



## **MEDIA RELEASE MAY 19 2017**

### **Ryman Healthcare's full year underlying profit up 13% to \$178 million**

Consent received for three new villages with a value of more than \$1 billion

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Ryman Healthcare's underlying profit rose 13% to \$178 million during the year, while valuation gains lifted audited reported profit after tax by 17% to \$357 million. Total assets grew 24% to \$4.9 billion.

Ryman's shareholders will receive a final dividend of 9.3 cents per share, which will be paid on June 23, with the record date for entitlements on June 9. This takes the total dividend for the year to 17.8 cents, up 13% in line with the increase in underlying profit.

Chairman Dr David Kerr said strong gains from the resale of occupancy rights had driven the result, and Ryman had invested a record \$525 million to meet the demands of a growing older population.

"We've made good progress thanks to growing resident demand for our unique Ryman-style villages and a strong real estate market."

Dr Kerr said it was a satisfactory result given that four new villages were in the establishment phase during the year, and there was no development contribution from Melbourne.

Ryman has recently received consent to build three large new villages. Together, the villages at Brandon Park in Melbourne and Devonport and Tropicana in Auckland will have an asset value of more than \$1 billion on completion.

"They're outstanding sites, we are delighted to have received consent for them and we already have strong interest in all three from residents wanting to move in," Dr Kerr said.

During the year Ryman increased its land bank by more than 30%, and now has 13 new villages in the pipeline in Australia and New Zealand.

As well as investment in building new villages and lifting the land bank, Ryman had invested in upgrading existing villages, IT systems, leadership training, and innovation – all to improve the resident experience and prepare for the next phase of growth.

"All of this investment puts us ahead of the curve as we head into decades of unprecedented increases to the number of people aged over 75."

Ryman's established villages ended the year with care centre occupancy at 97%, and only 32 of the 6,000 units in its portfolio of town houses, apartments and serviced apartments were available.

"We are confident demand for our villages will continue to grow," Dr Kerr said. "Our villages meet a real and growing need in the community, and remain affordable for residents to move in and free up capital."

"Our target is to open five villages in Melbourne by 2020. In the medium-term our goal is to be opening four new villages a year – two in New Zealand and two in Melbourne."

Ryman has delivered 15 consecutive years of underlying profit and dividend growth. Dr Kerr said Ryman's medium-term target remains to grow underlying profits and dividends by 15% a year, which means the company doubles profits and dividends every five years.

**Existing villages under construction:**

Bob Scott, Petone: Village and care centre open, final stages under way.

Possum Bourne, Pukekohe: Village and care centre open, final stages under way.

Charles Upham, Rangiora: Village complete, extension planned.

Bert Sutcliffe, Birkenhead: Village and care centre open, remaining stages under way.

**New villages under construction:**

Greenlane, Auckland: Construction continuing, first residents expected late 2017.

Brandon Park, Melbourne: Site works under way.

**New villages consented:**

Devonport, Auckland: Mediation successful, consent pending.

Tropicana, Auckland: Consent received, work about to begin.

**New villages in design/consenting phase:**

Burwood East, Melbourne.

Coburg, Melbourne.

River Rd, Hamilton.

Mt Eliza, Victoria.

Highton, Geelong.

Hobsonville, Auckland.

Newtown, Wellington.

Site A, New Zealand.

Site B, New Zealand.



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