



INTERNATIONAL HEALTHWAY CORPORATION LIMITED

Registration No.: 201304341E
(Incorporated in the Republic of Singapore)

COMPLETION OF REFINANCING FOR JAPAN TMK BONDS

The Board of Directors of International Healthway Corporation Limited (“IHC” or the “Company” and together with its subsidiaries, the “Group”) wishes to announce that the Group has recently completed the refinancing of the TMK Bonds* issued by IHC Japan First TMK, an indirect wholly owned subsidiary of the Company.

IHC Japan First TMK owns 12 nursing homes and 1 annex (“Japan Investment Properties”), which contributed approximately S\$16.5 million revenue to the Group for the financial year ended 31 December 2015. Valued by Colliers International at around JPY23.9 billion (around S\$300 million) in December 2015, these Japan Investment Properties have a total gross floor area of around 90,000sqm and includes approximately 1,500 fully furnished rooms. These properties are fully leased out to local nursing home operators with strong track records under 30-year term master lease agreements starting from 2013.

The acquisition of these Japan Investment Properties was partially funded through the issue of TMK Bonds of JPY13.67 billion to various bond holders in 2013. At the time of refinancing, the TMK Bonds outstanding was JPY12.83 billion.

In 2013, Shinsei Bank had subscribed for JPY 9.60 billion of the TMK Bonds. In this refinancing, Shinsei Bank has subscribed for all JPY 12.0 billion of new TMK Bonds (“**New TMK Bonds**”). The New TMK Bonds carries a floating interest rate of three-month Yen LIBOR plus 3.20% per annum, payable quarterly in arrears and matures in April 2019. The balance of JPY 0.83 billion was settled from other sources of funding at the Group level.

Shinsei Bank is a leading diversified Japanese financial institution and a leader in healthcare asset financing.

This refinancing will result in lower financing costs for the Group. The successful refinancing demonstrates that the Group’s Japanese nursing homes portfolio, with its strong operating income and the support of Shinsei Bank, will continue to serve as a platform for the Group to grow and do more in Japan.

By Order of the Board

Lim Beng Choo
Executive Director
2 May 2016

* A TMK is a type of corporation which can be formed under Japanese law. Bonds issued by a TMK are called TMK Bonds.

*This announcement has been prepared by International Healthway Corporation Limited (the "**Company**") and its contents have been reviewed by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"), for compliance with the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement. This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.*

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