



20 December 2010

NZX ANNOUNCEMENT

Metlifecare Sells Merivale

Metlifecare announces that it has entered into an agreement to sell its Merivale Retirement Village, rest home and hospital assets (Christchurch). The sale, which is for \$26 million, is to a syndicate of South Island based private investors who have other retirement investments in their portfolio.

“Following a strategic review of assets, Metlifecare’s Board confirmed that at this stage the focus lies more in the North Island and in Nelson than further south. Our villages in these areas provide key opportunities for us, and some have further development potential,” said Chairman of Metlifecare Dr Charles MacDonald. “In the meantime, this sale allows us to retire debt and ensure the organisation is properly poised for growth that will undoubtedly come. The sale was at a fair market price, reflecting the latest 2010 company asset valuations.”

“We are delighted to be able to sell to an experienced South Island focused investment syndicate headed by Dr Hillary Currie. We are confident the residents will continue to receive excellent service going forward with the new operator. From our perspective, the sale of Merivale village is a portfolio rebalancing exercise that will allow us to pursue growth opportunities with greater vigour as the economy improves,” says Alan Edwards, CEO of Metlifecare.

Settlement of the sale transaction, which is subject only to a small number of procedural conditions, is scheduled for 14th February 2011. The net proceeds realised from the sale, will be utilised to reduce Metlifecare’s debt.

End

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