Briefing – 26 August 2010
Financial Results
Year ended 30 June 2010

Christopher Rex, Managing Director

AGENDA

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- Full-year Highlights
- Financial Performance
  - Group, Australia, UK, France
- Operating Environment
  - Australia, UK, France
- Brownfield Developments Update
- Capital Management
- Operational Risk Management
- Successful & Sustainable Growth Strategy
- Outlook

FULL-YEAR HIGHLIGHTS

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RAMSAY HEALTH CARE

Solid rise in Group result reflects strong organic growth, brownfield developments and acquisitions

- Core net profit * after tax up 21.9% to $178.5 million
- Core EPS* up 14% to 84.5 cents
- Australia and Indonesia revenue up 7.2% to $2.7 billion
- UK revenue up 10% to £350.2 million
- Group EBIT up 10% to $333.8 million
  - –Australia and Indonesia EBIT up 7.9% to $280 million
  - –UK EBIT up 31% to £26.9 million
- Final dividend 25 cents fully franked, up 16.3% on the pcp, bringing the full-year dividend to 43.5 cents, up 14.5%
- Targeting Core NPAT growth for the Group of 13%-15% in FY11, translating to Core EPS growth of 10%-12%

* ***Before specific items and amortisation of intangibles and including three months of results from Ramsay Santé, acquired 29 March 2010***

GROUP FINANCIAL PERFORMANCE

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RAMSAY HEALTH CARE

YEAR ENDED 30 JUNE

	2010 $m				2009 $m	% Increase
	Australia/ Indonesia	UK	France[1]	Group[1]	Group	
Operating Revenue	2,716.7	628.0	54.6	3,399.3	3,223.8	5.4%
EBITDA	369.9	90.4	8.5	468.8	411.6	13.9%
EBIT	280.0	48.4	5.4	333.8	303.3	10.0%
Core NPAT [2]				178.5	146.4	21.9%
Core EPS [3]				84.5 ¢	74.1 ¢	14.0%

Final Dividend – fully franked	25.0 ¢	21.5 ¢	16.3%
Full-year Dividend – fully franked	43.5¢	38.0¢	14.5%

1.Three months of results from Ramsay Santé have been included in FY10
2.Core NPAT is from continuing operations , before specific items and amortisation of intangibles
3.Core Earnings Per Share are before specific items and amortisation of intangibles and after CARES dividends

RECONCILIATION TO REPORTED PROFIT

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RAMSAY HEALTH CARE

YEAR ENDED 30 JUNE

	2010 $m	2009 $m	% Increase
Core NPAT	178.5	146.4	21.9%
Net specific items and amortisation of intangibles (net of tax)	(30.2)	(39.9)	
Reported NPAT	148.3	106.5	39.3%

Net specific items and amortisation of intangibles (net of tax)		
Net specific Items*	28.0	38.2
Amortisation of Intangibles	2.2	1.7
Total	30.2	39.9

****Net specific items include the $21.9 million (net of tax) non-cash rent expense for leased UK hospitals (straight line lease accounting), Ramsay Santé acquisition costs and development costs written off, asset impairments and the sale of medical suites.***

GROUP CORE NPAT AND CORE EPS

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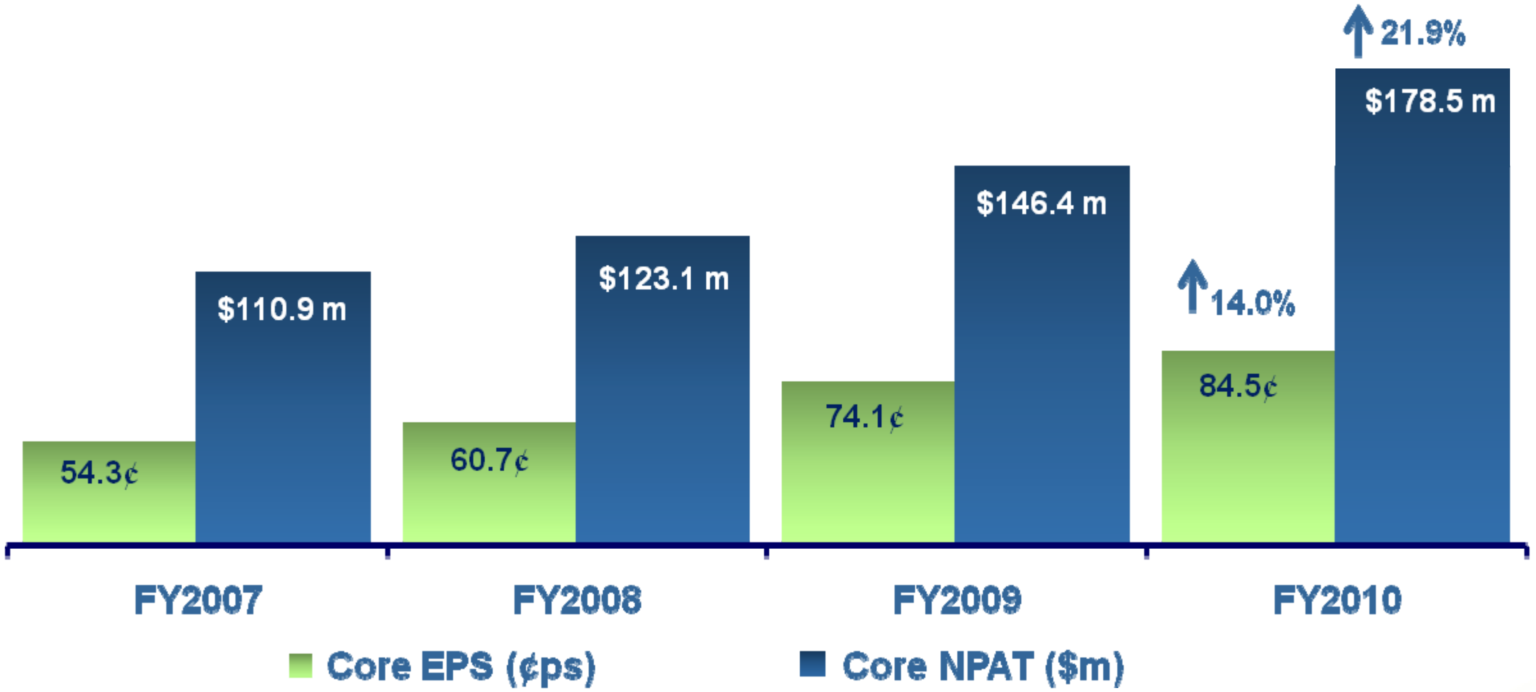

- Group Core NPAT and Group Core EPS ahead of guidance

FY10 DIVIDENDS (FULLY FRANKED)

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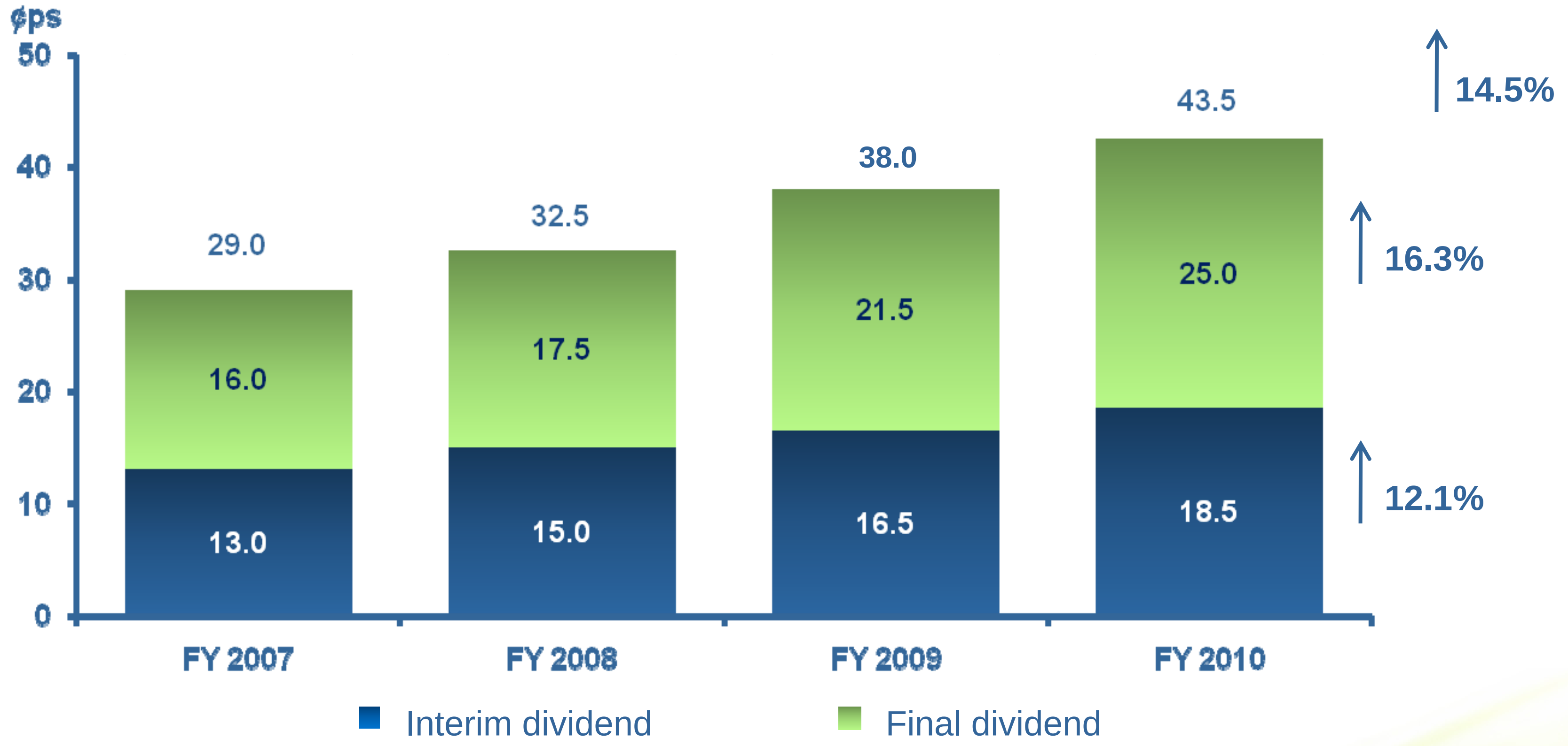
RAMSAY HEALTH CARE



- Final dividend up 16.3% to 25 cents
- Dividends for the full year up 14.5%, reflecting growth in EPS
- Dividend payout ratio of approximately 50% of Core EPS maintained

GROUP EBITDA GROWTH

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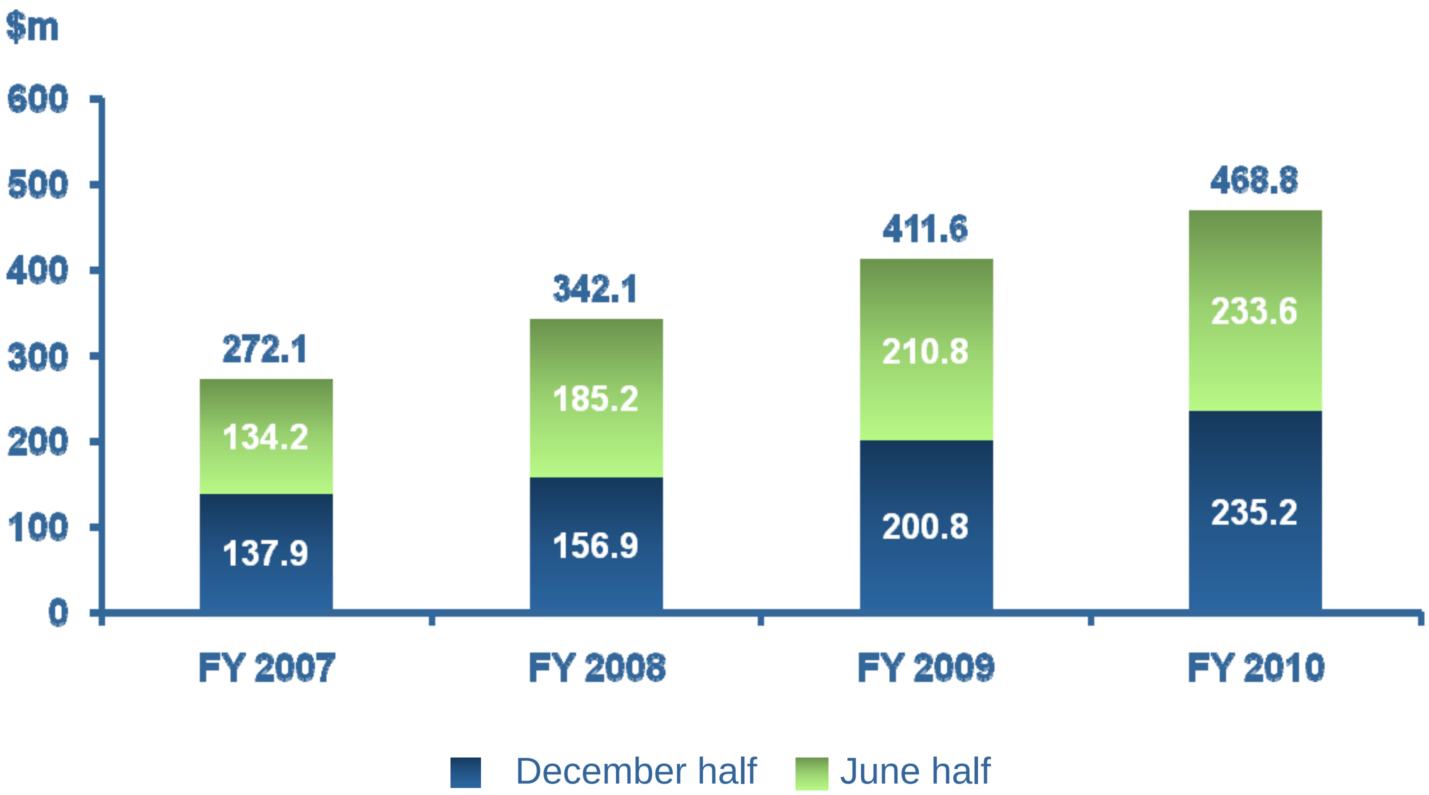

- Group EBITDA up 13.9% for the year
- Group EBITDA margin rises to 13.8% from 12.8%

FINANCIAL PERFORMANCE – AUSTRALIAN HOSPITALS

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RAMSAY HEALTH CARE

YEAR ENDED 30 JUNE

	2010 $m	2009 $m	% Increase
Operating Revenue[(1)]	2,279.6	2,110.7	8.0%
EBITDA[(1)]	417.2	372.5	12.0%
EBIT[(1)]	340.3	304.9	11.6%
EBITDA Margin (1)	18.3%	17.6%	70bps
EBIT Margin[(1)]	14.9%	14.4%	50bps

- Hospitals in Australia, the Group's historical base operations, performed strongly
- Private health insurance membership remains strong

1. Excludes prostheses

FINANCIAL PERFORMANCE – UK

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YEAR ENDED 30 JUNE

	2010 £m	2009 £m	% Increase
Operating Revenue	350.2	318.0	10.1%
EBITDAR	90.7	74.8	21.3%
EBIT	26.9	20.5	31.2%
EBITDAR Margin (%)	25.9%	23.5%	240 bps

- Revenue growth reflects increase in NHS activity which now comprises 54% of Ramsay UK's private hospital admissions
- EBIT growth reflects operating efficiencies achieved
- Negotiations for ISTC contracts satisfactorily completed

OPERATING ENVIRONMENT- AUSTRALIA

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RAMSAY HEALTH CARE

- Positive demographics
  - Ageing population
  - Expanding population
- Health insurance membership steady
  - June quarter PHIAC data shows 44.6% of population have hospital treatment cover
- Election outcome
- Health reform process and opportunities
- Balanced health care system

OPERATING ENVIRONMENT- UK

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RAMSAY HEALTH CARE

- Positive demographics
  - Ageing population
  - Expanding population
- Election Outcome
  - Coalition committed to private sector participation in NHS
  - White Paper firmly supports increased role for private sector
  - NHS ring fenced from Government spending cuts
- UK economy slowly recovering
- PMI and Self Pay numbers returning
- NHS market still vibrant and active

OPERATING ENVIRONMENT – FRANCE

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RAMSAY HEALTH CARE

- Positive demographics
  - Ageing population
  - Expanding population
- Health administration reforms support our investment strategy
  - Devolvement of decision making
- Economy holding up
- Continued political commitment to private sector involvement in the provision of public services
- Muted competition for hospital assets
- Market acquisition pricing expectations subdued

BROWNFIELD DEVELOPMENTS UPDATE

Brownfield development programme well advanced and running on time and to budget

- Key completed projects include:
  - Hollywood (Perth): Completed 1st Half FY10
  - St George (Sydney): Completed 2nd Half FY10
  - New Farm Clinic (Brisbane): Completed 2nd Half FY09
  - Lawrence Hargrave (Wollongong): Completed 1st Half FY10
- Key projects to be completed in FY11 include:
  - Pindara (Gold Coast)
  - North West (Brisbane)
  - Westmead (Sydney)
  - Kareena (Sydney)
  - North Shore (Sydney)
  - Cairns Clinic
- Joondalup (Perth) is on track for completion in mid 2013

CAPITAL MANAGEMENT

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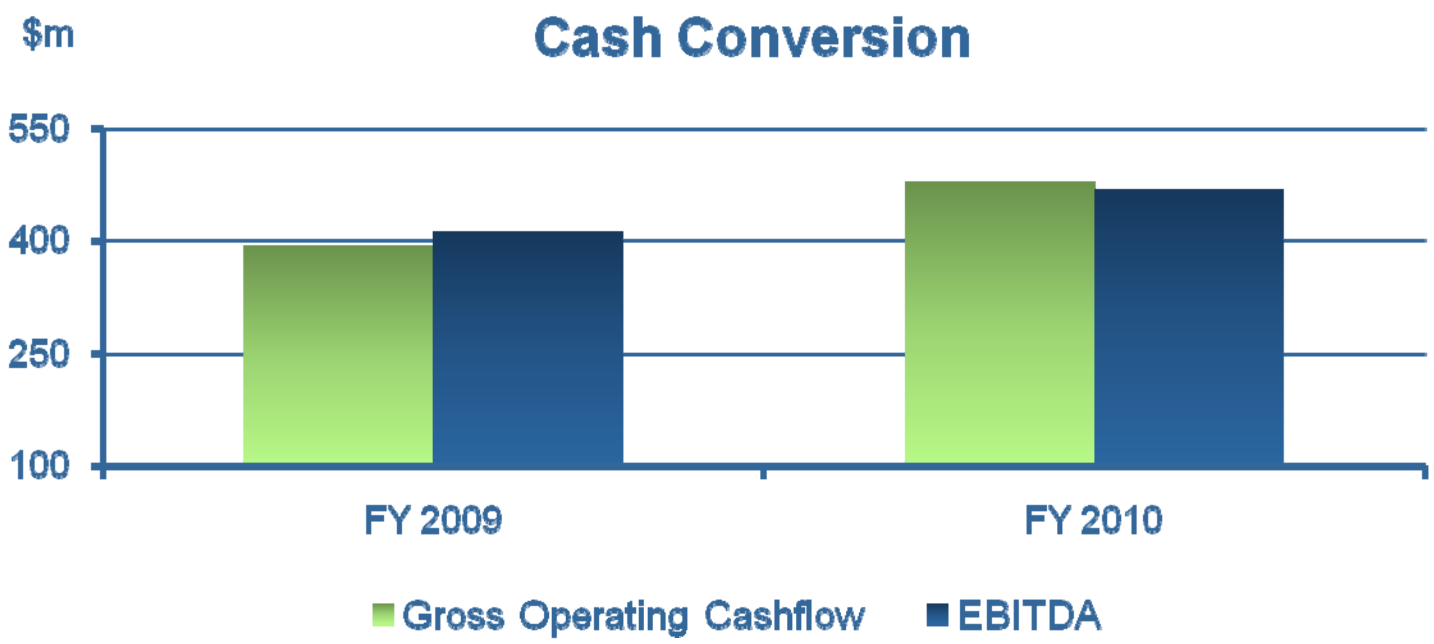

- Effective working capital management
- High cash conversion rate: 102%

CAPITAL MANAGEMENT

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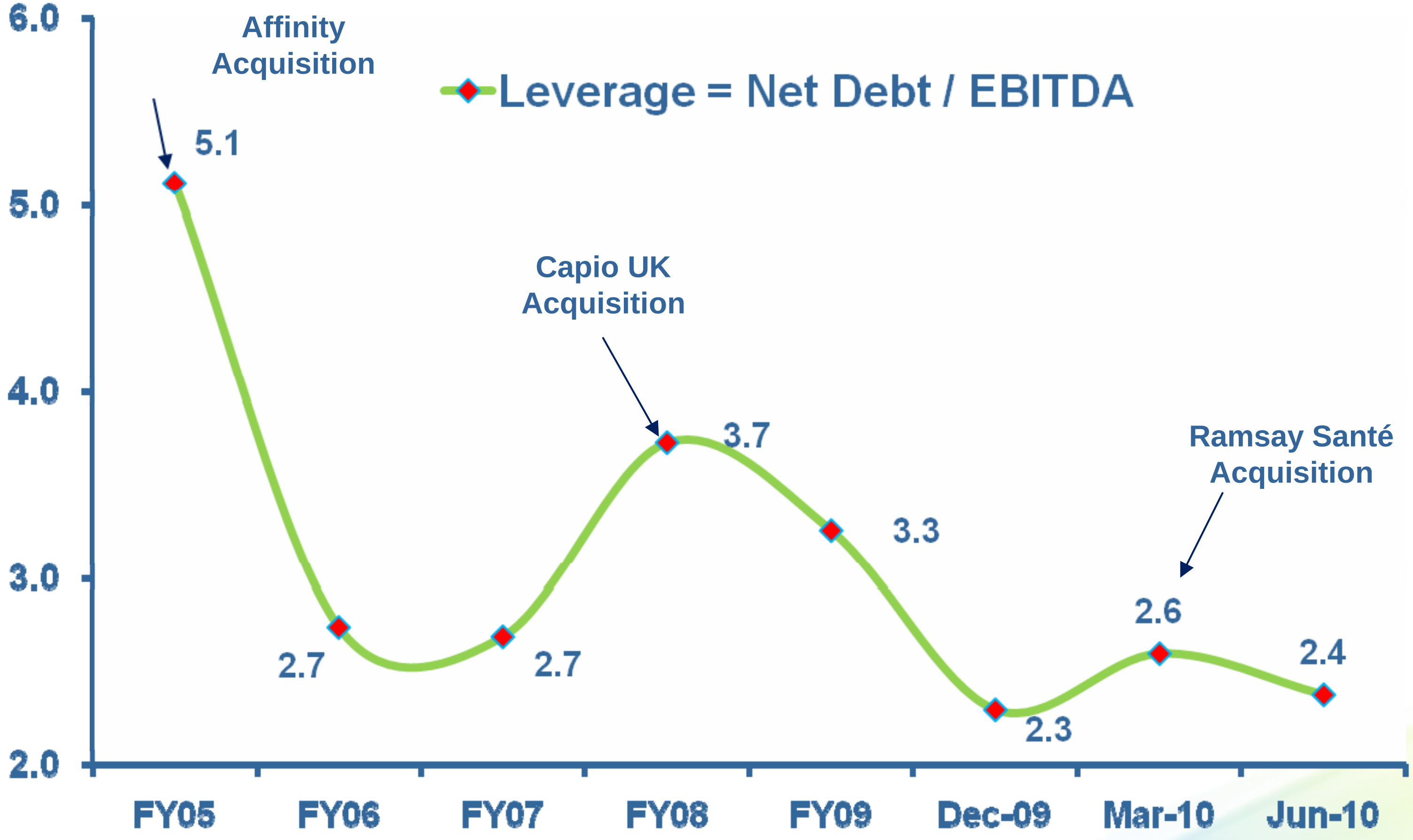
RAMSAY HEALTH CARE



- Ramsay has a track record of reducing its leverage ratio after making acquisitions

CAPITAL MANAGEMENT

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RAMSAY HEALTH CARE

- Debt Profile
  - Committed senior bank debt facilities of $1.9 billion in place until November 2012
  - Headroom of $500 million to $600 million after acquisition of Ramsay Santé and after allowing for funding of current brownfield commitments

- Financial Risk Management
  - Interest Rates:
    - Approximately 65% of debt is hedged at fixed rates
  - Translation of Foreign Earnings
    - Policy to hedge foreign earnings to reduce downside risk

CAPITAL MANAGEMENT

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- CARES
  - Ramsay will not convert or redeem CARES on 20 October 2010
  - CARES dividend margin will ‘step up’ by 2% to 4.85% with effect from the dividend payable beginning 20 April 2011
  - Ramsay retains the ability to redeem or convert CARES at subsequent CARES dividend payment dates
  - Ramsay will continue to monitor hybrid market conditions in conjunction with its overall funding objectives and capital management programme

OPERATIONAL RISK MANAGEMENT

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RAMSAY HEALTH CARE

- Committed to the safety and welfare of all our patients, staff, doctors, other clinicians and visitors
  - 30,000 staff; 2 million patients per annum
  - Robust risk management policies and procedures in place
  - Focus on clinical and facility risk, OH&S, environmental obligations and responsibilities, IT and business continuity risks

SUCCESSFUL & SUSTAINABLE GROWTH STRATEGY

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- Three key elements of growth
  - Organic
    - Underpinned by demographics, quality portfolio of hospitals, ongoing business improvement and integration of Ramsay Santé
  - Brownfield investment
    - Unmet demand driving Ramsay's ongoing investment in capacity expansion
  - Acquisitions
    - Exploring further acquisitions in the UK and France, researching opportunities in other markets
    - Ramsay has proved it can export its management model
    - Must add long-term value to shareholders

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

OUTLOOK

- Clear and consistent strategy to pursue our vision to become a major global hospital operator
- Ageing and growing population to fuel demand for health care over the medium and long term
- Ramsay is well positioned to capture increased demand via capacity expansion and acquisitions
- Completed brownfield projects continue to ramp up
- Continuing to explore further acquisition opportunities in the UK and France
- Barring unforeseen circumstances, Ramsay is targeting Core NPAT growth for the Group of 13%-15% in FY11, translating to Core EPS growth of 10%-12%

QUESTIONS