

PRELIMINARY FULL YEAR REPORT ANNOUNCEMENT

Metlifecare Limited

For Full Year Ended 31 December 2005

(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 [see Note [X] attached] and is based on audited financial statements. If the report is based on audited financial statements, any qualification made by the auditor is to be attached.

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

[PLEASE REFER TO ATTACHED NOTES WHEN COMPLETING THIS FORM]

1 CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE	*Consolidated Statement Financial Performance		
	Current Full Year \$NZ'000	*Up/Down %	Previous corresponding full year \$NZ'000
1.1 OPERATING REVENUE			
(a) Trading Revenue	127,466		108,796
(b) Other Revenue	130		147
(c) Total Operating Revenue	127,596	17.12%	108,943
1.2 OPERATING *SURPLUS (DEFICIT) BEFORE TAXATION	22,472	25.09%	17,964
(a) Less taxation on operating result			
1.3 OPERATING *SURPLUS (DEFICIT) AFTER TAX	22,472	25.09%	17,964
(a) Extraordinary Items after Tax [detail in Item 3]			
(b) Unrealised net change in value of investment properties			
1.4 NET *SURPLUS (DEFICIT) FOR THE PERIOD	22,472	25.09%	17,964
(a) Net *Surplus (Deficit) attributable to minority interests	737		(493)
1.5 NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	21,735	24.41%	17,471

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 STATEMENT OF FINANCIAL PERFORMANCE		
(a) Interest revenue included in Item 1.1(b)	102	78
(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)	2,011	1,534
(e) Leasing and renting expenses	267	324
(f) Depreciation	1,511	1,816
(g) Diminuton in the value of assets (other than depreciation)		
(h) Amortisation of goodwill	140	89
(i) Amortisation of other intangible assets		
(j) Impairment of goodwill		
(k) Impairment of other intangible assets		

2.2 SUPPLEMENTARY ITEMS

- (a) # Interest costs excluded from Item 2.1(d) and capitalised
- (b) # Outlays (other than those arising from the acquisition of an existing business) capitalised in intangibles
- (c) Unrecognised differences between the carrying value and market value of publicly traded investments

#Items marked in this way need to be shown only where their inclusion as revenue or exclusion from expenses has had a material effect on reported *surplus (deficit)

Consolidated Statement of Financial Performance	
Current full Year \$NZ'000	Previous corresponding full Year \$NZ'000
2,942	1,698

3 DISCONTINUED, UNUSUAL (INCLUDING NON RECURRING), AND EXTRAORDINARY ITEMS OF THE GROUP

Group - Current Full Year

DETAILS AND COMMENTS

Discontinued Activities:

(Disclose Operating Revenue and Operating Surplus)

TOTAL DISCONTINUED ACTIVITIES

Material Unusual (including Non Recurring) Items (included in 1.2)

Description:

TOTAL MATERIAL NON RECURRING ITEMS

Extraordinary Items (Ref. Item 1.3(a))

Description:

TOTAL EXTRAORDINARY ITEMS

Operating Revenue \$NZ'000	Operating Surplus \$NZ'000

4 STATEMENT OF MOVEMENTS IN EQUITY

Statement of Movements In Equity

4.1 *NET SURPLUS (DEFICIT) ATTRIBUTABLE TO MEMBERS OF LISTED ISSUER

- (a) *Net Surplus (Deficit) attributable to minority interest

4.2 OTHER RECOGNISED REVENUE AND EXPENSES

- (a) *Increases (decreases) in revaluation reserves
- (b) Current Translation Differences
- (c) Minority interest in other recognised revenue and expenses

4.3 TOTAL RECOGNISED REVENUES AND EXPENSES

4.4 OTHER MOVEMENTS

- (a) Contributions by Owners
- (b) Distributions to Owners
- (c) Other

4.5 EQUITY AT BEGINNING OF FULL YEAR

4.6 EQUITY AT END OF FULL YEAR

Current full year \$NZ'000	Previous corresponding full year \$NZ'000
21,735	17,471
737	493
13,847	32,448
36,319	50,412
956	
(4,969)	(6,058)
(686)	2,055
198,005	151,596
229,625	198,005

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		
(a) Basic EPS	25.0 CPS	20.2 CPS
(b) Diluted EPS (if materially different from (a))		

6 MATERIAL ACQUISITIONS OF SUBSIDIARIES (See Note (VII) attached):	
(a) Name of subsidiary or group of subsidiaries
(b) Percentage of ownership acquired
(c) Contribution to consolidated net *Surplus (Deficit) (Item 1.4)	\$
(d) Date from which such contribution has been calculated
	\$

7 MATERIAL DISPOSALS OF SUBSIDIARIES (See Note (VII) attached)	
(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 half 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.

(Note VIII) attached has particular relevance for the preparation	Consolidated Statement of Financial Position		
	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 CURRENT ASSETS:			
(a) Cash		646	
(b) Trade receivables	2,128	939	
(c) Investments			
(d) Inventories	37,085	38,365	
(e) Other assets - Taxation Receivable	20	20	
- Amenities Contribution Receivable	5,090	4,512	
- Unconditional Sale and Resale Receivable	18,923	10,868	
- Sundry Debtors and Prepayments	2,081	1,857	
TOTAL CURRENT ASSETS	65,327	57,207	
9.1 NON-CURRENT ASSETS			
(a) Trade receivables	2,579	1,818	
(b) Investments			
(c) Inventories			
(d) Property, plant and equipment - Nursing Homes, Hospitals	33,447	32,442	
- Investment Properties (net, refer Note)	161,654	149,361	
(e) Goodwill		140	
(f) Deferred Taxation Assets			
(g) Other Intangible Assets			
(h) Other assets - Amenities Contribution Receivable	46,055	36,438	
9.2 TOTAL NON-CURRENT ASSETS	243,735	220,199	
9.3 TOTAL ASSETS	309,062	277,406	
9.4 CURRENT LIABILITIES			
(a) Trade Creditors	11,629	8,052	
(b) Income in advance, current			
(c) Secured loans	418		
(d) Unsecured loans		465	
(e) Provisions, current			
(f) Other liabilities - Amortising Liabilities to Residents	195	328	
- Occupation Licences Payable	5,584	4,276	
TOTAL CURRENT LIABILITIES	17,826	13,121	
9.5 NON-CURRENT LIABILITIES			
(a) Accounts payable, non-current	104	127	
(b) Secured loans	59,325	63,825	
(c) Unsecured loans			
(d) Provisions, non-current			
(e) Deferred Taxation Liability, non-current			
(f) Other liabilities - Amortising Liabilities to Residents	180	306	
- Occupation Licences Payable	2,002	2,022	
9.6 TOTAL NON-CURRENT LIABILITIES	61,611	66,280	
9.7 TOTAL LIABILITIES	79,437	79,401	
9.8 NET ASSETS	229,625	198,005	
9.9 SHAREHOLDERS' EQUITY			
(a) Share capital (optional)	44,470	43,514	
(b) Reserves (optional)	100,655	86,808	
(i) Revaluation reserve			
(ii) Other reserves			
(c) Retained Surplus (accumulated Deficit) (optional)	79,068	62,302	
9.10 SHAREHOLDERS' EQUITY ATTRIBUTABLE TO MEMBERS OF THE LISTED ISSUER	224,193	192,624	
(a) Minority equity interests in subsidiaries	5,432	5,381	
9.11 TOTAL SHAREHOLDERS' EQUITY	229,625	198,005	
(a) Returns on Assets (%) (EBIT divided by Total Assets)	8.06%	8.11%	
(b) Return on Equity (%) (Net Income divided by Shareholders' Equity)	10.51%	10.28%	
(c) Debt to Equity Ratio (%) (Total Liabilities divided by Shareholders' Equity)	34.59%	40.10%	

Note to Item 9.1 (d)

Investment Properties

Completed Facilities at net current values
Development Properties
Less: Refundable Occupation Licences
Net Investment Properties

562,840	497,514	
18,265	16,771	
(419,451)	(364,924)	
161,654	149,361	

		Consolidated Statement of cashflows for full year	
		Current full year \$NZ'000	Corresponding full year \$NZ'000
<small>(See Note (IX) attached)</small>			
10	CASH FLOWS RELATING TO OPERATING ACTIVITIES		
(a)	Receipts from customers	107,874	96,157
(b)	Interest received	35	42
(c)	Dividends received		
(d)	Payments to suppliers and employees	(36,949)	(33,376)
(e)	Interest paid	(1,449)	(1,263)
(f)	Income taxes paid		
(g)	Other cash flows relating to operating activities	(31,039)	(33,739)
	NET OPERATING FLOWS	38,472	27,821
<small>(See Note (IX) attached)</small>			
11	CASH FLOWS RELATING TO INVESTING ACTIVITIES		
(a)	Cash proceeds from sale of property, plant and equipment	8	21
(b)	Cash proceeds from sale of equity investments		
(c)	Loans repaid by other entities		
(d)	Cash paid for purchases of:		
	- property, plant and equipment	(2,436)	(1,108)
	- investment property and development in progress	(25,209)	(49,210)
(e)	Interest paid - capitalised	(2,942)	(1,698)
(f)	Cash paid for purchases of equity investments		
(g)	Loans to other entities		
(h)	Other cash flows relating to operating activities		
	NET INVESTING CASH FLOWS	(30,579)	(51,995)
<small>(See Note (IX) attached)</small>			
12	CASH FLOWS RELATED TO FINANCING ACTIVITIES		
(a)	Cash proceeds from issue of shares, options, etc.	956	
(b)	Borrowings	44	31,125
(c)	Repayment of borrowings	(4,500)	
	Repayment of Shareholder Advances	(465)	(200)
(d)	Dividends paid	(4,969)	(6,058)
(e)	Other cash flows relating to financing activities		64
	NET FINANCING CASH FLOWS	(8,934)	24,931
<small>(See Note (IX) attached)</small>			
13	NET INCREASE (DECREASE) IN CASH HELD	(1,041)	757
(a)	Cash at beginning of full year	646	(111)
(b)	Exchange rate adjustments to Item 12.3(a) above		
(c)	CASH AT END OF FULL YEAR	(395)	646
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			
For the purposes of the above Statement of cash flows, cash includes:		Current full Year NZ\$'000	Previous Corresponding full Year NZ\$'000
.....			
Cash at the end of the half 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		1,057	809
Deposits at call			
Bank overdraft		(1,452)	(163)
Other (provide details eg Term Deposits			
Total = Cash at End of Full Year (Item 13(c) above)		(395)	646

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 GROUP SHARE OF RESULTS OF ASSOCIATES

- (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

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

16 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>	

- (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 that 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:			
# (Description)			
Issued during current full year	NIL		
ORDINARY SHARES:			
	87,348,541	87,348,541	
Issued during current full year	800,000	800,000	
CONVERTIBLE NOTES			
# (Description)			
Issued during current half year	NIL		
OPTIONS:			
	Issued	Quoted	Exercise Price
Issued during current half year	NIL		
Executive Share Option Plan			
DEBENTURES - Totals only:	NIL	\$	
UNSECURED NOTES - Totals only:	NIL	\$	
OTHER SECURITIES	NIL	\$	\$

Description includes rate of dividend or interest and any redemption or conversion rights together with the prices and dates thereof.

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
NIL
- (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
Refer to 2005 Annual Report
- (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)

0.56%

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

0.38%

20 ANNUAL MEETING (if full year report)

(a) To be held at

Guineas 3 Lounge, 3rd Floor, Ellerslie Convention Centre, Greenlane, Auckland

(b) Date Thursday, 27 April 2006 Time Commencing at 3.00 pm

(c) Approximate date of availability of Annual Report 24 March 2006

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

27 February 2006

.....
(signed by) Authorised Officer of Listed Issuer

.....
(date)