



Media release – May 22 2015

Ryman Healthcare reports record profit of \$136.3 million

Target set to open five villages in Melbourne by 2020

Ryman Healthcare today announced a record underlying profit of \$136.3 million thanks to unprecedented demand for new villages in Melbourne and Auckland. Valuation gains lifted the reported profit after tax to \$241.9 million.

“We achieved everything we set out to do and more in what was a landmark year for Ryman. We think the company is now poised for a terrific future in Australia and New Zealand thanks to growing demand and a significant landbank,” Chairman David Kerr said.

“We are pleased to pass this success on to our shareholders with a 15 per cent increase in the dividend to match the rise in underlying profits.”

Dr Kerr said it was the 13th consecutive year of growth in underlying profits and Ryman had again met its medium term target of growing underlying profits by 15 per cent a year. Sales reached a record 1175 units in the year, 20 per cent up on the year before.

Ryman has doubled in size in the past five years and is on track to keep on growing, Dr Kerr said.

“Our first village in Melbourne is one of our fastest selling ever. We’ve got ample proof that our expansion into Melbourne was the right thing to do.”

“As a result we have set a target of having five villages open in Melbourne by 2020.”

“We have also been pleasantly surprised by the level of demand we’re seeing for our New Zealand villages, particularly in Auckland.”

Dr Kerr said Ryman’s many years of reinvestment in its portfolio was paying off as villages matured and returns grew.

The company remained focused on improving the resident experience of living in a Ryman village. The growth in earnings helped fund additional investment in staff development and training, electronic care systems and improved caregiver pay.

Pay rates had been increased again and there were a range of initiatives under way to ensure that residents were constantly delighted by their decision to live in a Ryman village, Dr Kerr said.

Ryman shareholders will receive a final dividend of 7.3 cents per share which will be paid on June 26 2015, taking the total dividend for the year to 13.6 cents per share. The record date for entitlements is June 12 2015.

Ryman's construction team is busy with work continuing on five new villages including Wheelers Hill in Melbourne (Weary Dunlop), Howick (Bruce McLaren), Pukekohe, Birkenhead, and Petone (Bob Scott).

Ryman expects to start work on new villages in Rangiora and Greenlane in New Zealand in the year ahead. Work will also begin on its second Melbourne village at Brandon Park and Ryman is looking to expand its landbank again in Australia and New Zealand.

NOTE: Underlying profit excludes deferred taxation, taxation expense and unrealised gains on investment properties, because these items do not reflect the trading performance of the company. Underlying profit determines the dividend paid to shareholders.

About Ryman: Ryman Healthcare was founded in Christchurch in 1984 and owns and operates 30 retirement villages in New Zealand and Australia. Ryman villages are home to 9000 residents, and the company employs 4000 staff.

Media advisory: For further information, photos, interviews or comment please contact Corporate Affairs Manager David King on +64 3 366 4069 or +64 21 499 602.

**RYMAN HEALTHCARE LIMITED
KEY STATISTICS**

	Mar 15 Full Year Audited	Mar 14 Full Year Audited
Underlying Profit (\$m)	136.3	118.2
Less: Tax expense(\$m)	-	-
Less: Deferred tax expense (\$m)	(0.1)	(8.5)
Plus: Unrealised fair value movement (\$m) (note 3)	105.7	85.1
Reported Profit after tax (\$m)	241.9	194.8
Operating Cash Flows (\$m)	234.0	238.4
Earnings per share (cents)	48.4	39.0
Dividend per share (cents)	13.6	11.8
Net Tangible Assets per share (cents)	220.3	185.3
Sales of Occupation Right Agreements		
New Units (no.)	545	436
Existing Units (no.)	630	541
Total (no.)	1,175	977
New Units (\$m)	249.1	174.0
Existing Units (\$m)	236.8	194.2
Total (\$m)	485.9	368.2
Asset Base ¹		
Retirement Village Units (no.)	4,792	4,207
Residential Care Beds (no.)	2,807	2,517
Total (no.)	7,599	6,724
Landbank - to be developed		
Retirement Village Units (no.)	3,088	3,213
Residential Care Beds (no.)	1,140	995
Total (no.)	4,228	4,208

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