

**Retirement Villages New Zealand Limited**  
Level 14, Phillips Fox Tower, 209 Queen Street, Auckland 1, New Zealand

2 December 2005

TO: Metlifecare Limited  
Level 2, Metlifecare House  
302 Great South Road  
Greenlane  
**AUCKLAND**

CC: New Zealand Exchange Limited  
Level 2, NZX Centre  
11 Cable Street  
**WELLINGTON**

CC: The Takeovers Panel  
Level 8, Unisys House  
56 The Terrace  
**WELLINGTON**

**VARIATION NOTICE IN RELATION TO THE FULL TAKEOVER OFFER FOR METLIFECARE LIMITED UNDER THE TAKEOVERS CODE**

1. Retirement Villages New Zealand Limited ("**RVNZ**"), by an offer dated 4 November 2005, has made a full takeover offer ("**Offer**") for all of the fully paid ordinary shares and all of the outstanding options in Metlifecare Limited ("**Metlifecare**").
2. Pursuant to Rule 27(d) of the Takeovers Code, RVNZ hereby gives notice that the Offer period is extended by 14 days. RVNZ's takeover offer will now close at 5:00pm on Saturday 17 December 2005.
3. A copy of the variation letter sent or to be sent to every Metlifecare shareholder is attached to this notice.

Yours faithfully  
**RETIREMENT VILLAGES NEW ZEALAND LIMITED**



**John Duncan**  
**Director**  
**Retirement Villages New Zealand Limited**

**Retirement Villages New Zealand Limited**  
Level 14, Phillips Fox Tower, 209 Queen Street, Auckland 1, New Zealand

2 December 2005

Dear Metlifecare Shareholder

**Full takeover offer for Metlifecare Limited – Offer extended until Saturday 17 December 2005**

RVNZ has decided to extend the Offer period by 14 days to give Metlifecare shareholders further opportunity to accept the Offer. RVNZ's takeover offer for Metlifecare will now close on **5:00pm Saturday 17 December 2005**.

You are encouraged to accept the offer prior to 5pm on the closing date.

As of Thursday 1 December, RVNZ has received acceptances from shareholders entitling it to over 75% of Metlifecare.

## **Why you should Accept this Offer**

**\$3.90 IS A VERY ATTRACTIVE PRICE AND A 43% PREMIUM TO THE SHARE PRICE PRIOR TO RUMOURS OF THE SALE PROCESS**

**OUR \$3.90 OFFER PRICE WILL NOT BE INCREASED**

**GRANT SAMUEL'S ADVICE IS THAT OUR \$3.90 OFFER IS "FAIR AND REASONABLE"**

**THE INDEPENDENT DIRECTORS OF METLIFECARE RECOMMEND THAT SHAREHOLDERS ACCEPT OUR \$3.90 OFFER**

**RVNZ HAS NOW SECURED ACCEPTANCES FOR MORE THAN 75% OF THE SHARES OF METLIFECARE**

**UNDER THE TERMS OF THE TAKEOVER OFFER RVNZ IS PROHIBITED FROM MAKING A FURTHER OFFER AT A HIGHER PRICE UNTIL AFTER 19 OCTOBER 2006 – A FURTHER OFFER AT A LOWER PRICE IS PERMITTED**

**IF METLIFECARE REMAINS LISTED IT IS LIKELY THAT LIQUIDITY IN THE STOCK WILL REDUCE SIGNIFICANTLY AFTER THE OFFER IS COMPLETED AND THE SHARE PRICE MAY TRADE BELOW THE OFFER PRICE**

**THIS IS A SIMPLE CASH OFFER – PAYMENT IS WITHIN 3 BUSINESS DAYS**

**NO BROKERAGE IS PAYABLE BY ACCEPTING SHAREHOLDERS**

## **Retirement Villages New Zealand Limited**

Level 14, Phillips Fox Tower, 209 Queen Street, Auckland 1, New Zealand

To accept the offer, please follow the instructions set out in the Acceptance and Transfer Form sent to you previously. If you have any questions about RVNZ's offer, please contact the toll-free offer hotline on 0800 150 077. Alternatively contact Computershare Investor Services Limited on 09 488 8777 within New Zealand, or +64 9 488 8777 outside New Zealand, or seek assistance from a professional advisor such as a Primary Market Participant of New Zealand Exchange Limited.

Yours faithfully



Hon Jim McLay, CNZM, QSO  
Chairman  
Retirement Villages New Zealand Limited