



MEDIA RELEASE May 18, 2018

Ryman reports full year underlying profit of \$203.5 million, up 14.2%

Highlights:

- Underlying profit up 14.2% to \$203.5 million in year to March 31, 2018
- Reported (IFRS) profit up 8.8% to \$388.2 million
- Full year dividend up 14.6% to 20.4 cents per share
- Site for eighth village in Victoria secured, target remains to open five villages by 2020
- New villages in Karori and Havelock North planned
- 16 new villages in the pipeline
- Record survey results for residents and staff
- Ramped up investment in people for future growth

Ryman Healthcare's full year underlying profit has risen 14.2% to \$203.5 million and audited reported profit after tax lifted 8.8% to \$388.2 million, thanks to growing demand for independent living and aged care. Ryman's Australian expansion is on track with the purchase of an eighth site in Victoria.

Ryman shareholders will receive an increased final dividend of 10.9 cents per share in line with the growth in underlying profit, taking the total dividend for the year to 20.4 cents per share. The dividend will be paid on June 22, and the record date for entitlements is June 8.

Chairman Dr David Kerr said increased earnings at existing villages had driven the result, and Ryman's unique villages and high-quality care offering continued to be in strong demand.

"We are pleased to be able to report a solid full year result and great progress in developing our staff and care systems. Our balance sheet is stronger than ever with total assets of \$5.8 billion, and with 16 villages in the pipeline we have a great development runway stretching out ahead in New Zealand and Victoria."

Dr Kerr said Ryman ended the year with less than 1% of the portfolio available for resale and occupancy in care centres was 97%.

"Demand for what we do is needs-based and growing. Resale volumes at our existing villages grew by 15% while sales numbers in the wider real estate market in New Zealand were down by 14%."

Chief Executive Gordon MacLeod said the death of a construction worker on site in Auckland on January 9 had been devastating.

"We have never lost a team member in a work-related accident before – and we and his family are determined that this tragic loss will not be in vain," he said.

Mr MacLeod said Ryman continued to invest in improving the resident and staff experience.

Survey results for residents, their families, and our staff had all improved to their best levels ever during the year.

“Our surveys show that residents and their families are happier than ever with life in a Ryman village. We’ve invested in systems, training and improved pay rates and entitlements for village staff, and they are telling us they are happier as a result.”

The biggest hit with residents during the year had been Ryman Delicious, which introduced new seasonal menus. Residents can pick from three choices at each meal, including a vegetarian option, which are cooked fresh on site each day.

More than 200 of the company’s leaders had already taken part in the Ryman ‘LEAP’ leadership development programme, recognising Ryman’s commitment to grow its own people.

Twenty-five villages were now live on the new myRyman Care app, and the rollout is due to be complete in New Zealand in July this year.

Mr MacLeod said good progress had been made during the year in building the capacity and capability of Ryman’s development, design, construction and community relations teams as the rollout of new villages steps up in Victoria – whilst continuing to grow in New Zealand.

New Ryman villages in Hamilton in New Zealand and Coburg in Melbourne had received planning consent, clearing the way for work to begin. Consenting was well advanced for new sites at Burwood East in Melbourne and Geelong in Victoria.

Ryman had just secured its eighth site in Victoria at Aberfeldie, and had recently bought new sites at Havelock North and Karori in New Zealand.

“Our first residents are due to move into Nellie Melba Retirement Village at Brandon Park in Melbourne shortly, and we’ve made great progress with design and planning work on other villages in the pipeline,” Dr Kerr said.

“We set ourselves a target of opening five villages in Victoria by 2020 and this remains our goal.”

In Auckland, Ryman’s Logan Campbell village had welcomed its first residents, and work was progressing well on new villages at Devonport and Lynfield.

Mr MacLeod said Ryman had 16 new villages in the pipeline, which, on completion, will lift resident numbers by 65% to 17,500 across 48 villages, including eight in Victoria.

Dr Kerr said it while it had been another good year for Ryman, there was plenty of work to be done to cope with the needs of an ageing society.

“Ryman was set up 34 years ago with the aim of providing the best of care for older people – because they deserve it. We see it as a privilege to care for older people. We are committed to bringing Ryman to as many communities as we can whilst preserving our culture, and looking after our residents and staff.”

New villages open with construction continuing:

Charles Upham, Rangiora: Final stage under construction.

Bob Scott, Petone: Final stage under construction.

Bert Sutcliffe, Auckland: Final stage under construction.

Logan Campbell, Greenlane, Auckland: First residents moved in.

New villages under construction:

Nellie Melba, Brandon Park, Melbourne: First residents about to move in.

Devonport, Auckland: Construction under way.

Lynfield, Auckland: Construction under way.

River Rd, Hamilton: Site works under way.

Coburg, Melbourne: Site works due to get under way later in the year.

New villages in planning and design phase:

Burwood East, Melbourne

Aberfeldie, Melbourne

Mt Eliza, Melbourne

Mt Martha, Melbourne

Geelong, Victoria

Hobsonville, Auckland

Lincoln Rd, Auckland

Te Aute Rd, Havelock North

Karori, Wellington

Newtown, Wellington

Park Terrace, Christchurch

About Ryman: Ryman Healthcare was founded in Christchurch in 1984 and owns and operates 32 retirement villages in New Zealand and Victoria, Australia. Ryman villages are home to over 10,600 residents, and the company employs over 4,700 staff.

Contacts: For media information or images contact David King, Corporate Affairs Manager, on 021 499 602 (+64 21 499 602) or email david.king@rymanhealthcare.com

For investor relations information contact Michelle Perkins, Investor Relations Manager, on 027 222 9684 (+64 27 222 9684) or email michelle.perkins@rymanhealthcare.com

RYMAN HEALTHCARE LIMITED
KEY STATISTICS

	Mar 18	Mar 17
	Full Year	Full Year
	Audited	Audited
Underlying Profit (\$m)	203.5	178.3
Plus: Unrealised fair value movement (\$m)	185.3	184.7
Less: Deferred tax expense (\$m)	(0.6)	(6.3)
Reported Profit after tax (\$m)	388.2	356.7
Operating Cash Flows (\$m)	349.3	322.8
Earnings per share (cents) – Basic and diluted	77.6	71.3
Dividend per share (cents)	20.4	17.8
Net Tangible Assets per share (cents) – Basic and diluted	388.1	330.4
Sales of Occupation Right Agreements		
New Units (no.)	458	600
Existing Units (no.)	825	718
Total (no.)	1,283	1,318
New Units (\$m)	307.3	263.3
Existing Units (\$m)	414.6	311.3
Total (\$m)	721.9	574.6
Asset Base		
Retirement Village Units (no.)	6,414	5,968
Residential Care Beds (no.)	3,367	3,281
Total (no.)	9,781	9,249
Landbank - to be developed		
Retirement Village Units (no.)	4,232	4,025
Residential Care Beds (no.)	1,720	1,529
Total (no.) ¹	5,952	5,554

¹ In May 2018 Ryman entered into an unconditional sale and purchase agreement for the acquisition of land at Aberfeldie, Melbourne. This site adds an additional 120 retirement village units and 80 residential care beds to the landbank.