



| Metlifecare Limited | |
|---|----------------------------------|
| Results for announcement to the market | |
| Reporting Period | Half Year Ended 31 December 2012 |
| Previous Reporting Period | Half Year Ended 31 December 2011 |

| | Amount (000s) | Percentage change |
|--|---------------|-------------------|
| Revenue from ordinary activities | \$NZ 44,544 | 43.31% |
| Profit (loss) from ordinary activities after tax attributable to security holders. | \$NZ 87,103 | 1076.27% |
| Net profit (loss) attributable to security holders. | \$NZ 87,362 | 1079.77% |

| Interim/Final Dividend | Amount per security | Imputed amount per security |
|------------------------|---------------------|-----------------------------|
| Interim dividend | 1 cent per share | nil |

| | |
|-----------------------|---------------|
| Record Date | 05 April 2013 |
| Dividend Payment Date | 17 April 2013 |

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|-----------|-------------------|
| Comments: | Refer attachments |
|-----------|-------------------|



METLIFECARE COMPLETES MERGER AND DELIVERS STRONG FIRST HALF RESULT

Metlifecare Limited Interim Result to 31 December 2012

Metlifecare has today released its results for the six month period ended 31 December 2012, with the Company's improved performance reflecting the immediate benefits of the merger with Vision Senior Living and Private Life Care Holdings in July 2012.

The unaudited interim results are the first to be released following the merger, with the Company reporting a strong uplift in sales of new units and resales of existing units and significantly improved operating cashflows.

For the half year ended 31 December 2012 (HY13), Metlifecare reported a Net Profit After Tax of \$87.1 million, including a one-off gain on acquisition of \$63.6 million. Excluding the gain on acquisition, after tax profit was \$23.5 million compared to \$7.4 million in the previous half year period, largely as a result of the increased fair value movement.

A total of 251 sales and resales were settled, up from 165 in the previous half year period (52% increase). This is a significant increase, and a benefit of the larger portfolio post-merger.

In line with this, operating cashflow increased to \$19.5 million, up 168% on HY12. Operating cashflow excluding interest and acquisition costs was \$29.2 million, up from \$12.0 million.

A larger development pipeline and access to an experienced development team were also benefits from the merger. Forty-two new units were completed during the period, with a further 78 units currently under construction.

While debt levels increased on settlement of the merger as expected, the property rationalisation programme undertaken and cash generation from operations in HY13 led to a reduction in debt of approximately \$47.8 million.

| | HY13 ¹ \$million | HY12 \$million |
|---|--------------------------------|-------------------|
| Operating Revenue | 43.75 | 30.95 |
| Operating Cashflow | 19.47 | 7.28 |
| Change in fair value of investment properties | 28.31 | 11.44 |
| Gain on Acquisition ² | 63.62 | - |
| Net Profit After Tax | 87.10 | 7.41 |
| Earnings Per Share (cents) basic | 48.86 cents | 5.79 cents |
| Settlement volumes – sales and resales | 251 units | 165 units |

1. HY13 financial results include five months of trading following the merger of Metlifecare with Vision Senior Living and Private Life Care Holdings which was finalised on 23 July 2012

2. Gain on acquisition attributable to the acquisition of Vision Senior Living and Private Life Care



Highlights and Key Events for the six months to 31 December 2012

- Finalised merger of Metlifecare with Vision Senior Living and Private Life Care Holdings on 23 July 2012
- Retirement Villages Group sold down their shareholding to 43.2% in July 2012
- Settlement of sale of Ilam Park site in Christchurch in September 2012, with proceeds used to pay down debt
- Acquisition of two adjoining plots of land in Unsworth Heights, Albany on Auckland's North Shore on 19 October 2012
- Settlement of sale of Oakwoods Village in Nelson on 30 November 2012 with proceeds used to pay down debt
- Opening debt position post-merger of \$196.2m reduced to \$149.7m over the period
- Moved into the NZX 50 in December 2012
- Shifted the Board to a majority of Independent Directors in August 2012

Chairman of Metlifecare, Mr Peter Brown, commented: "The merger in July 2012 was an important milestone in Metlifecare's development and growth, adding eight villages to our portfolio and making our Company one of the largest retirement living and aged care providers in the country."

"Metlifecare delivered a strong result for the six month period, and we are on track to achieve our operating cashflow guidance of \$60 million before interest and one-off acquisition costs, for the 2013 financial year."

He continued: "After considering trading performance for the period, the Board believes it is appropriate to reintroduce dividend payments. Therefore, a 1 cent dividend per share will be paid to shareholders on 17 April 2013. A Dividend Reinvestment Plan will be offered to shareholders."

Managing Director of Metlifecare, Mr Alan Edwards, said: "It has been a busy period following the merger and we are now seeing immediate and significant benefits flowing through as we realise cost efficiencies, synergies and opportunities within our larger Group."

"Following the merger, we undertook a planned property rationalisation programme to ensure the best mix of properties in our primary markets in the North Island. This resulted in the sale of an undeveloped site in Christchurch and Metlifecare Oakwoods in Nelson. In October 2012, we acquired a 4.4 hectare land site in Unsworth Heights, Albany on Auckland's North Shore."

"Demand for quality retirement living options continues to increase and Metlifecare is well positioned to meet this demand. We currently operate 23 retirement villages, and have a further 843 development units and care beds in the pipeline. We have commenced Stage 3 of our most recent development, The Poynton, on Auckland's North Shore and are also progressing resource consents for our Glenfield and Unsworth Heights properties."



"We are actively looking to grow our presence in prime residential markets in the North Island, and have funding in place to allow us to progress existing development opportunities as well as seek out new development prospects."

Alan Edwards commented, "The ability to provide a continuum of care is becoming increasingly important. Metlifecare already provides care to many residents in their village home, without requiring them to move to a care facility. We are seeking to increase our exposure to age related residential care services and will seek to grow our home care services across our retirement village portfolio."

"In the second six months, and in line with our strategic plan, we will continue to focus on achieving additional cost synergies from the merged organisation, progress with identified opportunities in our development pipeline and explore further opportunities to take advantage of the growth potential in the retirement and aged care space."

ENDS

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About Metlifecare 

Metlifecare is a publicly listed aged care and retirement lifestyle company.

Established in 1986, the company has a proven track record of successfully owning and managing retirement villages in New Zealand. Metlifecare currently owns villages in prime locations throughout the North Island of New Zealand, with most providing a full continuum of care from independent villas and apartments through to serviced apartments, rest homes and hospitals.

www.metlifecare.co.nz