

24 December 2015

Vital acquires Boulcott Hospital for \$30.7m on a 22-year lease to ASX listed Pulse Health Group

Vital Healthcare Management Limited ('Manager') the manager of Vital Healthcare Property Trust ('Vital') today announced that it had conditionally acquired the freehold real estate at Boulcott Private Hospital ('Boulcott') in Lower Hutt, from Evolution Healthcare.

Boulcott acquisition supports long term commitment to New Zealand

Boulcott is a 38 bed private surgical hospital located in the city of Lower Hutt, approximately 20 kilometres north of the Wellington CBD, servicing a catchment of approximately 145,000 people. Boulcott has three operating theatres, 29 inpatient beds, a nine-bed day surgery suite and an endoscopy unit.

Approximately 45 specialist consultants and surgeons provide services across a range of surgical specialties, including orthopaedics, ophthalmology and urology services. Importantly, Boulcott is directly adjacent to Hutt Hospital, the major public facility for the region and will become Vital's first asset co-located with a public hospital in New Zealand.

Vital will acquire Boulcott for \$30.7m, representing an initial yield of 6.85%. Separately, Vital will also acquire an adjacent residential property for \$1.0m for future development.

Chief Executive of the Manager David Carr said "Boulcott directly aligns with our stated scale and diversification strategy and complements the growth we have experienced in Australia. We have prudently sought to acquire high quality healthcare assets in New Zealand in recent years and Boulcott delivers on that." Settlement is expected following receipt of regulatory approvals, which is anticipated mid-2016.

Long term lease to Pulse Health Group (ASX: PHG) improves portfolio diversification

Pulse Health Group ('Pulse') is a quality integrated health services provider with 15¹ private hospitals, day surgeries, and rehabilitation facilities across Queensland, New South Wales, Victoria and Western Australia. Pulse is listed on the ASX and has a current market capitalisation in excess of A\$100m.

"The opportunity to enter into a long term partnership with Pulse at Boulcott brings operator and real estate diversification benefits to Vital. Pulse has articulated and executed on a clear growth plan in New Zealand and Australia and we look forward to working closely with the Pulse team in the future" said David Carr.

Pulse Managing Director & Chief Executive Officer Phillipa Blakey said "We are excited about the opportunities the New Zealand market offers. Partnering at Boulcott with a market leading healthcare real estate investor such as Vital will assist Pulse in delivering the very best healthcare outcomes for patients. I am sure this foundation partnership will benefit both Pulse and Vital as it aligns with our respective growth strategies and desire to provide quality healthcare services."

– ENDS –

ENQUIRIES

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¹ Includes recently announced acquisition of 7 facilities including Boulcott Hospital

About Vital Healthcare Property Trust

With a portfolio value of over NZ\$777m, Vital Healthcare Property Trust (NZSX: VHP) is Australasia's largest listed investor in healthcare real estate. Tenants include hospital operators and healthcare practitioners who deliver a wide range of medical and healthcare related services. Vital currently has a portfolio of 28 properties with 79% by value located in Australia and the balance in New Zealand. The Manager of Vital Healthcare Property Trust is Vital Healthcare Management Limited.