Metlifecare Limited	
Results for announcement to the market	
Reporting Period	Year to 30 June 2008
Previous Reporting Period	Year to 30 June 2007

	Amount ($NZ'000)	Percentage change
Revenue from ordinary activities	13,956	(90.70%)
Profit (loss) from ordinary activities after tax attributable to security holder.	(53,070)	(152.20%)
Net profit (loss) attributable to security holders.	(53,070)	(152.20%)

Interim/Final Dividend	Amount per security	Imputed amount per security
Final Dividend	$NZ 0.08	$ 0.00

Record Date	12 September 2008
Dividend Payment Date	19 September 2008

Comments:	This is the Company's first full year report under International Financial Reporting Standards, (IFRS).

	30 June 2008	30 June 2007
Net Tangible Assets per security	$6.00	$6.92

NZX MEDIA RELEASE

28 August 2008

METLIFECARE ANNOUNCES FULL YEAR RESULT

Metlifecare has today announced its annual financial results for the year ended 30 June 2008. Key features of the results, which are for the first full-year to be prepared under International Financial Reporting Standards (IFRS), include:

- Net loss of $54m, driven by revaluations and non-cash impacts of IFRS accounting treatments;
- Cash operating surplus of $23.6m driven by ongoing strong cashflows;
- Gross independently assessed property value of $1.176 billion, has increased by 1.8% on the prior corresponding period;

- Declaration of a final dividend of 8c per share, bring to 19c per share the total dividends paid in the year;
- Further strengthening Metlifecare's portfolio with the acquisition of Merivale Retirement Village in Christchurch, encompassing 61 villas and serviced apartments and an 80 bed care facility.

Metlifecare Chief Executive Officer, Richard de Haast, said, "This is a solid result in what have been challenging market conditions. These have impacted on our valuations, an effect heightened by accounting treatments required under IFRS." This is explained further below.

"It is important for Metlifecare investors to understand that the fluctuations in reported profits do not affect Metlifecare's cash position or its underlying business performance," Mr de Haast said. "In fact cash flow in the business remains very strong and the company has delivered a cash operating surplus of $23.6m for the period."

"The strong cashflows are derived from a quality portfolio of villages which are well located and underpinned by strong service delivery. This means that our villages are well positioned to continue to be desired destinations as an ever-increasing number of people in a growing demographic seek to secure a home in premium villages.

"These factors combined with Metlifecare's strong business model means that we are very well positioned to take full advantage of easing conditions in the economy and the inevitable upturn in the residential housing market," Mr de Haast said.

Valuations

Independently prepared valuations of the group's investment property at 30 June 2007 plus additions during the year amounted to $1.220 billion. Following a 3.6% negative valuation movement ($44 million), the gross investment property value at 30 June 2008 amounted to $1.176 billion. This essentially flat movement in the gross value of investment property is a positive outcome given the state and decline of the New Zealand residential housing market during the reporting period.

It should also be noted that there was an exceptionally strong revaluation gain of 9.7% ($102 million) for the comparative full year to June 2007. This was driven by the impact of lower discount rates arising from the re-rating of the sector as a result of acquisition and consolidation activity in that year.

Impact of IFRS

The key change resulting from the application of IFRS is the inclusion of unrealised gains or losses arising from revaluations of investment property in the income statement. Previously, revaluations were recorded in reserves and only realised gains from the sale and resale of occupation right agreements were recorded in the income statement. As a result, reported profits are now strongly influenced by the underlying property market and can vary significantly from year to year.

Portfolio activity

During the year the company acquired Merivale Retirement Village in Christchurch. Merivale has 61 villas and serviced apartments and an 80 bed care facility, comprising 47 resthome beds and 33 hospital beds. In addition, construction of 28 apartments was completed at Metlifecare Pinesong. This development now completes the village and the village comprises of 359 villas, apartments and serviced apartments and 10 resident only care suites. Construction of 17 serviced apartments and 6 care suites was also completed at Metlifecare Bayswater. This development completes the village and the village now comprises of 232 villas, apartments and serviced apartments and 6 resident only care suites.

Excellent progress is being achieved at Metlifecare Takapuna on Auckland's North Shore with practical completion of the first stage on schedule for late 2009. On full completion, the village will comprise of 246 lifestyle apartments, 15 serviced apartments and 4 resident-only care suites. The North Shore does not currently have a retirement village of this quality and interest has been strong with a number of unconditional and conditional agreements already being signed.

Post the acquisition, as at 30 June 2008 Metlifecare owns and operates 16 lifestyle villages incorporating 10 care facilities. Across these villages, Metlifecare has 2,384 villas and apartments, providing a continuum of care for more than 3,300 residents.

Dividends

Taking into account the company's underlying cash flows, and the outlook going forward, the Directors have resolved to declare a final dividend of 8c per share (without imputation credits), providing a total dividend for the financial year of 19c. The date of record for the final dividend entitlement is 12 September 2008 and the date of payment is 19 September 2008.

- Ends -

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