,007	3,911,634
Expenses					
Cost of hospital operations and goods sold	5	9,993,491	8,781,090	1,963,736	1,754,053
Administrative expenses	5	2,933,477	2,638,885	826,733	757,706
Total expenses		12,926,968	11,419,975	2,790,469	2,511,759
Profit before share of income from investments in associated companies, finance expenses and income tax expenses		2,839,278	2,618,409	2,024,538	1,399,875
Share of income from investments in associated companies	6	322,527	246,491	-	-
Profit before finance expenses and income tax expenses		3,161,805	2,864,900	2,024,538	1,399,875
Finance expenses	5	(270,266)	(239,144)	(288,730)	(253,237)
Profit before income tax expenses		2,891,539	2,625,756	1,735,808	1,146,638
Income tax expenses	16	(521,681)	(452,651)	(100,803)	(57,695)
Profit for the period		2,369,858	2,173,105	1,635,005	1,088,943
Profit attributable to:					
Equity holders of the Company		2,288,794	2,075,258	1,635,005	1,088,943
Non-controlling interests of the subsidiaries		81,064	97,847		
		2,369,858	2,173,105		
Basic earnings per share	17				
Profit attributable to equity holders of the Company		0.15	0.13	0.11	0.07
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 31 March 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Profit for the period	<u>2,369,858</u>	<u>2,173,105</u>	<u>1,635,005</u>	<u>1,088,943</u>
Other comprehensive income:				
Gain on change in value				
of available-for-sale investments	7,657	30,285	13,091	30,226
Exchange differences on translation of				
financial statements in foreign currencies	(21,320)	(17,360)	-	-
Share of other comprehensive income from				
associated companies	<u>13,896</u>	<u>68,106</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>233</u>	<u>81,031</u>	<u>13,091</u>	<u>30,226</u>
Total comprehensive income for the period	<u><u>2,370,091</u></u>	<u><u>2,254,136</u></u>	<u><u>1,648,096</u></u>	<u><u>1,119,169</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	2,289,363	2,157,176	<u>1,648,096</u>	<u>1,119,169</u>
Non-controlling interests of the subsidiaries	<u>80,728</u>	<u>96,960</u>		
	<u><u>2,370,091</u></u>	<u><u>2,254,136</u></u>		

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

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2015

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Note	Other components of shareholders' equity														
	Other comprehensive income														
	Retained earnings					Surplus on changes in value of available-for-sale investments	Exchange differences on translation of financial statements in foreign currency	Share of other components of shareholders' equity from associated companies	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										
Balance as at 31 December 2013															
- As previously reported	1,549,096	20,481,531	305,000	170,000	18,686,664	(30,725)	2,039,861	(68,364)	113,932	-	(2,566,425)	(511,721)	40,680,570	1,963,035	42,643,605
Cumulative effect of change in accounting policy 2	-	-	-	-	-	-	-	173	-	-	-	173	173	41,436	41,609
Balance as at 31 December 2013															
- As restated	1,549,096	20,481,531	305,000	170,000	18,686,664	(30,725)	2,039,861	(68,191)	113,932	-	(2,566,425)	(511,548)	40,680,743	2,004,471	42,685,214
Profit for the period - restated	-	-	-	-	2,075,258	-	-	-	-	-	-	-	2,075,258	97,847	2,173,105
Other comprehensive income for the period - restated	-	-	-	-	2,809	30,283	-	(16,471)	65,297	-	-	79,109	81,918	(887)	81,031
Total comprehensive income for the period - restated	-	-	-	-	2,078,067	30,283	-	(16,471)	65,297	-	-	79,109	2,157,176	96,960	2,254,136
Share of Interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	-	(1,918)	-	-	(1,918)	(1,918)	-	(1,918)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	(6,009)	-	(1,990)	(7,999)	(7,999)	(5,763)	(13,762)
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(65,198)	(65,198)
Balance as at 31 March 2014 - As restated	1,549,096	20,481,531	305,000	170,000	20,764,731	(442)	2,039,861	(84,662)	171,302	-	(2,568,415)	(442,356)	42,828,002	2,030,470	44,858,472

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 three-month period ended 31 March 2015

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Note	Other components of shareholders' equity														
	Other comprehensive income														
	Retained earnings					Surplus on changes in value of available-for-sale investments	Revaluation surplus on land	Exchange differences on translation of financial statements in foreign currency	Share of other components of shareholders' 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										
Balance as at 31 December 2014															
- As previously reported	1,549,096	20,481,531	305,000	170,000	23,059,105	259,082	2,639,479	(50,712)	383,050	585,527	(2,601,332)	1,215,094	46,779,826	2,174,433	48,954,259
Cumulative effect of change in accounting policy	-	-	-	-	-	-	-	329	-	-	-	329	329	43,510	43,839
Balance as at 31 December 2014															
- As restated	1,549,096	20,481,531	305,000	170,000	23,059,105	259,082	2,639,479	(50,383)	383,050	585,527	(2,601,332)	1,215,423	46,780,155	2,217,943	48,998,098
Profit for the period	-	-	-	-	2,288,794	-	-	-	-	-	-	-	2,288,794	81,064	2,369,858
Other comprehensive income for the period	-	-	-	-	-	7,653	-	(20,980)	13,896	-	-	569	569	(336)	233
Total comprehensive income for the period	-	-	-	-	2,288,794	7,653	-	(20,980)	13,896	-	-	569	2,289,363	80,728	2,370,091
Share of interest paid for convertible bonds treated as equity securities from an associated company	-	-	-	-	-	-	-	-	(1,918)	-	-	(1,918)	(1,918)	-	(1,918)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	(835)	(835)	(835)	1,665	830
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(80,291)	(80,291)
Balance as at 31 March 2015	1,549,096	20,481,531	305,000	170,000	25,347,899	266,735	2,639,479	(71,363)	395,028	585,527	(2,602,167)	1,213,239	49,066,765	2,220,045	51,286,810

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 three-month period ended 31 March 2015

(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 2013	1,549,096	20,418,607	170,000	4,449,793	(31,270)	751,035	-	27,307,261
Profit for the period	-	-	-	1,088,943	-	-	-	1,088,943
Other comprehensive income for the period	-	-	-	-	30,226	-	30,226	30,226
Total comprehensive income for the period	-	-	-	1,088,943	30,226	-	30,226	1,119,169
Balance as at 31 March 2014	1,549,096	20,418,607	170,000	5,538,736	(1,044)	751,035	749,991	28,426,430
Balance as at 31 December 2014	1,549,096	20,418,607	170,000	4,698,257	274,225	673,862	585,527	28,369,574
Profit for the period	-	-	-	1,635,005	-	-	-	1,635,005
Other comprehensive income for the period	-	-	-	-	13,091	-	13,091	13,091
Total comprehensive income for the period	-	-	-	1,635,005	13,091	-	13,091	1,648,096
Balance as at 31 March 2015	1,549,096	20,418,607	170,000	6,333,262	287,316	673,862	585,527	30,017,670

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 three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from operating activities				
Profit before income tax expenses	2,891,539	2,625,756	1,735,808	1,146,638
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation and amortisation expenses	1,050,302	860,952	197,279	167,629
Write-off of assets	1,716	2,619	-	40
Bad debts and doubtful debts	18,214	35,681	16,820	4,076
Loss on impairment of investment	15,000	-	-	-
Reserve of loss on deteriorated inventories	1,914	161	444	-
Amortisation of deferred income - membership	(120,732)	(103,661)	(35,187)	(36,064)
Share of income from investments in associated companies	(322,527)	(246,491)	-	-
Amortisation of expense for debentures and convertible debentures	7,568	896	7,568	896
Gain on disposal of property, premises and equipment	(5,889)	(1,363)	(1,701)	(396)
Unrealised loss (gain) on foreign exchange	(8,208)	-	372	9,808
Long-term employee benefit expenses	43,539	45,795	7,618	7,467
Annual leave expense	27,394	22,007	3,620	4,829
Interest income	(18,311)	(15,246)	(88,305)	(82,326)
Dividend income	-	-	(1,228,646)	(786,946)
Interest expense	<u>270,266</u>	<u>239,144</u>	<u>288,730</u>	<u>253,237</u>
Profit from operating activities before changes in operating assets and liabilities	3,851,785	3,466,250	904,420	688,888

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

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Trade and other receivables	(750,686)	(677,477)	(342,071)	(78,178)
Inventories	120,210	113,300	9,106	11,136
Other current assets	12,272	9,541	6,658	(11,623)
Other non-current assets	(52,650)	14,373	(79,466)	620
Increase (decrease) in operating liabilities				
Trade and other payables	(223,113)	58,915	47,564	20,811
Accrued expenses	552,902	481,061	174,304	58,502
Deferred income - membership	142,697	141,219	24,189	36,773
Other current liabilities	(198,381)	(10,226)	(70,342)	27,085
Provision for long-term employee benefits	(16,694)	(14,867)	-	(6,275)
Other non-current liabilities	<u>(70,127)</u>	<u>(22,552)</u>	<u>(19,335)</u>	<u>(20,780)</u>
Net cash from operating activities	3,368,215	3,559,537	655,027	726,959
Cash received from interest incomes	16,885	23,740	88,450	87,614
Cash paid for interest expenses	(248,646)	(283,375)	(266,939)	(301,575)
Cash received from tax refund	2,961	-	-	-
Cash paid for income tax expenses	<u>(116,911)</u>	<u>(102,796)</u>	<u>(16,948)</u>	<u>(15,291)</u>
Net cash from operating activities	<u>3,022,504</u>	<u>3,197,106</u>	<u>459,590</u>	<u>497,707</u>

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 three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from investing activities				
Decrease (increase) in short-term investments	492,943	(80,153)	518,383	(1)
Decrease (increase) in restricted financial institution deposits	2,416	(3,776)	-	-
Dividend received	-	5,979	-	-
Cash paid for purchase of investments in subsidiaries and associated company	(107,007)	(44,375)	(106,847)	(127,324)
Cash paid for investment property	(99)	-	(99)	-
Cash received from disposal of property, premises and equipment	10,654	6,489	2,568	2,160
Cash paid for purchase of property, premises and equipment	(1,647,209)	(2,101,918)	(294,781)	(327,198)
Cash paid for leasehold rights	(7,687)	(20,000)	-	-
Decrease (increase) in short-term loans to related parties	-	-	(148,594)	94,186
Increase in long-term loans to related parties	-	-	(65,410)	(238,580)
Cash received from long-term loans to related parties	-	-	254,902	196,878
Cash paid for purchase of intangible assets	<u>(32,043)</u>	<u>(46,433)</u>	<u>(16,182)</u>	<u>(25,976)</u>
Net cash from (used in) investing activities	<u>(1,288,032)</u>	<u>(2,284,187)</u>	<u>143,940</u>	<u>(425,855)</u>

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 three-month period ended 31 March 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Cash flows from financing activities				
Increase in short-term loans from related parties	-	-	1,221,191	1,105,852
Cash received from bank overdraft and short-term loans				
from financial institutions	41,265	-	-	-
Repayment of bank overdraft and short-term loans				
from financial institutions	(3,021)	(4,568)	-	-
Repayment of long-term loans from				
financial institutions	(284,618)	(232,311)	(270,753)	(214,585)
Repayments of liabilities under				
finance lease agreements	(22,267)	(29,727)	(2,850)	(3,938)
Cash paid for redemption of debentures	(2,500,000)	(1,000,000)	(2,500,000)	(1,000,000)
Cash paid for investment in subsidiary companies				
from non - controlling interests	830	(7,753)	-	-
Net cash used in financing activities	<u>(2,767,811)</u>	<u>(1,274,359)</u>	<u>(1,552,412)</u>	<u>(112,671)</u>
Net decrease in cash and cash equivalents	(1,033,339)	(361,440)	(948,882)	(40,819)
Cash and cash equivalents at beginning of period	3,608,367	4,061,345	1,862,515	1,756,131
Cash and cash equivalents at end of period	<u>2,575,028</u>	<u>3,699,905</u>	<u>913,633</u>	<u>1,715,312</u>
	-	-	-	-
Supplemental cash flows information:				
Non-cash items:				
Assets acquired under finance lease agreements	10,584	1,640	70	638
Decrease in accounts payable				
- property, premises and equipment	(57,080)	(201,335)	(37,076)	(4,347)
Increase (decrease) in payable to construction - retention	(66,654)	(98,361)	47,046	(9,873)
Dividend receivable	9,100	-	1,228,646	786,946
Dividend payable	80,291	65,198	-	-

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 period ended 31 March 2015

1. General information

1.1 Corporate information

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

1.2 Basis for the preparation of interim financial statements

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

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

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

1.3 Basis of consolidation

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

1.4 New financial reporting standards

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

TAS 19 (revised 2014) Employee Benefits

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

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

TFRS 10 Consolidated Financial Statements

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

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

TFRS 13 Fair Value Measurement

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

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

1.5 Significant accounting policies

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

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

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

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

(Unit: Million Baht)

As at 31 December 2014

Statements of financial position:

	Consolidated financial statements	Separate financial statements
Increase in current assets	19	-
Increase in non-current assets	123	-
Total increase in assets	142	-
Increase in current liabilities	15	-
Increase in non-current liabilities	83	-
Increase in other components of shareholders' equity	-	-
Increase in non-controlling interests of the subsidiaries	44	-
Total increase in liabilities and shareholders' equity	142	-

(Unit: Million Baht)

For the three-month period
ended 31 March 2014

Statements of comprehensive income

Profit or loss:

Increase in other income	6	-
Increase in cost and expenses	(6)	-
Increase in share of income from investments in associated companies	1	-
Increase in profit	1	-

Comprehensive income attributable to:

Equity holders of the Company	-	-
Increase in profit attributable to non-controlling interests of the subsidiaries	1	-

Earnings per share (Baht):

Increase (decrease) in basic earnings per share	-	-
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3. Trade and other receivables

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	(Restated)			
Trade receivables - related parties	9,019	8,913	17,988	16,935
Trade receivables - unrelated parties - net	6,187,423	5,509,084	1,239,476	919,616
Other receivables - related parties	35,860	28,911	80,764	80,454
Other receivables - unrelated parties	323,733	275,229	38,649	34,768
Total trade and other receivables - net	<u>6,556,035</u>	<u>5,822,137</u>	<u>1,376,877</u>	<u>1,051,773</u>

4. Trade accounts receivable

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

	Consolidated financial statements		(Unit: Thousand Baht)	
			Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
<u>Related parties</u>				
Less than 3 months	7,688	8,381	17,425	16,793
3 - 6 months	1,206	373	430	142
6 - 12 months	33	47	133	-
over 12 months	92	112	-	-
Total trade accounts receivable - related parties	<u>9,019</u>	<u>8,913</u>	<u>17,988</u>	<u>16,935</u>
<u>Unrelated parties</u>				
Less than 3 months	5,145,051	4,616,581	1,130,116	869,391
3 - 6 months	673,090	601,296	126,236	60,593
6 - 12 months	366,390	309,471	44,848	32,177
over 12 months	454,767	413,212	197,215	199,574
Total trade accounts receivable - unrelated parties	<u>6,639,298</u>	<u>5,940,560</u>	<u>1,498,415</u>	<u>1,161,735</u>
Less: Allowance for doubtful accounts	<u>(451,875)</u>	<u>(431,476)</u>	<u>(258,939)</u>	<u>(242,119)</u>
Total trade accounts receivable - unrelated parties - net	<u>6,187,423</u>	<u>5,509,084</u>	<u>1,239,476</u>	<u>919,616</u>
Total trade accounts receivable - net	<u>6,196,442</u>	<u>5,517,997</u>	<u>1,257,464</u>	<u>936,551</u>

5. Related party transactions

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

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

The significant intercompany transactions are as follows:

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
<u>Associated companies</u>				
Revenue from hospital operations and lab services	7.0	3.6	3.0	2.1
Other income	-	7.2	-	-
Service cost	0.4	0.2	-	-
Other expenses	1.5	1.6	-	-
<u>Subsidiary companies</u>				
Revenue from hospital operations and lab services	-	-	22.4	11.3
Consulting and management fee income	-	-	155.8	133.5
Interest income	-	-	72.7	67.6
Dividend income (Note 7)	-	-	1,228.6	786.9
Gain on disposal of asset	-	-	-	0.3
Other income	-	-	12.1	13.1
Service cost	-	-	168.3	198.4
Consulting and management fee expenses	-	-	59.7	62.1
Other expenses	-	-	38.5	21.7
Interest expenses	-	-	23.1	19.3

(Unit: Million Baht)

For the three-month periods ended 31 March

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
<u>Individuals or related companies</u>				
Revenue from hospital operations and lab services	0.8	0.7	0.3	0.2
Interest income	-	5.1	-	5.1
Other income	1.6	5.3	1.6	1.1
Service cost	4.1	1.9	0.2	-
Other expenses	8.1	2.6	4.7	0.5

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
<u>Trade receivables - related parties</u>				
Associated companies	8,090	7,087	2,058	3,104
Subsidiary companies	-	-	15,660	12,597
Related companies	929	1,826	270	1,234
Total trade receivables - related parties	9,019	8,913	17,988	16,935
<u>Dividend receivable - related parties</u>				
An associated company	9,100	9,100	-	-
Subsidiary companies	-	-	1,228,646	-
Total dividend receivable - related parties	9,100	9,100	1,228,646	-
<u>Other receivables - related parties</u>				
Consulting and management fee receivable				
Subsidiary companies	-	-	57,163	46,751
Total	-	-	57,163	46,751

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2015	2014	2015	2014
<u>Others</u>					
Associated companies		26,381	20,181	-	-
Subsidiary companies		-	-	22,900	32,921
Related companies		9,479	8,730	701	782
Total		35,860	28,911	23,601	33,703
Total other receivables - related parties		35,860	28,911	80,764	80,454
<u>Leasehold right – a related party (restated)</u>					
(included in other non-current assets)					
A related party		51,277	52,800	-	-
Total leasehold right – a related party		51,277	52,800	-	-
<u>Long-term prepaid expense - a related party</u>					
(included in other non-current assets)					
Subsidiary company		-	-	3,158	3,528
Total long-term prepaid expense - a related party		-	-	3,158	3,528
<u>Trade payables - related parties</u>					
Associated companies		24,718	13,933	-	21,023
Subsidiary companies		-	-	116,478	117,262
Related companies		2,287	1,804	328	104
Total trade payables - related parties		27,005	15,737	116,806	138,389
<u>Other payables - related parties</u>					
Associated companies		44	1,980	9	-
Subsidiary companies		-	-	78,970	49,902
Related companies		3,194	3,779	-	1,746
Total other payables - related parties		3,238	5,759	78,979	51,648
<u>Deposits - related parties</u>					
(included in other non-current liabilities)					
Subsidiary companies		-	-	1,248	1,210
Related companies		735	735	735	735
Total deposits - related parties		735	735	1,983	1,945

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

(Unit: Thousand Baht)

	Separate financial statements			
	31 December			31 March
	2014	Increase	Decrease	2015
<u>Short-term loans to related parties</u>				
Subsidiary companies	1,755,709	348,764	(200,170)	1,904,303
Total short-term loans to related parties	<u>1,755,709</u>	<u>348,764</u>	<u>(200,170)</u>	<u>1,904,303</u>
<u>Long-term loans to related parties</u>				
Subsidiary companies	5,341,175	65,410	(263,482)	5,143,103
Total long-term loans to related parties	<u>5,341,175</u>	<u>65,410</u>	<u>(263,482)</u>	<u>5,143,103</u>
<u>Short-term loans from related parties</u>				
Subsidiary companies	4,703,039	1,543,297	(322,106)	5,924,230
Total short-term loans from related parties	<u>4,703,039</u>	<u>1,543,297</u>	<u>(322,106)</u>	<u>5,924,230</u>

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

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

Service and management agreement

The Company

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

The Subsidiaries

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

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

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

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

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

Long term rental agreement

The Company

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

The Subsidiaries

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

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

Air ambulance service agreement

Subsidiary company

On 1 September 2007, a subsidiary company entered into an air ambulance service agreement with the Company. The agreement is for a period of 3 years from the date the service commenced and is renewable. The agreement stipulates the monthly minimum service fee that the subsidiary company is to earn from the Company. The Company has extended the agreement for 25 months ended on 30 September 2015.

Guarantee obligations with related parties

The Company has guaranteed long-term loan with a financial institution amount of USD 1.6 million (31 December 2014: USD 1.7 million) and overdraft facility amounting to USD 1.0 million (31 December 2014: USD 1.0 million) for an overseas subsidiary company.

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

Directors and management's benefits

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

	(Unit: Million Baht)			
	For the three-month period ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	22.5	21.4	22.5	21.4
Post-employment benefits	0.6	0.6	0.6	0.6
Total	23.1	22.0	23.1	22.0

6. Investments in associated companies

(Unit: Thousand Baht)								
Company's name	Natures of business	Paid-up Capital	% Shareholding		Consolidated financial		Separate financial	
					statements		statements	
					Equity Method		Cost Method	
			31 March 2015	31 December 2014 (Restated)	31 March 2015	31 December 2014 (Restated)	31 March 2015	31 December 2014 (Restated)
<u>Associated companies held by the Company</u>								
Cool & Joy Co., Ltd.	Production of television and radio program	Baht 5 million	30.00	30.00	1,069	1,069	1,500	1,500
Ramkhamhaeng Hospital Public Co., Ltd.	Hospital	Baht 120 million	38.24	38.24	3,752,914	3,653,933	1,459,801	1,459,801
Udon Pattana (1994) Co., Ltd. (held by the Company at 15.26% and indirectly held by subsidiary at 9.85%)	Hospital	Baht 300 million	25.11	25.11	198,180	198,180	69,952	69,952
Bumrungrad Hospital Public Co., Ltd.	Hospital	Baht 730 million	23.95	23.95	10,392,997	10,164,710	7,497,336	7,497,336
Total investments in associated companies held by the Company							9,028,589	9,028,589
Total investments in associated companies held by the Company and subsidiaries					14,345,160	14,017,892		
<u>Associated companies held by the subsidiary companies</u>								
Sodexo Support Services (Thailand) Co., Ltd.	Management services	Baht 5 million	26.00	26.00	9,313	7,134		
Al Ghaith Bangkok Dusit Management Services LLC.	Management services	UAE DIRHAM 0.15 million	30.00	30.00	393	393		
G. Wasupol Co., Ltd.	Hospital	Baht 54 million	25.83	25.83	161,991	157,850		
General Hospital Products Public Co., Ltd. (indirectly held by subsidiaries at 22.67%)	Manufacturer and distributor of medical supplies	Baht 60 million	22.67	-	109,100	-		
Total investments in associated companies held by subsidiary companies					280,797	165,377		
Less: Allowance for impairment of investment					(393)	(393)		
Total investments in associated companies held by subsidiary companies – net					280,404	164,984		
Total investments in associated companies in the consolidated financial statements					14,625,564	14,182,876		

Additional investments in an associated company

In the first quarter of 2015, Royal Bangkok Healthcare Co., Ltd., a subsidiary company in which the Company has a 100% shareholding, invested in General Hospital Products Public Company Limited, purchasing 1,337,586 shares from minority shareholders, representing 22.29% of the paid up capital. The value of the investment is Baht 107 million. The total investments in General Hospital Products Public Company Limited, including of previously held shareholding of 0.44% by another subsidiary, totally representing 22.67% of the paid up capital of such company which is indirectly held by the Group. Therefore, General Hospital Products Public Company Limited changed its status to become an associated company.

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of income from investments in associated companies		Dividend received during the three-month period ended	
Company's name	31 March 2015	31 March 2014	31 March 2015	31 March 2014
		(Restated)		
<u>Associated companies held by the Company</u>				
Cool & Joy Co., Ltd.	-	-	-	-
Ramkhamhaeng Hospital Public Co., Ltd.	81,846	91,618		
Udon Patana (1994) Co., Ltd.	-	-	-	-
Bumrungrad Hospital Public Co., Ltd.	233,446	152,987	-	-
<u>Associated companies held by the subsidiary companies</u>				
Sodexo Support Services (Thailand) Co., Ltd.	2,179	1,886	-	-
Al Ghaith Bangkok Dusit Management Services LLC.	-	-	-	-
G. Wasupol Co., Ltd.	4,141	-	-	-
General Hospital Products Public Co., Ltd.	915	-	-	-
Total	322,527	246,491	-	-

Share of income from investment in two associated companies which are listed company on the Stock Exchange of Thailand for the three-month period ended 31 March 2015 of Baht 315.3 million (31 March 2014: Baht 244.6 million) representing 98 percent (31 March 2014: 99 percent) of total share of income from all associated companies were calculated based on interim financial statements which were reviewed by the auditors of associated companies.

7. Investments in subsidiary companies

(Unit: Thousand Baht)								
Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments -		Dividend received	
					cost method		during the period	
			31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 March 2014
			(Restated)		(Restated)			
Samitivej Public Co., Ltd.	Hospital	Baht 1,000 million	95.76	95.76	1,639,071	1,639,071	-	-
Bangkok Hospital Hatyai Co., Ltd.	Hospital	Baht 500 million	98.80	98.80	574,535	574,535	123,500	98,800
Bangkok Phuket Hospital Co., Ltd.	Hospital	Baht 500 million	99.69	99.69	610,174	610,174	249,215	49,843
BNH Medical Center Co., Ltd.	Hospital	Baht 586 million	91.48	91.48	602,657	602,657	80,428	26,810
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	708,966	708,966	-	136,172
Bangkok Rayong Hospital Co., Ltd.	Hospital	Baht 400 million	100.00	100.00	415,020	415,020	-	-
Bangkok Samui Hospital Co., Ltd.	Hospital	Baht 150 million	100.00	100.00	150,000	150,000	75,000	67,500
Bangkok Trat Hospital Co., Ltd.	Hospital	Baht 250 million	99.76	99.76	245,889	245,889	-	17,457
Wattanavej Co., Ltd.	Hospital	Baht 180 million	99.69	99.69	450,643	450,643	-	107,670
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	Baht 300 million	91.36	91.36	934,348	934,348	54,814	40,923
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiary at 24.66%)	Central Lab	Baht 75 million	74.02	74.02	56,768	56,768	66,621	-
Bio Molecular Laboratories (Thailand) Co., Ltd.	Central Lab	Baht 10 million	95.00	95.00	9,502	9,502	23,750	19,000
Angkor Pisith Co., Ltd.	Hospital	USD 10 million	80.00	80.00	287,840	287,840	-	-
Phnom Penh Medical Services Co., Ltd.	Hospital	USD 25 million	100.00	100.00	813,220	813,220	-	-

(Unit: Thousand Baht)								
Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments -		Dividend received	
					cost method		during the period	
			31 March 2015	31 December 2014	31 March 2015	31 December 2014	31 March 2015	31 March 2014
			(Restated)		(Restated)			
Royal Rattanak Medical Services Co., Ltd	Hospital	Riel 26,000 million	70.00	70.00	154,063	154,063	-	-
B.D.M.S. International Medical Services Co., Ltd.	Hospital	Riel 9,200 million	100.00	100.00	94,208	94,208	-	-
BDMS Accounting Co., Ltd.	Accounting service	Baht 30 million	100.00	100.00	30,000	30,000	-	-
Bangkok Health Insurance Public Co., Ltd.	Health insurance	Baht 200 million	99.97	99.97	142,027	142,027	-	-
Royal Bangkok Healthcare Co., Ltd.	Investment	Baht 841 million	100.00	100.00	841,000	736,000	-	-
Greenline Synergy Co., Ltd.	Technology and information service	Baht 200 million	100.00	100.00	200,000	200,000	-	-
Bangkok Hospital Kao Yai Co., Ltd.	Hospital	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	98.54	98.52	9,257,962	9,256,116	349,371	-
Paolo Medic Co., Ltd.	Hospital	Baht 300 million	100.00	100.00	2,922,872	2,922,872	-	60,000
Paolo Samutprakarn Co., Ltd.	Hospital	Baht 42 million	93.61	93.61	1,737,239	1,737,239	137,376	94,200
Siam Medical Co., Ltd.	Hospital	Baht 100 million	85.71	85.71	939,775	939,775	68,571	68,571
Thai Medical Center Public Co., Ltd.	Hospital	Baht 201 million	99.76	99.76	887,131	887,131	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			31 March	31 December	31 March	31 December	31 March	31 March
			2015	2014	2015	2014	2015	2014
			(Restated)		(Restated)			
Bangkok Premier Life Insurance Broker Co., Ltd.	Life insurance broker	Baht 20 million	100.00	100.00	20,000	20,000	-	-
Bangkok Hospital Chiangmai Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	1,000,000	1,000,000	-	-
Bangkok Hospital Udon Co., Ltd.	Hospital	Baht 500 million	100.00	100.00	499,930	499,930	-	-
Bangkok Khon Kaen Hospital Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	800,000	-	-
The Medicpharma Co., Ltd.	Production and distribution of medicines	Baht 21.4 million	86.89	86.89	214,900	214,900	-	-
Thonburi Medical Center Public Co., Ltd. (held by the Company at 29.01% and indirectly held by subsidiary at 29.02%)	Hospital	Baht 193.8 million	29.01	29.01	327,802	327,802	-	-
Bangkok Hospital Surat Co., Ltd.	Hospital	Baht 90 million	100.00	100.00	90,000	90,000	-	-
BDMS Inter Pte. Ltd.	Investment	USD 40,000	100.00	100.00	1,217	1,217	-	-
N Health Asia Pte. Ltd.	Investment	USD 2 million	100.00	100.00	65,310	65,310	-	-
Samitivej Chonburi Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Phitsanulok Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Sanamchan Co., Ltd.	Hospital	Baht 3,655 million	100.00	100.00	3,655,000	3,655,000	-	-
Bangkok Phuket International Hospital Co., Ltd.	Hospital	Baht 3,610 million	100.00	100.00	3,610,000	3,610,000	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the period	
			31 March	31 December	31 March	31 December	31 March	31 March
			2015	2014	2015	2014	2015	2014
			(Restated)		(Restated)			
Bangkok Save Drug Co., Ltd.	Investment	Baht 405 million	100.00	100.00	405,000	405,000	-	-
S.R. Property Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Siem Reap Land Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Phnom Penh First Property Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	88	88	-	-
Bangkok Helicopter Services Co., Ltd.	Air transportation services	Baht 100 million	49.00	49.00	50,859	50,859	-	-
Total investments in subsidiary companies					36,818,086	36,711,240	1,228,646	786,946
Less: Allowance for impairment of investments					(154,063)	(154,063)		
Total investments in subsidiary companies – net					<u>36,664,023</u>	<u>36,557,177</u>		

Royal Bangkok Healthcare Co., Ltd.

On 25 February 2015, the Extraordinary General Meeting of shareholders No. 1/2015 of Royal Bangkok Healthcare Co., Ltd passed the resolution to approve the increase of its registered capital from Baht 736 million to Baht 1,086 million through the increase in capital of additional 35 million ordinary shares with a par value of Baht 10 each. The Company already paid for the additional shares of Baht 3 each totalling Baht 105 million in the first quarter of 2015.

Prasit Patana Public Co., Ltd.

In 2015, the Company purchased additional investment totalling Baht 1.8 million in Prasit Patana Public Co., Ltd. As a result, the Company's shareholding in that company increased to 98.54 percent.

(Unaudited but reviewed)

8. Other long-term investments

(Unit: Thousand Baht)							
						Consolidated and separate financial statements	
Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				31 March 2015	31 December 2014	31 March 2015	31 March 2014
<u>Investments held by the Company</u>							
<u>Available-for-sale investments</u>							
<u>Investments in listed securities</u>							
Thai Military Bank Public Co., Ltd.	Bank	41,495	-	1,770	1,770	-	-
Aikchol Hospital Public Co., Ltd.	Hospital	150	0.20	350	350	-	-
Bangkok Chain Hospital Public Co., Ltd.	Hospital	2,494	1.50	269,829	269,829	-	-
				271,949	271,949	-	-
Surplus on changes in value of available-for-sale investments				36,917	33,087	-	-
Investments in listed securities				308,866	305,036	-	-
<u>Investments in related companies</u>							
Bangkok Airways Public Co., Ltd.	Airline	2,100	0.85	39,466	39,466	-	-
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	4,520	4,520	-	-
				43,986	43,986	-	-
Surplus on changes in value of available-for-sale investments				322,227	309,693	-	-
Investments in related companies				366,213	353,679	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				31 March 2015	31 December 2014	31 March 2015	31 March 2014
<u>Investments in unrelated companies</u>							
Thai Longstay Management Co., Ltd.	Travel business	100	0.53	531	531	-	-
Superior Biotech Holding Co., Ltd.	Investment	53	7.58	5,000	5,000	-	-
Investments in unrelated companies				5,531	5,531	-	-
Total other long-term investments in the separate financial statements				680,610	664,246	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				31 March 2015	31 December 2014	31 March 2015	31 March 2014
<u>Investment held by the subsidiary companies</u>							
<u>Available-for-sale investment</u>							
Investments in investment unit				10,000	10,000	-	-
Surplus on changes in value of available-for-sale investment				1,113	1,060	-	-
Investments in investment unit				11,113	11,060	-	-
<u>Investment in listed security</u>							
Mahachai Hospital Public Company Limited	Hospital	160	4.28	143,724	143,724	-	-
Loss on changes in value of available-for-sale investment				(26,692)	(19,848)	-	-
Investments in listed security				117,032	123,876	-	-
Investment in Government Saving Bank bonds				25,000	25,000	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)
Consolidated and separate
financial statements

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the periods	
				31 March	31 December	31 March	31 March
				2015	2014	2015	2014
<u>Investments in unrelated companies</u>							
Thai Herbal Products Co., Ltd.	Sales of herbal products	80	0.60	290	290	-	
Prasitthirat Co., Ltd.	Educational institution known as “Rangsit university”	150	33.33	107,192	107,192	-	
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	-	
General Hospital Products Public Co.,Ltd.	Manufacturer and distributor of medical supplies	60	0.44	-	1,178	-	
Investments in unrelated companies				115,882	117,060	-	-
<u>Investments in ordinary shares (ceased operations)</u>							
Phyathai 4 Hospital (Petchaburi Road) Co., Ltd.	Adjudged bankrupt	328	89.79	-	-	-	-
Klass - V Co., Ltd.	Adjudged bankrupt	250	89.66	-	-	-	-
Phuket Paradise Co., Ltd.	Adjudged bankrupt	409	72.26	-	-	-	-
Phyathai Herbs Co., Ltd.	In process of liquidation	196	63.64	42,889	42,889	-	-
Phuket Hospital Public Co., Ltd.	Hospital	358	19.08	-	-	-	-
Phuket International Hospital Co., Ltd.	In process of liquidation	195	6.15	29,552	29,552	-	-
				72,441	72,441	-	-
Less : Allowance for impairment of investments				(22,000)	(7,000)	-	-
Investment in ordinary shares (ceased operations) - net				50,441	65,441	-	-
Total other long-term investments - net in the consolidated financial statements				1,000,078	1,006,683	-	-

General Hospital Products Public Company Limited

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

Prasitthirat Company Limited

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

Investments in ordinary shares (ceased operations)

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

9. Property, premises and equipment

Movement of the property, premises and equipment during the three-month period ended 31 March 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements (Restated)	Separate financial statements
Net book value as at 31 December 2014 - As previously reported	46,501,843	7,386,790
Cumulative effect of change in accounting policy	433,416	-
Net book value as at 31 December 2014 - As restated	46,935,259	7,386,790
Acquisitions during the period - at cost	1,534,059	304,821
Disposals and write-off during the period - net book value as of disposal and write-off date	(5,072)	(866)
Transfer in during the period	11,006	28
Depreciation expenses for the period	(1,001,564)	(180,126)
Translation adjustment	(17,381)	-
Net book value as at 31 March 2015	<u>47,456,307</u>	<u>7,510,647</u>

(Unaudited but reviewed)

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

Movements in bank overdrafts and short-term loans from financial institutions during three-month period ended 31 March 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2015	21,850	-
Addition	41,265	-
Less: Repayment	(3,021)	-
Translation adjustment	(233)	-
Balance as at 31 March 2015	59,861	-

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

11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	(Restated)			
Trade payables - related parties	27,005	15,737	116,806	138,389
Trade payables - unrelated parties	2,618,169	2,853,990	419,522	358,912
Other payables - related parties	3,238	5,759	78,979	51,648
Other payables - unrelated parties	839,845	948,652	196,064	305,695
Accounts payable - construction and retention	497,945	564,598	120,160	73,114
Total trade and other payables	3,986,202	4,388,736	931,531	927,758

(Unaudited but reviewed)

12. Long-term loans from financial institutions

Movements of long-term loans from financial institutions during the three-month period ended 31 March 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	(Restated)	
Balance as at 31 December 2014 - As previously reported	10,903,971	10,844,607
Cumulative effect of change in accounting policy	60,010	-
Balance as at 31 December 2014 - As restated	10,963,981	10,844,607
Less: Repayment during period	(284,618)	(270,753)
Unrealised gain on exchange rate	(8,208)	(8,208)
Translation adjustment	(707)	-
Balance as at 31 March 2015	10,670,448	10,565,646
Less: Current portion of long-term loans from financial institutions	(1,653,761)	(1,600,183)
Long-term loans from financial institutions - net of current portion	<u>9,016,687</u>	<u>8,965,463</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 31 March 2015 was Baht 1,002.7 million (31 December 2014: Baht 1,088.7 million).
- b) In November 2011, the Company entered into a 7 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 3,000 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest is repayable on a monthly basis and the principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of Baht 1,819.0 million (31 December 2014: Baht 1,919.0 million).

- c) In January 2012, the Company entered into a 8 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 586 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of Baht 453.2 million (31 December 2014: Baht 470.6 million).
- d) In June 2012, the Company entered into a 7 years and 6 months loan agreement with a financial institution granting credit facilities of Baht 1,766 million carrying interest at the rate of six-month Fixed Deposit Rate plus fixed rates per annum as stipulated in the agreement. The interest is repayable on a monthly basis and principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of Baht 1,280.6 million (31 December 2014: Baht 1,348.0 million).
- e) In July 2012, the Company entered into a 5-year loan agreement with a financial institution amounting to Baht 2,500 million carrying interest at the fixed rate per annum as stipulated in the agreement. The interest is repayable on a semi-annually basis and principal is repayable at the end of loan period. As at 31 December 2014, this loan has outstanding balance of Baht 2,500.0 million (31 December 2014: Baht 2,500 million).
- f) In February 2014, the Company entered into a 7-year loan agreement with a financial institution granting credit facilities of USD 20 million carrying interest at the rate of LIBOR plus fixed rates for the first year and at the fixed rates per annum as stipulated in the agreement. The interest is repayable on a quarterly basis and the principal is repayable on a semi-annually basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of USD 20.0 million or equivalent to Baht 654.1 million (31 December 2014: USD 20.0 million or equivalent to Baht 662.3 million).
- g) In April 2014, the Company entered into a 5-year loan agreement with a financial institution granting credit facilities of Baht 1,000 million carrying interest at the rate of three-month BIBOR plus fixed rates per annum as stipulated in the agreement. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of Baht 1,000.0 million (31 December 2014: Baht 1,000.0 million).

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

The subsidiaries

- a) In 2007 and 2008, Angkor Pisith Co., Ltd., a subsidiary company, entered into a 7 years and 10 months loan agreement with a foreign financial institution granting credit facilities of USD 4 million. The loan bears interest at the rate of LIBOR plus a fixed rate per annum. The interest is repayable on a monthly basis and the principal is repayable on a quarterly basis according to a condition as stipulated in the agreement. This loan is guaranteed by the Company. As at 31 March 2015, this loan has outstanding balance of USD 1.6 million or equivalent to Baht 50.9 million. (31 December 2014: USD 1.7 million or equivalent to Baht 57.1 million).
- b) In 2008, Bangkok Ratchasima Hospital Co., Ltd., a subsidiary company, entered into a 7 year loan agreement with a financial institution. The credit facilities were Baht 20 million. The loan bears interest at fixed rate per annum. The interest and principal are repayable on a monthly basis according to a condition as stipulated in the agreement. As at 31 March 2015, this loan has outstanding balance of Baht 1.4 million (31 December 2014: Baht 2.3 million).
- c) In 2007, Bangkok Helicopter Services Co., Ltd., a subsidiary company entered into a 10-year long-term loan agreement with a financial institution granting credit facilities of Baht 200 million and revised the credit limit to Baht 190 million in 2010 which the interest and principal repayment is payable on a monthly basis carrying interest of MLR minus fixed rates as stipulated in the agreement. A subsidiary company transferred the claim in service expense on claims transfer agreement to the financial institution for loan guarantee as above. As at 31 March 2015, this loan has outstanding balance of Baht 52.5 million (31 December 2014: Baht 60.0 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)

13. Liabilities under finance lease agreements

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

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	31 March 2015	31 December 2014
Liabilities under finance lease agreements	159,065	169,770
Less: Deferred interest expenses	(8,096)	(9,029)
Total	150,969	160,741
Less: Current portion of liabilities under finance lease agreements	(67,175)	(59,338)
Liabilities under finance lease agreements - net of current portion	83,794	101,403

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

	(Unit: Thousand Baht)		
	As at 31 March 2015		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	72,031	87,034	159,065
Deferred interest expenses	(4,856)	(3,240)	(8,096)
Present value of future minimum finance lease payments	67,175	83,794	150,969

	(Unit: Thousand Baht)		
	As at 31 December 2014		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	63,849	105,921	169,770
Deferred interest expenses	(4,511)	(4,518)	(9,029)
Present value of future minimum finance lease payments	59,338	101,403	160,741

(Unaudited but reviewed)

(Unit: Thousand Baht)

As at 31 March 2015

	Separate financial statements		
	Less than 1		
	year	1-5 years	Total
Future minimum finance lease payments	11,142	13,497	24,639
Deferred interest expenses	(663)	(393)	(1,056)
Present value of future minimum finance lease payments	10,479	13,104	23,583

(Unit: Thousand Baht)

As at 31 December 2014

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

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

14. Debentures

Movements of debentures net from debenture expenses and amortisation of expenses during the three-month period ended 31 March 2015 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ Separate financial statements
Balance as at 1 January 2015	11,091,987
Redemption of debentures during the period	(2,500,000)
Amortisation of debenture expenses	452
Balance as at 31 March 2015	8,592,439
Less: Current portion of debentures	-
Debentures - net of current portion	<u>8,592,439</u>

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

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

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

(Unaudited but reviewed)

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

On 14 March 2013, the Company had issued unsecured, name registered and unsubordinated debentures without a debentureholders' representative debenture for the total number of 4,000,000 units, at the price of Baht 1,000 per unit, totalling Baht 4,000 million. This debenture is 10-year debentures at the coupon rate of 4.63% per annum with interest payable every six-month. On 4 April 2014 and 15 October 2014, the Company entered into an interest rate swap contract for the above debentures totalling Baht 4,000 million with a financial institution as described in Note 22.1.

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

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

15. Convertible debentures

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

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

Type of Debentures	Unsecured and unsubordinated convertible debentures
Maturity	5 years, commencing from the issue date
Issue Size	Baht 10,000 million
Currency	THB-Denominated, USD-Settled
Maturity Date	18 September 2019

Put Option	At 18 September 2017 equal to 106.152% of the principal amount
Call Option	At any time after 18 March 2017, if the closing price of the Company's shares is at least 130% of the applicable Early Redemption Amount, divided by the effective Conversion Ratio
Coupon	Zero
Redemption Price	110.462% of principal amount
Conversion Price	Baht 21.045 per one newly issued ordinary share

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

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

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

(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 periods ended 31 March 2015 and 2014 were made up as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Current income tax:				
Interim corporate income tax charge	544,493	463,752	104,865	56,339
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	(22,812)	(11,101)	(4,062)	1,356
Income tax expense reported in the statements of income	<u>521,681</u>	<u>452,651</u>	<u>100,803</u>	<u>57,695</u>

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 three-month period ended 31 March 2015 after the issue of convertible debentures (as mentioned in Note 15) since the calculated earnings per share assuming the conversion of all convertible debentures to ordinary shares is antidilutive.

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 had entered into a land rental agreement for a period of 1 year from 1 September 2012 to 31 August 2013. The Company is in the process of renewal the rental agreement for another 1 year.

The Company has entered into a land rental agreement for a period of 30 years from 1 January 2006 to 31 December 2036 and the rental is paid on a monthly basis. The first payment date is 5 January 2006 and rental to be paid at Baht 30,000 per month and from 1 January 2027 onward at Baht 100,000 per month.

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

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

(Unaudited but reviewed)

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

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

The Company has entered into a land and building agreement to operate medical clinic in a building for a period of 3 years from 1 February 2014 to 31 January 2017. The rental fee is Baht 260,000 per month. The Company can renew this agreement every 3 years ended 31 January 2028.

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.

(Unaudited but reviewed)

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 31 March 2015 and 31 December 2014, commitments and contingent liabilities are as follows:

(Unit: Million Baht)						
As at 31 March 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 18)	148	299	1,074	50	102	379
- the office equipment rental and other services	240	105	-	134	1	-
- the medical equipment provision and maintenance contracts	217	238	-	87	5	-
- the building construction and decoration contracts	1,112	-	-	92	-	-
- the sale and purchase contract for land	290	-	-	290	-	-
Total	<u>2,007</u>	<u>642</u>	<u>1,074</u>	<u>653</u>	<u>108</u>	<u>379</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	As at 31 December 2014					
	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 18)	143	318	1,108	40	106	385
- the office equipment rental and other services	271	74	-	181	1	-
- the medical equipment provision and maintenance contracts	279	114	-	114	-	-
- the building construction and decoration contracts	1,382	22	-	112	-	-
- the sale and purchase contract for land	58	-	-	-	-	-
Total	2,133	528	1,108	447	107	385

Contingent liabilities

As at 31 March 2015, the Company and its subsidiaries had outstanding bank guarantees of approximately Baht 310 million (31 December 2014: Baht 291 million) and the Company's was Baht 36 million (31 December 2014: Baht 36 million) issued by the bank on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business, such as facility usage and contractual performance.

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.

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

(Unaudited but reviewed)

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 31 March 2015 and 2014, 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

As of 31 March 2015, the Company and its subsidiaries had the following assets that were measured at fair value using different level of input as follow.

	(Unit: Thousand)	
	Consolidated financial statements	Separate financial statements
	Level 1	Level 1
Financial assets measured at fair value		
Investment in available-for-sale	798,704	670,559

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 14. Then, on 15 October 2014, the Company agreed with the financial institution to change interest rate whereby they agreed to reduce the interest rate in the first year and to change the interest rate from floating rate in the fifth and the sixth year to a fixed rate, with the interest rate of other years maintained as same as specified in the contract.

Net fair value

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Fair value of interest rate swap contract - asset	38.8	70.6	38.8	70.6

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

22.2 Forward exchange contract

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

Balance as at	Foreign currency	Amount sold	Contractual exchange rate for amount sold (Baht per foreign currency unit)
31 March 2015	US Dollar	407,064	32.75 - 33.24
31 December 2014	US Dollar	969,981	32.60 - 33.24

(Unaudited but reviewed)

Net fair value

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
Fair value of forward exchange contract assets				
(liabilities)	146.6	(229.1)	-	-

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

23. Subsequent events after reporting date

Dividend payment

On 17 April 2015, the Annual General Meeting of the Company's shareholders has approved a dividend payment of Baht 0.23 per share to the shareholders of the Company's 15,490,956,540 shares (par value Baht 0.10 each), or a total of Baht 3,562.92 million. The dividend will be paid in May 2015.

Purchase of additional investment

After end of first quarter of 2015, Royal Bangkok Healthcare Co., Ltd., a subsidiary company in which the Company has a 100% shareholding, purchased additional investment in General Hospital Products Public Company Limited. As a result, Royal Bangkok Healthcare Co., Ltd. and another subsidiary company hold 44.71% in that company.

24. Approval of financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 13 May 2015.