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Company Announcements Office
Australian Stock Exchange
20 Bridge Street
Sydney NSW 2000

ASX Announcement
Pulse Health Limited (ASX Code: PHG)
Chairman's AGM Address

I am pleased to present the Pulse Health Limited's annual report for the year 2009/10. The group's implementation of its hospital management program is progressing well, with Pulse's larger hospitals recording revenue and earnings improvements from prior year.

FY2009/10 has been a year of significant improvement in the underlying hospital assets which form the majority of the Group. Revenues across the Group as a whole increased by 11% from continuing businesses. Pulse's continuing businesses include our five hospitals being Westmead Rehabilitation Hospital, Forster Private Hospital, Gympie Private Hospital, South Burnett Private Hospital and Bega Valley Private Hospital. Additionally, Pulse operates North Coast Community Care and Westmead Home Care alongside our medical recruitment business, RSG Australia.

Management focus has been centred on delivering the best possible results from existing businesses, increase earnings from existing assets through brown field developments and endeavouring to add appropriately priced businesses to the portfolio.

The Hospitals results were much improved on 2008/2009. The hospital division EBITDA benchmark of 13.5% in 2009/10 exceeded the 2008/9 result of 12.8%, despite increasing sophistication and diligence by the health funds in managing step down rates and trending towards case base payments. Wage pressures remain strong in healthcare, and maintaining the support of Pulse's almost 550 employees remains critical to our desired success. Despite the trading environment, management remain optimistic of improving the operating margin of our hospital group further.

Pulse Health understands that its operational success will be achieved through the support of its staff, the visiting medical practitioners, referring GP's, surgeons and the local community in which our hospitals and Community Care operations are based. In the coming year we will continue to develop these relationships further.

Expanding the operating base of Pulse remains a key influencer in achieving its ambitions. The Group remains motivated to seeking additional, appropriately priced hospitals and Community Care Businesses to compliment the existing portfolio.

The longer term industry dynamics remain favourable to Pulse Health and the sector in which it operates, including near-record Private health insurance coverage within Australia, and ageing population and changes to the government health funding mix between Federal and State Governments.

Pulse expects that in the current year these dynamics will translate to an improved financial performance, and trading to date has indicated that this is well on track.

Pulse Health continues to explore additional acquisition, strategic investment and strategic health care partnerships to increase the efficiencies within the business leading to better returns for shareholders.

I would like to take this opportunity to thank my fellow directors, the Pulse Health management Team, the visiting medical practitioners, Pulse employees, patients, shareholders, financiers and suppliers for their support and contribution over the past year.

STUART JAMES
Chairman