

Ref : 73/2017

November 13, 2017

Subject : The explanation of operating results for the Third quarter of 2017

To : The SET President

Vibhavadi Medical Center Pcl. would like to disclose the review of consolidated interim financial statements of the Group and the interim financial statement of the Company for the period ending September 30,2017. The results shows net profit of Baht 298.18 million , comparing at the same period in 2016 representing 31.43% increase. This is mainly due to :

1. Income from medical treatments in the consolidated financial went up 10.10% due to income from Chiang Mai Ram Medical Business Pcl., (CMR) amount Baht 1,035.05 million. comparing at the same period in 2016 representing 11.98% increase. Income from medical treatments in the separate financial went up 6.78% due to the increased in the number of out-patients to 5.60% and the number of in-patients increased 7.63 % . The rental and service income went down amount to Baht 1.39 million from Princeton Park Suit Co.,Ltd. amount Baht 2.20 million. The other income grew up 32.57% amount to Baht 5.52 million due to the rental and service incomes and gain on sale of investment from Chiang Mai Ram Medical Business Pcl., (CMR).

2. The cost of medical treatments when compared to income from medical treatments increased 0.95% due to the cost of medical treatments from CMR went up amount 1.31% and the cost of medical treatments in the separate finance went down 0.02% . The cost of rental and service went up 14.99% from the rental of Princeton Park Suit Co.,Ltd. comparing at the same period in 2016 representing 21.63% decrease but the cost of selling and service went down 7.21%. The cost of administrative when compared to income from medical treatments went down 1.62 % due to the expenses of CMR decreased 1.46% and the separate financial decrease 1.52% .

3. The net income increased 79.98% (Separate financial statement : decreased 23.16 %) due to the share of profit of associates increased amount Baht 55.49 million and the separate financial decreased due to went down of dividend income and the gain from investment amount Baht 17.44 and 26.78 million respectively .

Please be advised accordingly.

Yours sincerely,

(Mr, Chaisith Viriyamettakul)
Managing Director