

Healthscope Notes Limited announces Healthscope Subordinated Notes II Offer

4 March 2013

Healthscope Notes Limited (“Healthscope”) today announced the offer of Healthscope Subordinated Notes II (“Notes II”).

Notes II are being offered at an issue price of \$100 each, to raise approximately \$150 million, with the ability to raise more or less.

Notes II are 5 year subordinated notes that will, subject to suspension, pay fixed rate interest payments quarterly in arrears, at an interest rate of between 10.25% and 10.75% per annum, as determined under the Bookbuild.

Notes II are expected to be quoted on ASX under the ASX code HLNGA.

Notes II will rank equally with the existing Healthscope Subordinated Notes issued in December 2010 (“Notes I”). Notes I and Notes II will have substantially the same terms, however they are different securities, and among other things, will have different interest rates and different maturity dates. Notes I will mature before Notes II.

The offer forms part of the Healthscope Group’s capital management strategy and will further diversify the Healthscope Group’s funding sources and lengthen its debt maturity profile. The proceeds of the offer will be used to voluntarily repay some of the Healthscope Group’s Senior Debt.

Further information about the offer and Notes II is available in the prospectus for Notes II (“Prospectus”) which has been lodged with ASIC and ASX today and the Investor Presentation for the offer which has been lodged with ASX today.

Credit Suisse, Macquarie Capital and UBS are acting as Structuring Advisers to the Offer and ANZ, Commonwealth Bank, Credit Suisse, Macquarie Capital, National Australia Bank, UBS and Westpac Institutional Bank are acting as Joint Lead Managers to the Offer.

Summary of key terms

- 5 year term to 25 March 2018, unless redeemed or exchanged earlier;
- Subordinated to the Healthscope Group’s Senior Debt, ranking equally with Notes I and senior to Healthscope Group ordinary equity;
- Unfranked, quarterly interest payments at a fixed interest rate of between 10.25% and 10.75% to be determined under the Bookbuild. Interest must be paid to Holders unless subject to suspension;
- Suspended interest will accrue additional interest at the interest rate plus 2.00% p.a.;
- Redeemable by Healthscope in certain circumstances;
- Holders have a limited right to request redemption only upon the occurrence of a Delisting Event;



- Eligible holders of Notes II will have a priority right to subscribe in an IPO in relation to the Healthscope Group (which is not guaranteed to occur) at a 2.5% discount to the price offered to retail investors in the IPO; and
- Second ranking security over the majority of the assets of the Healthscope Group. Notes II are “unsecured notes” under the Corporations Act.

Details of the offer

The offer is expected to open on 13 March 2013 and consists of:

- a Securityholder Offer – to Eligible Securityholders being registered holders of Notes I at 7.00pm (Melbourne time) on 25 February 2013 and shown on the Register as having an address in Australia or New Zealand;
- a General Offer – to members of the general public who are resident in Australia or New Zealand;
- a Broker Firm Offer – to Australian and New Zealand resident retail clients of the Syndicate Brokers; and
- an Institutional Offer – to certain Institutional Investors.

The Closing Date for the Securityholder Offer and General Offer is expected to be 5.00pm (Melbourne time) on 19 March 2013 for paper applications and 5.00pm (Melbourne time) on 25 March 2013 for online applications. The Closing Date for the Broker Firm Offer is expected to be 10.00am (Melbourne time) on 26 March 2013.

The Prospectus is available for download within Australia at **www.HealthscopeNotesIIOffer.com**. A replacement Prospectus containing the final interest rate will be made available when the Offer opens. Application Forms will also be made available at this time.

How to apply for Notes II

Full details of the offer, including who can apply and how to participate, are available in the Prospectus. Investors should read the Prospectus in its entirety before deciding whether to invest in Notes II. Investors should also discuss the offer with their financial or other professional adviser prior to making any investment decision.

Investors can request a hard copy Prospectus and Application Form online at **www.HealthscopeNotesIIOffer.com** or by calling the **Healthscope Notes II Offer Information Line** on 1300 387 249 (within Australia) or +61 3 9415 4061 (outside Australia) (Monday to Friday, 8.30am to 5.30pm, Melbourne time).

Once the Offer opens, Eligible Securityholders and General Offer applicants who wish to apply for Notes II can complete an application online at **www.HealthscopeNotesIIOffer.com** or complete and return an Application Form accompanying the printed Prospectus.

Broker Firm Applicants should contact their Syndicate Broker for instructions on how to make an Application for Notes II.

Unless otherwise defined, capitalised words used in this media release have the meanings given to them in the Prospectus.



More Information

For more information about the offer visit www.HealthscopeNotesIIOffer.com or call the **Healthscope Notes II Offer Information Line** on 1300 387 249 (within Australia) or +61 3 9415 4061 (outside Australia) (Monday – Friday, 8.30am to 5.30pm (Melbourne time)).

Key Dates for the Notes II offer

Lodgement of the Prospectus with ASIC	4 March 2013
Bookbuild commenced	4 March 2013
Announcement of interest rate and lodgement of the Replacement Prospectus with ASIC	13 March 2013
Offer Opens	13 March 2013
Closing Date for Securityholder Offer and General Offer (paper applications)	19 March 2013
Closing Date for Securityholder Offer and General Offer (online applications)	25 March 2013
Closing Date for Broker Firm Offer	26 March 2013
Issue Date of Notes II	27 March 2013
Notes II expected to commence trading on ASX on a deferred settlement basis	28 March 2013
Holding Statements dispatched	3 April 2013
Notes II expected to commence trading on ASX on a normal settlement basis	4 April 2013

These key dates are indicative only and may change without notice.

For further enquiries, please contact:

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Important Notice

This announcement is not an offer, or invitation to apply for, Notes II. The offer of Notes II will be made in, or accompanied by a copy of the Prospectus and anyone who wants to invest in Notes II will need to complete the Application Form that will be in or accompany the Prospectus. This announcement and the information it contains is a summary only and is not and should not be considered financial product or investment advice or a recommendation that Notes II are suitable for you. This announcement does not take into account your investment objectives, financial situation or particular circumstances. You should read the Prospectus (and any replacement prospectus, including the replacement prospectus expected to be lodged on or about 13 March 2013 containing details of the final interest rate) in its entirety before deciding whether to invest in Notes II. If you have any questions about the Notes II offer, you should consult your financial or other professional adviser. There are risks associated with an investment in Notes II including the loss of income and principal invested. Risks are discussed further in the Prospectus and you should consider these risks before deciding whether to invest in Notes II. Notes II are unsecured notes for the purposes of section 283BH of the Corporations Act.