



People caring for people

14 March 2019

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Ramsay UK Investor Presentation

Attached is an investor presentation delivered overnight (Australian time) in the UK.

Yours sincerely,

A handwritten signature in black ink, appearing to read "J. O'Grady".

John O'Grady
Group General Counsel & Company Secretary

Enclosure (1)

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Investor Day Presentation

Ramsay Health Care UK

Dr Andrew Jones, Chief Executive Officer, Ramsay Health Care UK

13 March 2019

ramsayhealth.co.uk



Ramsay
Health Care



Agenda

1. The Ramsay Way
2. Ramsay Health Care Overview
3. Operating Environment
4. Operational Highlights
5. Quality and Leadership Agenda
6. Growth Strategy
7. Outlook

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The Ramsay Way: People Caring for People

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The Ramsay Way

1. We are caring, progressive, enjoy our work and use a positive spirit to succeed.
2. We take pride in our work and actively seek new ways of doing things better.
3. We value integrity, credibility and respect for the individual.
4. We build constructive relationships to achieve positive outcomes for all.
5. We believe that success comes through recognising and encouraging the value of people and teams.
6. We aim to grow our business while maintaining sustainable levels of profitability, providing a basis for shareholder loyalty.



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Ramsay Health Care Overview

Ramsay Health Care's Global Network



Ramsay
Health Care

\$11.6B

Revenue (AUD)

480

Locations

77,000

Employees

8,500,000

Patient visits/admissions

11

Countries

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Ramsay Health Care UK Facilities

- Facilities located across England.
- 31 Hospitals.
 - Including 2 Joint Ventures.
- 3 Neurological Rehabilitation Centres.
- 2 Sterilisation Hubs.
- 1 Retirement Village.
- A Mobile Diagnostic Fleet.
 - 8 MRI Scanners.
 - 3 CT Scanners.



Ramsay Health Care UK

1,161

Hospital Beds

4,940

Employees

37

Facilities

104

Operating theatres

195,190

Admissions per annum

87%

Hospitals rated Good by the CQC

Hospitals & Facilities

In FY'18 Ramsay Health Care operated 37 hospitals, day surgery centres, treatment facilities & neurological rehabilitation across England.



Our Contribution as part of the UK Health System

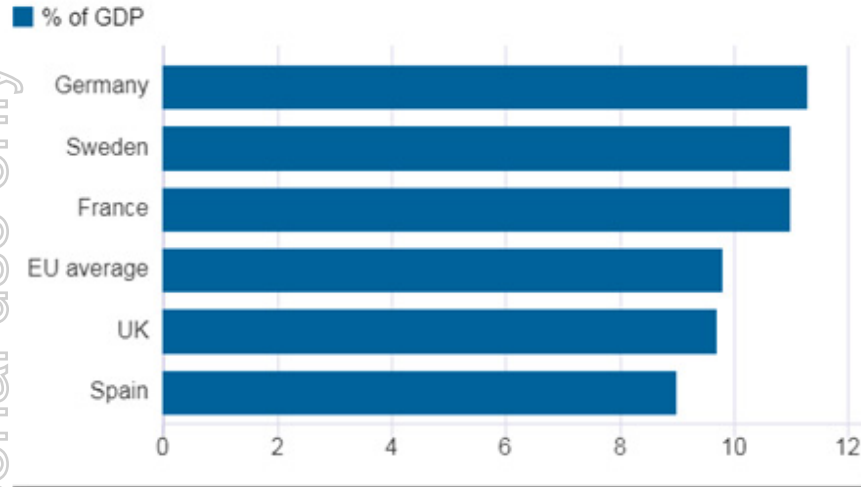
- Fifth largest independent healthcare provider.
- Largest Independent Provider of NHS elective services in the UK (c3% of all elective activity).
- Largest Independent Provider of cataracts to the NHS (c6%).
- Largest Independent Provider for NHS orthopaedic work (c3%).
- Largest Independent Provider for NHS hip and knee arthroplasty.
- 79% of admissions are NHS and Ramsay Health Care UK remains market leader in electronic GP referrals.
- 83% of all activity is day case.
- First UK healthcare organisation to roll out the Speaking Up for Safety programme.



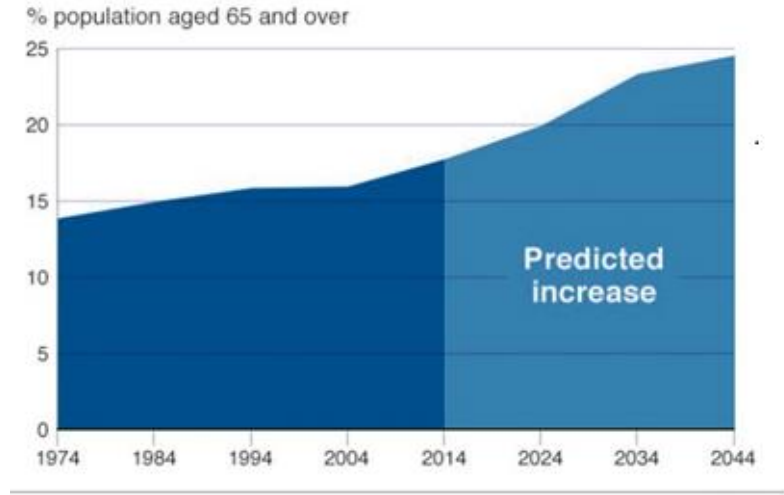
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Operating Environment

Market Overview for Key Healthcare Drivers



Source: ONS



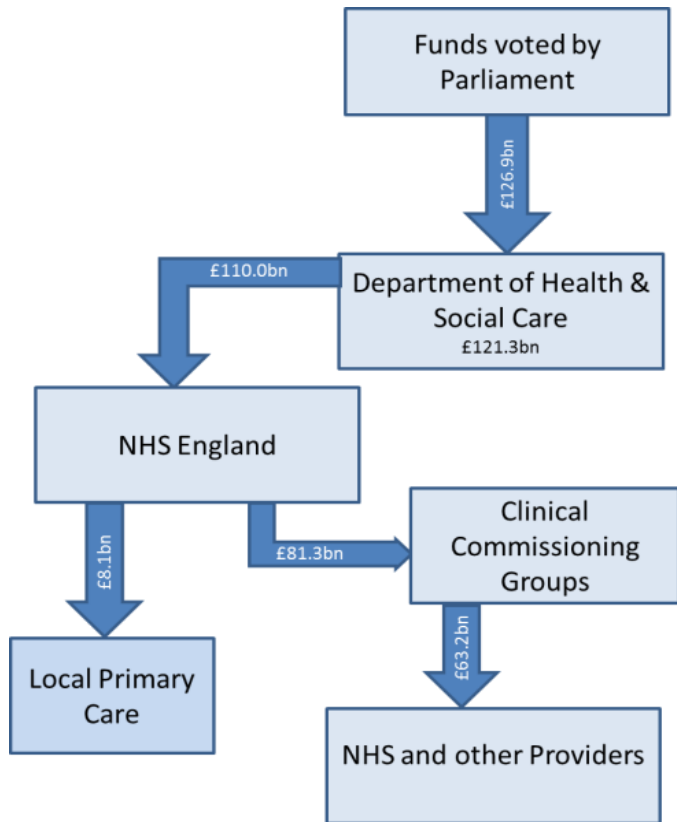
Source: ONS

Challenging operating environment due to NHS cost constraints and referral management schemes.

- An ageing population continues to drive demand for healthcare.
- Brexit is dominating the agenda, but the economy continues to perform in line with our EU peers.
- NHS is budget and resource constrained, waiting lists, rationing and restrictions are growing, but the Prime Minister pledged significant and sustained increase in funding into the public health system in June 2018.
- Increase in consumerism, with people becoming more informed, more prepared to pay and using digital solutions to enable choice.

Funding in the UK Healthcare System

NHS Year: April 2017- March 2018



Five Year NHS Funding Plan

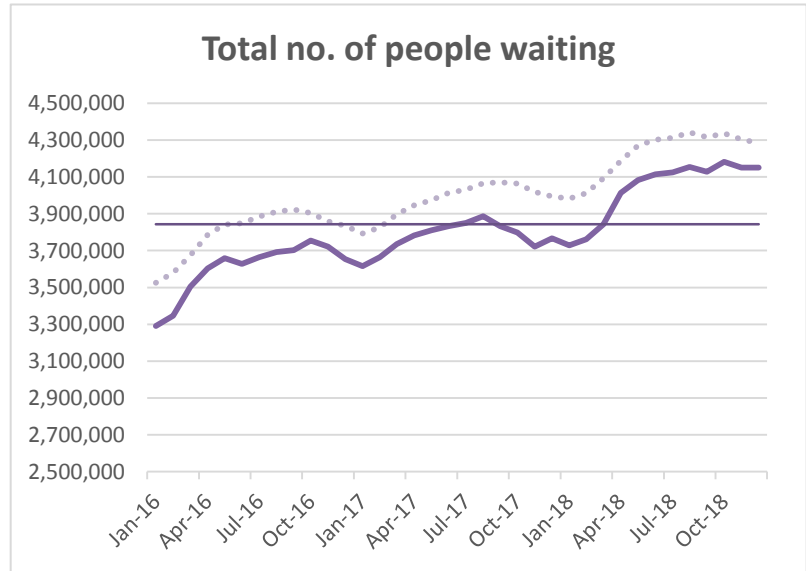
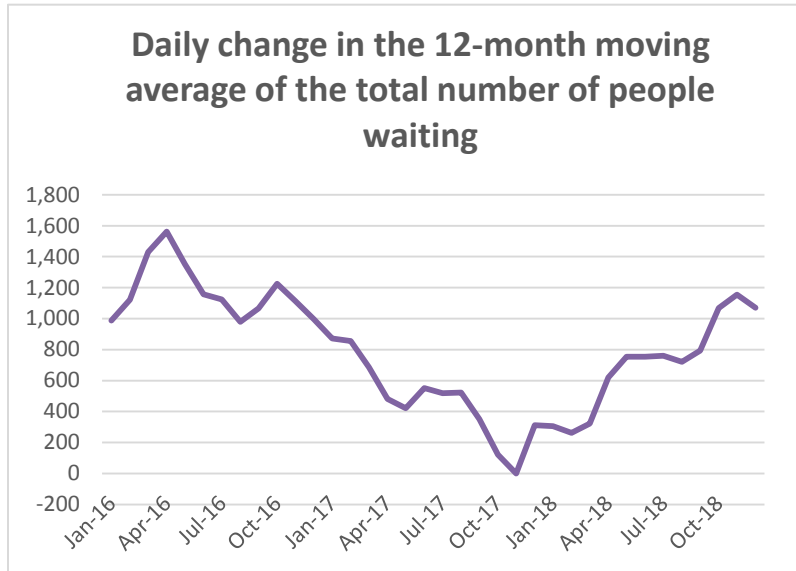
- The NHS will receive increased funding of £20.5bn in real terms per year by the end of the 5 years.

Year	Percentage Increase
2019/20	3.6%
2020/21	3.6%
2021/22	3.1%
2022/23	3.1%
2023/24	3.4%

- This compares to an average of only c2.5% increase per annum over the last 3 years.

NHS Wait Times

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- The 12-month moving average largely removes the impact of seasonal variation. The increase in December 2018 was 1,070 people per day, which suggests seasonally adjusted numbers continue to rise.
- The latest figures show the highest rate of increase in the 12-month moving average for over two years (since October 2016).
- NHS England is expected to miss its stabilisation target with more than 293,000 additional people waiting in March 2019 compared to a year earlier.

NHS Long Term Plan: Key Highlights

The NHS Long Term Plan was published in January and sets out major changes to the NHS service model.

1. The NHS will boost 'out-of-hospital' care, and dissolve the historic divide between primary and community health services.
2. The NHS will redesign and reduce pressure on emergency hospital services.
3. People will get more control over their own health, and more personalised care when they need it.
4. Digitally-enabled primary and outpatient care will go mainstream across the NHS.
5. Local NHS organisations will increasingly focus on population health and local partnerships with local authority funded services, through new Integrated Care Systems (ICSs) everywhere.
6. NHS commitment to spend at least £2.3bn more a year on mental health care.

Key Implications for RHC UK Strategy

- **Funding** - The NHS will receive increased funding of £20.5bn in real terms per year by the end of the 5 years. Spending on primary and community health services to grow by at least £4.5 billion higher in five years' time.
- **Choice** - A renewed commitment to patient choice and the use of independent providers to help cut waiting times - as part of a renewed focus on short waits for routine operations limiting waiting inside 6 months.
- **Reforms in Market Segments** - Ambitious targets to improve early cancer diagnosis - introducing a new faster diagnosis standard from 2020, including rolling out new Rapid Diagnostic Centres (RDCs) across the country.

NHS Tariff

The 2019-20 planning guidance for the NHS sets out increases to tariff and revised business rules.

- We anticipate a tariff increase in the range of 2.5% to 2.8% for Ramsay Health Care UK.
- Changes to how CQUIN is paid will have a net zero impact on Ramsay Health Care UK.
- Market Forces Factors (MFF) are also changing for each NHS Trust, but the overall effect is planned to be financially neutral.
- This is a funding increase but makes efficiency assumptions within it.



Brexit

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Ramsay Health Care UK has formulated a “no deal” Operational Readiness Plan designed around the seven core areas identified by Department of Health & Social Care (DHSC) and is to dovetail into our current Business Continuity Plans:-

- **Supply of medicines and vaccines:** Department of Health & Social Care wrote to supply companies asking them to ensure they have a minimum of six weeks' additional supply in the UK. Companies were also asked to make arrangements to air freight medicines with a short shelf life, such as medical radioisotopes. Organisations have been asked not to stockpile and incidents of stockpiling may be investigated. Independent hospital providers should have access to the additional supply.
- **Supply of medical devices and clinical consumables:** Ramsay is engaging with suppliers.
- **Supply of non-clinical consumables, goods and services:** Ramsay is engaging with suppliers.
- **Workforce:** Ramsay have engaged with their staff, 7% of the workforce is from an EU country.
- **Reciprocal healthcare.**
- **Research and clinical trials.**
- **Data sharing, processing and access:** Transfers of personal data from the UK to the EU/EEA should not be affected.



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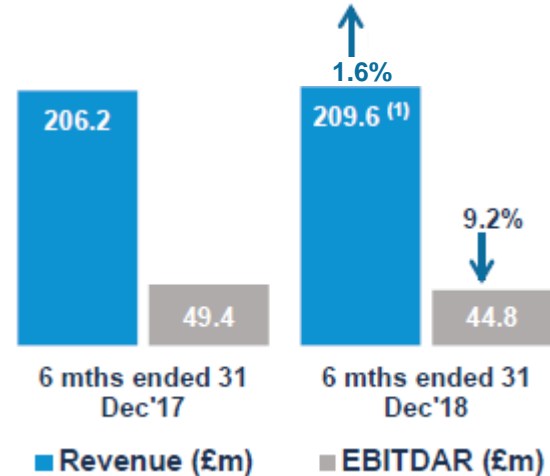
Operational Highlights

Financial Performance

NHS volume growth returning, tariff likely to improve.

- Challenging Q1 and impacting overall earnings in H1.
- Recovery to NHS volume growth in Q2.

- Positive signs emerging in the UK in terms of both price and volume growth.
- Anticipating 1 April 2019 tariff increase.
- UK government has renewed commitment to patient choice and use of independent providers to cut waiting times.
- Brexit may pose some short term challenges.



(1) Revenue stated on a like for like basis excluding AASB 15 adjustment of £33.9 million

Brownfield Projects 2015 - 2018



£56.5m Gross
Capital
Investment



29 Consulting
Suites



2 Static MRIs



26 Inpatient Beds
85 Daycase Pods



14 Operating
Theatres



1 Radiotherapy
Centre



Expanding our Portfolio

Acquired Exeter Medical in November 2018.

The day case facility offers:

- Reconstructive and aesthetic plastic surgery.
- Ophthalmic surgery.
- General surgery.
- Vascular procedures.
- Dermatology.

Enhances Ramsay's offering in the South West of England.

- Part of our hub & spoke day case strategy.



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Quality and Leadership Agenda

Driving the Quality Agenda

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Patient & Doctor Experience

Rolling out Net Promoter Scores.

Paterson inquiry and recommendations.

New Electronic Patient Record now live at 8 sites.

Doctor engagement strategy.



Clinical Excellence

Data analysis, participation in Private Healthcare Information Network (PHIN).

87% of hospitals rated Good by the Care Quality Commission.

Zero cases of MRSA Bacterium for over 5 years.

96% of sites have JAG accreditation.



Outcomes

7 hospitals in the top 50 for health gain on the Oxford Patient Reported Outcome Measure (PROMs) for hip replacement.

3 Hospitals in the top 10 top performers for Friends and Family.

8 hospitals in the top 50 for EQ-5D Patient Reported Outcome Measure (PROMs) for knee replacement.



Speaking Up for Safety

First healthcare organisation to introduce Speaking Up for Safety in UK.

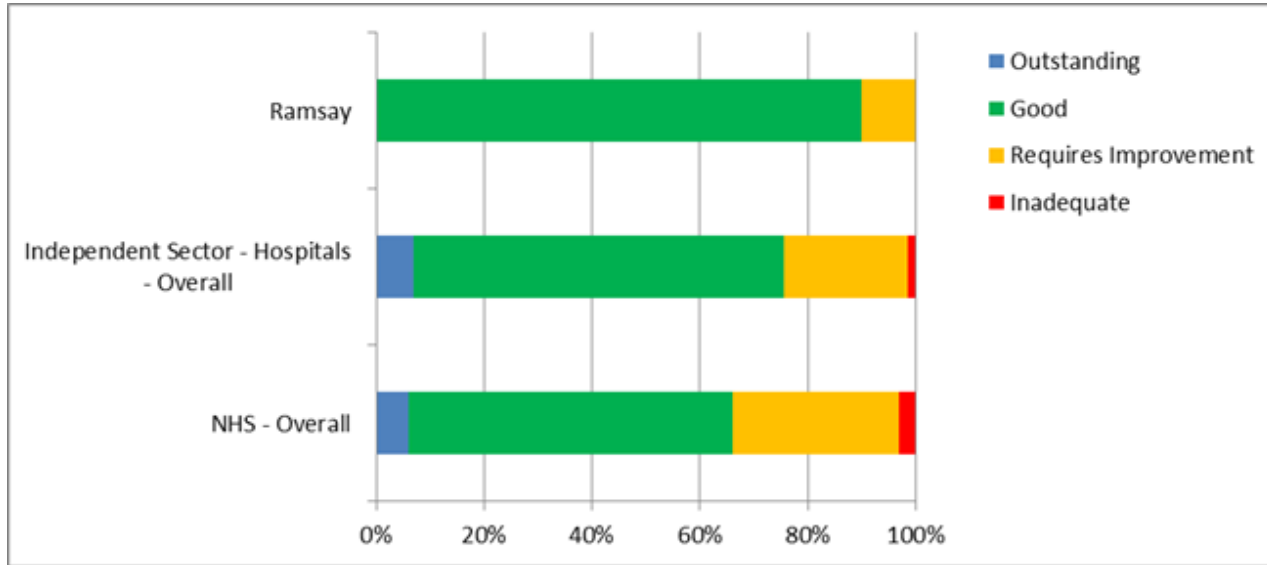
Roll out of the Promoting Professional Accountability programme during 2019.

Game changer for culture and empowerment of staff.



Care Quality Commission Ratings

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- c20% increase in ratings over the past two years.
- Clear focus on surgical safety in our operating theatres.
- Clear focus on leadership and culture through Speaking Up for Safety.

* All data provided from CQC data January 2019

Strengthening the Core: Strong Efficiency Agenda

Operational Excellence

Optimise workforce planning and theatre utilisation.

Standard operating model with clustering & centralised support centres.

KPI benchmarking dashboards and apps.



Leadership

Global talent development programmes.

Leadership programme for all Senior Managers across UK.

Values based Leadership.



Global Procurement

Strong partnerships with local and global suppliers.

Continuing to drive benefits from procurement strategy.

Launched Ascension JV.



Future Productivity

Multi channel call centre.

Expanding our digital platform.

Automated access to Consultant diaries.

People strategy.



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Growth Strategy

Our Five Year Vision

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Ramsay Health Care UK will establish strategic partnerships with local, national and global stakeholders to be the trusted provider of choice to deliver excellent, affordable care to all patients with the best team in the sector.



- Hospital expanding into out of hospital care
- Enhancing the core operating model
- Accelerating projects and new partnerships
- Reaching beyond traditional models
- Thinking big and getting to scale



Five Year Strategic Plan

There are 5 pillars that underpin the RHC UK business model and inform the 5 year strategic plan.

Be the number one private provider

RHC UK continues to receive more NHS referrals than any other independent sector group.

Continuing to rank fifth in acute hospital care sector by revenue.

Expand our day case capabilities & expand inpatient in new service areas

RHC UK delivering 83% of all admissions on a day cases basis.

RHC UK has built 5 day case units, has 2 more in progress and 3 further being worked up.

Build long term partnerships with stakeholders

RHC UK continuing to develop innovative partnership models.

2 long-term partnerships with NHS Trusts have been agreed and 2 more in pipeline.

To lead on quality in the UK

Number of RHC UK sites rated 'Good' has increased to 87%.

Speak Up for Safety programme launched.

Promoting Professional Accountability Programme.

Become the health care employer of choice

New People strategy.

New global staff satisfaction survey will be launched in 2019.



Delivering on our Growth Strategy

Continuing to create shareholder value through our focused strategy



ORGANIC GROWTH

Underpinned by demographics, quality portfolio of hospitals, ongoing business improvement and volume expansion.



BROWNFIELD CAPACITY EXPANSION

Local market knowledge drives business cases. We build capacity aimed at satisfying unmet demand. Apply strong financial discipline.



PUBLIC/PRIVATE COLLABORATIONS

Global focus on increasing private sector role in service provision for publicly funded patients.



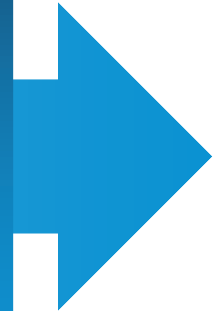
ACQUISITIONS

Diversify, by way of acquisition, into emerging and growing market segments to become a holistic healthcare provider



OUT OF HOSPITAL

Develop capability to disrupt traditional healthcare models and leverage global propositions



Pipeline of Approved Brownfield Projects

Projects due for completion by March 2020



£15.3m Gross
Capital
Investment



10 Consulting
Suites



1 Static MRI



20 Inpatient Beds*



3 Operating
Theatres



13 Daycase Pods

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Outlook

UK Healthcare Industry Fundamentals

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Health spending is rising as populations grow and age, technologies improve and patients become better informed.



Political factors may change the long-term funding solution and an early General Election may drive further system improvements.



Clear role for operators to play in driving productivity and efficiency on the journey to value based health care.



Global models of working will deliver value and improve quality.

Outlook for Ramsay Health Care UK

- Continue to pursue strategy of market leadership position in terms of doctor engagement, quality and service provision.
- More positive signs emerging in terms of both price and volume growth.
- Opportunities around scale, efficiencies, day case surgery, partnerships and acuity of care.
- Fast adoption in the UK of our future global operating model, including innovation, digital technology and consumerisation.
- Ramsay can invest in capacity expansion and we will continue to seek out new opportunities.

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Health Care