

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

Metlifecare Limited

For the Full Year Ended 30 June 2011

(referred to in this report as the "current full year")

Preliminary full year report on consolidated results (including the results for the previous corresponding full year) in accordance with Listing Rule 10.4.2.

This report has been prepared in a manner which complies with generally accepted accounting practice and gives a true and fair view of the matters to which the report relates and is based on audited financial statements.

The Listed Issuer has a formally constituted Audit Committee of the Board of Directors.

1 CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Consolidated Statement Financial Performance		
	Current Full Year \$NZ'000	*Up/Down %	Previous corresponding full year \$NZ'000
1.1 OPERATING REVENUE			
(a) Operating Revenue	65,007	3.58%	62,761
(b) Change in fair value of investment properties	27,521	(62.42%)	73,238
(c) Finance income	121	19.80%	101
(d) Total Operating Revenue	92,649	(31.93%)	136,100
1.2 OPERATING SURPLUS (DEFICIT) BEFORE TAXATION	20,774	(69.22%)	67,487
(a) Less taxation on operating result	-		-
1.3 OPERATING SURPLUS (DEFICIT) AFTER TAX	20,774	(69.22%)	67,487
(a) Extraordinary Items after Tax [detail in Item 3]	-		-
1.4 NET SURPLUS (DEFICIT) FOR THE PERIOD	20,774	(69.22%)	67,487
(a) Net Surplus (Deficit) attributable to minority interests	-		-
1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	20,774	(69.22%)	67,487

2 DETAILS OF SPECIFIC RECEIPTS/OUTLAYS, REVENUES/ EXPENSES FOR FULL YEAR	Consolidated Statement of Financial Performance	
	Current Full Year \$NZ'000	Previous corresponding full year \$NZ'000
2.1 INCLUDED IN CONSOLIDATED INCOME STATEMENT		
(a) Interest revenue included in Item 1.1(c)	121	101
(b) Unusual items for separate disclosure (gain/loss) (detail - Item 3)		
(c) Equity earnings (gain/loss) (detail - Item 16)		
(d) Interest expense included in Item 1.2 (include all forms of interest, etc)	12,885	8,242
(e) Leasing and renting expenses	221	226
(f) Depreciation	1,445	1,744
(g) Diminution in the value of assets (other than depreciation)		
(h) Amortisation of goodwill		
(i) Amortisation of other intangible assets	411	351
(j) Impairment of goodwill	-	3,514
(k) Impairment of other intangible assets		

5 EARNINGS PER SECURITY	Earnings Per Security	
	Current Full Year \$NZ'000	Previous corresponding full year \$NZ'000
Calculation of basic and fully diluted, EPS in accordance with IAS33: Earnings Per Share	17.0 CPS	55.1 CPS
(a) Basic EPS		
(b) Diluted EPS (if materially different from (a))		

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES	
(a) Name of subsidiary or group of subsidiaries
(b) Percentage of ownership acquired
(c) Contribution to consolidated net (Deficit) (Item 1.4)
(d) Date from which such contribution has been calculated

7 MATERIAL DISPOSALS OF SUBSIDIARIES	
(a) Name of subsidiary or group of subsidiaries
(b) Contribution to consolidated net Surplus (Deficit) (Item 1.4)
(c) Date from which such contribution has been calculated
(d) Contribution to consolidated net Surplus (Deficit) (Item 1.4) for the previous corresponding Full year/full year
(e) Contribution to consolidated net Surplus (Deficit) (Item 1.4) from sale of subsidiary

8 REPORTS FOR INDUSTRY AND GEOGRAPHICAL SEGMENTS

Information on the industry and geographical segments of the Listed Issuer is to be reported for the full year in accordance with the provisions of SSAP:23: Financial Reporting for Segments. Because of the differing nature and extent of segments among Listed Issuers, no complete proforma is provided, and the segment information should be completed separately and attached to this report. However, the following shows a suitable list of items for presentation and indicates which amounts should agree with items included elsewhere in the full year report:

SEGMENTS

The Group operates in one industry, the accommodation and care of the aged through the ownership and management of retirement villages. All operations are carried out in New Zealand.

Consolidated Balance Sheet			
9 CURRENT ASSETS:	At End of Current Full Year \$NZ'000	As shown in last Annual Report \$NZ'000	If half yearly as shown in last half yearly report \$NZ'000
9.1 (a) Cash and cash equivalents	516	1,772	1,235
(b) Trade and other receivables	13,980	23,483	25,546
(c) Amounts due from jointly controlled entities	85	195	50
(d) Property, plant and equipment	20,816	29,584	21,824
(e) Intangible assets	391	395	520
(f) Investment properties	1,258,523	1,268,176	1,233,324
(g) Assets held for sale	-	-	48,274
TOTAL ASSETS	1,294,311	1,323,605	1,330,773
9.2 CURRENT LIABILITIES			
(a) Trade and other payables	13,106	11,824	11,001
(b) Derivative financial instruments	1,812	886	1,314
(c) Bank loans	124,252	168,127	163,919
(d) Finance leases	213	281	325
(e) Deferred membership fees	39,076	39,535	38,561
(f) Refundable occupation right agreements	589,686	597,560	584,917
(g) Liabilities held for sale	-	-	23,389
TOTAL LIABILITIES	768,145	818,213	823,426
9.3 NET ASSETS	526,166	505,392	507,347
9.4 SHAREHOLDERS' EQUITY			
(a) Contributed equity	81,958	81,958	81,958
(b) Retained profits	444,208	423,434	425,389
9.5 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	526,166	505,392	507,347
(a) Minority equity interests in subsidiaries	-	-	-
9.6 TOTAL SHAREHOLDERS' EQUITY	526,166	505,392	507,347
(a) Returns on Assets (%) (EBIT divided by Total Assets)	2.59%	5.71%	0.67%
(b) Return on Assets (%) (Net Profit excluding fair value adjustments and finance costs divided by Total Assets).	0.47%	0.19%	0.34%
(c) Return on Equity (%) (Net Income divided by Shareholders' Equity)	3.95%	13.35%	0.39%
(d) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	145.99%	161.90%	162.30%

Net Tangible Assets per security

\$	4.29	\$	4.12	\$	4.14
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		Consolidated Statement of Cashflows for Full Year	
		Current Full Year \$NZ'000	Corresponding full year \$NZ'000
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
	(a) Receipts from customers	53,850	54,156
	(b) Payments to suppliers and employees	(52,416)	(49,143)
	(c) Net GST paid	(1,973)	(1,921)
	(d) Interest received	42	53
	(e) Interest paid	(11,682)	(10,192)
	NET OPERATING FLOWS	(12,179)	(7,047)

11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
	(a) Proceeds from disposal of business	24,428	-
	(b) Payments for property, plant and equipment	(618)	(1,507)
	(c) Advances to jointly controlled entity	110	44
	(d) Payments for investment properties	(3,110)	(23,556)
	(e) Capitalised interest paid	(560)	(3,539)
	NET INVESTING CASH FLOWS	20,250	(28,558)

12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
	(a) Receipts from customers for refundable occupation rights agreements	113,733	128,419
	(b) Payments to customers for refundable occupation rights agreements	(78,550)	(86,317)
	(c) Proceeds from borrowings	-	-
	(d) Repayments of borrowings	(44,510)	(4,517)
	NET FINANCING CASH FLOWS	(9,327)	37,585

13	NET INCREASE (DECREASE) IN CASH HELD	(1,256)	1,980
	(a) Cash at beginning of full year	1,772	(208)
	(b) Exchange rate adjustments to Item 12.3(a) above		
	(c) CASH AT END OF FULL YEAR	516	1,772

14	NON-CASH FINANCING AND INVESTING ACTIVITIES		
	Provide details of financing and investing transactions which have had a material effect on group assets and liabilities but did not involve cash flows:		
		
		
		
		

15 RECONCILIATION OF CASH		Current Full Year NZ\$'000	Previous Corresponding Full Year NZ\$'000
For the purposes of the above Statement of cash flows, cash includes:			
.....			
Cash at the end of the full year as shown in the statement of cash flows is reconciled to the related items in the financial statements as follows:			
	Cash on hand and at bank	516	1,772
	Deposits at call		
	Bank overdraft	-	-
	Other (provide details eg Term Deposits		
	Total = Cash at End of Full Year (Item 13(c) above)	516	1,772

16 EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

Information attributable to the reporting group's share of investments in associates and other material interests is to be disclosed by way of separate note below (refer FRS-38 Accounting for Investments in Associates).

16.1 GROUP SHARE OF RESULTS OF ASSOCIATES

Equity Earnings	
Current Full Year \$NZ'000	Previous corresponding full year \$NZ'000

- (a) OPERATING SURPLUS (DEFICIT) BEFORE TAX
- (b) Less tax
- (c) OPERATING SURPLUS (DEFICIT) AFTER TAX
 - (i) Extraordinary items
- (d) NET SURPLUS (DEFICIT) AND EXTRAORDINARY ITEMS AFTER TAX

16.2 MATERIAL INTERESTS IN CORPORATIONS NOT BEING SUBSIDIARIES

(a) The group has a material (from group's viewpoint) interest in the following corporations:

Name	Percentage of ordinary shares held at end of Full Year		Contribution to net *surplus (deficit) (Item 1.5)	
	Current Full Year	Previous Corresponding Full Year	Current Full Year NZ\$'000	Previous Corresponding Full Year NZ\$'000
Equity Accounted Associates			<i>Equity Accounted in current year</i>	
Other Material Interests			<i>Not Equity Accounted in current year</i>	
Metlifecare Palmerston North Ltd	50%	50%	1,042	2,328

(b) Investments in Associates

Carrying value of investments in associates beginning of full year

Share of changes in associates' post acquisition surpluses/and reserves:

- Retained surplus
- Reserves

Net goodwill amortisation and impairment adjustments in the period

Less Dividends received in the period

Equity carrying value of investments at the end of full year

Amount of goodwill included in carrying value at end of full year

Current Full Year \$NZ'000	Previous corresponding full year \$NZ'000

17 ISSUED AND QUOTED SECURITIES AT END OF CURRENT FULL YEAR

Category of Securities	Number Issued	Number Quoted	Paid-Up Value (if not fully paid)
PREFERENCE SHARES:			
Issued during current full year	NIL		
ORDINARY SHARES:			
	122,448,541	122,448,541	
Issued during current full year	NIL		
CONVERTIBLE NOTES:			
Issued during current full year	NIL		
OPTIONS:			
Issued during current full year	NIL		
Executive Share Option Plan			
DEBENTURES - Totals only:	NIL	\$	
UNSECURED NOTES - Totals only:	NIL	\$	
OTHER SECURITIES	NIL	\$	\$

18 COMMENTS BY DIRECTORS

If no report in any section, state NIL. If insufficient space below, provide details in the form of notes to be attached to this report.

- (a) Material factors affecting the revenues and expenses of the group for the current full year
During December 2010 the Group announced its intention to sell its Christchurch retirement village. The assets and liabilities related to Metlifecare Merivale Limited, a subsidiary company, were disposed on 14 February 2011. The net assets were sold for \$26.0m (less adjustments) to Merivale Retirement Village 2011 Limited.
- (b) Significant trends or events since end of current full year
NIL
- (c) Changes in accounting policies since last Annual Report to be disclosed
NIL
- (d) Critical Accounting Policies - Management believes the following to be critical accounting policies. That is they are both important to the portrayal of the Issuer's financial condition and results, as they require management to make judgments and estimates about matters that they are inherently uncertain
NIL
- (e) Management's discussion and analysis of financial condition, result and/or operations (optional) - this section should contain forward looking statements that should outline where these involve risk and uncertainty
NIL
- (f) Other comments
NIL

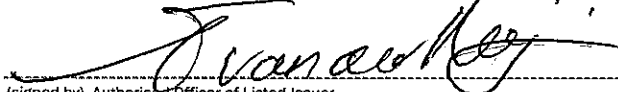
19 DIVIDEND

- (a) Dividend Yield as at balance date (%) (Annual dividend per share divided by price per share)
NIL
- (b) Tax Adjusted Dividend Yield as at balance date (%) (Annual net dividend per share divided by price per share)
NIL

20 ANNUAL MEETING (if full year report)

- (a) To be held at Pakuranga Hunt Room Ellerslie Stand, Ellerslie Event Centre, 80-100 Ascot Avenue, Greenlane East, Auckland
- (b) Date: 25 October 2011 Time: 3:00pm
- (c) Approximate date of availability of Annual Report 26 September 2011

If this full year report was approved by resolution of the Board of Directors, please indicate date of meeting:



(signed by) Authorised Officer of Listed Issuer

22 August 2011

(date)