



ASX ANNOUNCEMENT

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RAMSAY HEALTH CARE TO SELL THREE SOUTH AUSTRALIAN HOSPITALS

Ramsay Health Care Limited announced today it has entered into an agreement to sell three of its hospitals in South Australia to Little Company of Mary Health Care for \$34.5 million following the strategic review of its assets, announced in August last year.

A decision was taken to sell the three hospitals - Wakefield, College Grove and Central District - after the review process identified them as not being strategic to the portfolio and after Ramsay received an attractive offer for the facilities.

The sale of these hospitals and the home care business (Silver Circle), as well as the planned sale of the residential aged care business, completes the rationalisation of the Ramsay portfolio.

Ramsay Managing Director Pat Grier said the proceeds from the sale of these hospitals would be utilized to reduce debt and be immediately mildly accretive to core EPS.

“We received a very attractive offer to sell these hospitals and we believe the facilities will benefit significantly from being part of a hospital group with greater medical/surgical scale in South Australia.

“After the Affinity acquisition in April 2005 we announced our intention to review the make-up of our portfolio, resulting in our decision to explore the sale of our aged care businesses and now the sale of these hospitals.

“We move forward now with an exceptionally high quality portfolio of facilities. We expect to announce further details in the short term of our plans to invest in brownfields capacity expansion and enhancements at a number of our hospitals,” Mr Grier said.

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