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Blackstone-owned Vanguard Health Systems Files for \$600M IPO

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Vanguard Health Systems, two-thirds owned by the Blackstone Group, filed to sell \$600 million worth of shares in an initial public offering.

No underwriters were listed in the IPO filing today with the U.S. Securities and Exchange Commission. The company said in the filing that it will trade under the symbol VHS on the New York Stock Exchange.

Vanguard, based in Nashville, , owns 26 hospitals in five states, as well as health insurance plans. It had \$3.38 billion in revenue during the year ending June 30, 2010, according to the filing. The IPO would be the 10th in the health-care industry in the past three months, according to Bloomberg data.

Funds led by New York-based Blackstone bought the hospital company in 2004 for \$1.75 billion, according to Bloomberg data. Vanguard plans to use the money from the IPO to pay \$747 million in remaining debt that was taken on to pay investors in the company, according to the filing. Money left over from the IPO will be used to make acquisitions.

Last month, HCA Holdings Inc., the hospital chain whose owners include KKR & Co. and Bain Capital LLC, raised \$3.79 billion in its IPO, the largest ever by a private equity-backed company, according to Preqin Ltd. Companies owned by leveraged buyout firms raised about \$19.5 billion worldwide through IPOs in the first quarter, more than half their total for all of 2010, data compiled by Bloomberg and London-based Preqin show.

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