

## Buy-back of own registered shares for the purpose of capital reduction through the issuance of tradable put options

The current issued share capital of HBM Healthcare Investments Ltd („HBM“ or the „Company“) amounts to CHF 520'650'000, divided into 8'900'000 registered shares of CHF 58.50 par value each (the „HBM Shares“). On 20 June 2014 the Annual General Meeting of HBM will vote on the cancellation of 334'600 own HBM Shares, corresponding to CHF 19'574'100, which have been purchased on a second trading line within the buy-back programme for the purpose of capital reduction ended on 13 May 2014.

The Board of Directors of HBM has decided to buy-back a maximum of 571'026 HBM Shares (which corresponds to 6.42% of the current issued share capital and voting rights resp. 6.67% of the current issued share capital less 334'600 HBM shares (and their voting rights) which have already been bought-back on a second trading line) for the purpose of capital reduction. The buy-back of max. 571'026 HBM Shares will occur through issuance and allocation of tradable put options to the shareholders.

The 2014 Annual General Meeting of the Company will vote as well on a reduction in capital equivalent to the volume achieved from the share buy-back by means of put options.

For further information on the buy-back of own shares please see the website <http://www.hbmhealthcare.com/en/investoren/aktienrueckkaufprogramm.php>.

<b>Issuer of the put options</b>	HBM Healthcare Investments AG, Bundesplatz 1, Zug
<b>Allocation of the put options</b>	1 put option for each HBM Share
<b>Ex-Date</b>	The HBM Shares will be traded on the SIX Swiss Exchange ex put option from 22 May 2014 onwards.
<b>Information and procedure</b>	The shareholders will be informed by their custodian bank and the put options will be booked automatically into their custody account. The put options must be exercised resp. sold in accordance with the instructions of the custodian bank.
<b>Exercise ratio</b>	15 put options entitle the holder to sell 1 HBM Share to the Company.
<b>Exercise date</b>	Monday, 16 June 2014 until 12:00 CEST Put options and the rights associated therewith expire without entitlement to compensation if they are not exercised by this deadline.
<b>Exercise price (Buy-back price)</b>	CHF 100.00 per HBM Share, less Swiss Federal withholding tax of 35% on the difference between the buy-back price and the par value of the HBM Share, i.e. CHF 85.475 net per HBM Share (the „net buy-back price“)
<b>Option type</b>	European
<b>Payment / Delivery</b>	The payment of the net buy-back price against delivery of the corresponding number of HBM Shares and put options will be on Thursday, 19 June 2014.
<b>Listing</b>	The listing of the put options on the SIX Swiss Exchange has been requested and approved for 22 May 2014. The put options are expected to be traded from 22 May 2014 to and including 13 June 2014.
<b>Securitisation</b>	Permanent global certificate. The holders of put options are not entitled to receive individual certificates.
<b>Result of the share buy-back</b>	The result of the share buy-back is expected to be announced on 17 June 2014 through a media release.
<b>Own holdings</b>	As of 21 May 2014 HBM held 472'406 own shares representing 5.31% of the currently issued share capital. 334'600 of these total 472'406 own shares have been purchased in a buy-back programme via a second trading line for the purpose of capital reduction which was terminated on 13 May 2014. These shares will be cancelled after the expiration of the call to creditors pursuant to the above mentioned capital reduction.

<b>Significant shareholders</b>	According to the notifications received and published by HBM until 21 May 2014 the following beneficial owners hold more than 3% of HBM's voting rights:
	<b>Number of registered shares    Share of share capital and voting rights</b>
	Alpine Select AG, Zug (Switzerland)                      908'116    10.20%
	Astellas Pharma Inc, Tokyo (Japan)                      883'822    9.93%
	The intentions of Alpine Select AG and Astellas Pharma Inc are not known to the Board of Directors of HBM.
<b>Non-public information</b>	HBM confirms that it is not in possession of any non-public information that could significantly influence the decision of the shareholders.
<b>Expenses</b>	The allocation and exercise of put options deposited with a bank in Switzerland is basically free of charge.
<b>Taxes and deductions</b>	A company's repurchase of its own registered shares for the purpose of reducing capital is treated, for the purposes of both Swiss Federal withholding tax and of direct taxes, as the partial liquidation of the company in question. The following consequences result for the shareholders who sell their shares:
	<b>1. Swiss Federal withholding tax</b>
	The allocation of put options to the shareholders of the repurchasing company does not trigger any withholding tax implications.
	Swiss Federal withholding tax amounts to 35% of the difference between the buy-back price of the HBM Shares and their par value. The tax is deducted from the buy-back price by the company buying back or by the bank mandated by it and remitted to the Swiss Federal Tax Administration.
	Persons domiciled in Switzerland may claim reimbursement of Swiss Federal withholding tax if, at the time of the buyback, they had the right to use the registered shares and there is no tax evasion (Article 21 (1)(a) of the Swiss Federal Law on Withholding Tax). Persons domiciled outside Switzerland may reclaim Swiss Federal withholding tax subject to the provisions of the relevant Double Taxation Agreement.
	<b>2. Direct taxes</b>
	The following remarks refer to the imposition of direct Federal taxes. Cantons and municipalities generally adopt the same practice.
	<i>a) Put options and registered shares held as private assets:</i>
	The allocation and any proceeds realised from the sale of put options are not subject to direct Federal tax.
	In the event where put options are exercised and HBM Shares are sold to the Company, the difference between the shares' buy-back price and their par value constitutes taxable income.
	<i>b) Put options and registered shares held as business assets:</i>
	The tax treatment of the receipt of the put options is determined by how they are booked. A capital gain realised from the sale of the put options is subject to income resp. capital gains tax.
	In the event where put options are exercised and HBM Shares are sold to the Company, the difference between the shares' buy-back price and their book value constitutes taxable income ("book value principle").
	Persons domiciled outside Switzerland for tax purposes will pay tax in accordance with the laws of the country in which they are domiciled.
	<b>3. Fees and duties</b>
	Issuance and trading of the put options are not subject to Swiss turnover tax. No turnover tax is levied when a company buys back its own registered shares for the purpose of reducing capital. Any applicable fees of SIX Swiss Exchange Ltd are nevertheless due.
<b>Sales restrictions</b>	In particular USA / US persons, European Economic Area and the United Kingdom.  Neither the put options nor the HBM Shares are offered for public sale outside of Switzerland and they may only be directly or indirectly offered, sold, purchased and/or delivered in, to or from countries other than Switzerland in observance of the applicable laws and regulations of the country in question.
<b>Applicable law / place of jurisdiction</b>	Swiss law / Zug

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<b>Mandated Bank</b>	UBS AG			
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<b>Security number / ISIN / ticker</b>	Registered share HBM Healthcare Investments AG of CHF 58.50 par value	1.262.725	CH0012627250	HBMN
	Put option	24.411.591	CH0244115918	HBMPO

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**Place and date** Zurich, 22 May 2014

This notice does not constitute an issuing prospectus within the meaning of Article 652a and 1156 of the Swiss Code of Obligations.

This offer is not made in the United States of America and to US persons and may be accepted only by Non-US persons and outside the United States. Offering materials with respect to this offer may not be distributed in or sent to the United States and may not be used for the purpose of solicitation of an offer to purchase or sell any securities in the United States.

