

Corporate profile

Network Healthcare Holdings Limited (Netcare), an investment holding company listed on the JSE Limited, South Africa, operates through its subsidiaries the largest private hospital networks in South Africa and the United Kingdom. As of 30 September 2007, the Group managed 107 private hospitals and clinics, equipped with approximately 12 240 beds. The Group had consolidated revenue from continuing operations of R18 607 million (£1 317 million)¹ and operating profit of R2 990 million (£212 million)¹ for the year ended 30 September 2007. The Group had total assets of R50 539 million (£3 602 million)² and a market capitalisation of R21 963 million (£1 565 million)² as of 30 September 2007.

Netcare was founded in 1994 and listed on the JSE Limited on 4 December 1996 with six hospitals. Since 1996 several other small and independent hospital groups in South Africa were acquired, notably Clinic Holdings Limited and Excel Medical Holdings Limited. During fiscal 2001 Netcare acquired Medicross, a primary care service provider network of medical and dental centres across South Africa. In January 2006 Medicross acquired Prime Cure Holdings, a provider of primary care services for the emerging market operating medical centres, a network of 3 300 participating doctors and 177 400 managed care lives. On 1 October 2007, Netcare acquired the remaining 56,3% of Community Hospital Group (CHG), a majority black-owned entity operating five hospitals in South Africa with 682 registered beds.

In 2001 Netcare entered the United Kingdom market to provide specialised healthcare services on contract to the National Health Service (NHS). In May 2006 Netcare acquired a controlling interest in General Healthcare Group (GHG). GHG owns BMI Healthcare (BMI), the largest private acute care hospital provider in the United Kingdom. In August 2006 Netcare UK merged with GHG's NHS service provider business, Amicus, to operate as a single service provider under GHG.

At 30 September 2007, Netcare had 1 841 067 937 shares in issue, of which 340 354 743 were treasury shares held by a subsidiary. Of the residual 1 500 713 194 voting shares³, 17,3% was owned by BEE shareholders.

¹R/£ average exchange rate of £14,13/£ for the year ended 30 September 2007.

²R/£ year end exchange rate of £14,03/£ at 30 September 2007.

³Includes the HPFL BEE 160 million shares and the Netcare Trust shares of 95 947 700 which are accounted for as treasury shares, resulting in net shares in issue after all treasury shares of 1 244 765 494.