

MEDIA RELEASE

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METLIFECARE - BOTANY SITE UNCONDITIONAL

Metlifecare Limited today announced that its acquisition of a 2.38 hectare site at 197 Botany Road in East Auckland is now unconditional. The company plans to invest \$140 million in a new retirement village on the site, which is adjacent to the Pakuranga Golf Course.

Chief Executive Glen Sowry said Metlifecare was looking forward to developing the new site. "It is a fantastic location. We are looking to create a country-club style village which provides residents with a high-quality lifestyle in a desirable community with excellent local services and amenities."

The new village will be mid-sized with around 160 units, including independent living units, serviced apartments and care. Mr Sowry said: "It will be a two-level village which is appropriate for both the area and our target market. Our analysis tells us we can expect strong demand for such an offering in this location, which has solid projected growth, a good demographic profile and is underserved by retirement living options."

"We are confident that this development will be highly value-accretive for the company. Our initial feasibilities indicate that the average list price for units being sold in this project will be in the high \$800,000s, compared to the average house price of \$1,135,000 in the surrounding catchment area."

Mr Sowry said the land acquisition and subsequent development will be debt-funded. "We have an exceptionally strong balance sheet, with ample headroom to fund future development. While the company will retain a conservative approach to managing market risk, our debt to equity ratio demonstrates there is still significant debt capacity available."

Settlement is due on 28 July 2017. The new site will take Metlifecare's total portfolio to 27 villages and sites, with 17 located in the Auckland region.

ENDS

For further information please contact:

Glen Sowry
Chief Executive Officer
Mobile: 021 472 051

Metlifecare is a leading New Zealand owner and operator of retirement villages, providing rewarding lifestyles and care to more than 5,000 New Zealanders. Established in 1984, it currently operates 24 villages, located primarily in high-value and high-growth regions of New Zealand's upper North Island.

Metlifecare is listed on the NZX and ASX (NZX: MET/ASX: MEQ). Website: www.metlifecare.co.nz