

17 March 2008

BUPA ACQUIRES THE CROMWELL HOSPITAL

Bupa, the leading health and care company, today announced the acquisition of the Cromwell Hospital in London for £90 million as part of a plan to create a flagship private hospital in the capital. It will be known as the Bupa Cromwell Hospital.

The Cromwell Hospital is renowned for being the first to invest in some of the UK's leading edge equipment and cancer services. It also has particular expertise in neurosciences and paediatrics. Around 600 consultants practise there, mainly drawn from London teaching hospitals, covering 70 different specialties. Out-patient services include private GPs, health screening and a walk-in family medicine and diagnostic centre.

The 128-bed hospital has a large and loyal UK and international clientele, many of whom travel long distances to receive treatment. It admits both self-pay and embassy sponsored patients and those funded by medical insurance.

Fergus Kee, managing director of Bupa UK Health Insurance said: "Private patients tell us they want more high quality private health services in London. We believe there is tremendous opportunity to introduce modern, innovative ways of delivering healthcare in the capital offering high levels of customer service, clinical excellence and more cost effective care.

"We will be investing a further £30 million in the Cromwell Hospital over the next two years to create a centre of excellence for private patients.

"Bupa originally entered the private hospital market because of a shortage of private hospital beds in the 1970s. This is no longer the case outside London. This was one of the reasons for selling Bupa hospitals in 2007. For many years, Bupa has been looking for the right opportunity to have a flagship hospital in London. Until now, that opportunity has not arisen," he said.

Shamus and Francis Jennings, owners of Ballyrogan Holdings Ltd, majority shareholders of the Cromwell Health Group said: "Over the last couple of years we have concentrated on introducing sound commercial efficiencies to complement the world-class clinical attributes already well established at the Cromwell Hospital.

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"That job done, the time is now right for the hospital to move into a new phase of development and as such we are delighted to transfer ownership to Bupa who have pledged to make further investment. We would like to thank the team of 550 staff and 600 consultants for their unstinting dedication and professionalism during our stewardship and convey our very best wishes to them going forward."

Hume Martin, CEO, Cromwell Hospital said: "Bupa's health expertise and the stability that will come from being part of the Bupa Group will enable the hospital to fulfill its potential in London."

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Notes to Editors

1. BUPA has acquired 100 percent of the issued share capital of Cromwell Health Group Ltd (CHGL) from majority shareholders, Ballyrogan Holdings Ltd owned by the Jennings family and Canadian Hospitals Network International Inc. The Cromwell Hospital is operated by Medical Services International Limited, a subsidiary of CHGL through a leasehold arrangement with 27 years left to run.
2. The Jennings family manage a diverse range of business interests –
 - CUSP, which is Northern Ireland's leading and award winning urban regeneration and property development company with a property portfolio valued in excess of £500 million.
 - Culzean Holdings Ltd a joint venture company formed to develop and own branded hotels throughout Ireland. Already open is an Express by Holiday Inn in Antrim, under construction an Encore Ramada in Saint Anne's Square, in planning N.Ireland's first Marriott Hotel in Belfast's Gasworks.
 - Ballyrogan Holdings Ltd – the Jennings family vehicle for strategic investment.
 - In February 2008 the Jennings family announced a £100 million merger by its company Rotary, one of the largest providers of essential building services in the UK and Ireland with Hastie Group Ltd, Australasia's leading building services and regeneration group.
3. BUPA is the UK market leader in health and care with a strong international presence. Established in 1947, it has around 8 million customers in 190 countries and more than 48,000 employees. Its main interests are health insurance, care homes for older people and young disabled, health assessments, workplace health and childcare services. BUPA Travel offers a bespoke travel insurance service. Sanitas in Spain, HBA, Mutual Community and DCA Agedcare in Australia and New Zealand, IHI in Denmark and Health Dialog in the US are all part of the BUPA Group which also has centres in Hong-Kong, Thailand and Saudi Arabia. BUPA is a company limited by guarantee and does not have a share capital. As a result, it can focus on its customers, helping them to live longer, healthier lives and can reinvest all of its profits to do this - this is the dividend that BUPA provides.