

RAMSAY HEALTH CARE LIMITED
ABN 57 001 288 768

APPENDIX 4D

FOR THE HALF YEAR ENDED 31 DECEMBER 2003

RAMSAY HEALTH CARE LIMITED

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SECTION 1
RESULTS FOR ANNOUNCEMENT
TO THE MARKET

RAMSAY HEALTH CARE LIMITED

RESULTS FOR ANNOUNCEMENT TO THE MARKET

1.1 HIGHLIGHTS OF RESULTS

	% increase/ (decrease)	2003 \$'000	2002 \$'000
Revenues from ordinary activities	17%	374,695	320,546
Profit from ordinary activities before income tax expense	7%	27,891	26,021
Profit after tax before significant items	14%	21,007	18,454
Profit from ordinary activities after tax attributable to members	2%	18,824	18,454
Net profit for the period attributable to members	2%	18,824	18,454

Dividends	Amount per security	Franked amount per security
Current year - Interim dividend	7.5¢	7.5¢
Previous corresponding period - Interim dividend	6.5¢	6.5¢
Record date for determining entitlements to the interim dividend	5pm on Thursday 22 April 2004	
Date the interim current year dividend is payable	30 April 2004	

The results are for the 6 months ended 31 December 2003. The comparative results are for the 6 month period ended 31 December 2002.

RAMSAY HEALTH CARE LIMITED

1.2 COMMENTARY ON RESULTS.

Commentary on results follows.

26 February, 2004

RAMSAY HEALTH CARE HALF YEAR PROFIT UP 14%

Half Year Highlights

- Net profit before non-recurring charge up 14% to \$21 million
- Non-recurring charge of \$2.2 million
- Net profit after non-recurring charge \$18.8 million
- Revenue up 17% to \$374.1 million
- EBITDA up 15% to \$51.7 million
- EBIT up 14% to \$37.6 million
- EBIT margin 10.1%
- Underlying earnings per share increased 13% to 16.3 cents from 14.4 cents
- Interim dividend 7.5 cents, fully franked, up 15.4% from 6.5 cents, fully franked

Overview

Leading private hospital operator Ramsay Health Care Limited announced today it achieved an interim net profit before non-recurring charges of \$21 million for the six months to December 31, 2003, a 14% increase on the result for the previous corresponding half year.

The \$2.2 million non-recurring charge in the period relates to costs associated with Ramsay's unsuccessful bid as part of a consortium to buy the Mayne hospital portfolio.

Revenue rose 17% in the half year to \$374.1 million and earnings before interest and tax (EBIT) rose 14% to \$37.6 million.

Directors of Ramsay Health Care have declared an interim dividend of 7.5 cents a share, fully franked, an increase of 15.4% on 6.5 cents, fully franked, paid in the previous corresponding half year

The dividend will be payable on 30 April 2004 with the record date for determining entitlement to the dividend 5 p.m. 22 April 2004.

Managing Director Pat Grier said:

“This is a strong result for Ramsay Health Care. It is a particularly pleasing outcome given the challenges facing the private hospital industry in the period.

“During the half year, the group had to absorb higher costs, particularly the rise in nurses’ wages and insurance premiums, but still achieved an EBIT margin above 10%.

“The result shows there is still capacity for solid organic growth at our existing hospitals based on the quality of our portfolio of assets and management’s ability to improve occupancy and contain costs.

“Excluding the contribution from Cairns Private Hospital, our latest acquisition, Ramsay recorded EBIT growth from existing facilities of around 12%.

“From already high occupancy levels, we continue to see solid increases across the portfolio.

“The first half saw the initial flow-on benefits from the expansion program at Greenslopes. After only six months, Greenslopes is close to achieving our hurdle rates on investment in the extra capacity there.

“In this period, Ramsay achieved satisfactory outcomes from health fund negotiations. Together with cost containment initiatives, this has resulted in the company’s overall EBIT margin remaining above 10%.”

Aged Care

Ramsay Health Care is committed to developing an aged care business by acquisition and through greenfield developments.

The company has been examining acquisition opportunities and is currently involved in discussions with a number of parties.

The company successfully applied for new aged care licences and in this period was allocated 186 residential aged care places in the Federal Government’s annual round of aged care approvals, taking the number of approvals to 206. Ramsay Health Care will now work towards developing greenfield sites.

These places are in key areas of growth, such as Brisbane and Coffs Harbour, and Ramsay Health Care will expedite development at these sites to ensure the new aged care places will be available for use by the community within two years.

In January 2004, Ramsay Health Care acquired Silver Circle, Australia's largest private home care business, and the company is pleased with its trading results as well as its potential for growth.

Mr Grier said:

"Silver Circle is a strategic component to building our aged care business.

"We are continuing to analyse the aged care industry, but we have strict criteria for investing in the sector. Greenfield developments are also an important part of our long-term strategy.

"This is a very fragmented industry. We are seeing plenty of opportunities and are confident of finding the right acquisitions. "

Outlook

Mr Grier said the focus for the remainder of the 2004 financial year would be to carefully manage costs while still growing the business.

In addition, the benefits from the company's expansion program will continue to flow through to earnings. The expansion and upgrading of Lake Macquarie Private Hospital, completed in January 2004, is expected to make a positive contribution to earnings in the second half, as will the expanded facilities at Greenslopes. Looking further ahead, the benefits of the two-year expansion program are expected to continue to flow into the 2005 financial year.

Despite industry challenges, Ramsay Health Care expects demand to remain favourable for the high quality facilities and services that the Ramsay group provides.

Whilst Ramsay Health Care continues to actively investigate further hospital acquisitions where it can add value and meet the demand of health fund members, it maintains its selective approach to acquisitions.

Mr Grier said:

“Acquisitions are an important part of our growth strategy. Ramsay Health Care has the balance sheet capacity and is in a strong position to pursue appropriate, value accretive acquisitions.

“Barring any unforeseen developments, we are comfortable with consensus market expectations for net profit before non-recurring items in the 2004 financial year to be approximately 10% above last year.

“Looking ahead, we expect benefits from our expansion program and from selected acquisitions augmenting continuing organic growth in our core business to maximise returns to our shareholders,” Mr Grier said.

Contact:

Mr Pat Grier
Managing Director
Ramsay Health Care
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Paula Hannaford
Gavin Anderson & Company
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Attachment: Summary of Financial Performance

Attachment: Summary of Financial Performance

	Half Year ended 31 December \$000s		
	2003	2002	% Increase
Operating Revenue	374,122	320,151	17%
EBITDA	51,717	45,068	15%
Depreciation and amortisation	14,086	12,186	
EBIT	37,631	32,882	14%
Interest	7,248	6,861	
Profit before tax and non-recurring charge	30,383	26,021	17%
NPAT before non-recurring charge	21,007	18,454	14%
Non-recurring charge (net of tax)	2,183	-	
Net profit after tax	18,824	18,454	2%
EPS before non-recurring charge (cents per share)	16.3	14.4	13%
EPS (cents per share)	14.6	14.4	2%
Interim Dividend (cents per share)	7.5 Fully Franked	6.5 Fully Franked	15%

SECTION 2

FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2003

RAMSAY HEALTH CARE LIMITED
AND CONTROLLED ENTITIES
A.B.N. 57 001 288 768
FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

RAMSAY HEALTH CARE LIMITED
AND CONTROLLED ENTITIES
A.B.N. 57 001 288 768
FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

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RAMSAY HEALTH CARE LIMITED

DIRECTORS' REPORT

Your directors submit their report for the half-year ended 31 December 2003.

DIRECTORS

The names of the company's directors in office during the half-year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Names

P.J. Ramsay AO – Non-Executive Chairman
M.S. Siddle – Non-Executive Deputy Chairman
I.P.S. Grier – Managing Director
B.R. Soden – Finance Director
M.L. Brislee – Non-Executive Director
A.J. Clark AM – Non-Executive Director
P.J. Evans – Non-Executive Director
R.H. McGeoch AM – Non-Executive Director
K.C.D. Roxburgh – Non-Executive Director

REVIEW OF OPERATIONS

Revenue rose 17% in the half year to \$374.7 million and earnings before interest and tax (EBIT) rose 14% to \$37.6 million.

The \$2.5 million unusual expense in the latest half year relates to costs associated with Ramsay's bid as part of a consortium to buy the hospital portfolio of Mayne Ltd.

During the half year, the group had to absorb higher costs, particularly the rise in nurses' wages and insurance premiums, but still achieved an EBIT margin above 10%.

The result shows there is still capacity for solid organic growth at our existing hospitals based on the quality of our portfolio of assets and management's ability to improve occupancy and contain costs.

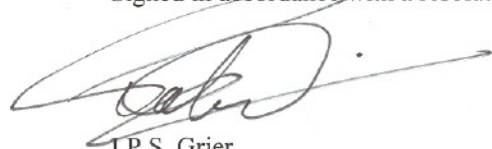
From already high occupancy levels, we continue to see solid increases across the portfolio.

During the first half, Ramsay achieved successful outcomes from health fund negotiations.

ROUNDING

The amounts contained in this report and in the half-year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.



I.P.S. Grier
Director



B.R. Soden
Director

Sydney, 26 February 2004

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

		Consolidated	
	Notes	2003	2002
		\$000	\$000
Revenues:			
Operating revenue		373,679	320,151
Dividends received		443	-
Interest income		363	395
Proceeds on sale of assets		210	-
Total revenue from ordinary activities	2	374,695	320,546
Details of Expenditure:			
Personnel costs		(200,750)	(173,543)
Occupancy costs		(15,311)	(13,627)
Medical consumables and supplies		(91,141)	(74,953)
Cost of services (excluding specific expense)		(15,202)	(12,961)
Depreciation and amortisation	3 (a)	(13,651)	(12,185)
Borrowing cost expense	3 (a)	(7,612)	(7,256)
Carrying value of assets sold		(250)	-
Decrement in value of medical suites		(395)	-
Specific expense:			
Cost of Services			
- Due Diligence costs associated with Mayne Bid	3(c)	(2,492)	-
		(346,804)	(294,525)
Profit from ordinary activities before income tax expense		27,891	26,021
Income tax expense relating to ordinary activities		(9,067)	(7,567)
Profit from ordinary activities after income tax expense		18,824	18,454
Net profit		18,824	18,454
Net profit attributable to members of Ramsay Health Care Limited		18,824	18,454
Basic earnings per share (cents per share)		14.6 cents	14.4 cents
Diluted earnings per share (cents per share)		14.6 cents	14.4 cents
Franked dividends per share (cents per share)	4	7.5 cents	6.5 cents

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2003

	Notes	Consolidated	
		As at 31/12/2003 \$000	As at 30/6/2003 \$000
CURRENT ASSETS			
Cash assets		18,431	16,880
Receivables		61,480	67,751
Inventories		11,947	11,189
Other		9,407	13,766
TOTAL CURRENT ASSETS		<u>101,265</u>	<u>109,586</u>
NON CURRENT ASSETS			
Other financial assets		308	245
Property, plant & equipment		522,965	512,548
Intangible assets		6,440	6,744
Deferred tax assets		23,133	21,976
Other		2,473	2,953
TOTAL NON CURRENT ASSETS		<u>555,319</u>	<u>544,466</u>
TOTAL ASSETS		<u>656,584</u>	<u>654,052</u>
CURRENT LIABILITIES			
Accounts payable		74,399	79,115
Interest-bearing liabilities		23,368	28,593
Provisions		27,285	26,941
Current tax liabilities		7,695	11,481
TOTAL CURRENT LIABILITIES		<u>132,747</u>	<u>146,130</u>
NON CURRENT LIABILITIES			
Interest-bearing liabilities		204,111	198,570
Provisions		27,633	24,856
Deferred tax liabilities		31,367	31,367
TOTAL NON CURRENT LIABILITIES		<u>263,111</u>	<u>254,793</u>
TOTAL LIABILITIES		<u>395,858</u>	<u>400,923</u>
NET ASSETS		<u>260,726</u>	<u>253,129</u>
SHAREHOLDERS' EQUITY			
Contributed equity		121,869	121,490
Reserves		54,533	54,533
Retained profits		84,324	77,106
TOTAL SHAREHOLDERS' EQUITY		<u>260,726</u>	<u>253,129</u>

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Notes	Consolidated 2003 \$000	2002 \$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		379,854	317,570
Payments to suppliers & employees		(328,949)	(286,789)
Payments in respect of Mayne bid		(2,492)	-
Dividends Received		-	-
Income tax paid		(14,196)	-
Borrowing costs paid		(7,757)	(7,592)
Interest received		363	395
GST received		14,953	15,193
GST paid		(5,626)	(5,042)
Net cash flows from operating activities		<u>36,150</u>	<u>33,735</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(24,015)	(39,898)
Purchase of business		-	(15,744)
Proceeds from sale of property, plant and equipment		210	-
Net cash flows (used in) investing activities		<u>(23,805)</u>	<u>(55,642)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of ordinary shares		378	1,175
Dividends paid		(11,604)	(8,331)
Repayment of finance lease - principal		(453)	(641)
Borrowings – receipts other		885	44,523
Borrowings – repayment other		-	-
Net cash flows (used in)/ from financing activities		<u>(10,794)</u>	<u>36,726</u>
Net increase in cash held		1,551	14,819
Add opening cash brought forward		14,973	3,530
CLOSING CASH CARRIED FORWARD	6	<u><u>16,524</u></u>	<u><u>18,349</u></u>

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half-year financial report has been prepared in accordance with the historical cost convention except for Property and certain Plant and Equipment measured at fair value.

The half-year financial report should be read in conjunction with the Annual Financial Report of Ramsay Health Care Limited as at 30 June 2003. It is also recommended that the half-year financial report be considered together with any public announcements made by Ramsay Health Care Limited and its controlled entities during the half-year ended 31 December 2003 in accordance with the continuous disclosure obligations arising under the Corporations Act 2001.

Basis of accounting

The half-year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 1029 (Interim Financial Reporting) and other mandatory professional reporting requirements (Urgent Issues Group Consensus Views).

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Consolidated	
	2003	2002
	\$000	\$000
2. REVENUE FROM ORDINARY ACTIVITIES		
Revenue from operating activities:		
Revenue from services	<u>366,556</u>	<u>312,915</u>
Rental income		
Other persons/corporations	3,373	2,890
Bad debts recovered	16	29
Income from ancillary services	<u>3,734</u>	<u>4,317</u>
Total revenue from operating activities	<u><u>373,679</u></u>	<u><u>320,151</u></u>
Revenue from non-operating activities:		
Dividends and distributions		
Other persons/corporations	443	-
Interest		
Other persons/corporations	363	395
Proceeds on sale of property, plant and equipment	<u>210</u>	<u>-</u>
Total revenue from outside the operating activities	<u>1,016</u>	<u>395</u>
Total revenues from ordinary activities	<u><u>374,695</u></u>	<u><u>320,546</u></u>

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Consolidated	
	2003	2002
	\$000	\$000
3. EXPENSES AND LOSSES / (GAINS)		
(a) Expenses		
Amortisation of non-current assets:		
- Goodwill	303	304
- Leasehold improvements	189	112
- Capitalised leased assets	250	407
	<u>742</u>	<u>823</u>
Depreciation of non-current assets:		
- Plant and equipment	9,271	8,276
- Buildings	3,638	3,086
	<u>12,909</u>	<u>11,362</u>
Total depreciation and amortisation	<u>13,651</u>	<u>12,185</u>
Bad and doubtful debts:		
- Trade debtors	149	14
Rental - operating leases	2,792	2,860
Contributions to superannuation funds	11,942	10,508
Borrowing costs:		
- Interest expense		
Other persons/corporations	7,556	7,089
- Finance charges - lease liability	56	167
	<u>7,612</u>	<u>7,256</u>
(b) Losses		
Net loss on disposal of property, plant and equipment	40	-
(c) Significant Item		
Due diligence costs associated with the unsuccessful bid for the Mayne Hospital portfolio	2,492	-

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

	Consolidated	
	2003	2002
	\$000	\$000
4. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES		
(a) Dividend paid during the period:		
<i>Previous year final dividend paid</i>		
- Unfranked dividends – ordinary (Nil cents per share) (2002: 6.5 cents)	-	8,328
- Franked dividends – ordinary (9 cents per share) (2002: Nil cents)	11,604	-
	<u>11,604</u>	<u>8,328</u>
(b) Dividends proposed and not recognised as a liability		
<i>Interim dividend proposed</i>		
- Franked dividends – ordinary (7.5 cents per share) (2002 – 6.5 cents)	<u>9,637</u>	<u>8,360</u>

The tax rate at which paid dividends have been franked is 30% (2002: 0%). Dividends proposed will be franked at the rate of 30% (2002: 30%).

**RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2003**

5. CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change of any contingent liabilities or contingent assets.

Consolidated	
2003	2002
\$000	\$000

6. RECONCILIATION OF CASH

Cash balances comprise:

Cash on hand	39	37
Cash at bank and on deposit	18,392	20,069
Restricted cash balances	(1,907)	(1,757)
	<u>16,524</u>	<u>18,349</u>

Of the amount of \$18,431,000 (2002: \$20,106,000) shown as cash at bank and on deposit, the amount of \$1,907,000 (2002: \$1,757,000) is held in restricted accounts.

7. SUBSEQUENT EVENTS

On 7 January 2004, Ramsay Health Care Limited through its wholly owned subsidiary Ramsay Aged Care Holdings Pty Limited purchased the remaining 75 percent of the ordinary shares of Glad Pty Limited trading as Silver Circle for \$4,024,000.

Ramsay Health Care Limited through its wholly owned subsidiary Alpha Healthcare Limited has owned 25 percent of Silver Circle for more than two years.

Silver Circle was established in 1991 and has fast become one of the largest home support businesses in Australia. It provides care and support to people with a wide range of needs, including the elderly, people recovering after a hospital stay or ill health, people who have had personal injuries, people with disabilities, carers of family members, parents of children with special needs and others.

Silver Circle has over 1,500 staff, offering a broad range of services to individual and corporate clients, including:

- Housekeeping and home care
- Personal care
- Respite care
- Monitoring the well being of at-risk clients
- Mobility assistance
- Home modifications and maintenance to assist independent living.

8. SEGMENT INFORMATION

The consolidated entity operates in the private hospital industry segment, predominantly in the geographical segment of Australia.

RAMSAY HEALTH CARE LIMITED

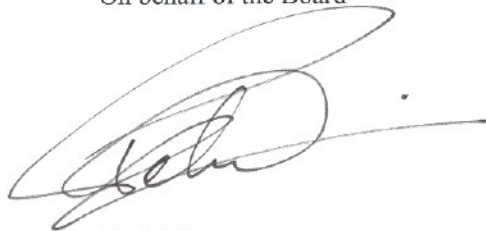
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Ramsay Health Care Limited, I state that:

In the opinion of the directors:

- (a) the financial statements and notes of the consolidated entity:
 - (i) give a true and fair view for the financial position as at 31 December 2003 and the performance for the half-year ended on that date of the consolidated entity; and
 - (ii) comply with Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

A large, stylized handwritten signature in dark ink, appearing to read 'I.P.S. Grier'.

I.P.S Grier
Director

A handwritten signature in dark ink, appearing to read 'B. R. Soden'.

B. R Soden
Director

Sydney, 26 February 2004.

Independent review report to the members of Ramsay Health Care Ltd

Scope

The financial report and directors' responsibility

The financial report comprises the statement of financial position, statement of financial performance, statement of cash flows and accompanying notes to the financial statements for the consolidated entity comprising both Ramsay Health Care Ltd (the company) and the entities it controlled during the half year, and the directors' declaration for the company, for the half year ended 31 December 2003.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the consolidated entity, and that complies with Accounting Standard AASB 1029 "Interim Financial Reporting", in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the *Corporations Act 2001*, Accounting Standard AASB 1029 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the consolidated entity, comprising Ramsay Health Care Ltd and the entities it controlled during the half year is not in accordance with:

- (a) the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity at 31 December 2003 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 1029 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and
- (b) other mandatory financial reporting requirements in Australia.

A handwritten signature in cursive script that reads "Ernst & Young".

Ernst & Young

A handwritten signature in cursive script that reads "C. M. Hosking".

Colleen Hosking
Partner
Sydney
26 February 2004

SECTION 3
ANALYST INFORMATION

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
APPENDIX 4D
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

ANALYST INFORMATION

1) Earnings per share

The following reflects the income and share data used in the calculations of basic and diluted earnings per share:

	2003 \$'000	2002 \$'000
Net profit	18,824	18,454
Earnings used in calculating basic and diluted earnings per share	18,824	18,454
	Number of shares	Number of shares
Weighted average number of ordinary shares used in calculating basic earnings per share	128,808,131	127,991,693
Effect of dilutive securities:		
Share options	-	423,223
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	128,808,131	128,414,921
Basic earnings per share	14.6c	14.4c
Diluted earnings per share	14.6c	14.4c

2) Dividends

Dividends	Amount per security	Franked amount per security
Current year - Interim dividend	7.5c	7.5c
Previous corresponding period - Interim dividend	6.5c	6.5c
Record date for determining entitlements to the interim dividend	22 April 2004	
Date the current year interim dividend is payable	30 April 2004	

Interim Dividend	2003 \$'000	2002 \$'000
Ordinary Securities	9,637	8,360

The current year interim dividend will be franked at the rate of 30% (2002 : 30 %)

The Directors have suspended the dividend reinvestment plan until further notice.

RAMSAY HEALTH CARE LIMITED AND CONTROLLED ENTITIES
APPENDIX 4D
FOR THE HALF YEAR ENDED 31 DECEMBER 2003

3) NTA backing	31/12/2003	30/6/2003	31/12/2002
Net tangible asset backing per ordinary share	\$2.04	\$2.00	\$1.91

4) Acquisition of Silver Circle

On 7 January 2004, Ramsay Health Care Limited through its wholly owned subsidiary Ramsay Aged Care Holdings Pty Limited purchased the remaining 75 percent of the ordinary shares of Glad Pty Limited trading as Silver Circle.

Ramsay Health Care Limited through its wholly owned subsidiary Alpha Healthcare Limited has owned 25 percent of Silver Circle for more than two years.

Silver Circle was established in 1991 and has fast become one of the largest home support businesses in Australia. It provides care and support to people with a wide range of needs, including the elderly, people recovering after a hospital stay or ill health, people who have had personal injuries, people with disabilities, carers of family members, parents of children with special needs and others.

Silver Circle has over 1,500 staff, offering a broad range of services to individual and corporate clients, including:

- Housekeeping and home care
- Personal care
- Respite care
- Monitoring the well being of at-risk clients
- Mobility assistance
- Home modifications and maintenance to assist independent living.