



ASX announcement

19 April 2005

RAMSAY HEALTH CARE SUCCESSFULLY COMPLETES INSTITUTIONAL ENTITLEMENT OFFER AND PLACEMENT

Private hospital operator Ramsay Health Care Limited (“Ramsay”) (ASX: RHC) announced today it has successfully completed its institutional entitlement offer and a placement of new shares to institutional investors, raising \$184 million to partly fund the acquisition of Affinity Health Limited.

The institutional placement raised approximately \$103 million through the offer of 14.75 million new shares at a price of \$7.00 per share.

In addition, Ramsay has raised approximately \$81 million in the institutional component of the 1-for-9 accelerated entitlement offer, which will involve the issue of approximately 13.1 million new shares at \$6.20 per share.

Institutional shareholders who did not take up their entitlement will receive, on a pro rata basis, a total of \$6.1 million for the value of their entitlements, representing the difference between the bookbuild clearing price of \$7.00 and the offer price of \$6.20 per entitlement.

In addition, the retail component of the Entitlement Offer is expected to open on Tuesday 26 April 2005 and is expected to raise approximately \$16 million, meaning that the total proceeds of the Entitlement Offer and Institutional Placement will be approximately \$200 million.

Paul Ramsay Holdings Pty Limited has taken up 911,455 of its maximum 7,975,235 entitlements under the Entitlement Offer. Post the completion of the equity raising, Paul Ramsay Holdings Pty Limited will own approximately 42.7% of the company.

The previously announced offer of Convertible Adjustable Rate Equity Securities (“CARES Offer”) to raise an additional \$260 million is expected to open on Wednesday, 27 April, 2005. The “margin” which determines the expected dividend rate applying to CARES will be determined by a bookbuild to be conducted on 26 April 2005. That margin is expected to be announced to the ASX on 27 April, 2005.

Ramsay Managing Director Pat Grier said the company was pleased with the high level of interest shown by institutional investors.

“Our institutional placement was significantly oversubscribed. We are very pleased with the strong support from both our existing institutional shareholders and new institutional investors who have taken up shares in the institutional placement. We see this as a strong endorsement of the acquisition of Affinity and the expected benefits which will flow to our shareholders,” Mr Grier said.

The placement price of \$7.00 represents a discount of 4.1% to the last traded share price on Tuesday 12 April of \$7.30 and a 2.6% discount to the theoretical ex-entitlement price of \$7.19.

The new shares issued under the Entitlement Offer and institutional placement are expected to be settled on 26 April, 2005 and commence trading on the Australian Stock Exchange on 27 April, 2005.

Details on the Entitlement Offer are contained in the prospectus which was lodged today with the Australian Securities and Investment Commission (ASIC). A separate prospectus for the CARES offer was also lodged with ASIC today. Anyone wishing to acquire securities under the Entitlement Offer or the CARES offer will need to complete the application form accompanying the prospectus for that offer.

Ramsay has established an information line for any inquiries about the AREO and CARES Offer. Inquiries should be made to 1300 366 027 (from within Australia) or +61 3 9415 4255 (from outside Australia).

Goldman Sachs JBWere is the sole Bookrunner, Lead Manager and Underwriter for the Placement, AREO and CARES Offers.

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