People caring for people

RAMSAY HEALTH CARE

Ramsay Health Care

Annual General Meeting 2011

Christopher Rex – Managing Director

15 November 2011

Agenda

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- Overview
- What is important to us?
- FY 2011 Highlights
  - Group
  - Australia
  - United Kingdom
  - France
- Our Growth Strategy
- Brownfield Developments
- Capital Management and Refinancing
- Outlook

RAMSAY HEALTH CARE – OVERVIEW

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- Australia's largest private hospital operator and growing global company
  - Market Capitalisation approximately $4 billion
  - Enterprise value approximately $5 billion
  - 117 hospitals and facilities across four countries; in the order of 10,000 beds
  - Over 30,000 staff: more than 22,000 in Australia including 13,500 nursing staff; 20,000 accredited specialists
  - 143 accredited specialist medical training positions
  - Over 2 million patient days per annum
  - Extensive education and training, including Ramsay Training Institute, Graduate Employment Programme and Future Leaders Programme

WHAT IS IMPORTANT TO US?

- Our culture: “The Ramsay Way”
- Our people: staff, doctors & patients
- Quality & Safety
- Strong corporate governance
- Investment in training the future health workforce
- Investment in communities where we are located
- Environmental & sustainable development
- Growing the business and delivering superior returns to shareholders

REVENUE GROWTH

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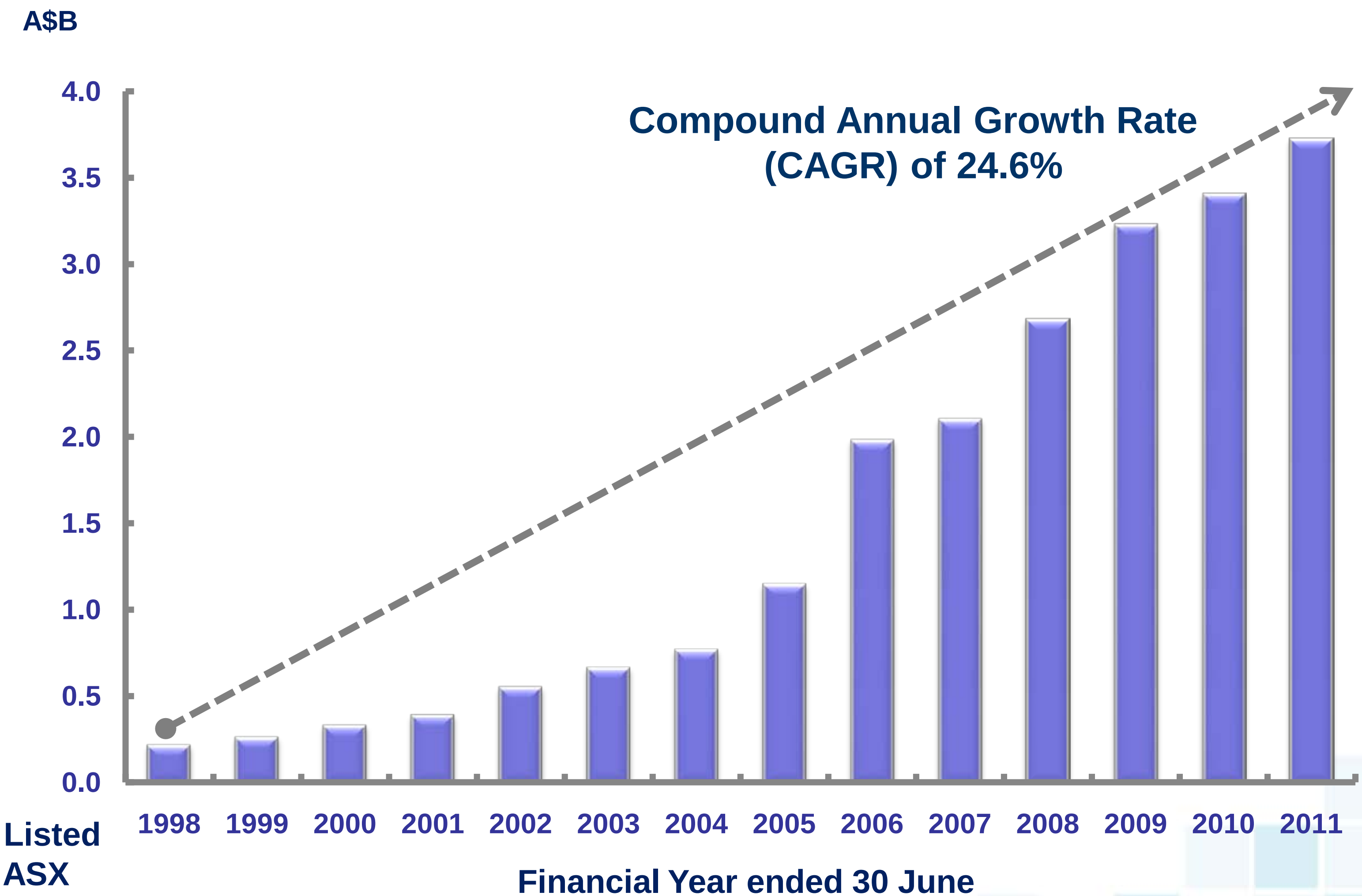

RHC Listed on ASX 23 Sep'97

Strong Shareholder Returns

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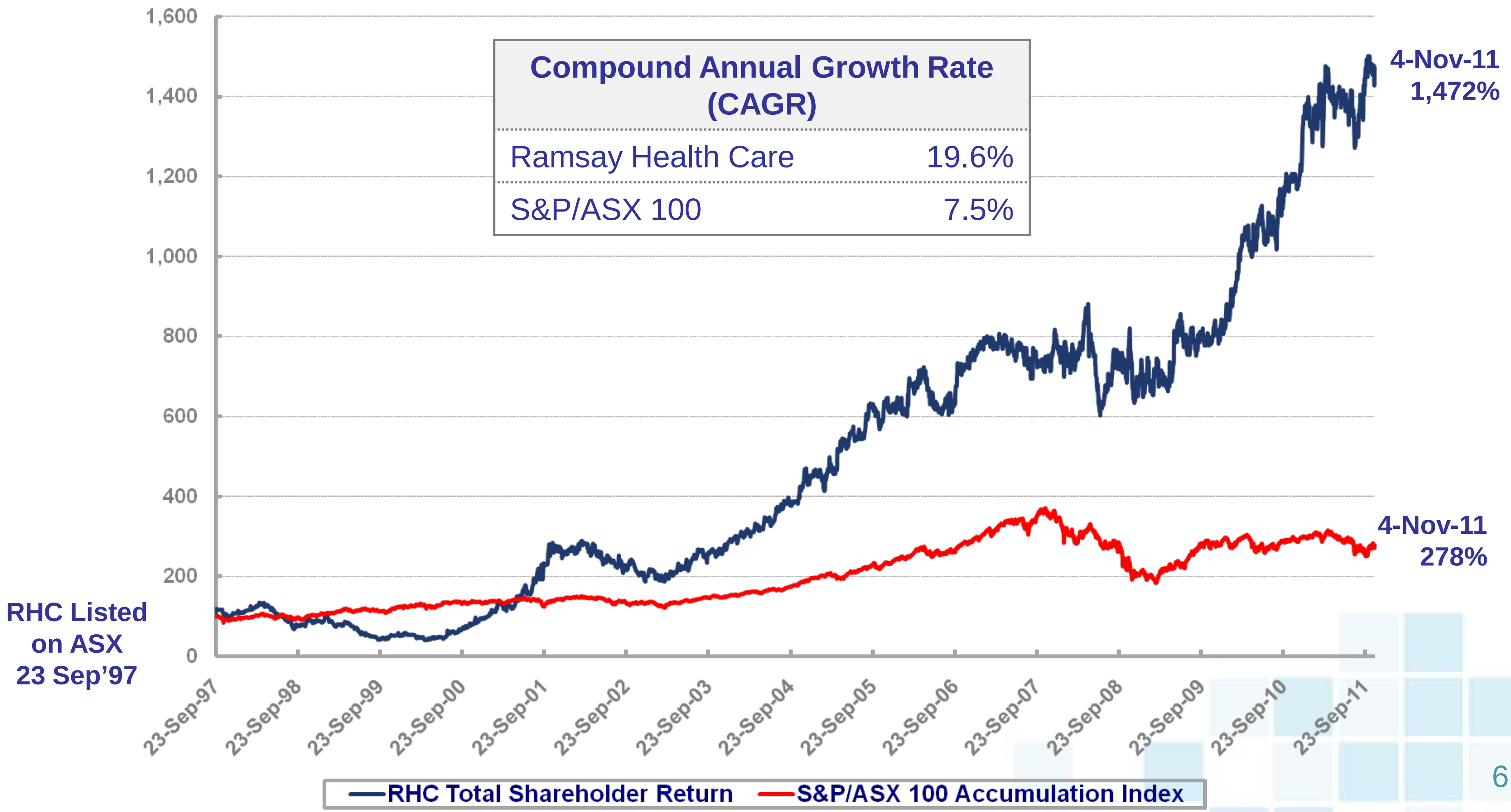
Ramsay Total Shareholder Return versus S&P/ASX 100 Accumulation Index

(share price appreciation plus reinvestment of dividends)



Compound Annual Growth Rate (CAGR)	
Ramsay Health Care	19.6%
S&P/ASX 100	7.5%

Source: Goldman Sachs

FULL-YEAR HIGHLIGHTS

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- Core NPAT[1] up 23.6% to $220.6 million
- Core EPS[2] up 19.6% to 101.1 cents
- Group revenue up 9.4% to $3.7 billion
  - Australia and Indonesia revenue up 8.7% to $2.9 billion
  - Europe [3] revenue up 12.4% to $767.1 million
- Group EBIT up 18.5% to $395.5 million
  - Australia and Indonesia EBIT up 15.3% to $322.9 million
  - Europe EBIT up 35.0% to $72.6 million
- Full-year dividend to 52.0 cents, up 19.5%

1. *Core Net Profit After Tax is from continuing operations, before specific items and amortisation of intangibles*
2. *Core Earnings Per Share is derived from Core Net Profit after Tax and is after CARES dividends*
3. *Europe is UK and France. FY11 Group results include the first full year results from Ramsay Santé, acquired on 29 March 2010*

GROUP FY 2011 HIGHLIGHTS

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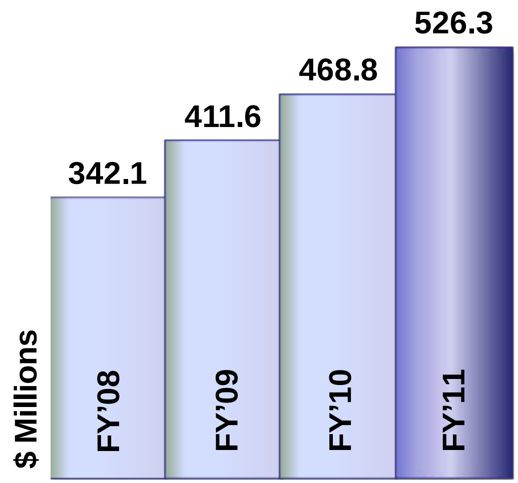
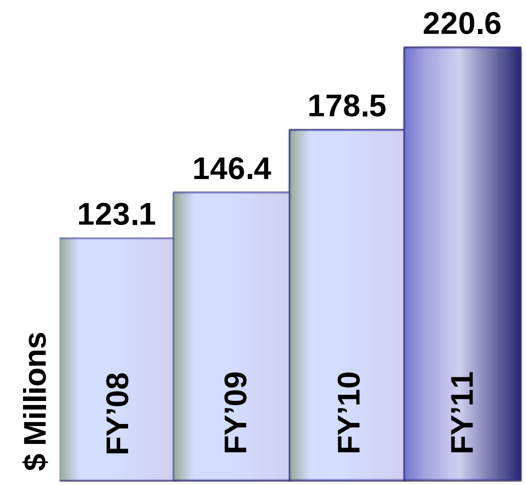
RAMSAY HEALTH CARE

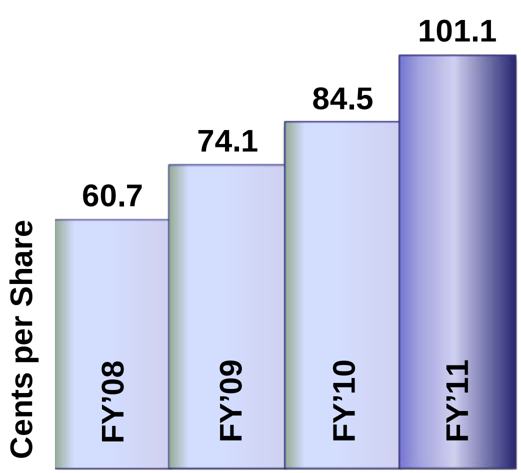
Group EBITDA up ↑12.3%



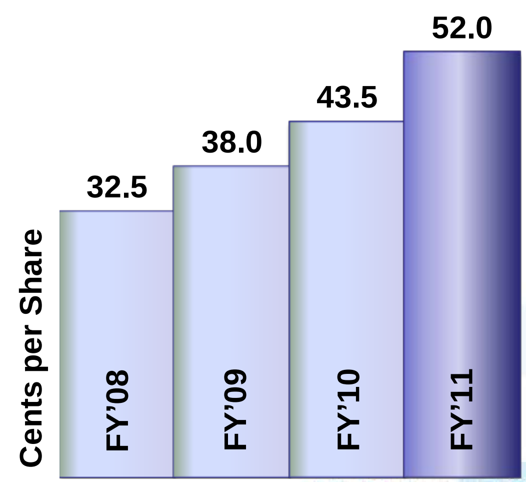
Group NPAT up ↑23.6%



Group Core EPS up ↑19.6%



Total Dividend up ↑19.5%



GROUP OPERATIONAL HIGHLIGHTS

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- Australian business continues to grow strongly
- Operating leverage driving margin growth across the Group
- Completed brownfield developments adding to EBIT and EPS
- Cash conversion rate above 100%
- Successful bidder for private hospital on Sunshine Coast University Hospital project
- Successful transition to ‘normal’ tariff scenarios in UK in challenging operating environment
- Successful bedding down of French business
- Ramsay Santé purchase of Clinique Convert (178-bed hospital)
- Winner of a number of HR awards, including AHRI/RUOK award for best workplace programme

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Operating/Financial Highlights – FY 2011

- Hospitals continued to perform strongly at an operational level
- Revenue growth of 8.5%
- Hospital EBIT growth of 15.5%
- Hospital EBITDA margin of 19.3%, up from 18.3% in the previous year

Growing demand for healthcare provides growth opportunities and drives investment in new capacity

- *Approximately $830M approved for brownfield developments in Australia since 2007*
- *Approximately $100M/year on average needed to meet future demand*

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Operating Environment

- Operating environment continues to be positive
- Private hospital sector is a major and integral part of the Australian health care system
  - Treats more than 40% of all patients who go to hospital each year
  - Provides 99.5% of procedures and treatments available in public hospitals
  - Increasingly essential provider of clinical education
- Health insurance membership growing
  - 45.3% of population insured at June 30, 2011
- Private health insurance plays vital funding role
  - Contributes around $11B toward health care provision
- National health reforms could provide potential opportunities for private health care providers
- Proposed means testing of private health insurance rebate

Operating/Financial Highlights – FY 2011

- UK operating margins before rent (EBITDAR) holding up well, above 25%, post normalised ISTC pricing regime
- Extraction of material cost efficiencies tapering off
- Underlying business performing well in challenging environment
- NHS admissions comprise 60% of total Ramsay UK admissions

UNITED KINGDOM

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Operating Environment

- Strong growth in treating publically funded patients
- Economic conditions remain challenging
- NHS (public health service) largely protected from public spending cuts
- Major reorganisation of NHS recognises private sector involvement as vital
- Self pay sector recovering
- Private Medical Insurance yet to recover
- Short term challenges but medium/long term remains exciting
- Growth in demand underpinned by positive demographics

FRANCE

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Operating/Financial Highlights – FY 2011

- Business successfully integrated, growth strategy commenced
- Marginally EPS accretive in first full year under Ramsay control, slightly ahead of schedule

Operating Environment

- Operating environment stable
- Current blended provision well regarded
- Economic conditions remain challenging
- Reorganisation of health administration undertaken has devolved decision making
- Growth in demand underpinned by positive demographics
- Opportunities for consolidation in highly fragmented market
  - ➢ Acquired Clinique Convert (178-bed hospital) in May 2011
  - ➢ First step in French private hospital roll-up strategy

SUCCESSFUL & SUSTAINABLE GROWTH STRATEGY

Key elements of growth

- Organic
  - Underpinned by demographics, quality portfolio of hospitals, ongoing business improvement
- Brownfield investment
  - Unmet demand driving Ramsay's ongoing investment in capacity expansion
- Public/Private collaborations
  - Potential for more partnerships to develop/manage/provide hospital services in changing political landscape
- Acquisitions
  - Exploring further acquisitions in the UK and France, researching opportunities in other markets
  - Ramsay has demonstrated it can successfully export its management model
  - Must add long-term value to shareholders

Sustainable growth enhanced by focusing solely on hospitals and taking a prudent approach to acquisitions

CORE NPAT GROWTH

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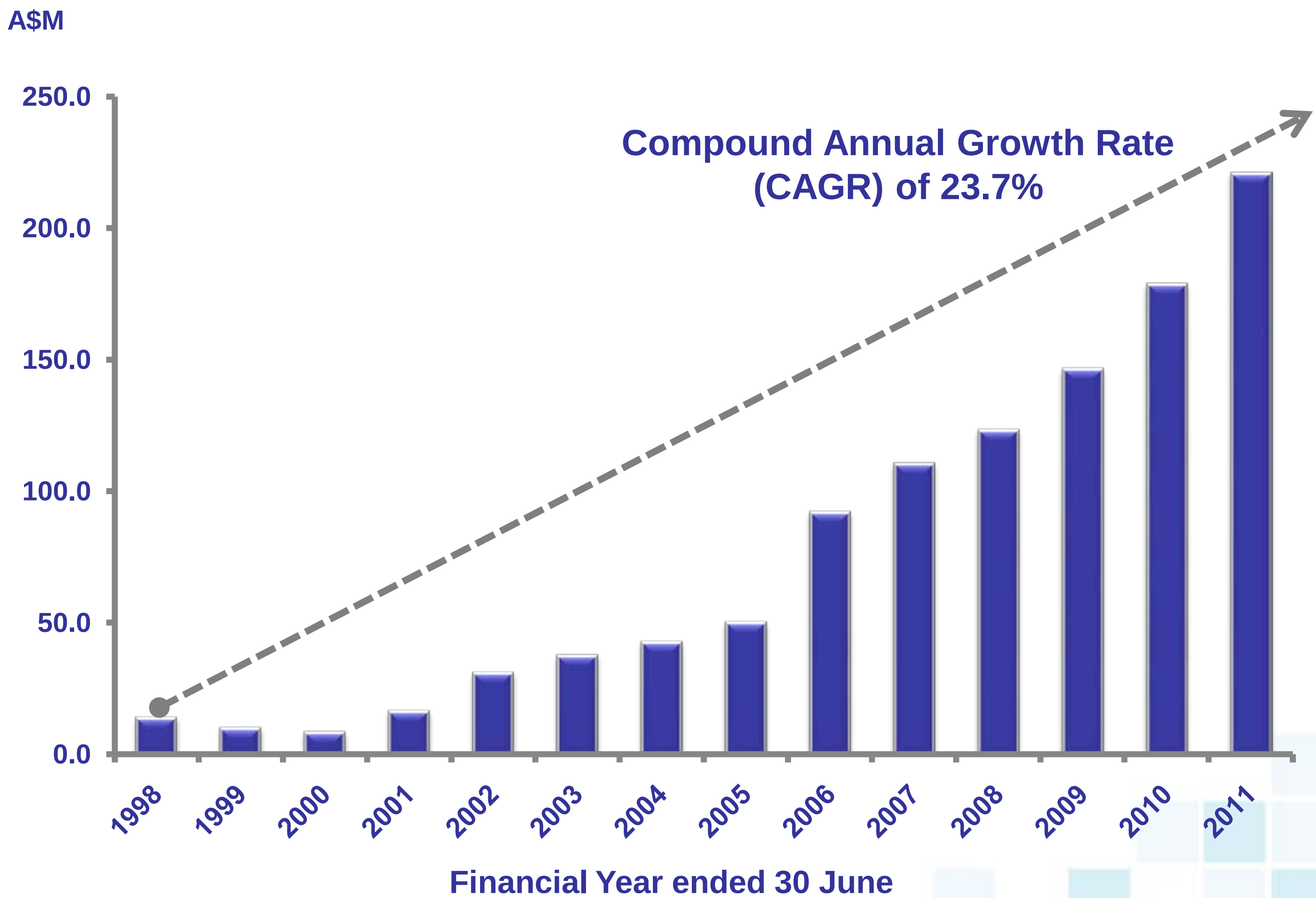

BROWNFIELD DEVELOPMENTS

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- Approximately $830M (gross) approved for Australian brownfield projects since 2007 of which $480m (gross) has been spent on completed projects
- Key projects completed in FY11 include:
  - Pindara (Gold Coast)
  - North West (Brisbane)
  - Westmead Private (Sydney)
  - Kareena (Sydney)
  - North Shore Private (Sydney)
  - Cairns Clinic
  - Joondalup 1st stage (Perth)
  - Lake Macquarie (Newcastle)
- Completed projects adding to earnings at EBIT and EPS level and on track to achieve 15% ROI hurdle
- Joondalup (Perth) on track for completion in mid 2013
- Approximately $100M/year on average needed to meet future demand

BROWNFIELD DEVELOPMENTS UPDATE

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Key projects completed in FY 2011 include:

Hospital	Status	
Cairns Clinic	Completed September 2010	
North Shore (Sydney)	Completed October 2010	
Westmead (Sydney)	Completed November 2010	
Lake Macquarie (NSW Central Coast)	Completed April 2011	

BROWNFIELD DEVELOPMENTS UPDATE

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Key projects completed in FY 2011 include:

Hospital	Status	
Pindara (Gold Coast)	Completed December 2010	
North West (Brisbane)	Completed December 2010	
Kareena (Sydney)	Completed January 2011	

BROWNFIELD DEVELOPMENTS UPDATE

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Other key projects to be completed:

Hospital	Status	
Joondalup (Perth)	Stage 1 completed February 2011. Project on track for completion in mid 2013	

In addition, a number of smaller projects, including Beleura and Peninsula (Mornington Peninsula), Mt Wilga (Sydney) and St Andrews (Ipswich) are coming on stream in FY 2012

CAPITAL MANAGEMENT

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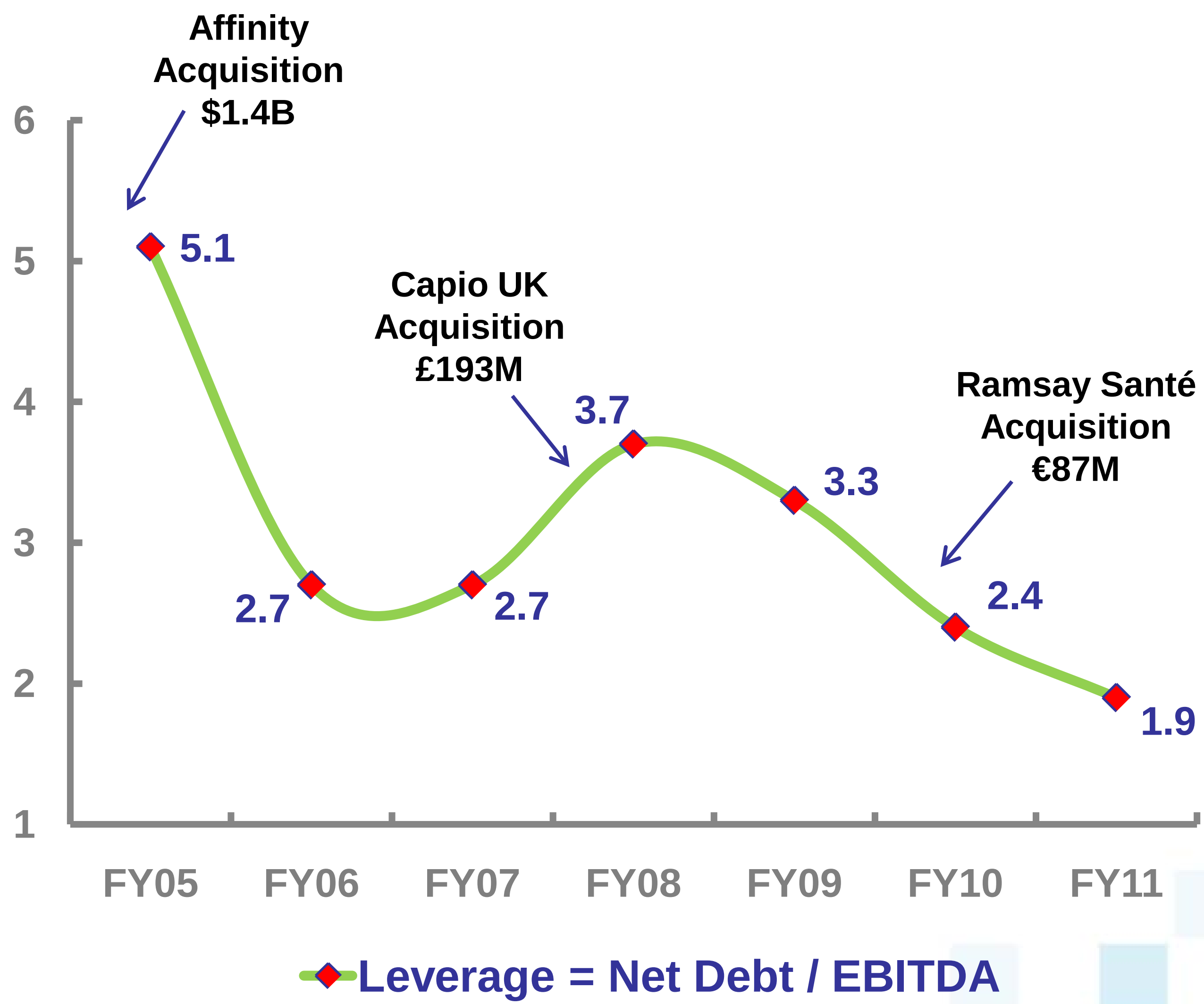

REFINANCING

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- Whilst we have committed senior debt facilities of A$1.9 billion maturing in November 2012, a new A$2* Billion underwritten debt facility has been executed to refinance the existing facility.
- The new facility has:
    - Competitive pricing and improved terms
    - 3 year and 5 year tranches
    - Australian dollar, UK sterling and Euro tranches spread currency profile
- Currently intend to make first drawdown on 1 May 2012
- Headroom of A$600 – A$700* million for continuing brownfield programme, future acquisitions/developments and ongoing working capital

**** A$ equivalent based on prevailing exchange rates***

OUTLOOK

- All the factors that have lead to our success and have driven our strategy are still present and will continue
- Australian operations are expected to continue to perform strongly, underpinned by our proven growth strategy
- Rising demand for health care driving substantial ongoing investment in brownfield projects
- Completed brownfield projects adding to earnings at EBIT and EPS level
- Economic conditions in the UK and France remain challenging but health care sector remains stable with growth opportunities
- Continuing to explore bolt-on acquisitions in the UK and France
- First four months of FY12 in line with expectations
- Barring unforeseen circumstances, Ramsay is targeting Core NPAT and Core EPS growth for the Group of 10%-12% in FY12

Ramsay Health Care

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QUESTIONS