

Metlifecare Limited

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NZX MEDIA RELEASE

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METLIFECARE LIMITED KEY POINTS OF THE YEAR 2004

- ❑ Increase in net surplus from \$14.2 million to \$17.5 million
- ❑ Operating surplus (before interest, tax, unusual items and minority interest) increased from \$14.3 million to \$19.4 million
- ❑ Operating cashflow of \$27.8 million (\$35.8 million in 2003)
- ❑ An improved year for resales revenue and margin of villas and apartments
- ❑ Total dividend for the year of five and half cents per share without imputation credits (five cents per share in 2003)

TABLE OF KEY FINANCIAL DATA

	2004	2003
Total revenue	\$108.9M	\$110.1M
Operating surplus (before interest, tax, unusual interest and minority interests)	\$19.4M	\$14.3M
Net surplus	\$17.5M	\$14.2M
Earnings per share	20.2¢	16.4c
Operating cashflow	\$27.8M	\$35.8M
Total assets	\$277.4M	\$200.6M
Total liabilities	\$79.4M	\$49.0 M

METLIFECARE ANNOUNCES ANNUAL RESULT

Metlifecare today announced a net surplus for the year ended 31 December 2004 of \$17.5 million - a 23% improvement on the previous year.

Chairman, Peter Fitzsimmons, said, "The Board is very pleased with this year's results, which have been built on the foundations laid down over recent years, to transform Metlifecare's performance."

The profit improvement is a result of increased margins from the business' various activities.

The average price of resales for the year increased by 17.4% to \$243K (\$207K in 2003).

Revenue from Amenities Contributions of \$11.3 million represented an increase of 15% on the \$9.8 million achieved in 2003.

As at 31 December 2004 Metlifecare owned and operates 13 lifestyle villages incorporating 9 care facilities. At year end Metlifecare had increased its portfolio of villas and apartments to 1,768, providing a continuum of care for more than 2,000 residents.

During the year Metlifecare sold 74 new villas and apartments.

The completion of various development programs was affected by various factors, primarily weather, which led to buildings being completed later in the year than planned. This resulted in inventory and debt increasing over year end 2003.

Sales momentum and buyer enquiry in the first months of 2005 indicate current inventory levels will be reduced to normal operating levels before the end of the first half of 2005.

At year end, total assets stood at \$277.4 million against \$200.6 million in 2003.

The Directors have declared a final dividend of 3.5 cents per share, without imputation credits, making the total dividend paid for the 2004 year of 5.5 cents per share, a 10% increase on the 2003 year dividend.

The date of record for the final dividend entitlement is Friday 11 March 2005 and the date of payment is Friday 18 March 2005.

During the year, upon receipt of resource consent for 260 apartments, Metlifecare settled the purchase of land in Takapuna, on Auckland's North Shore, significantly strengthening the Company's land bank. The land bank will allow the Company to maintain development growth at current levels for the next five to six years. In 2005 Metlifecare's focus will be on completing its high value village - 7 Saint Vincent, Remuera, where the last stage of luxury apartments are under construction.

While there is speculation about a flattening of the residential property market, demand for homes within our villages remains strong, reflecting the quality of the accommodation and services offered. We expect this trend to continue into 2005.

Accordingly Metlifecare is forecasting to trade better than last year. The first two months performance is tracking to plan.

- Ends -

For further information please contact:

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