

Date: 28 November 2013

Media Release

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RVNZ'S SALE OF METLIFECARE STAKE

Metlifecare (NZX: MET) (ASX: MEQ) has received the attached release.

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About Metlifecare

Metlifecare is a publicly listed aged care and retirement lifestyle company.

Established in 1984, the company has a proven track record of successfully owning and managing retirement villages in New Zealand. Metlifecare currently owns villages in prime locations throughout the North Island of New Zealand, with most providing a full continuum of care from independent villas and apartments through to serviced apartments, rest homes and hospitals.

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PART OF THE
METLIFECARE
FAMILY OF VILLAGES



28 November 2013

Retirement Villages Group receives \$NZ280 from the sale of its Metlifecare stake

Aveo Group (ASX:FKP and ASX:AOG from 10 December 2013), the fund manager of Retirement Villages Group (RVG), is pleased to announce that the sale by one of the fund's subsidiaries, Retirement Villages New Zealand Limited (RVNZ), of its 37.7% equity interest in New Zealand retirement village owner and operator Metlifecare Limited (NZX: MET and ASX:MEQ), completed today.

Total proceeds from this sale amounted to \$NZ280m which have been used to retire RVG's \$A186.3m of secured debt, leaving RVG as a debt free wholesale fund with cash reserves of approximately \$A52.6m.

The transaction was completed immediately on the expiry of the escrow period relating to the shares, demonstrating Aveo Group's commitment to executing its strategy to transform to a pure retirement group by actively managing its own asset base and the assets of the funds under its management. On 24 October 2013, RVNZ entered into an underwriting agreement with Goldman Sachs to sell all of the 79.4m MET shares held by RVNZ for NZ\$3.53 per share. Goldman Sachs separately entered into sub underwriting agreements with Infratil Limited and New Zealand Superannuation Fund for the sale of almost the entire stake. These entities each now hold a 19.9% stake in MET.

CEO Geoff Grady said: "As a debt free fund, RVG will now be able to fully concentrate on enhancing its substantial Australian portfolio. This transaction will also enable management to expedite the transition of Aveo Group to a pure and expanded retirement group. "

"Since the announcement of the sale to Infratil and NZ Super in October, New Zealand investors have shown increasing interest in investing in the Australian retirement sector and recognise that Aveo Group occupies the leading position in Australia."

RVG's Australian portfolio comprises 30 high-quality retirement villages, with 3,489 units in CBD centric locations in NSW and Victoria. Aveo Group's retirement portfolio comprises 76 retirement villages for 12,000 residents across Australia.

In addition to fund management services, Aveo provides asset management services to all of RVG's villages. Aveo Group has a 22.63% equity interest in RVG.

END

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About Aveo

"We will grow with older Australians by inspiring greater living choices."

Aveo is a leading and trusted owner, operator and manager of retirement communities across Australia. Aveo's philosophy is underpinned by a commitment to grow with older Australians by inspiring greater living choices. We currently do so for 12,000 residents in 76 retirement villages across Australia. Aveo also manages and develops a diversified \$800 million property portfolio. Over 30 years, Aveo's portfolio has grown to one that encompasses retirement, residential, commercial, industrial and mixed-use property assets. Together these communities define how hundreds of thousands of people in Australia live, work, retire and invest.

Issued by Aveo Group (ASX:FKP and ASX: AOG from 10 December 2013) comprising Aveo Group Limited ABN 28 010 729 950 and Aveo Funds Management Limited ABN 17 089 800 082, AFSL No. 222273 as Responsible Entity for the Aveo Group Trust ARSN 099 648 754.