



Healthscope

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MEDIA STATEMENT

15 November 2010

Healthscope announces offer of Healthscope Notes

Healthscope Group, one of Australia's leading private healthcare services providers, today announced the offer of Healthscope Notes, which are subordinated debt securities to be listed on the Australian Securities Exchange ("ASX"), bearing fixed, quarterly interest of at least 11.00% per annum (the "Offer").

Healthscope Notes Limited (the "Issuer"), a funding vehicle within the Healthscope Group, is seeking to raise approximately \$170 million under the Offer, although the Issuer may accept over-subscriptions of up to \$45 million. The net proceeds of the Offer will be applied toward repayment of a subordinated bridge facility that formed part of the funding for the acquisition of Healthscope Limited.

Healthscope's Executive Chairman and Managing Director, Robert Cooke, said: "Healthscope Notes provide investors with an opportunity to invest along with TPG and Carlyle in a business with strong market positions and high free cashflow generation, which has attractive opportunities for further growth. The notes also feature an attractive yield, regular fixed quarterly income and if and when a decision is taken to return to market via an initial public offer, holders will be able to participate in the IPO at a 2.5% discount to the issue price paid by retail investors."

Key features of the Healthscope Notes

The key features of the Healthscope Notes are as follows:

- Redeemable, exchangeable, subordinated and secured Notes;
- Issue price of \$100 each;
- Fixed interest rate of at least 11.00% per annum, payable quarterly in arrears;
- 5½ year term;
- Security over the majority of assets and entities of the Healthscope Group on a subordinated basis to the senior debt; and
- In the event of an Initial Public Offering, Holders will be entitled to exchange their Healthscope Notes into listed securities at a 2.5% discount to the issue price paid by retail investors in the Initial Public Offer.

The interest rate will be fixed at 11.00%, 11.125% or 11.25% per annum, as determined through a bookbuild process expected to be undertaken on Tuesday, 23 November 2010.

Healthscope Notes are subordinated to the senior debt of the Healthscope Group. Holders will have the benefit of the same security as the security which secures the senior debt; but will be subordinated and rank second to approximately \$1.2 billion of currently drawn senior debt; and will rank ahead of the \$1.5 billion in capital invested at the time of the acquisition of Healthscope Group in October 2010 by funds managed and advised by Carlyle and TPG.

Application will be made for Healthscope Notes to be quoted on the ASX.

The Offer is being made under a prospectus lodged today with the Australian Securities and Investments Commission ("ASIC") ("Prospectus"). The full terms of the Healthscope Notes are set out in the Prospectus. Investors should read the Prospectus in full before deciding whether to invest in Healthscope Notes. Anyone wishing to invest in Healthscope Notes will need to complete the application form attached to or accompanying the Prospectus. Applications will only be accepted during the Offer Period, which is expected to open on Wednesday, 24 November 2010.

The Prospectus contains important information regarding the Healthscope Group and the Offer, including some of the key risks of investing in Healthscope Notes. Investors should read the whole Prospectus carefully before deciding whether to invest in Healthscope Notes.

About Healthscope Group

The Healthscope Group is one of Australia's leading private healthcare services providers, with revenues of \$1,906 million and EBITDA before non-recurring items of \$278 million for the 12 months ended 30 September 2010. The Healthscope Group operates 44 private hospitals, over 520 pathology collection centres and 73 medical centres and skin cancer clinics nationwide. In addition to its domestic operations, the Healthscope Group also has leading pathology market positions in New Zealand, Malaysia and Singapore.

Through a transaction which closed on 12 October 2010, Asia Pacific Healthcare Group Pty Ltd, a company owned by funds advised and managed by The Carlyle Group and TPG Capital, acquired all of the fully paid ordinary shares in Healthscope Limited. The Carlyle Group and TPG Capital are leading global private investment firms which collectively manage approximately US\$140 billion in equity capital and have significant experience in investing in healthcare businesses, both in the Asia Pacific region and internationally.

Details of the Offer

The Offer is scheduled to open on Wednesday, 24 November 2010, following completion of the bookbuild for institutional investors and retail brokers to determine the interest rate. The closing date for the Offer is Thursday, 9 December 2010 in respect of the Healthscope Shareholder Priority Offer and General Offer and Thursday, 16 December 2010 in respect of the Broker Firm Offer.

ANZ Securities, Credit Suisse (Australia) Limited, Macquarie Capital Advisers Limited, UBS AG, Australia Branch, and Westpac Institutional Bank are acting as Joint Lead Managers and Joint Bookrunners in relation to the Offer.

The Offer comprises:

- a Healthscope Shareholder Priority Offer — made to any former shareholder of Healthscope Limited, who is an Australian or New Zealand resident and who received consideration under the Scheme of Arrangement in October 2010
- a General Offer — made to members of the public who are Australian or New Zealand residents;
- a Broker Firm Offer — made to retail clients of a participating broker, invited to participate through the Broker Firm Offer; and
- an Institutional Offer — made to institutional investors who are invited by the Joint Lead Managers to bid for Healthscope Notes in the bookbuild.

Applications must be for a minimum of 50 Healthscope Notes being \$5,000, and in multiples of 10 Healthscope Notes (\$1,000) thereafter. The Issuer, in consultation with the Joint Lead Managers, reserves the right to reject any application, or to allocate any applicant a lesser number of Healthscope Notes than applied for.

Interested investors can access the Prospectus online at www.healthscopenotesoffer.com.au or can request a Prospectus by calling the Information Line on 1300 038 928 (within Australia) or +61 3 9938 4386 (International) (Monday to Friday- 8:30am to 5:30pm AEDT) during the Offer Period, expected to open on Wednesday, 24 November 2010. Alternatively, contact your broker, financial adviser or other professional adviser.

The key dates of the Offer are set out below:

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| Lodgement of the prospectus with ASIC | Monday 15 November 2010 |
| Bookbuild to determine the Interest Rate | Tuesday 23 November 2010 |
| Announcement of Interest Rate and lodgement of replacement prospectus (including Interest rate) with ASIC | Wednesday 24 November 2010 |
| Offer opens | Wednesday 24 November 2010 |
| Closing Date for Healthscope Shareholder Priority Offer and General Offer | Thursday 9 December 2010 |
| Closing Date for Broker Firm Offer | Thursday 16 December 2010 |
| Issue of Healthscope Notes | Friday 17 December 2010 |
| Healthscope Notes expected to commence trading on ASX on a deferred settlement basis | Monday 20 December 2010 |
| Holding Statements dispatched | Tuesday 21 December 2010 |
| Healthscope Notes expected to commence trading on ASX on a normal basis | Wednesday 22 December 2010 |
| First Interest Payment Date | 25 March 2011 |
| Subsequent Interest Payment Dates | Each 25 March, 25 June, 25 September and 25 December thereafter |
| Maturity Date | 17 June 2016 |

Note:

This timetable is indicative only. The Issuer, in consultation with the Joint Lead Managers, reserves the right to vary the dates and times of the Offer, including to close the offer early, withdraw the Offer, extend the Closing dates or to accept late Applications, either generally or in particular cases.

Healthscope Notes Information Line

1300 038 928 (within Australia) or +61 3 9938 4386 (International)

Monday to Friday - 8:30am to 5.00 pm AEDT during the Offer Period (expected to open on 24 November 2010)

Website

www.healthscopenotesoffer.com.au

Contact

Sue Cato 0419 282 319

Legal Disclaimer

Further information about the Offer is in the prospectus offering Healthscope Notes dated 15 November 2010 issued by Healthscope Notes Limited ACN 147 250 780 ("Prospectus"). A copy of the Prospectus can be viewed online at www.healthscopenotesoffer.com.au and during the Offer Period, which is expected to open on Wednesday, 24 November 2010, a paper copy of the Prospectus will be provided free of charge to any person who requests a copy by contacting the Healthscope Notes Offer Information Line on 1300 038 928 (within Australia) and +61 3 9938 4386 (International). Offers of Healthscope Notes will be made in or accompanied by the Prospectus. Applicants should consider the Prospectus in deciding whether to apply for Healthscope Notes and anyone who wants to apply for Healthscope Notes will need to complete the application form in or accompanying the Prospectus.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or to any person that is, or is acting for the account or benefit of, a "U.S. person" (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "US Securities Act") ("US Person"))".

Healthscope Notes have not been, and will not be, registered under the US Securities Act or the securities laws of any state of the United States, and may not be offered or sold in the United States, or to, or for the account or benefit of, a US Person, except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and applicable United States state securities laws.