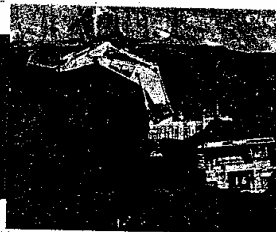




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Retail \$8.50

Australian duo targets Metlifecare



CLIFF COOK: Stake not for sale

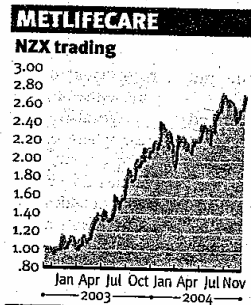
Nick Stride

A takeover bid for Metlifecare is imminent, with at least two large Australian companies said to be interested.

The *National Business Review* understands ASX-listed aged care provider Primelife Corporation has hired an investment bank and a law firm to assist with a "pitch" to the major shareholders: businessman Cliff Cook and Wellington's Todd Capital.

Property group FKP, also ASX-listed, is also interested in bidding.

It is understood a group of



private equity players is a third potential bidder.

The price doing the rounds

yesterday was \$3.50, a big premium over the \$2.72 the shares closed at on Wednesday.

A "standstill" agreement under which Mr Cook and Todd agreed not to buy or sell more shares expired two months ago.

The company's board said last month Mr Cook's management contract had been terminated "by mutual consent" but he is thought to be frustrated by Todd's conservatism.

Analysts said Mr Cook wanted Metlifecare to drive an overdue industry consolidation but Todd had refused to back him.

Although the share price has risen strongly over the past two years Metlifecare is considered underpriced relative to the value of its assets.

Mr Cook said yesterday his shareholding was not on the market.

He has been setting up British aged care provider Renaissance Lifecare and last month recruited Metlifecare's chief executive, Gavin Aleksich, to run it.

"But I'm not selling up my New Zealand assets to do it," he said.

Mr Cook has sold just under 2% of the company this

year, reducing his stake to 25.1%

Todd Capital chairman John Todd said he was unaware of any interest in the Metlifecare stake. Todd owns 34.9%.

Eric Watson sold his 9.4% stake to a range of institutions in March.

NBR understands a British fund manager has been accumulating a stake and has spoken to major holders.

Primelife is 19.9% owned by Australian investment bank Babcock & Brown.

It has said publicly that it aims to be the biggest aged care operator in Australasia.