



Media release – May 15 2014

Ryman Healthcare's underlying profits rise 18 per cent

Strong retirement village earnings fund extra investment in care services

Ryman Healthcare today announced an underlying profit of \$118 million thanks to a buoyant property market and strong demand for retirement village living. Valuation gains lifted the reported profit after tax to \$195 million.

"It's another standout result for us thanks to some strong earnings growth from our new villages," Chairman Dr David Kerr said.

"It is a great way to mark our 30th birthday and to thank the investors who've backed us for all these years. We're pleased to be able to increase our final dividend to investors by 18 per cent to match the rise in underlying profits."

Ryman has lifted its underlying profit for 12 years in a row and has again exceeded its medium term target of growing underlying profits by 15 per cent a year.

"There have been a number of highlights in the past year but welcoming the first residents into the Weary Dunlop Retirement Village in Melbourne this month stands out as a significant milestone for this company," Dr Kerr said.

"We're also pleased to have bought another site in the eastern suburbs of Melbourne. We're still learning about Australia but our experience so far has exceeded our expectations and given us the confidence to expand."

Dr Kerr said the growth in retirement village earnings funded extra investment into care for residents. Ryman has increased wage rates for care staff, put in additional training resources and increased staff numbers.

"We put the care of our residents at the heart of everything we do – without them and the support of their families we simply wouldn't be in business."

"Our residents and their relatives rate us highly but we want to raise the bar higher – we want them to be genuinely delighted with the village they live in and the care they receive."

Ryman shareholders will receive a final dividend of 6.2 cents per share which will be paid on June 20 2014, taking the total for the year to 11.8 cents per share. The record date for entitlements is June 6 2014.

Operating cashflows reached record levels at \$238 million, up 7 per cent from the year before.

The company acquired six new sites in New Zealand during the year, which has extended its landbank out to just under 4000 beds and units.

As a result Ryman raised its build rate target, and aims to be building 850 beds and units a year in New Zealand by 2017.

Ryman's Bruce McLaren Retirement Village is on target to open in Howick later this year, and work is due to start on a new village in Petone after it gained consent.

Planning consent has been lodged for a new village at Birkenhead and Ryman has also unveiled plans to build a new village on a prime site at Devonport on Auckland's North Shore.

NOTE: Underlying profit excludes deferred taxation and unrealised gains on investment properties, because these items are non-cash and do not reflect the trading performance of the company. Underlying profit determines the dividend paid to shareholders, and is reconciled to reported profit in the key statistics attached to this release.

About Ryman: Ryman Healthcare was founded in Christchurch in 1984 and owns and operates 27 retirement villages in New Zealand and Australia. Ryman villages are home to 7500 residents, and the company employs 3500 staff.

Media advisory: For further information, photos, interviews or comment please contact Corporate Affairs Manager David King on 03 366 4069 or 021 499 602.

**RYMAN HEALTHCARE LIMITED
KEY STATISTICS**

	Mar 14 Full Year Audited	Mar 13 Full Year Audited
Underlying Profit (\$m)	118.2	100.2
Less: Deferred tax expense (\$m)	(8.5)	(13.5)
Plus: Unrealised fair value movement (\$m) (note 3)	85.1	50.0
Reported Profit after tax (\$m)	194.8	136.7
Operating Cash Flows (\$m)	238.4	222.2
Earnings per share (cents)	39.0	27.3
Dividend per share (cents)	11.8	10.0
Net Tangible Assets per share (cents)	185.3	146.9
Sales of Occupation Right Agreements		
New Units (no.)	436	506
Existing Units (no.)	541	479
Total (no.)	977	985
New Units (\$m)	174.0	178.5
Existing Units (\$m)	194.2	167.1
Total (\$m)	368.2	345.6
Asset Base ¹		
Retirement Village Units (no.)	4,207	3,791
Residential Care Beds (no.)	2,517	2,400
Total (no.)	6,724	6,191
Landbank - to be developed		
Retirement Village Units (no.)	3,213	1,829
Residential Care Beds (no.)	995	609
Total (no.)	4,208	2,438

¹ 607 units/beds built during 2014 offset by 74 units/beds which are being redeveloped