



ASX ANNOUNCEMENT

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RAMSAY'S MALAYSIAN AFFILIATE SIGNS CONDITIONAL CONTRACT TO FORM A JOINT VENTURE IN CHINA

Ramsay Sime Darby Health Care (**RSD**), a partnership between Ramsay Health Care Ltd (**Ramsay**) and Sime Darby Berhad, has today signed a conditional contract to form a joint venture with Chinese healthcare company Chengdu Jinxin Healthcare Investment Management Group Ltd (**Jinxin**), which operates a number of hospitals, and is in the process of developing a new hospital, in the city of Chengdu.

Ramsay will have an effective 25% stake in the final 50-50 joint venture and is expected to be the first international hospital operator to invest across a broad spectrum of specialty facilities in the Chinese hospital market.

Chengdu is home to over 14 million people and is the capital and centre of commerce and trade of the Sichuan Province in western China. Sichuan has a population of approximately 85 million and is enjoying rapid economic growth.

The joint venture will initially involve four of the hospitals that Jinxin currently operates in Chengdu and, at a later stage, a 500 bed women's health private hospital due to open later this year. In total, it is contemplated that the joint venture will involve these five hospitals with approximately 2,300 beds and a focus on women's health, mental health, and traditional Chinese medicine.

The RSD joint venture was formed on 1 July 2013 and currently operates three hospitals in Malaysia and three hospitals in Indonesia. It also operates a nursing and health sciences college in Malaysia.

Ramsay Managing Director Chris Rex said the joint venture with Jinxin was an excellent entry point for RSD into the Chinese healthcare market and the largest economy in Asia.

"China has a large and ageing population with a burgeoning middle class and more recently, has developed a positive outlook on healthcare reforms," Mr Rex said.

"We look forward to applying our proven healthcare management expertise to the Jinxin hospitals in Chengdu and to exploring future opportunities that may arise both in the Sichuan province and elsewhere in China."

Sime Darby Berhad President and Group Chief Executive Tan Sri Dato' Seri Mohd Bakke Salleh said the joint venture with Jinxin was a good start for RSD as it sought to build a portfolio of quality hospitals across Asia.

"Both partners - Ramsay and Sime Darby - have been keen to expand our hospital portfolio in Asia and this new deal with Jinxin, a reputable hospital operator, provides RSD with a

foothold in a very attractive market and allows it to accelerate our growth plans in the region,” Tan Sri Bakke said.

The total cash consideration for RSD’s 50% equity share of the joint venture will be approximately USD¹135 million (RM²431 million) and will be funded through RSD’s existing debt facility.

The total consideration will be paid by RSD to Jinxin in two phases. The first phase of the transaction relates to the four hospitals that Jinxin currently operates. The second phase of the transaction relates to the new women’s health private hospital, which is currently being developed. The two phases of the transaction are not inter-conditional.

Given that the deal is subject to the parties satisfying all conditions precedent, a timeframe for final completion of each phase of the transaction has not yet been established but it is envisaged that both phases will complete in FY16.

The transaction will be equity accounted by Ramsay through RSD and in the first full year is expected to be EPS neutral and mildly EPS accretive thereafter.

¹ USD= United States Dollars

² RM= Malaysian Ringgit

For further information please contact:

Christopher Rex
Managing Director
Ramsay Health Care
+ 61 2 9433 3444

Carmel Monaghan
Group Chief of Staff
Ramsay Health Care
+ 61 438 646 273

About Ramsay Health Care

Ramsay Health Care is one of the largest private hospital groups in the world with 212 hospitals located across Australia, France, UK and Asia. The company employs over 50,000 staff and admits almost 3 million patients per annum.

In 2014, Ramsay Health Care celebrated 50 years since its establishment in Sydney, Australia. The Company is well respected throughout the healthcare industry for operating quality private hospitals and for its excellent record in hospital management and patient care

About Sime Darby

Sime Darby is a Malaysia-based diversified multinational involved in key growth sectors, namely, plantations, property, motors, industrial equipment, energy & utilities and healthcare. Founded in 1910, its business divisions seek to create positive benefits in the economy, environment and society where it has a presence.

About Jinxin

The Jinxin group operate a number of health related services including IVF hospitals and clinics, aged care facilities and community health centres, as well as hospitals covering Women’s and Children’s Health, Mental Health and Traditional Chinese Medicine (“TCM”) in the city of Chengdu, situated in Sichuan Province.