Metlifecare Limited Results for announcement to the market	
Reporting Period	Year to 30 June 2010
Previous Reporting Period	Year to 30 June 2009

	Amount (000s)	Percentage change
Revenue from ordinary activities	$NZ136,100	381.72%
Profit (loss) from ordinary activities after tax attributable to security holder.	$NZ67,487	158.33%
Net profit (loss) attributable to security holders.	$NZ67,487	158.33%

Interim/Final Dividend	Amount per security	Imputed amount per security
	It is not proposed to pay dividends	Not Applicable

Record Date	Not Applicable
Dividend Payment Date	Not Applicable

Comments:	

Level 2, Metlifecare House, 302 Great South Road, Greenlane, Auckland 1051, P O Box 37463, Parnell, Auckland 1151
Phone 09 539 8000, Fax 09 539 8001, www.metlifecare.co.nz

26 AUGUST 2010

NZX MEDIA RELEASE

METLIFECARE ANNOUNCES FULL YEAR RESULT

Metlifecare Limited today announced a profit of $NZ67.5 million compared to a loss the previous year of $115.7 million after accounting for non-operating non-cash items including the revaluation of investment properties and financial instruments as required under the NZ International Financial Reporting Standards (NZIFRS). At the end of the period, the Group's investment properties were valued at $1.268 billion (2009:$1.129 billion).

In commenting on the result, the Company's Chairman, Dr Charles MacDonald, said "The main contributors to the turnaround have been a $73.2 million upward revaluation of the property portfolio which had previously been hit hard during the Global Financial Crisis (GFC). The revaluation reflects the independent valuer's assessment of long term property growth rates and market risk. In addition, the Company has produced a substantial improvement in the underlying operating performance".

"Last year's announcement flagged that an uplift in leads and inquiries had arisen during 2009 after the worst of the GFC. I am pleased to report this momentum translated into a significant increase in the level of sales and resales settlements across the villages in FY2010. The FY2010 settlements were much higher than each of the previous four years. More than 400 new residents entered into our retirement communities. Whilst the property market in NZ has improved, there is still some way to go to achieve more normalised levels of housing transaction turnover. Many new and potential residents still encounter long delays in trying to sell their homes to enable them to enter a retirement village".

"The second stage at The Poynton, our newest village on Auckland's North Shore was handed over in April with the addition of 47 apartments, 15 serviced apartments, 5 care suites, a heated swimming pool and spa complex, croquet green and gymnasium".

"Cash flows generated from operations and relicensing activities grew by $20.5m to $45.2m. Net cash received was applied to the completion of stage 2 of The Poynton, financing costs and debt reduction of the development facility".

"During the year, Metlifecare renewed its banking facilities for another three years. The operating facility meets the needs of the business, but recognised in the facility is the repayment of the development facility for The Poynton in line with the expected development receipts".

"In line with the prudent approach to financial management and debt servicing taken in recent years, and whilst there remains considerable uncertainties about economic recovery in the world and the NZ economies, the company is not declaring or paying a dividend for the 2010 year".

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"The NZ Government's 20 May 2010 Budget withdrew depreciation on investment properties. On 24 June 2010, the company made a preliminary announcement of the implication for Metlifecare following the Budget based on the opening valuations of 2009. After receiving the year end independent valuations, further analysis and clarification has been undertaken. The Directors believe they have taken a realistic approach in preparing the financial statements. However, this area of accounting is still considered uncertain and there may be further changes to NZIFRS reporting standards for deferred tax on Investment Properties in the coming year. The current tax expense does not reflect a charge for deferred tax, however the unrecognised deferred tax asset of $80 million noted in the prior year's accounts has been substantially reduced to $3 million due to the changes in the depreciable component of the valuation of Investment Properties. Further, the reduction in the unrecognised deferred tax asset has no impact on the Company's profitability or short term cash flows."

On 30 June 2010, Metlifecare Limited owned and operated 17 lifestyle villages incorporating 10 care facilities. Across these villages Metlifecare Limited has 2,531 villas and apartments providing a continuum of care for more than 3,300 residents.

-Ends-

For further information please contact:

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