



MEDIA RELEASE MAY 20 2016

Ryman reports record full year profit

Stage set for a better, bigger and brighter Ryman

Ryman Healthcare's underlying full year profit has grown 16% to a record \$158 million, as the company enters a new era of growth.

Reported profit after tax is up 26% to \$305 million (NZ IFRS), with the addition of new stock and a strong housing market leading to valuation gains.

Operating cashflows grew 34% to reach \$312 million in the year to March 31, driving a record level of investment in new villages and innovations.

Ryman shareholders will receive a final dividend of 8.5 cents per share which will be paid on June 24, with the record date for entitlements being June 10. Dividends for the full year have grown 16% in line with the lift in underlying profit, as shareholders benefit from a growing dividend stream.

"It is a pleasing result, and one which has allowed us to continue investing in critical infrastructure for the benefit of our residents," Chairman Dr David Kerr said. "Good profits and cash flows mean we have been able to invest \$369 million back into the business."

The result was lifted by record levels of demand and the buoyant housing market, Dr Kerr said.

"It has been a year of world-leading innovation and we're setting the scene for a better, bigger and brighter Ryman."

Innovations introduced during the year included the first phase of Ryman's new home-grown tablet-based nursing app which will eliminate paperwork and allow nursing staff to spend more time with residents. 'myRyman' has already won a prestigious Microsoft award and is seen as a game-changer for clinical staff and residents.

Survey ratings from staff, residents and relatives all lifted during the year. New uniforms by New Zealand fashion designer Annah Stretton have been trialled successfully and are set for rollout company-wide.

Dr Kerr said Ryman was working on securing its fourth and fifth sites in Melbourne, putting the company on track to have five villages open in Victoria by 2020.

Ryman's first village in Melbourne was completed and sold out during the year. Construction of Ryman's second village at Brandon Park is expected to start within six months, with the sales team already experiencing significant resident demand.

"Returns from our first investment in Melbourne have been better than we expected. Looking out past 2020, our long term plan is to match our New Zealand build rate in Australia. We are excited about the opportunity that both markets offer."

Ryman is the busiest it has been with four large villages currently in the opening phase, and eight more in the pipeline, Dr Kerr said.

“We are experiencing strong demand. I think this reflects the trust and recognition that Ryman has been able to build up over the past 32 years. We ended the year with 98% occupancy in our care centres which is well above the industry average.”

Dr Kerr said total assets grew 20% to almost \$4 billion, and Ryman’s balance sheet was stronger than ever before.

“We’ve achieved most of our targets for the year and we have invested heavily in innovation to make sure we are getting better as well as getting bigger. We will continue to invest heavily in tomorrow’s Ryman, creating a brighter future for residents, staff and shareholders.”

Five new villages under construction:

Petone: First residents moved in, construction continuing.

Pukekohe: First residents moved in, construction continuing.

Rangiora, Canterbury: First residents moved in, construction continuing.

Birkenhead, Auckland: Construction continuing, first residents due mid-2016.

Greenlane, Auckland: Demolition complete, groundworks under way.

Three new villages awaiting consent:

Devonport, Auckland: Consenting stage.

Brandon Park, Melbourne: Consenting stage.

Tropicana, Auckland: Consenting stage.

Four new villages planned:

Burwood East, Melbourne: Design phase.

Newtown, Wellington: Design phase.

River Rd, Hamilton: Design phase.

Site A, New Zealand: Design phase.

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 more than 10,000 residents, and the company employs more than 4,000 staff.



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 16 Full Year Audited | Mar 15 Full Year Audited |
|---|---|---|
| Underlying Profit (\$m) | 157.7 | 136.3 |
| Less: Tax expense(\$m) | - | - |
| Less: Deferred tax expense (\$m) | (3.9) | (0.1) |
| Plus: Unrealised fair value movement (\$m) (note 3) | 151.6 | 105.7 |
| Reported Profit after tax (\$m) | 305.4 | 241.9 |
| | | |
| Operating Cash Flows (\$m) | 312.5 | 234.0 |
| | | |
| Earnings per share (cents) | 61.1 | 48.4 |
| Dividend per share (cents) | 15.8 | 13.6 |
| Net Tangible Assets per share (cents) | 265.5 | 220.3 |
| | | |
| Sales of Occupation Right Agreements | | |
| New Units (no.) | 518 | 545 |
| Existing Units (no.) | 690 | 630 |
| Total (no.) | 1,208 | 1,175 |
| | | |
| New Units (\$m) | 226.2 | 249.1 |
| Existing Units (\$m) | 272.9 | 236.8 |
| Total (\$m) | 499.1 | 485.9 |
| | | |
| Asset Base | | |
| Retirement Village Units (no.) | 5,387 | 4,792 |
| Residential Care Beds (no.) | 3,121 | 2,807 |
| Total (no.) | 8,508 | 7,599 |
| | | |
| Landbank - to be developed | | |
| Retirement Village Units (no.) | 3,062 | 3,088 |
| Residential Care Beds (no.) | 1,109 | 1,140 |
| Total (no.) | 4,171 | 4,228 |