

21 June 2016

Vital announces \$160m pro rata renounceable rights offer to support ongoing growth initiatives

Vital Healthcare Management Limited (the 'Manager'), the manager of Vital Healthcare Property Trust ('Vital'), today announced it intends to raise approximately \$160m of new equity capital through a pro rata renounceable rights offer of new units to existing unitholders (the 'Offer'), with \$120.6m underwritten by Forsyth Barr Group Limited.

Equity-raising to support ongoing delivery of scale and diversification strategy

David Carr, Chief Executive of the Manager said "Over the last five years Vital has consistently delivered strong operational, financial and portfolio results for investors. We have executed on the Board's scale and diversification strategy to support operator growth and new acquisition initiatives. Following the recently announced pipeline of new value-add projects and acquisition opportunities and supported by a strong unit price, the Board now considers it appropriate to seek further equity in this next exciting phase of growth.

As with previous capital raisings, the Board was keen to ensure the offer allows existing investors of Vital the opportunity to participate on an equitable basis. A pro rata renounceable rights offer gives investors that opportunity."

Vital intends to raise \$160m of new equity through a 2-for-9 pro rata renounceable rights offer at an issue price of \$2.08 per unit. The issue price reflects a 5.2% discount to the theoretical ex rights price ('TERP'¹) of \$2.195 per unit.

NorthWest Healthcare Properties Real Estate Investment Trust and the Directors of the Manager intend to take up all of their Rights (approximately \$39.3m). Forsyth Barr Group Limited has underwritten the balance of \$120.6m.

The new units will rank equally with existing units on issue and are eligible for the final quarter distribution for the financial year ending 30 June 2016, expected to be paid in September 2016.

Mr Carr said "We have experienced an extremely successful period of growth and cemented a track record of being market leading long-term managers and investors in healthcare real estate. Having established and strengthened key operator partnerships across the sector and supported by strong fundamentals we will continue with our scale and diversification strategy delivering sustainable returns to investors."

The funds raised through the Offer will initially be used to reduce Vital's bank debt. This will enable Vital to continue to pursue development, acquisition and growth opportunities that are continually being evaluated, and for general corporate purposes.

Further details relating to the Offer will be provided in an Offer Document to unitholders. The Manager expects to have the Offer Document available to investors on the NZX website under the ticker code "VHP" on 28 June 2016 and it will be sent to unitholders shortly after that. The Offer closes on 19 July 2016.

A person should consider the Offer Document in deciding whether to acquire units.

This release should be read in conjunction with the Offer presentation which can be found on our website – www.vhpt.co.nz

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ENQUIRIES

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¹ TERP is the theoretical ex rights price of \$2.195 which is equal to the average price of 2 new units at the application price of \$2.08 and 9 existing units at \$2.22 being the closing price as at 20 June 2016.