

Ryman Healthcare

Full year result - 31 March 2018





Full year highlights

- Underlying profit up 14.2% to \$203.5 million
- Reported profit up 8.8% to \$388.2 million
- Full year dividend 20.4 cents per share; up 14.6%
- \$5.8 billion of total assets
- 16 new villages in the pipeline





Kevin Hickman









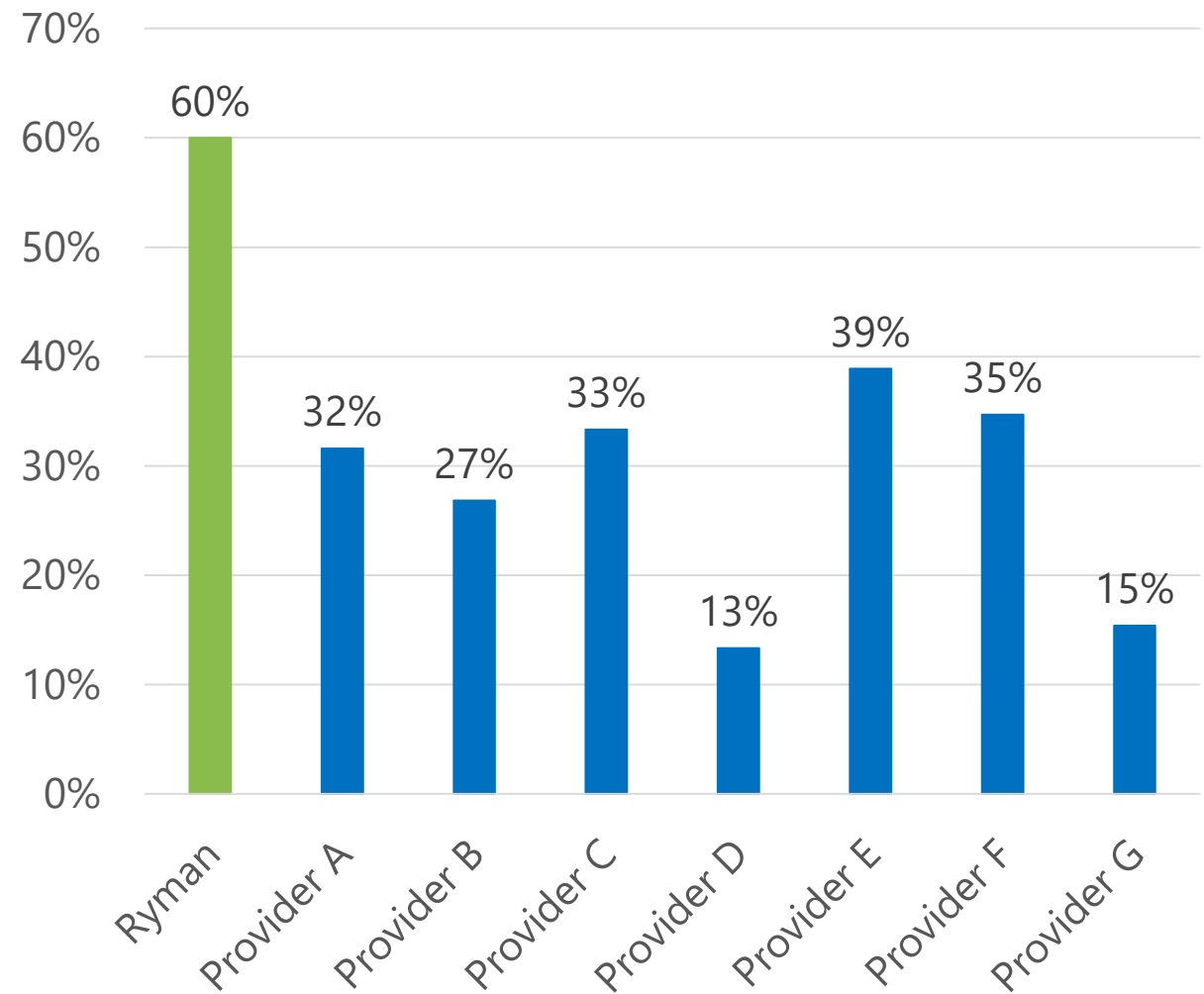




myRyman

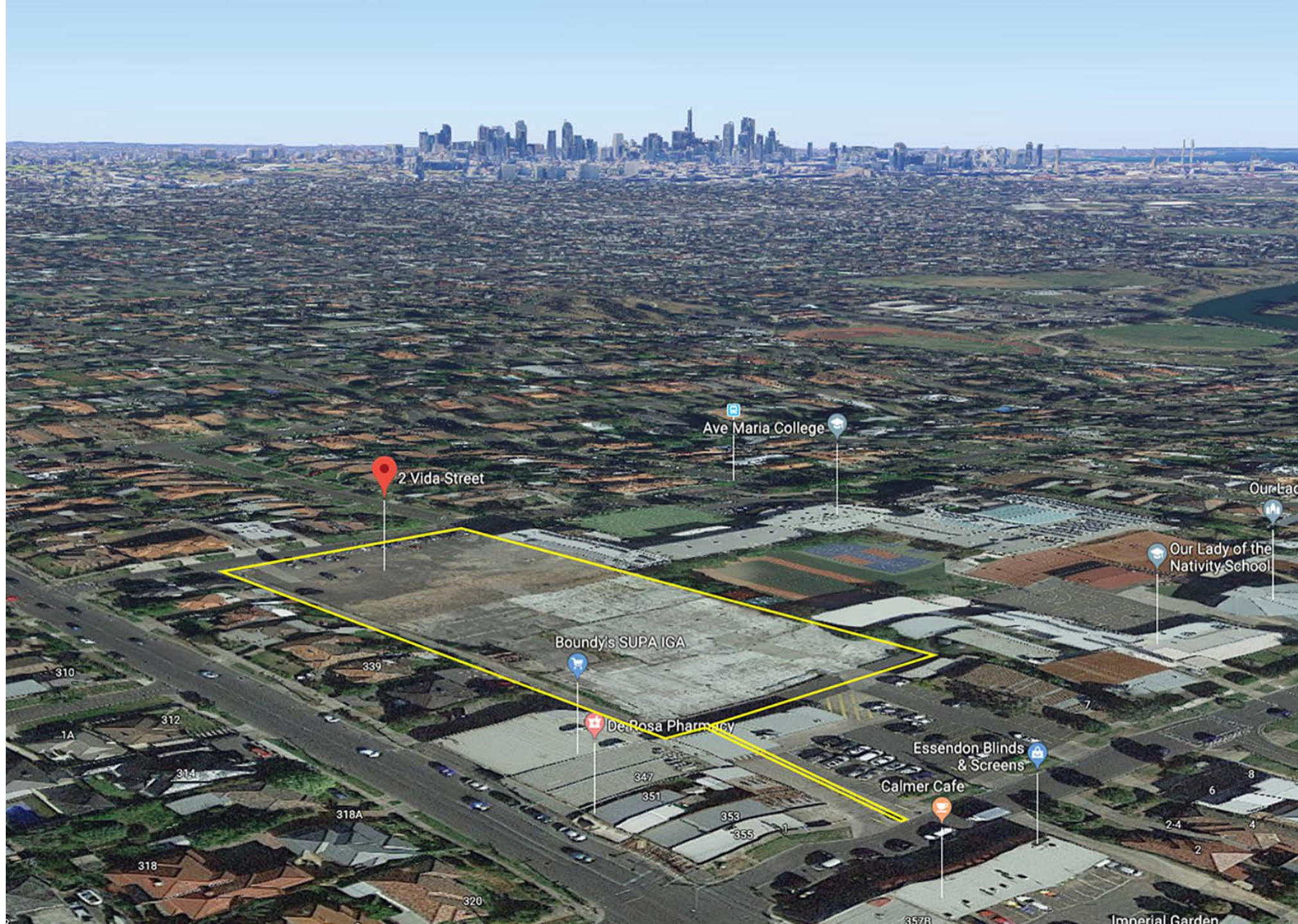


Four year certification



Note: Percent of villages with 4 year certification. Includes aged care providers with 15 or more villages. Data as at 23 April 2018





Nellie Melba

Wheelers Hill, Melbourne





Coburg
Melbourne



Burwood East

Melbourne

Geelong

Victoria





Mount Eliza

Mornington Peninsula, Melbourne

Mount Martha

Mornington Peninsula, Melbourne



Victoria



Coburg



Aberfeldie



Burwood East



Nellie Melba



Weary Dunlop



Geelong



Mount Eliza



Mount Martha



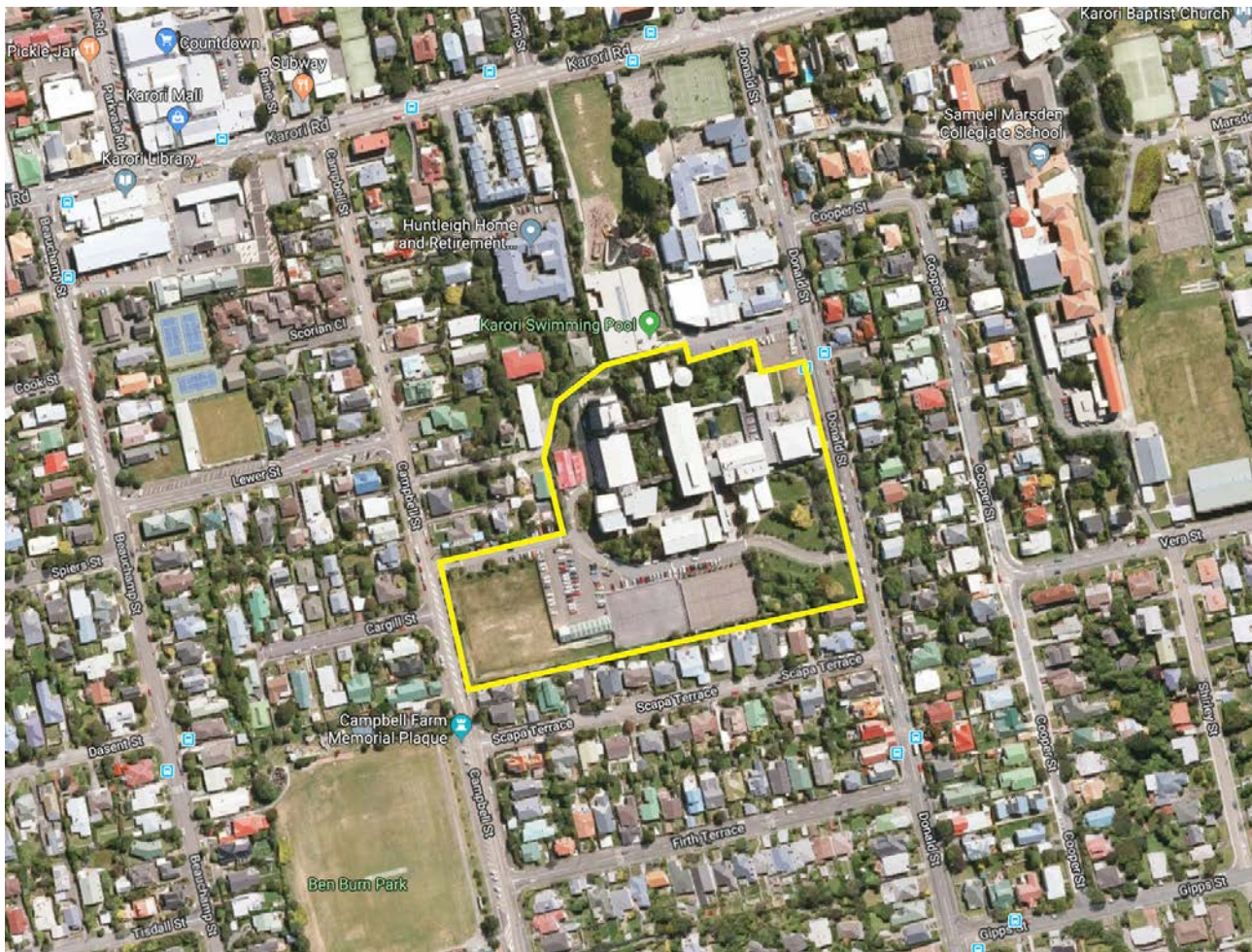
Logan
Campbell
Greenlane, Auckland



Devonport
Auckland



Lynfield
Auckland



Karori

Wellington, New Zealand



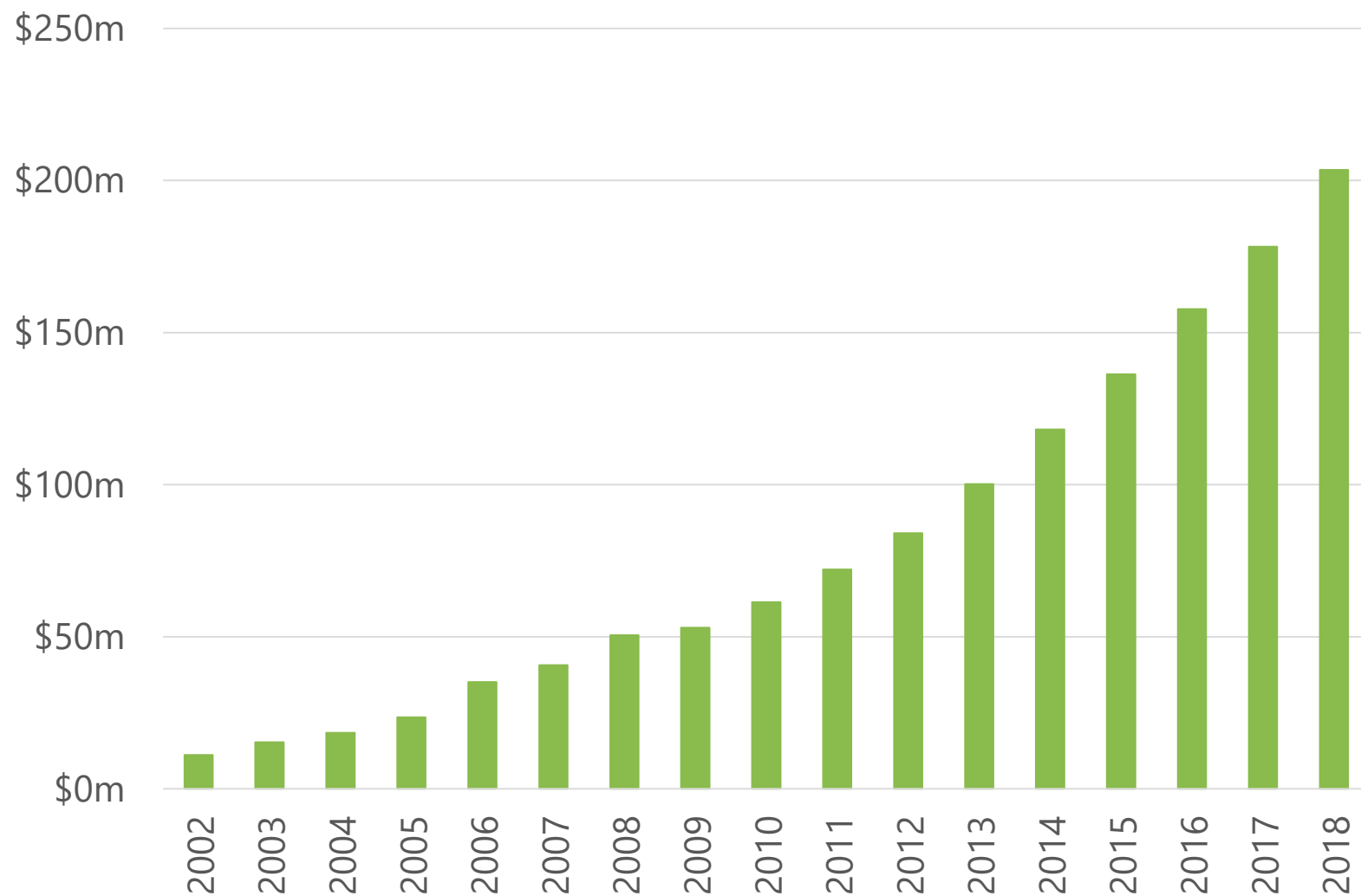
Havelock North

Hawkes Bay, New Zealand



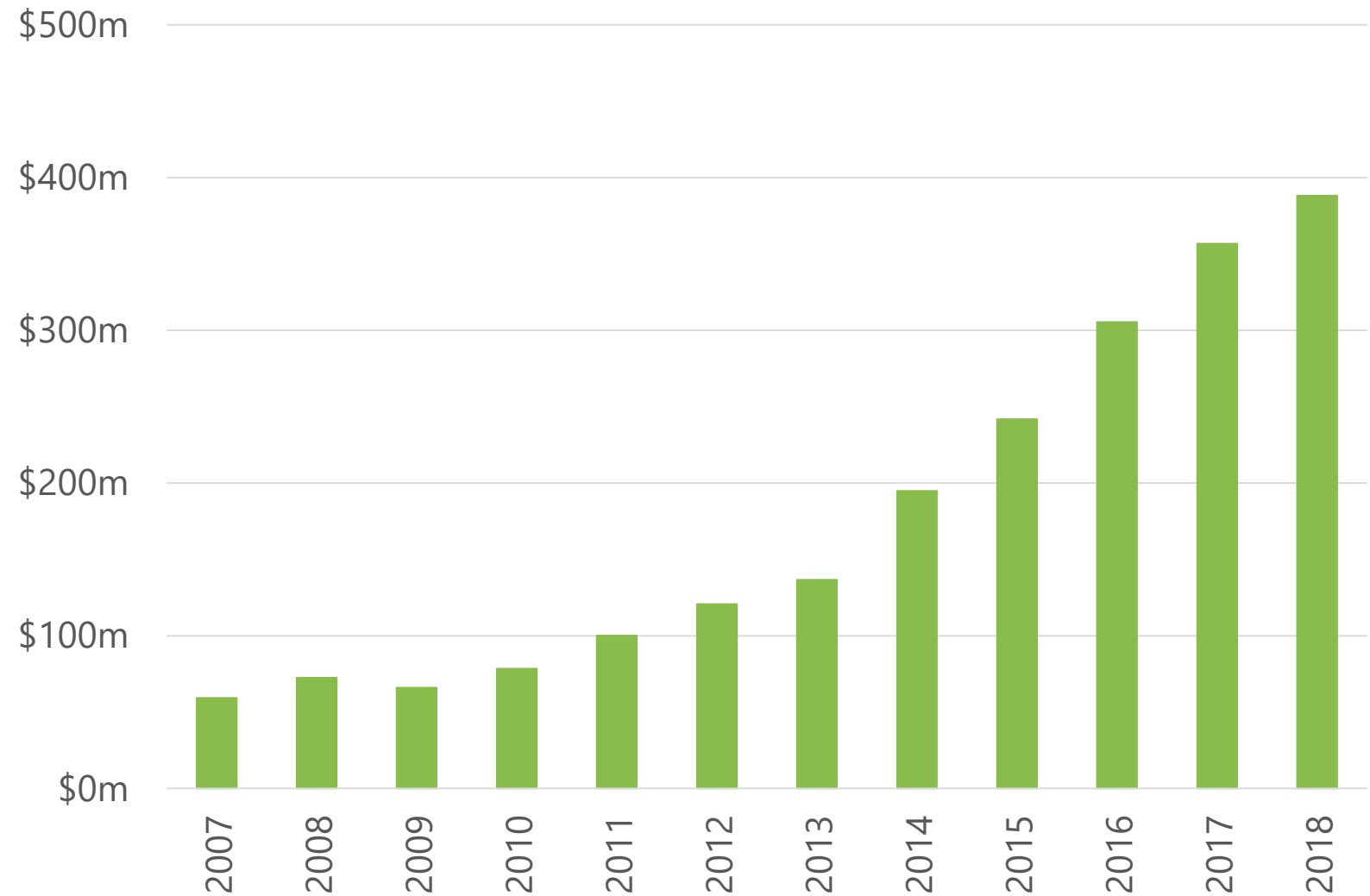


16 years of underlying profit growth



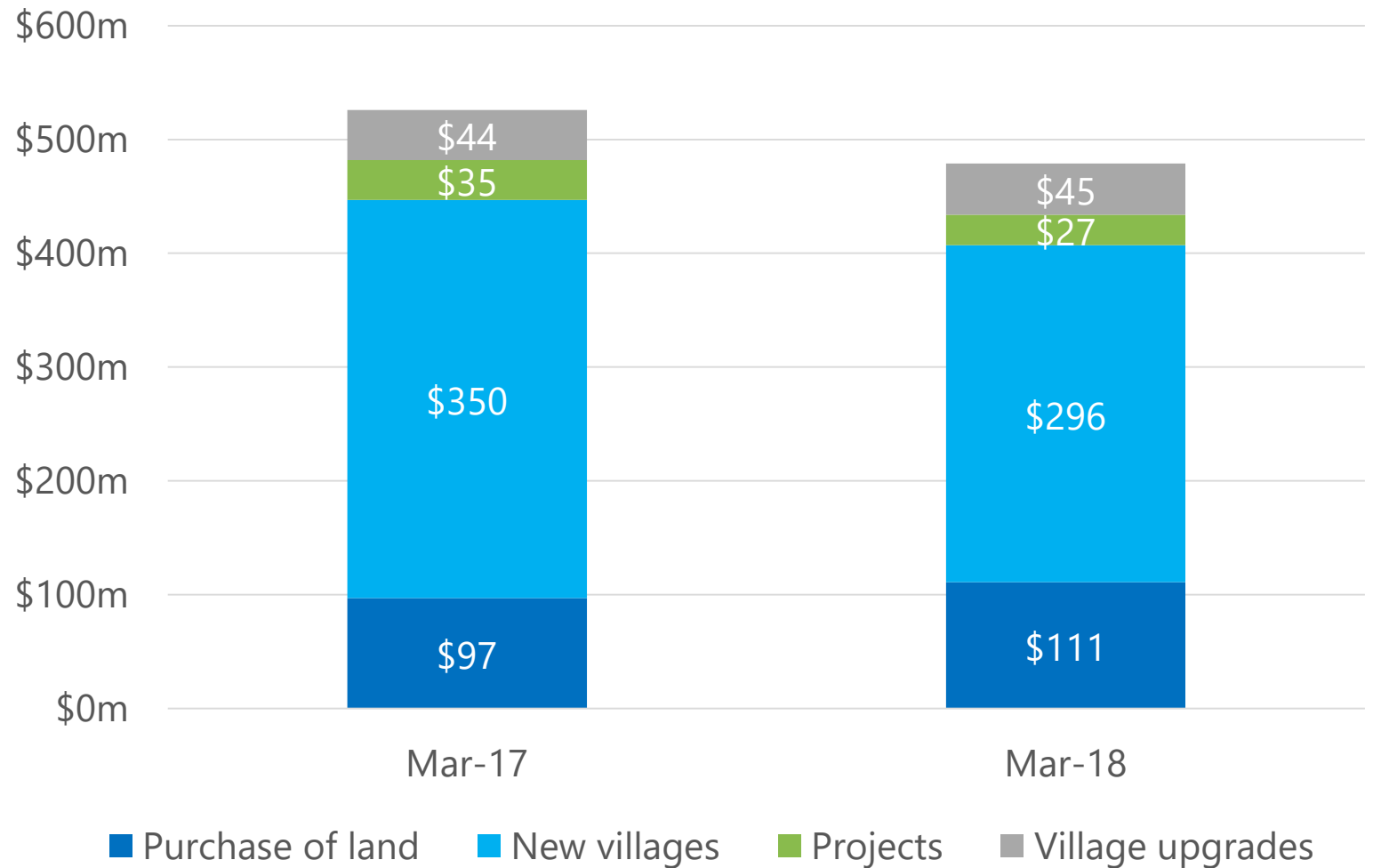


Reported profit growth



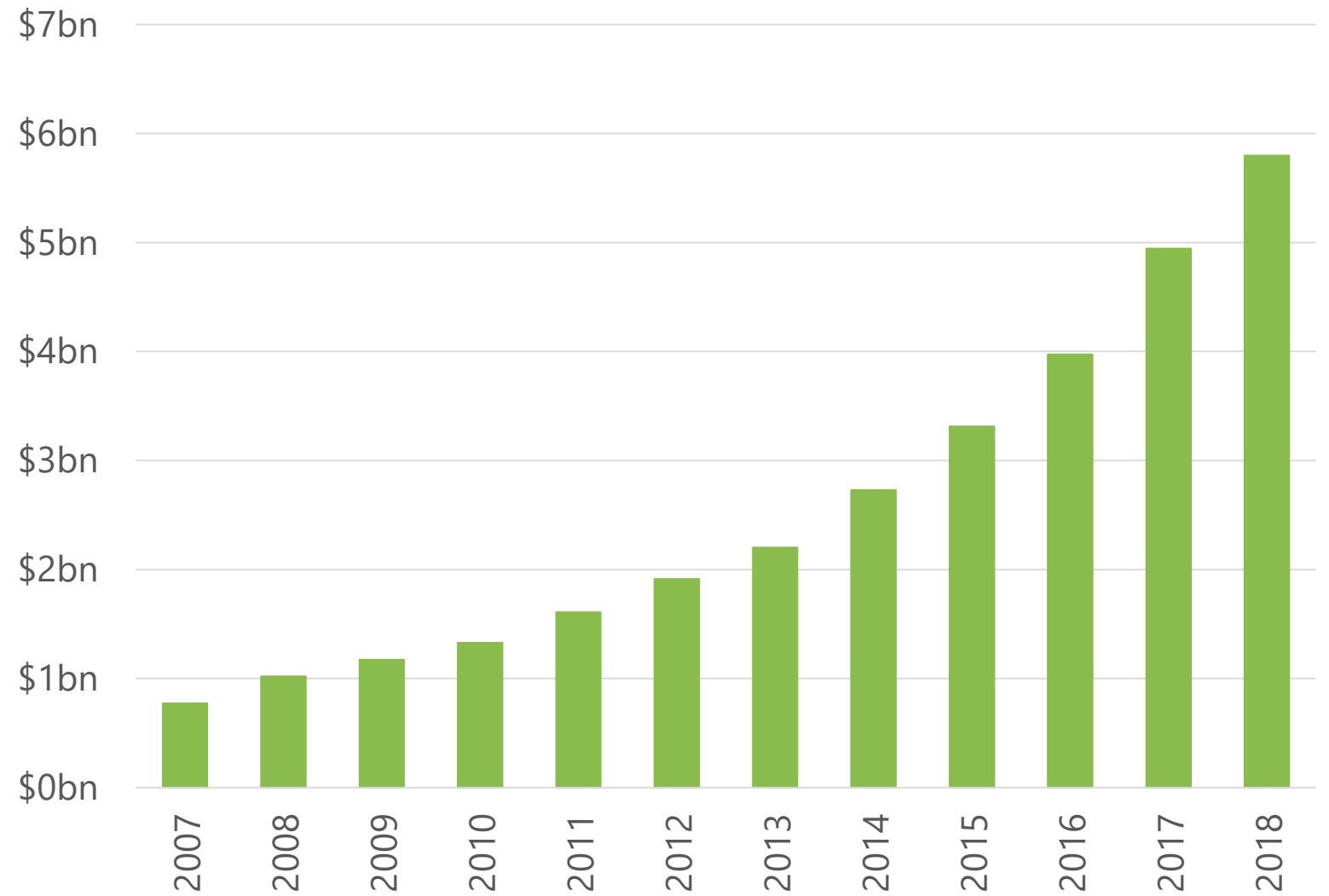


FY18 investing cash flows



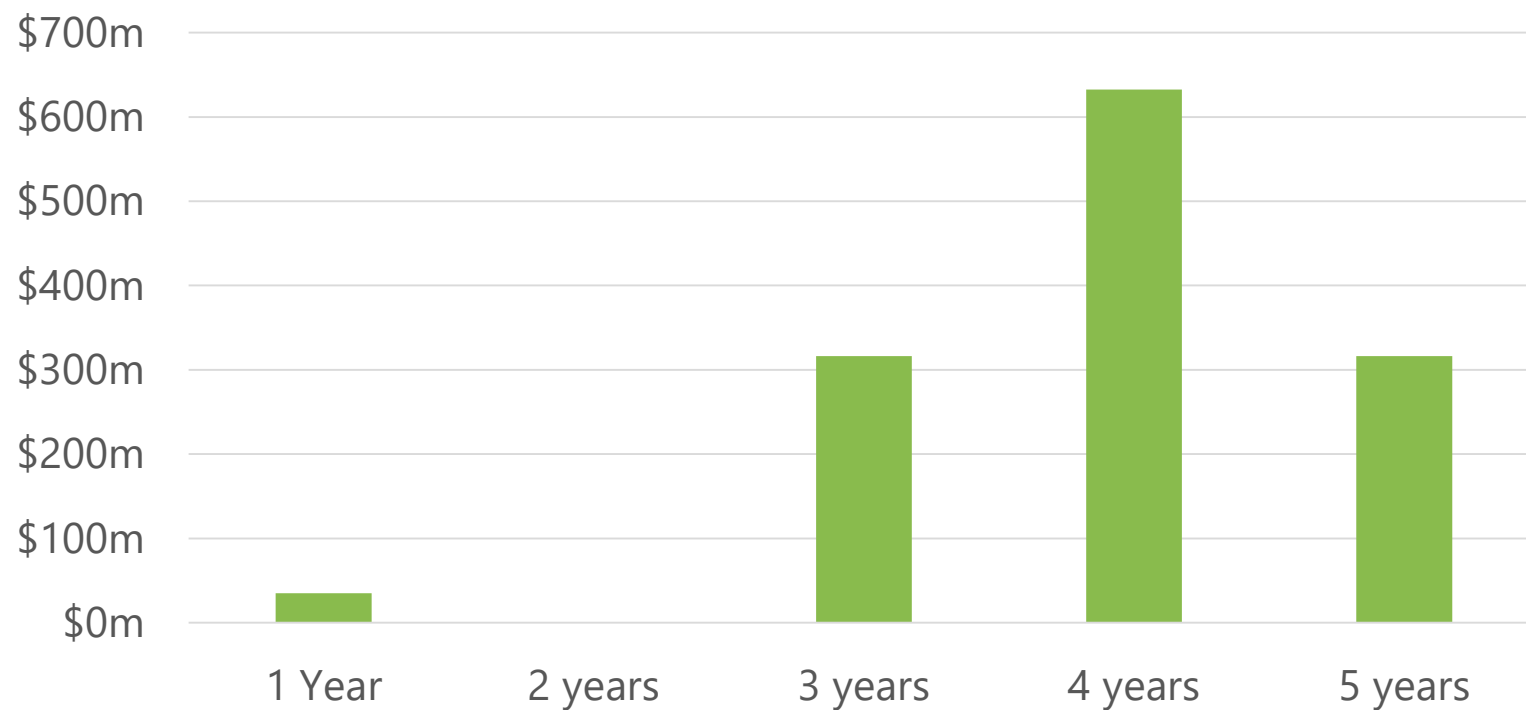


Total assets





Bank facilities



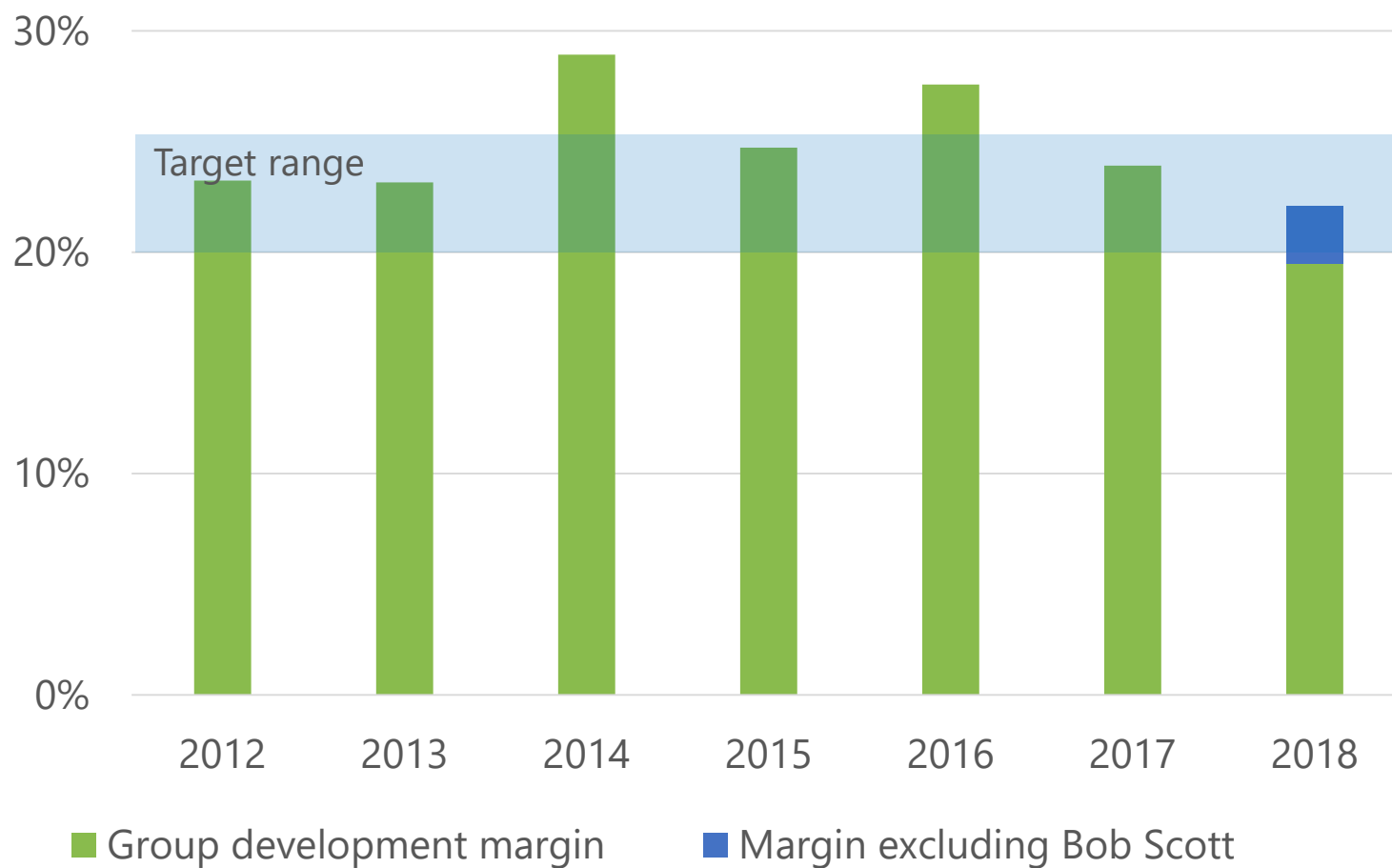
Gearing

	Mar-18	Mar-17
	(millions)	(millions)
Net debt	\$1,060	\$838
Net assets	\$1,941	\$1,652
Gearing ratio *	35%	34%

* Gearing ratio calculated as net debt / net debt plus equity



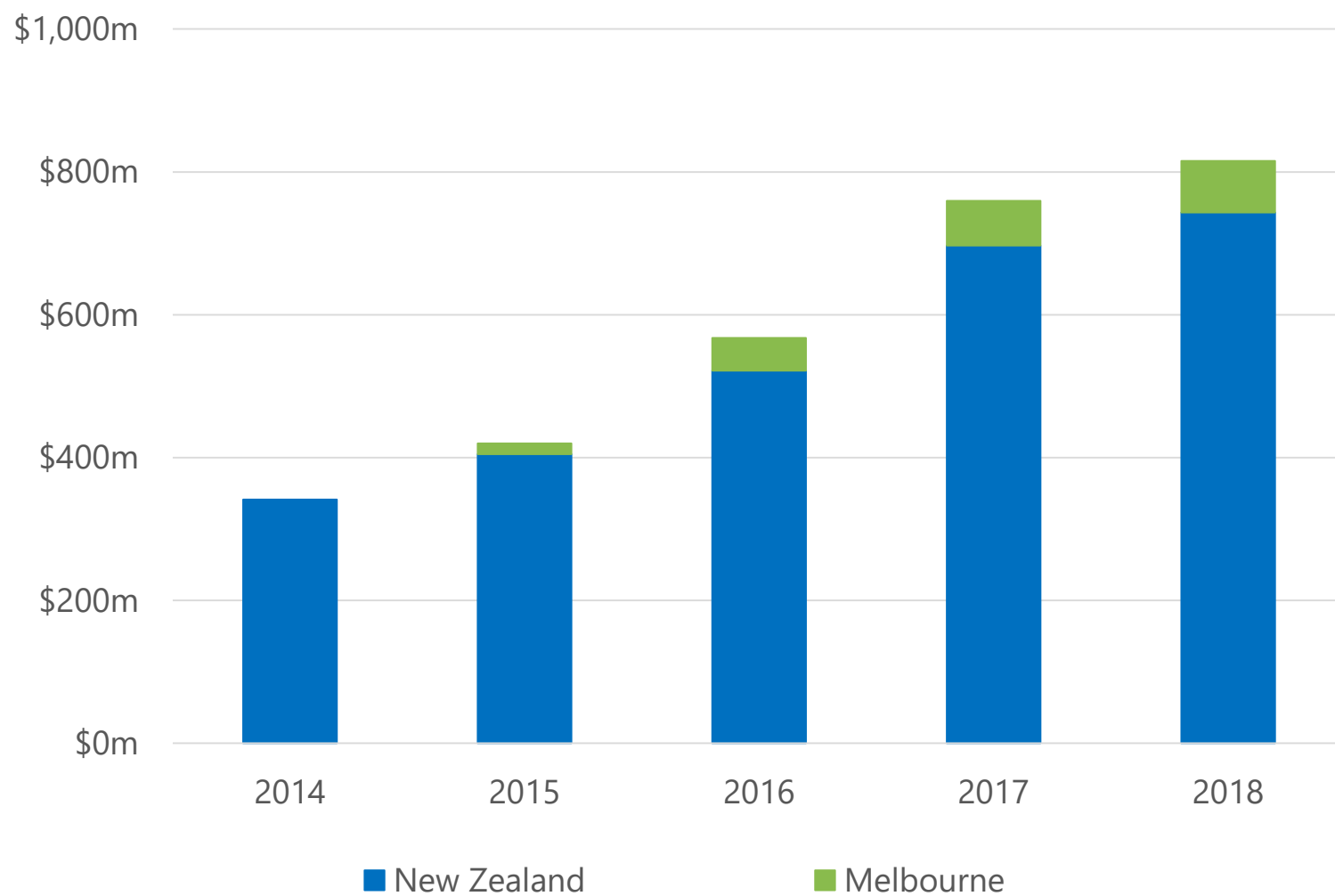
Development margin



Note: 2018 margin restated to exclude Bob Scott.



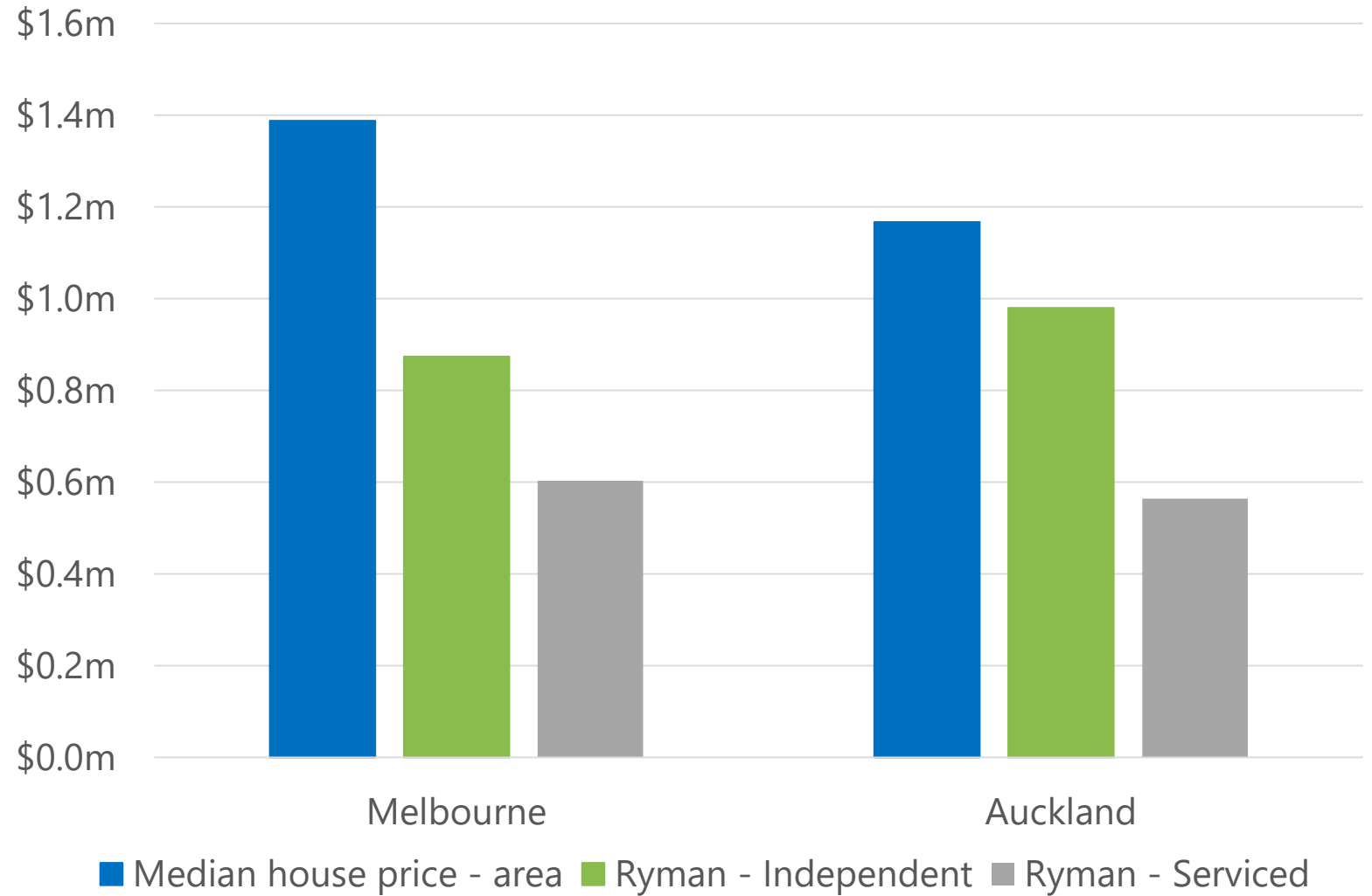
\$815 million resale bank



Note: The resale bank represents the extent that the current price exceeds the price paid by the current resident for the unit's occupancy rights.



Sales price vs median house price





Long term capital efficiency

- \$25 million raised at IPO in 1999
- Invested \$3.1 billion in portfolio since 1999 with no fresh capital
- Dividends of \$690 million paid since float*
- Self-funded growth
- Strong balance sheet

* Includes 2H18 dividend of 10.9 cents per share that has been declared and is payable on 22 June 2018.





Appendices



Appendix 1: Reported profit

Underlying profit	\$203.5m
Unrealised revaluations of retirement village units	+\$185.3m
Deferred tax expense	-\$0.6m
Reported net profit	\$388.2m



Appendix 2: Sale of occupation rights

	Mar-18	Mar-17
Existing units		
Independent	377	327
Serviced	448	391
	825	718
New units		
Independent	365	437
Serviced	93	163
	458	600



Appendix 3: Development

	Mar-18	Mar-17
Units and beds built		
Retirement village units built	446	621
Aged care beds built	86	160
	532	781
	Mar-18	Mar-17
Total retirement village units		
Independent	4,513	4,131
Serviced	1,901	1,837
	6,414	5,968
Total aged care beds	3,367	3,281
Total retirement village units and beds	9,781	9,249



Appendix 4: Margins

	Reference	Mar-18	Mar-17
New sales		\$000s	\$000s
Realised fair value movement	(Note 7)	58,955	62,959
Sale of occupation rights	(Key statistics)	307,282	263,282
Gross development margin		19.2%	23.9%
Resales			
Realised fair value movement	(Note 7)	107,233	77,286
Sale of occupation rights	(Key statistics)	414,619	311,348
Gross resales margin		25.9%	24.8%

Appendix 5: Asset base

New Zealand (ex Auckland)

Village	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Anthony Wilding	Christchurch	80	33	35	50	110	308
Bob Owens	Tauranga	40	40	40	79	218	417
Bob Scott	Petone	40	40	34	89	207	410
Charles Fleming	Waikanae	40	40	40	79	201	400
Charles Upham	Rangiora	40	40	40	93	215	428
Diana Isaac	Christchurch	40	40	40	79	256	455
Ernest Rutherford	Nelson	49	25	20	75	124	293
Essie Summers	Christchurch	41	24	30	58	22	175
Evelyn Page	Orewa	60	37	20	66	248	431
Frances Hodgkins	Dunedin	-	-	51	32	42	125
Hilda Ross	Hamilton	68	40	43	51	167	369
Jane Mander	Whangarei	60	32	20	71	183	366
Jane Winstone	Wanganui	20	20	29	50	54	173
Jean Sandel	New Plymouth	39	33	39	62	171	344
Julia Wallace	Palmerston North	43	21	20	50	111	245
Kiri Te Kanawa	Gisborne	46	15	34	62	99	256
Malvina Major	Wellington	90	-	30	39	117	276
Margaret Stoddart	Christchurch	-	-	41	25	20	86
Ngaio Marsh	Christchurch	81	-	30	40	119	270
Princess Alexandra	Napier	60	24	24	54	70	232
Rita Angus	Wellington	49	-	20	50	99	218
Rowena Jackson	Invercargill	70	26	61	46	103	306
Shona McFarlane	Lower Hutt	59	-	20	50	130	259
Woodcote	Christchurch	-	-	49	7	18	74
Yvette Williams	Dunedin	57	30	3	32	-	122
Total units & beds New Zealand (ex Auckland)		1,172	560	813	1,389	3,104	7,038

Appendix 5: Asset base

Auckland

Village	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Bert Sutcliffe	Birkenhead	40	40	40	81	169	370
Bruce McLaren	Howick	41	40	42	74	192	389
Edmund Hillary	Remuera	114	30	50	60	373	627
Grace Joel	St Helliers	77	-	20	80	69	246
Logan Campbell	Greenlane	43	-	43	82	105	273
Possum Bourne	Pukekohe	40	40	40	84	259	463
Total units & beds Auckland		355	150	235	461	1,167	2,368
Total units & beds New Zealand		1,527	710	1,048	1,850	4,271	9,406

Victoria

Village	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Weary Dunlop	Melbourne	30	20	32	51	200	333
Nellie Melba	Melbourne	-	-	-	-	42	42
Total units & beds Victoria		30	20	32	51	242	375

New Zealand and Victoria

Total units & beds		1,557	730	1,080	1,901	4,513	9,781
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Appendix 6: Land bank (New Zealand)

Existing villages	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Jean Sandel	New Plymouth	-	-	-	-	59	59
Kiri Te Kanawa	Gisborne	-	-	-	-	6	6
Bob Scott	Lower Hutt	-	-	-	-	47	47
Bert Sutcliffe	Auckland	-	-	-	-	88	88
Logan Campbell	Auckland	-	30	-	-	10	40
Charles Upham	Rangiora	-	-	-	-	47	47
Total existing villages		-	30	-	-	257	287

New sites	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Devonport	Auckland	40	36	36	77	192	381
Lynfield	Auckland	42	42	40	86	332	542
River Road	Hamilton	40	40	40	93	248	461
Lincoln Road	Auckland	40	40	40	80	170	370
Hobsonville	Auckland	40	40	40	80	250	450
Karori	Wellington	40	40	40	70	175	365
Park Terrace	Christchurch	35	20	16	66	53	190
Newtown	Wellington	28	20	28	46	55	177
Diana Isaac	Christchurch	-	-	-	-	50	50
Havelock North	Hawkes Bay	30	30	30	69	166	325
Total new sites		335	308	310	667	1,691	3,311
Total landbank New Zealand		335	338	310	667	1,948	3,598

The land bank is subject to resource and building consent.

Appendix 6: Land bank (Australia)

Existing villages	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Nellie Melba	Melbourne	80	39	80	94	286	579
Total existing villages		80	39	80	94	286	579
New sites	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Coburg	Melbourne	35	35	36	85	221	412
Burwood East	Melbourne	44	44	44	91	174	397
Mount Eliza	Melbourne	40	40	40	70	315	505
Geelong	Victoria	34	33	33	60	86	246
Mount Martha	Melbourne	20	20	40	56	79	215
Aberfeldie*	Melbourne	26	28	26	30	90	200
Total new sites		199	200	219	392	965	1,975
Total landbank Australia		279	239	299	486	1,251	2,554
Total land bank New Zealand & Australia		614	577	609	1,153	3,199	6,152

The land bank is subject to resource and building consent.

* In May 2018 Ryman entered into an unconditional sale and purchase agreement for the acquisition of land at Aberfeldie.



Appendix 7: Cash management fees

	Reference	Mar-18 \$000s	Mar-17 \$000s
Accrued management fees – opening	(Note 12)	270,370	227,154
Less: Accrued management fees – closing	(Note 12)	(321,631)	(270,370)
Movement in accrued management fees		(51,261)	(43,216)
Plus: DMF income	Income statement	70,087	60,988
Plus: Revenue in advance movement	(Note 21)	7,253	7,670
Plus: GST / accommodation credit adjustment	Not disclosed	(310)	(1,751)
Plus: Movement in resident loan	Not disclosed	8,999	5,017
Cash management fees		34,768	28,708



Appendix 8: Investment property summary

As at 31 March 2018	CBRE unit price inflation assumption					Discount rate
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5+	
Auckland	0.9%	1.9%	2.4%	3.0%	3.5%	12.51%
Rest of New Zealand	0.9%	1.5%	2.0%	2.8%	3.3%	13.42%
Melbourne	3.6%	3.6%	3.6%	3.8%	3.9%	14.00%

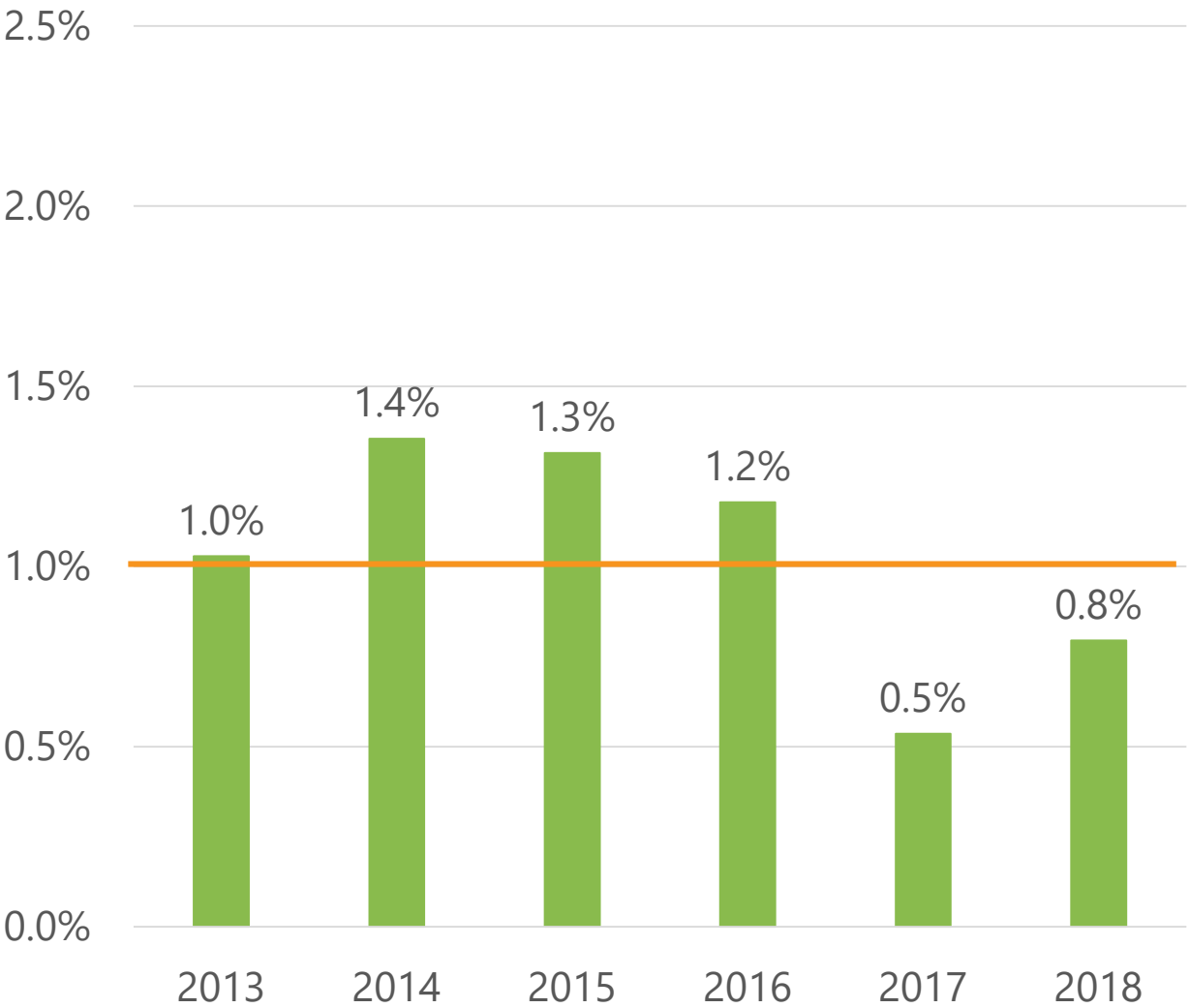


Appendix 9: Operating cash flows

	Mar-18	Mar-17
	\$000's	\$000's
Resident receipts	268,359	227,665
Refundable accommodation deposits (net)	3,101	572
Development sales	238,820	246,116
Resales	364,860	285,476
Total receipts from residents	875,140	759,829
Interest received	515	476
Payments to suppliers and employees	(270,231)	(214,028)
Payments to residents	(241,676)	(212,548)
Interest paid	(14,491)	(10,930)
Net operating cash per the cash flow statement	349,257	322,799

Appendix 10: Available resale stock

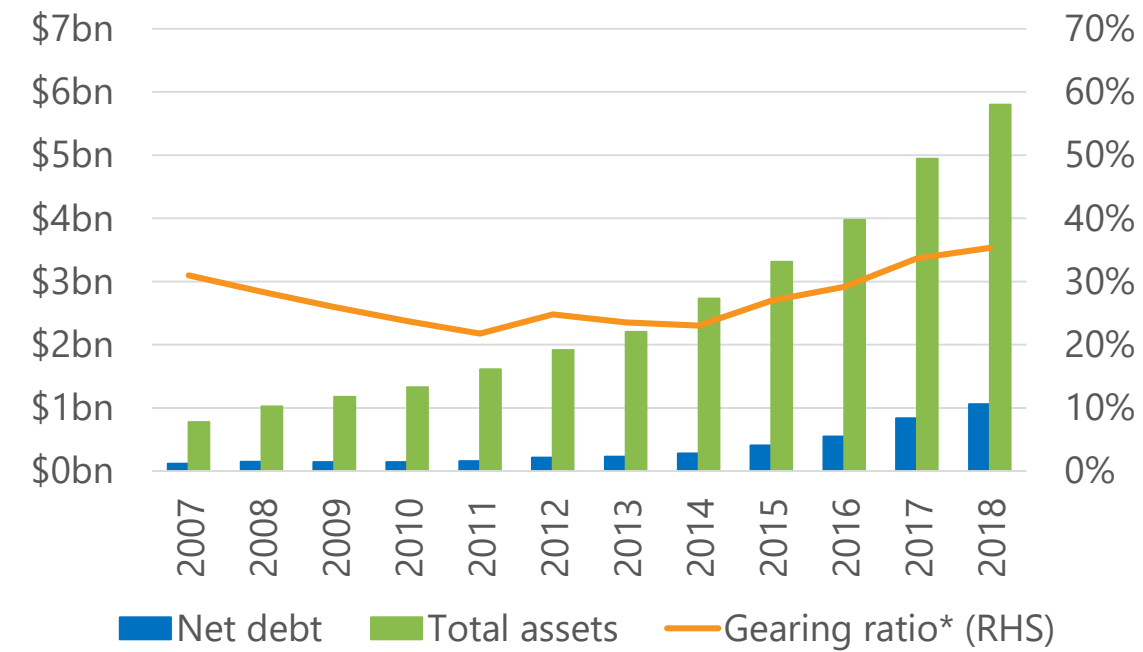
	Mar-18	Mar-17
Independent Living Units	26	4
Serviced Apartments	25	28
Total Resales stock	51	32
Total retirement portfolio	6,414	5,968
Uncontracted stock percentage *	0.8%	0.5%



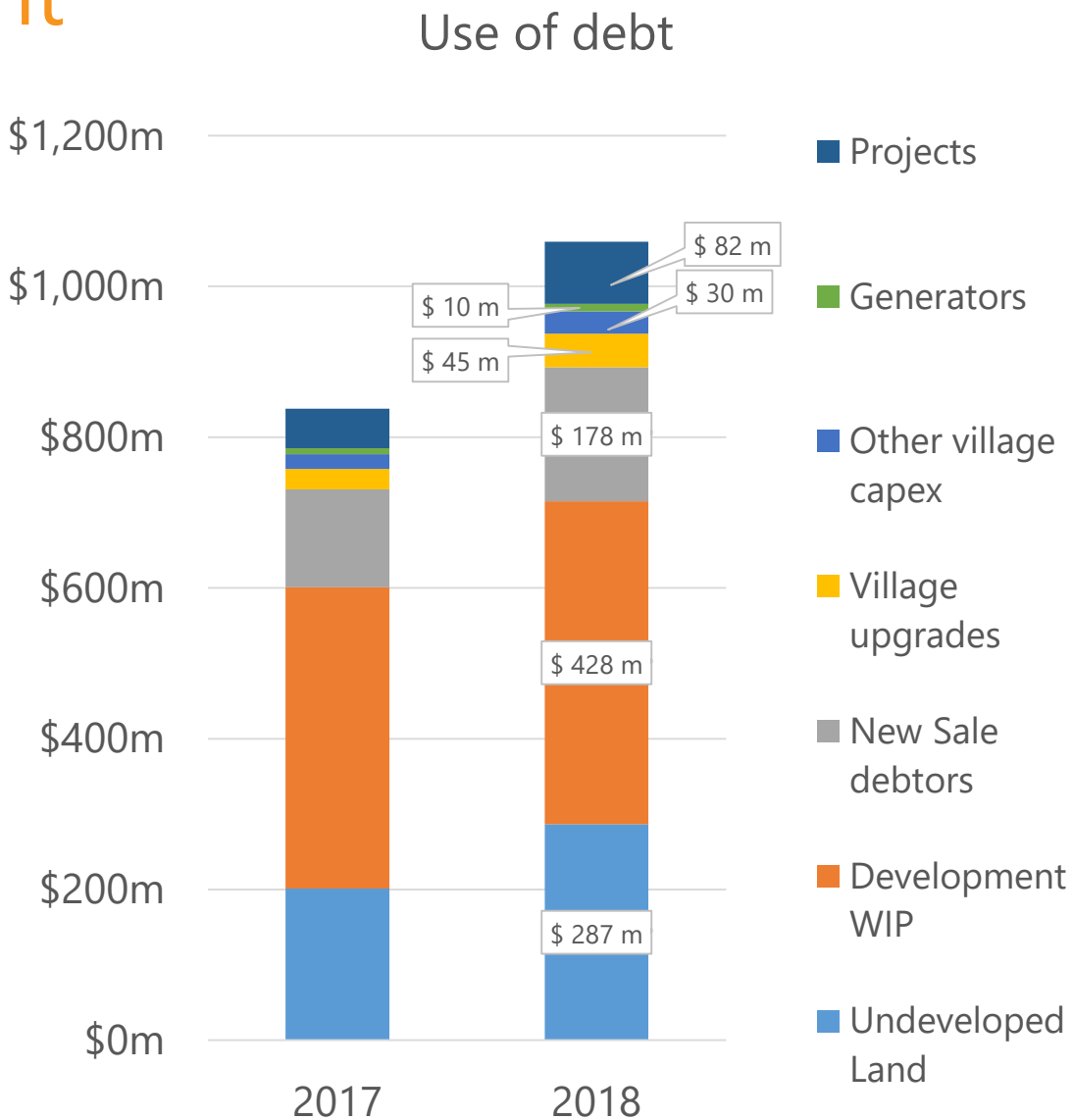
* Uncontracted resales stock as a percentage of total retirement unit portfolio at balance date

Appendix 11: Capital management

Gearing	Mar-18	Mar-17
	(millions)	(millions)
Net debt	\$1,060	\$838
Net assets	\$1,941	\$1,652
Gearing ratio *	35%	34%

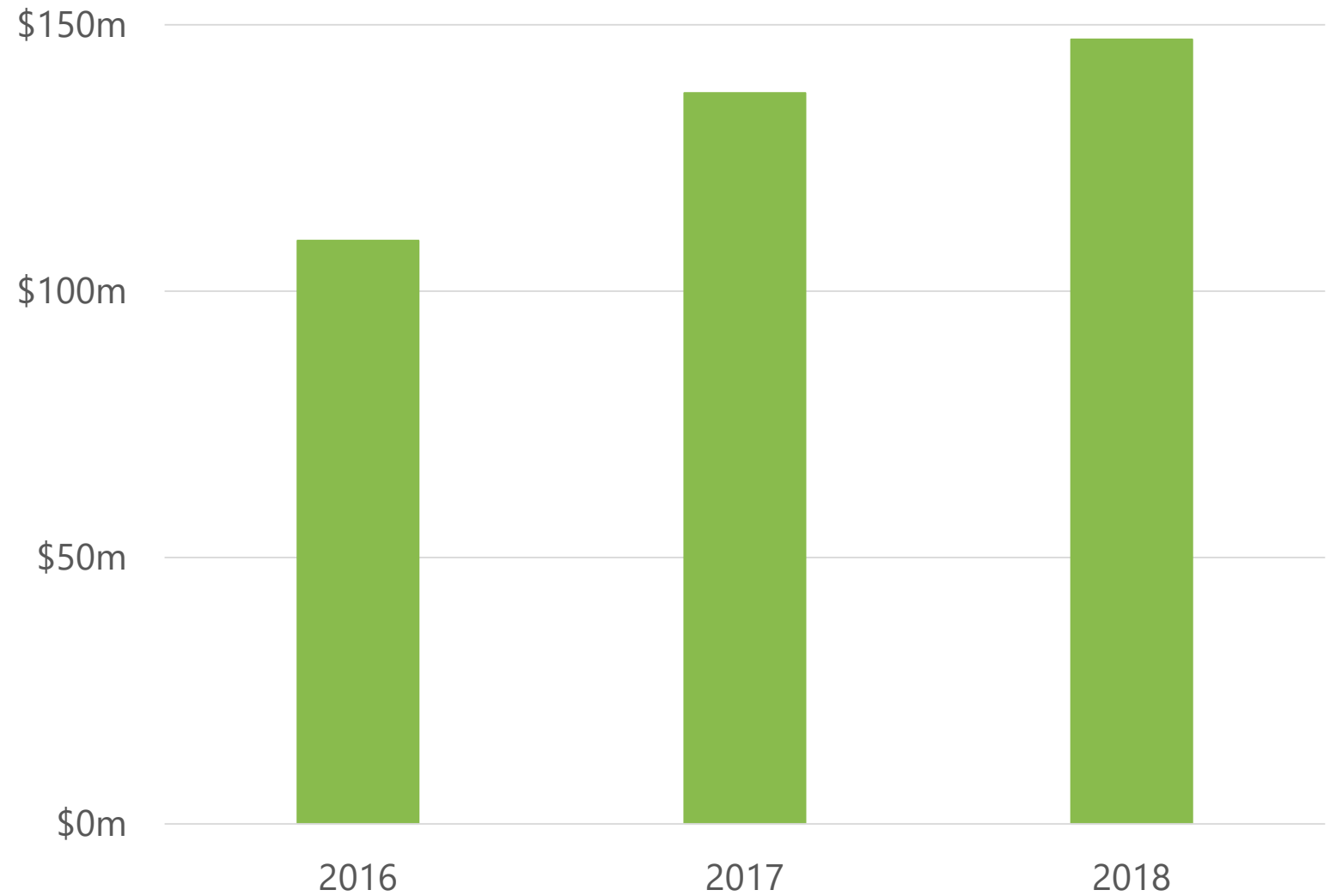


* Gearing ratio calculated as net debt / net debt plus equity





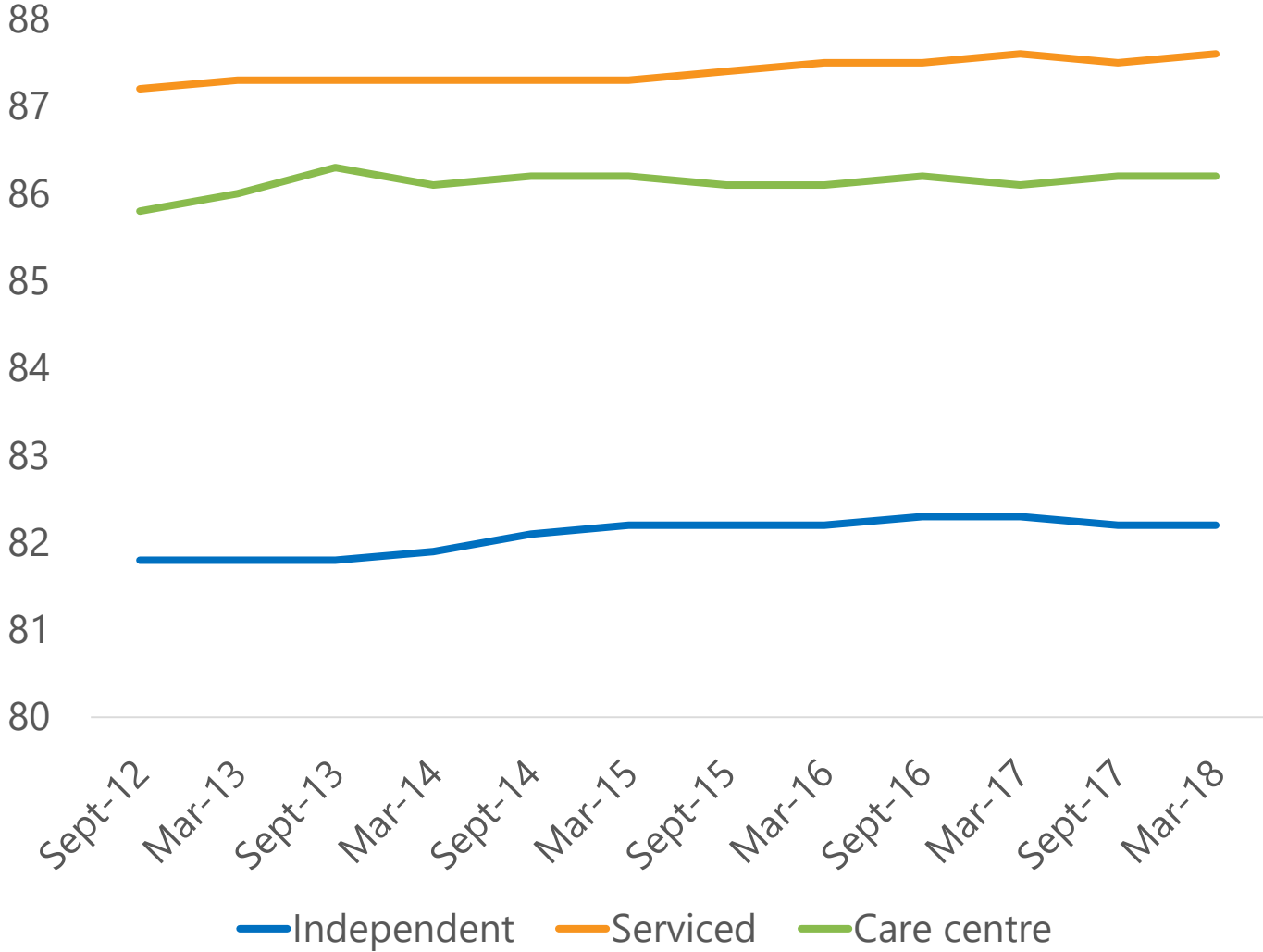
Appendix 12: Value of contracts not booked



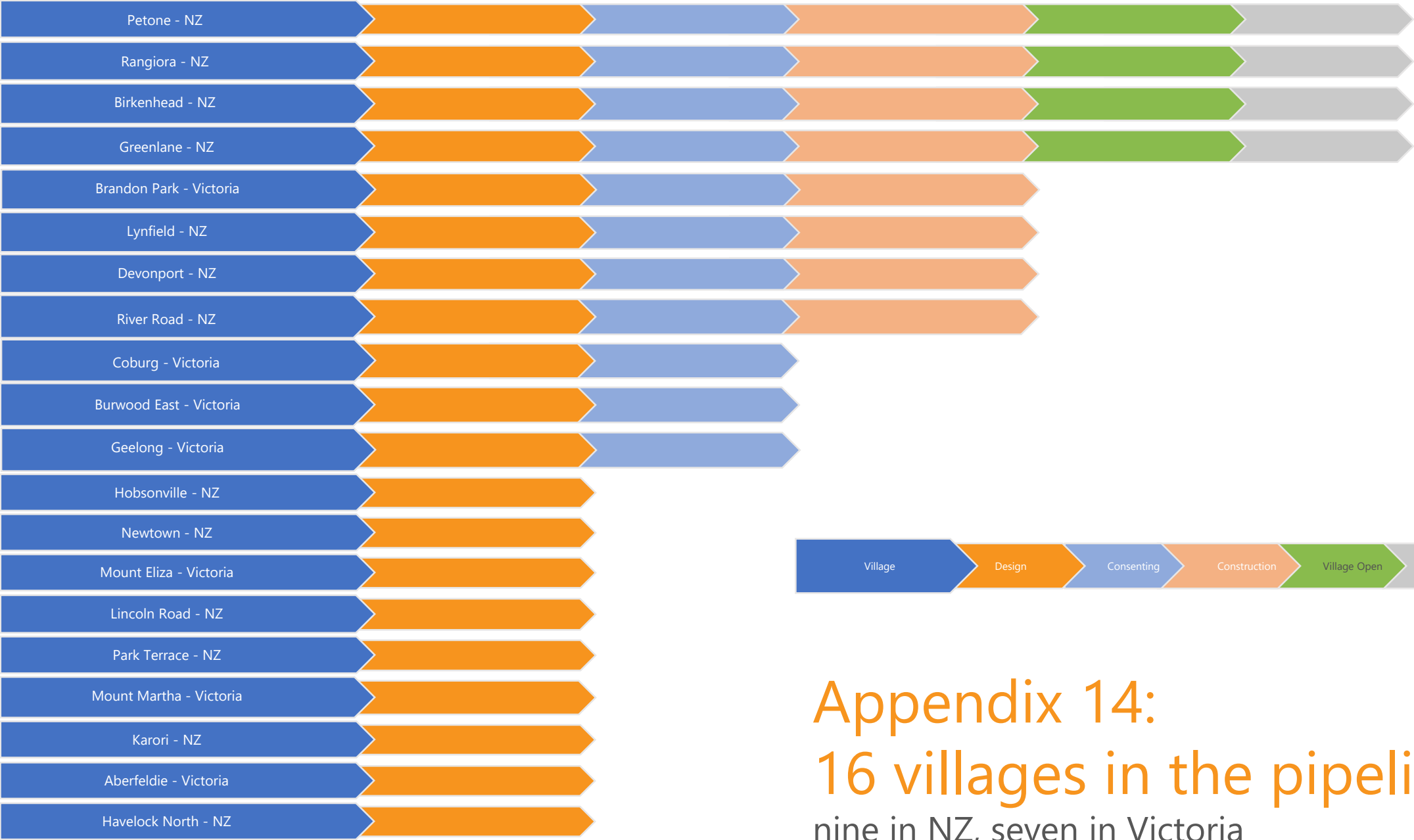
Appendix 13: Resident average age and tenure (years)

Average age	Mar-18	Mar-17
Independent	82.2	82.3
Serviced	87.6	87.6
Care centre	86.2	86.1

Average tenure - vacated residents	Mar-18	Mar-17
Independent	4.8	4.9
Serviced	3.0	2.7



Pipeline
of 16
villages

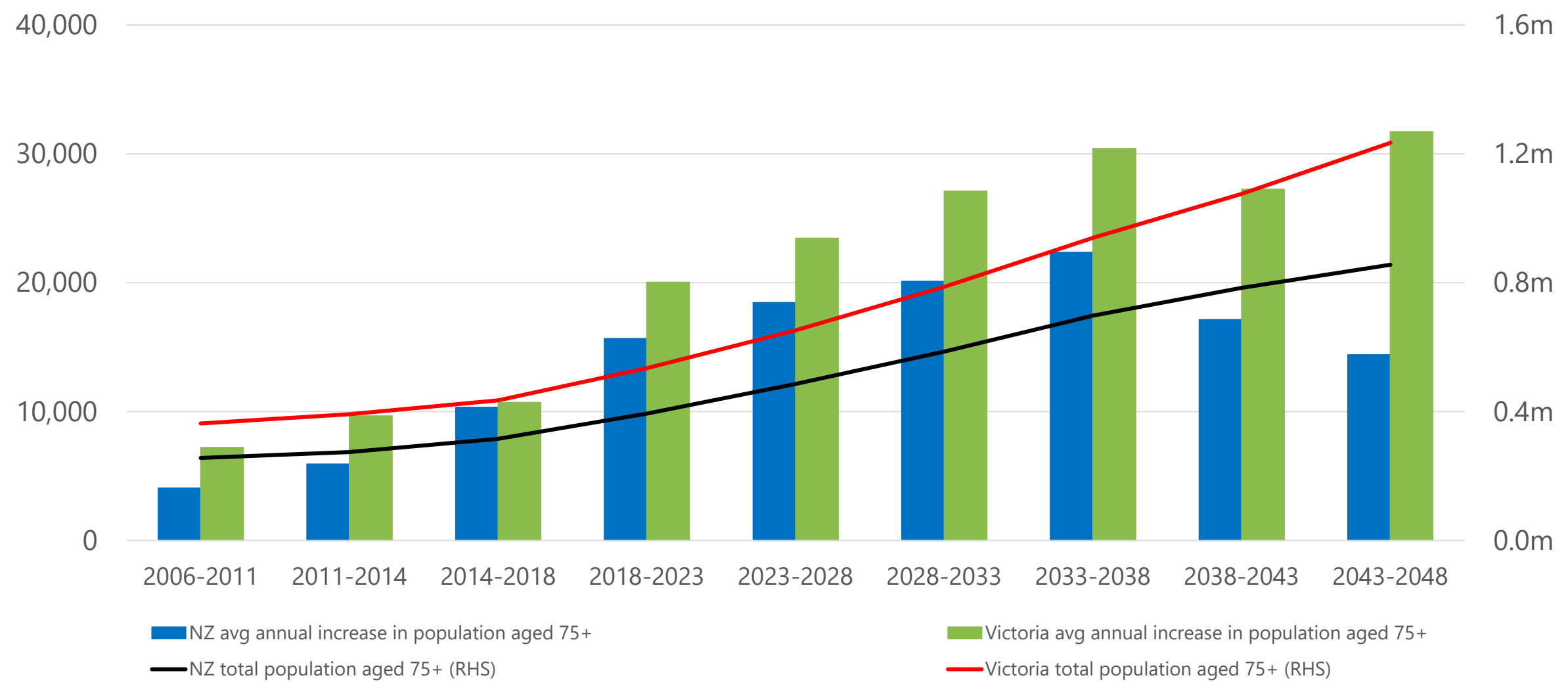


Appendix 14:

16 villages in the pipeline

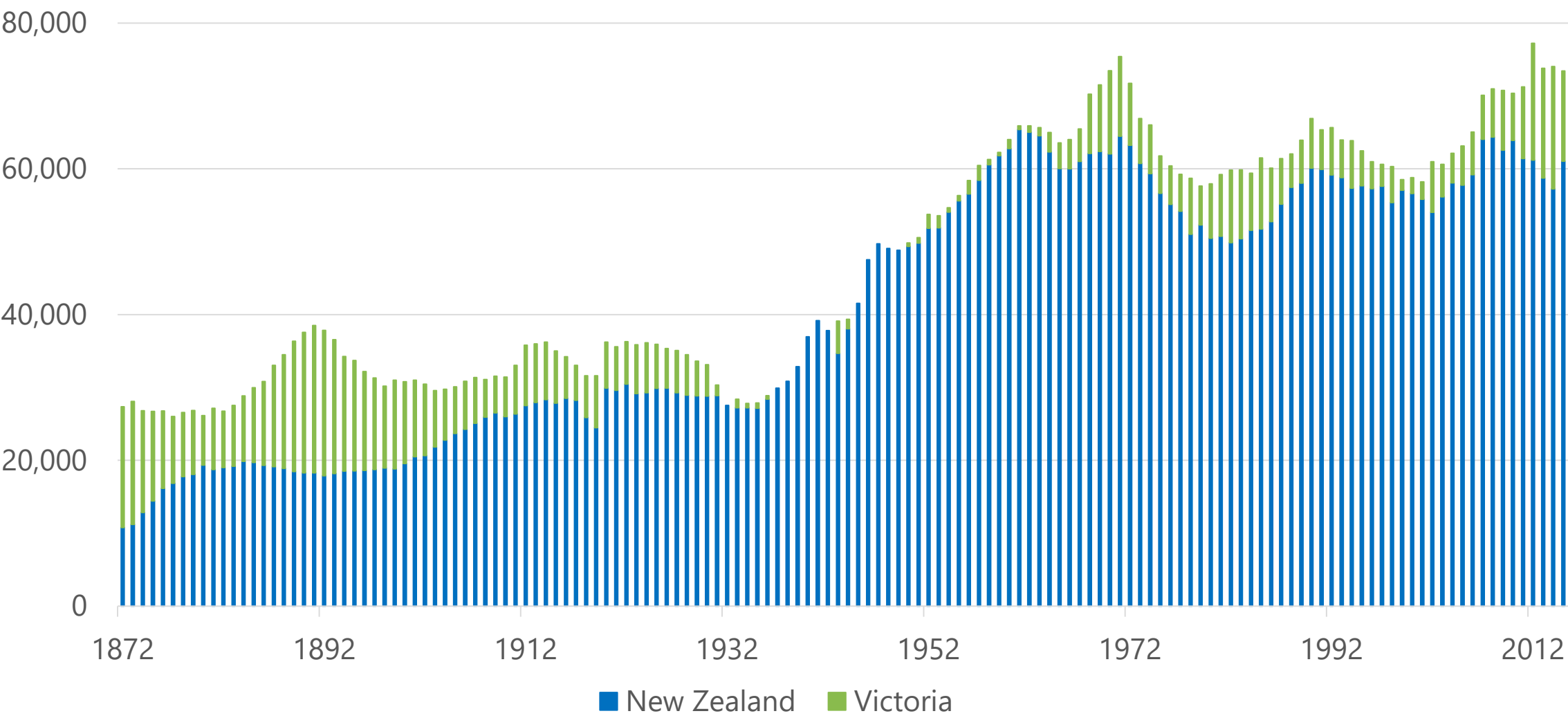
nine in NZ, seven in Victoria

Appendix 15: Population growth



Source: Statistics NZ, Australian Bureau of Statistics

Appendix 16: Number of births in New Zealand and Victoria



Source: Statistics NZ, ABS. Number of births in New Zealand and Victoria