

MEDIA RELEASE

27 February 2004

METLIFECARE LIMITED HIGHLIGHTS OF THE YEAR 2003

- Increase of net surplus \$14.2 million (\$10.4 million in 2002)
- Operating surplus (before interest, tax and unusual items) \$13.7 million (\$12.8 million)
- Revenues of \$110.1 million (\$100.7 million)
- Operating cashflow of \$35.8 (\$27.6 million)
- Record year for resales of villas and apartments in number, revenue and margin
- Change in dividend policy - Final and total dividend for the year of 5 cents per share without imputation credits. (nil.)

TABLE OF KEY FINANCIAL DATA

	2003	2002
Total revenue	\$110.1M	\$100.7M
Operating surplus (before interest, tax and unusual items)	\$13.7M	\$12.8M
Net surplus	\$14.2M	\$10.4M
Earnings per share	16.4c	12.0c
Operating cashflow	\$35.8M	\$27.6M
Total assets	\$201.5M	\$184.6M
Total liabilities	\$49.9 M	\$70.7M

METLIFECARE ANNOUNCES RECORD ANNUAL RESULT

Metlifecare today announced a net surplus for the year ended 31 December 2003 of \$14.2 million - a 37% improvement on the previous year.

Chairman, Peter Fitzsimmons, said, "2003 saw growth in all areas of Metlifecare's operations."

"Total revenue of \$110.1 million was a record, up on last year's \$100.7 million. This was largely due to significant lifts in resales of villas and apartments, an increase to \$46.0 million or 25% over the previous year's \$36.9 million. Also revenue from Amenities Contributions of \$9.8 million represented an increase of 20% on the \$8.1 million achieved in 2002. At year-end, total assets stood at \$201.5 million against \$184.6 million in 2002."

"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."

Mr Fitzsimmons noted that "the robust financial performance, coupled with the recent divestments of non core assets, has placed the Company in a strong financial position. This position provides the financial capacity to both continue to fund growth plans and recommence paying a dividend."

The Directors have declared a final dividend of 5 cents per share, without imputation credits, being the total dividend paid for the 2003 year.

The date of record for the final dividend entitlement is Friday 12 March 2004 and the date of payment is Friday 19 March 2004.

Metlifecare Chief Executive, Gavin Aleksich, said, "Metlifecare's competencies continue to be the day-to-day operational management of its retirement villages. During 2003, focus on core competencies and improving quality has led to further improved operational and financial outcomes."

Mr Aleksich said “the improvement in Operating Surplus (before interest, tax and unusual items) is more impressive when adjusted for the impact of the divestment of the non core assets of Epsom and Browns Bay. This improvement was \$2.4 million, a 21% improvement from \$11.5 million in the prior year to \$13.9 million.”

“Of particular note from the 2003 result were:

The 25% growth in resales of apartments is a very pleasing result and confirms a trend in an area we are confident will continue to grow.

The 20% increase in revenue from Amenities Contributions is attributable to the increasing scale and value of Metlifecare’s assets.”

“We provide facilities of a superior standard and quality and continue to develop additional amenities. Metlifecare considers village amenities to be a critical component of the value-added retirement lifestyle it offers to residents.”

“The outlook for our sector is increasingly positive and in particular reveals a greater expectation for a higher quality of retirement village. This has led to increased demand for Metlifecare Villages, which has encouraged us to expand existing villages and to seek development opportunities for entirely new villages in areas where research shows a high demand“ said Aleksich.

During 2003, Metlifecare in line with its strategic focus - on being a village operator that enters into development as a response to demand - completed construction of 100 villas and apartments.

Metlifecare’s portfolio of villas and apartments totalled 1,663 as at 31 December 2003.

Mr Fitzsimmons said, “this year’s record result is testimony to the effectiveness of the strategic direction the business has taken over the last three years. An aging New Zealand population continues to grow demand for lifestyle retirement villages. Our research shows this market has an expectation for a superior level of product and service. Metlifecare’s strategy will continue

the development of a well-structured business operation that strives to meet the expectations of both its residents and shareholders.”

A market briefing will be held on Tuesday the 16th of March 2003. Shareholders are welcome to attend. For further information and RSVP, please contact Robyn Potter, Executive Assistant, phone 09 379 8070.

- Ends -

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METLIFECARE

Metlifecare is New Zealand's leading operator of lifestyle retirement villages. Metlifecare currently owns and operates 13 lifestyle villages incorporating 8 nursing homes and 6 hospitals throughout the country, providing a continuum of care for more than 2,000 residents.

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