

ASX Announcement

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, Exchange Centre
20 Bridge Street
Sydney

APN Funds Management Limited in its capacity as responsible entity of Generation Healthcare REIT (ASX: GHC) () today announced the successful completion of the fully underwritten institutional placement () and the institutional component of the accelerated non-renounceable rights issue as announced on 22 May 2014 ().

Pursuant to the Placement and Institutional Entitlement Offer, 16,458,022 new units were issued at an issue price of \$1.20 per unit, raising approximately \$19.7 million. The new units issued will be allotted and commence trading on 3 June 2014. Units issued under the Placement will not be entitled to participate in the Entitlement Offer which will open to eligible unitholders on Tuesday 27 May 2014.

Commenting on the Placement and Institution Entitlement Offer, Mr Miles Wentworth, Chief Executive Officer of GHC said, "The level of support for this transaction has been very pleasing, with demand from new and existing institutional investors significantly exceeding the available stock. Accordingly we have had to significantly scale back bids received. We have welcomed a number of major new institutions to further broaden the register with a view to supporting the future growth of the Fund in a value adding manner."

Units issued under the Placement and the Institutional Entitlement Offer will not be entitled to the distribution for the half year period ending 30 June 2014 and will initially trade under the ASX code "GHCNA". On commencement of trading on Thursday 26 June 2014, all units trading as GHCNA will commence trading as ordinary GHC units and rank equally with existing fully paid ordinary unitholders.

As stated in the ASX announcement and investor presentation on 22 May 2014, the funds raised through the Placement and the Entitlement Offer will be used to fund the acquisition of 55 Little Edward Street, Brisbane, the refurbishment and expansion of Epworth Freemasons Clarendon Street, and associated transaction costs.

Macquarie Capital (Australia) Limited and Morgans Corporate Limited acted as underwriters and managers in relation to the Placement and Institutional Entitlement Offer.

The trading halt that was implemented on Thursday 22 May 2014 is expected to be lifted at market open today.

Yours sincerely



John Freemantle
Company Secretary

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is Australia's only healthcare ASX listed real estate investment trust.

The portfolio of eleven properties includes hospitals, medical centres, laboratories and other purpose-built healthcare facilities. The Fund partners with high quality healthcare tenants with strongly diversified income streams. The Fund has total assets under management of \$309 million with investments located in Victoria, New South Wales and Queensland.

generationreit.com.au

APN Funds Management Limited is a wholly owned subsidiary of APN Property Group (APN) (ASX code: APD), a specialist real estate investment manager.

Since 1996, APN has been actively investing in, developing and managing real estate and real estate securities on behalf of institutions, superannuation funds, high net worth and individual investors. APN's focus is on delivering superior investment performance and outstanding service. Performance is underpinned by a highly disciplined investment approach and a deep understanding of commercial real estate.

apngroup.com.au