



Media release – November 21 2014

Ryman posts record result – underlying profit up 13% for first half

Confirms on target to achieve 15% growth in the full year

Ryman Healthcare today announced an underlying profit of \$66.3 million for the first half - a new record for the company and up 13% on last year. Unrealised valuation gains lifted the reported profit after tax to \$107.9 million.

Ryman shareholders will receive a 13% lift in their interim dividend. The dividend of 6.3 cents per share will be paid on 12 December, with the record date for entitlements being 5 December.

Chairman Dr David Kerr said the result was driven by a lift in pricing and strong sales volumes as Ryman's village portfolio grew.

Ryman built a record 450 beds and units in the first half and the company's total assets had now passed the \$3 billion mark – double the size of the asset base four years ago.

“We've made significant progress in the first six months and we're on target to achieve our medium term target of growing underlying profits by 15% for the full year,” Dr Kerr said.

The first stages of Ryman's new village in Howick have opened and work will begin soon on a new village at Birkenhead. Detailed planning and design work is being carried out on new villages at Pukekohe, Greenlane, Lynfield and Devonport.

Construction is also well under way at Ryman's new village in Petone which will open in mid-2015.

Auckland would be a key focus with more than \$800 million worth of work to be carried out over the next five years, Dr Kerr said.

Ryman's expansion into Australia continued to track ahead of projections.

“We opened our first village in Melbourne and bought a second site village at Brandon Park. Sales at our first village exceeded our expectations and that's given us the confidence to plan for more expansion. We're looking for more sites in Melbourne.”

Ryman villages are now home to more than 8000 people in New Zealand and Australia, including 4000 residents in care. The landbank had been expanded and has the potential for another 4000 additional units and beds to be built.

Dr Kerr said Ryman's focus was on gearing up to meet the challenges that caring for a rapidly-growing ageing population presented.

"We're lifting our build rate to cope with the phenomenal growth ahead. From 2018 we're expecting the number of New Zealanders aged 75+ to grow rapidly and it will triple over the next 30 years. It's a similar story in Melbourne."

Dr Kerr said Ryman had continued to invest heavily in the provision of care and improving the resident experience with extra resources going into staff, training and systems.

"As well as building new villages we are working hard to develop the staff and systems we will need. There's a lot of work ahead, but also a terrific opportunity for this company."

Ryman marked 30 years in business in the first half. The company was voted Reader's Digest Most Trusted Brand in retirement village living in New Zealand and was rated as one of the world's top 10 healthcare businesses by the Boston Consulting Group.

Ends

Guide to Ryman village developments:

New villages:

Birkenhead, Auckland: resource consent lodged

Greenlane, Auckland: resource consent lodged

Pukekohe, Franklin: planning lodged

Devonport, Auckland: design stage

Brandon Park, Melbourne: design stage

Newtown, Wellington: design stage

Lynfield, Auckland: design stage

Rangiora, Canterbury: design stage

Current construction work:

Bruce McLaren Retirement Village, Howick, Auckland: First stages open

Weary Dunlop Retirement Village, Wheelers Hill, Melbourne: First stages open

Bob Scott Retirement Village, Petone: First stages due to be opened mid 2015

Charles Fleming Retirement Village, Waikanae: Independent units under construction

Beckenham Courts, Christchurch: earthquake rebuild almost complete

About Ryman Healthcare: Ryman was founded in 1984 and has become one of New Zealand's largest listed companies. The company owns 30 villages which are home to more than 8,000 residents in New Zealand and Australia.

Media advisory: For further information, photos, interviews or comment please contact Corporate Affairs Manager David King on 03 366 4069 (++)643366 4069) or 021 499 602 (++)6421 499 602).