

## UPDATE ON BROOKFIELD PROPOSAL

21 DECEMBER 2018

Healthscope Limited ("Healthscope") today provides the following update regarding the proposal from Brookfield Capital Partners Ltd ("Brookfield") announced to ASX on 12 November 2018.

Brookfield has confirmed that it has received substantially all of the due diligence materials requested from Healthscope. Healthscope considers that Brookfield's due diligence enquiries with respect to Healthscope's business and management are substantially complete. Brookfield has also confirmed, based on its enquiries and financing discussions to date, it has no reason to believe it would not be willing and able to proceed with the proposal for the acquisition of all shares in Healthscope by way of a scheme of arrangement representing total value of \$2.585 per share and, if that fails, and a simultaneous off-market takeover offer ("Takeover Offer") representing total value of \$2.455 per share including an interim dividend of up to 3.5 cents per share payable in respect of the six months to 31 December 2018 (together, the "Brookfield Proposal").

Brookfield has proposed that part of the consideration under the Takeover Offer may be paid by way of dividend and / or capital return. The amount of any dividend and / or capital return is yet to be determined, however this would not reduce the total cash payable to shareholders. This approach may have taxation advantages for those Healthscope shareholders who are able to utilise any franking credits and this aspect of the Brookfield Proposal will be taken into consideration by the Healthscope Board.

As previously announced, the Brookfield Proposal is subject to the satisfaction of certain conditions including completion of due diligence, Brookfield arranging committed debt financing, and finalising and executing a binding implementation agreement. To allow for the necessary work to be completed, Healthscope and Brookfield have agreed to extend the exclusivity provisions under the Process Deed dated 12 November 2018 to 5pm on 18 January 2019. A copy of the amending document is attached. The parties are working together to ensure that the necessary work is completed by this date.

Healthscope shareholders are reminded that:

- there is no certainty the Brookfield Proposal will result in a scheme of arrangement or takeover bid being formally proposed; and
- a scheme of arrangement or takeover bid will only proceed if the conditions to the Brookfield Proposal are fully satisfied and a binding implementation agreement is executed by the parties.



# Healthscope

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## Further enquiries:

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## About Healthscope

Healthscope (ticker: HSO) is a leading private healthcare provider with 43 private hospitals in Australia and pathology operations across New Zealand.

Healthscope has a team of over 16,650 people and 17,500 Accredited Medical Practitioners, providing care to patients ranging from pathology tests to complex surgery.

We place the highest priority on quality clinical outcomes, transparency of reporting and elevating the overall patient experience. Healthscope was the first private hospital operator in Australia to report performance against quality and clinical outcome metrics publicly, just one part of our program to maintain and continually improve our high standards.



## Healthscope

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21 December 2018

Len Chersky  
Brookfield Capital Partners Pty Ltd  
Canada

Dear Len

### Process Deed - extension to certain provisions

This letter formally records an extension to the operation of certain provisions of the Process Deed dated 12 November 2018 between Healthscope Limited and Brookfield Capital Partners Ltd.

From the execution of this letter, each reference to the "Exclusivity Period" in:

- clause 3 (Negotiation of Implementation Agreement and Commitment of Resources); and
- clause 4 (Exclusivity),

shall be taken to refer to the period from and including the date of the Deed to 5pm (Melbourne time), Friday 18 January 2019 (unless the Deed is terminated earlier in accordance with its terms).

Please sign and return to me a copy of this letter to confirm agreement by Brookfield Capital Partners Ltd.

Yours faithfully

Paula Dwyer

Chairman

### EXECUTED as a deed

EXECUTED by HEALTHSCOPE LIMITED in  
accordance with section 127(1) of the  
Corporations Act 2001 (Cth) by authority of its  
directors:

Signature of director

Paula Dwyer

Name of director (block letters)

Signature of ~~director~~/company secretary\*

\*delete whichever is not applicable

Ingrid Player

Name of ~~director~~/company secretary\* (block  
letters)

\*delete whichever is not applicable

SIGNED, SEALED AND DELIVERED by  
BROOKFIELD CAPITAL PARTNERS LTD in  
the presence of:

Seal



Signature of witness

Sarah Alderson

Name of witness



Signature of authorised signatory

Ryan Szainwald

Name of authorised signatory