

ASX Announcement

22 October 2007

CONVERTIBLE ADJUSTABLE RATE EQUITY SECURITIES ('CARES')
DIVIDEND RATE

In accordance with the terms of issue of the Convertible Adjustable Rate Equity Securities ("CARES"), Ramsay Health Care Limited (ASX:RHC) announces that the Dividend Rate for the next Dividend Period will be 6.8985%.

Note that given the scheduled next Dividend Payment would be Sunday 20 April 2008 and is therefore not a Business Day. According to Section 8.3 of the Terms of Issue, the Dividend Payment Date becomes the next Business Day, being Monday 21 April 2008 (the "Substituted Date") and therefore, the Dividend Period will run from Monday 22 October 2007 until Sunday 20 April 2008 inclusive.

The Dividend Rate has been calculated in accordance with the Terms of Issue as follows:

$$\text{Dividend Rate} = (\text{Market Rate} + \text{Margin}) \times (1 - 0.3)$$

Where:

- The Market Rate is the 180 day Bank Bill Swap Rate on the first day of the Dividend Period, i.e. 22 October 2007, which is 7.0050%
- The Margin for the Dividend Period is 2.85%, as announced on 27 April 2005.



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