



RYMAN HEALTHCARE

Full year result

31 March 2020





Full year highlights

Underlying profit* of \$242 million, up 6.6%

Reported (IFRS) profit of \$265 million, down 19%

Full year dividend increased to 24.2 cents, in line with growth in underlying profit

Operating cashflows of \$449.8 million, up 12%

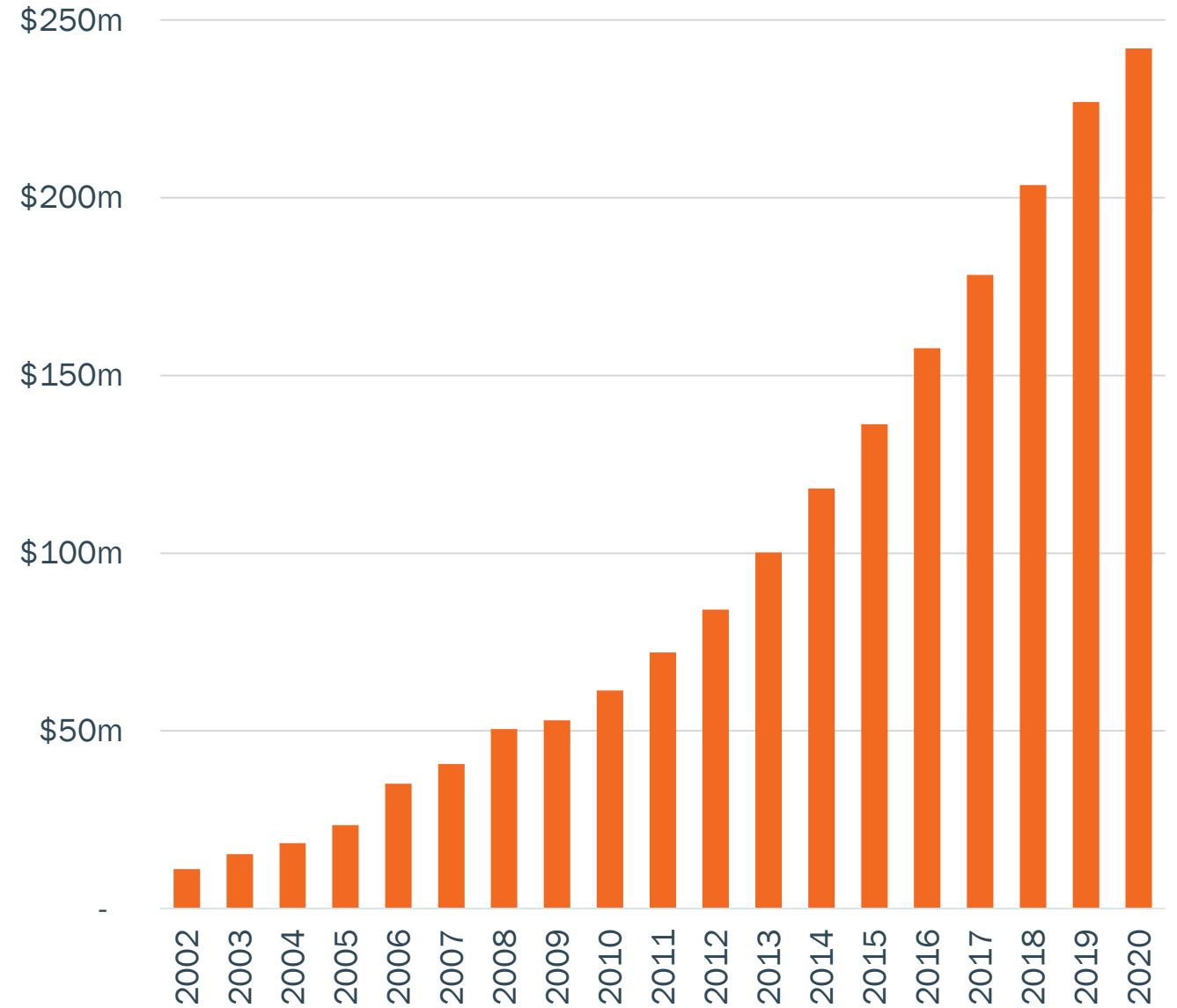
Cash receipts of \$1.13 billion, up 12%

Total assets of \$7.68 billion, up 15%

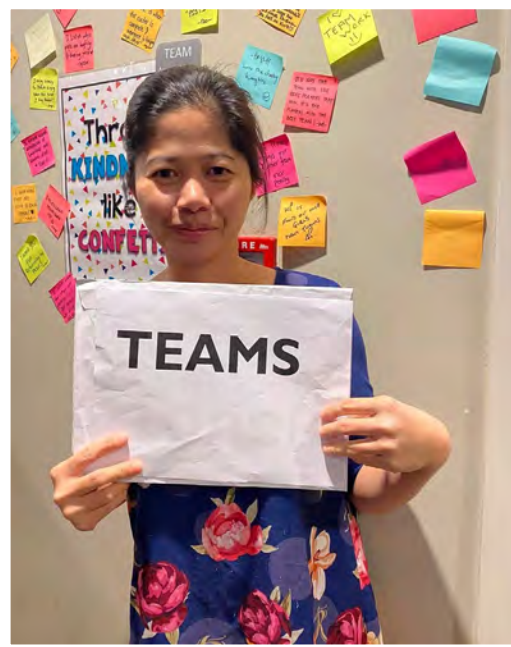
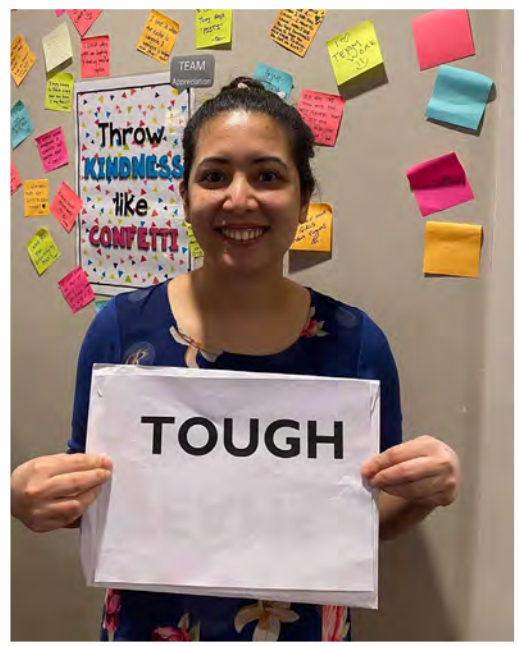
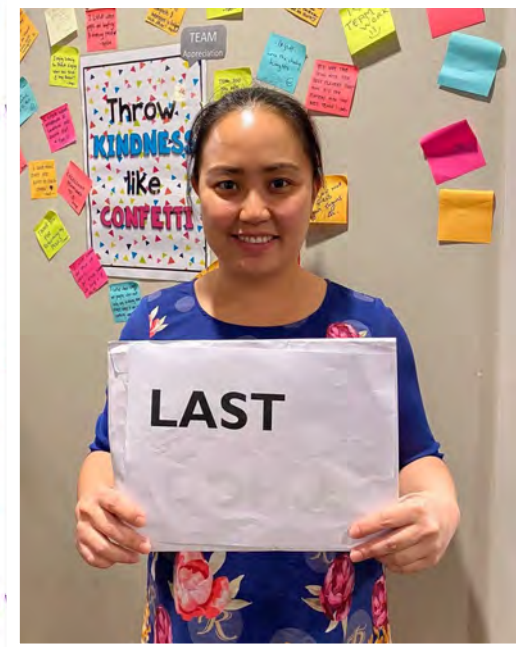
Land bank of 6,595 beds and units

* Underlying profit is a non-GAAP measure and differs from NZ IFRS profit for the period. Refer to slide 27 for a breakdown of underlying profit.

18 years of underlying profit growth























RYMAN PIONEERS

Peace of mind



We're proud to be Dementia Friendly

Accredited by Alzheimers New Zealand



**Dementia
Friendly
Recognition
Programme**

NGĀ TOHU POU WHIRINAKI MATE WAREWARE

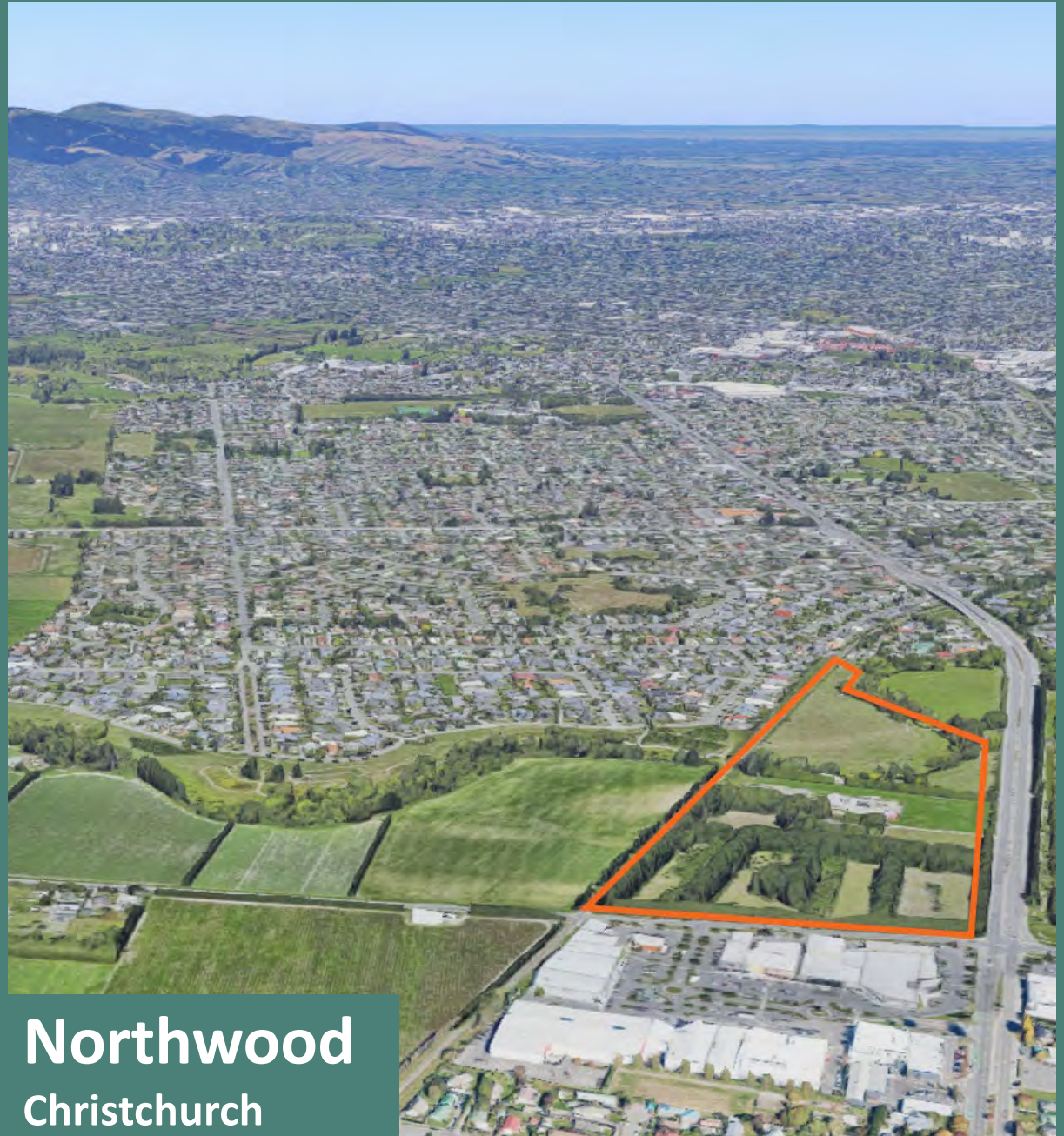




Ringwood East
Melbourne



Highett
Melbourne



Northwood
Christchurch



Takapuna
Auckland



Aberfeldie



Highett



Riccarton



Havelock North



Hobsonville

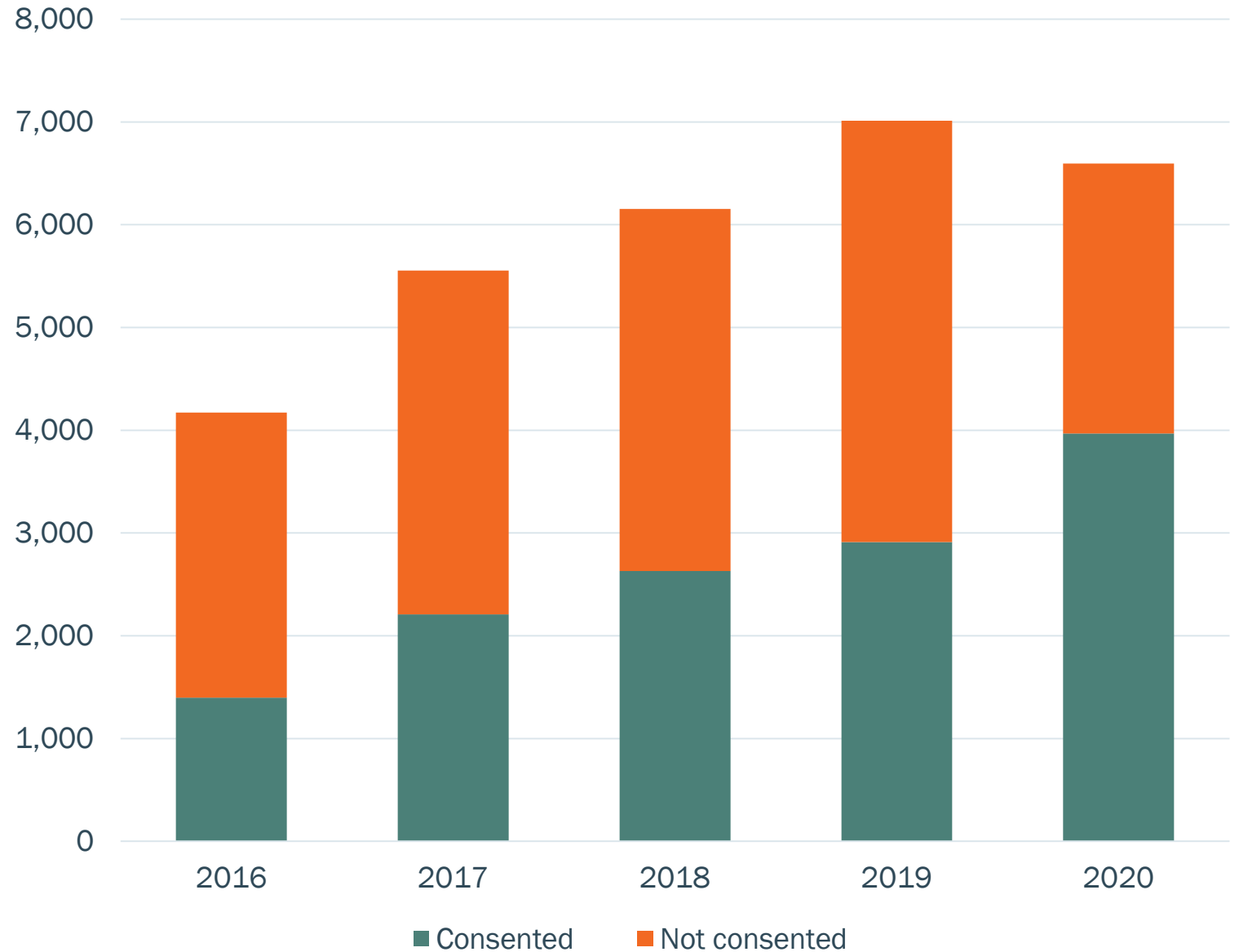


Ocean Grove



Highton

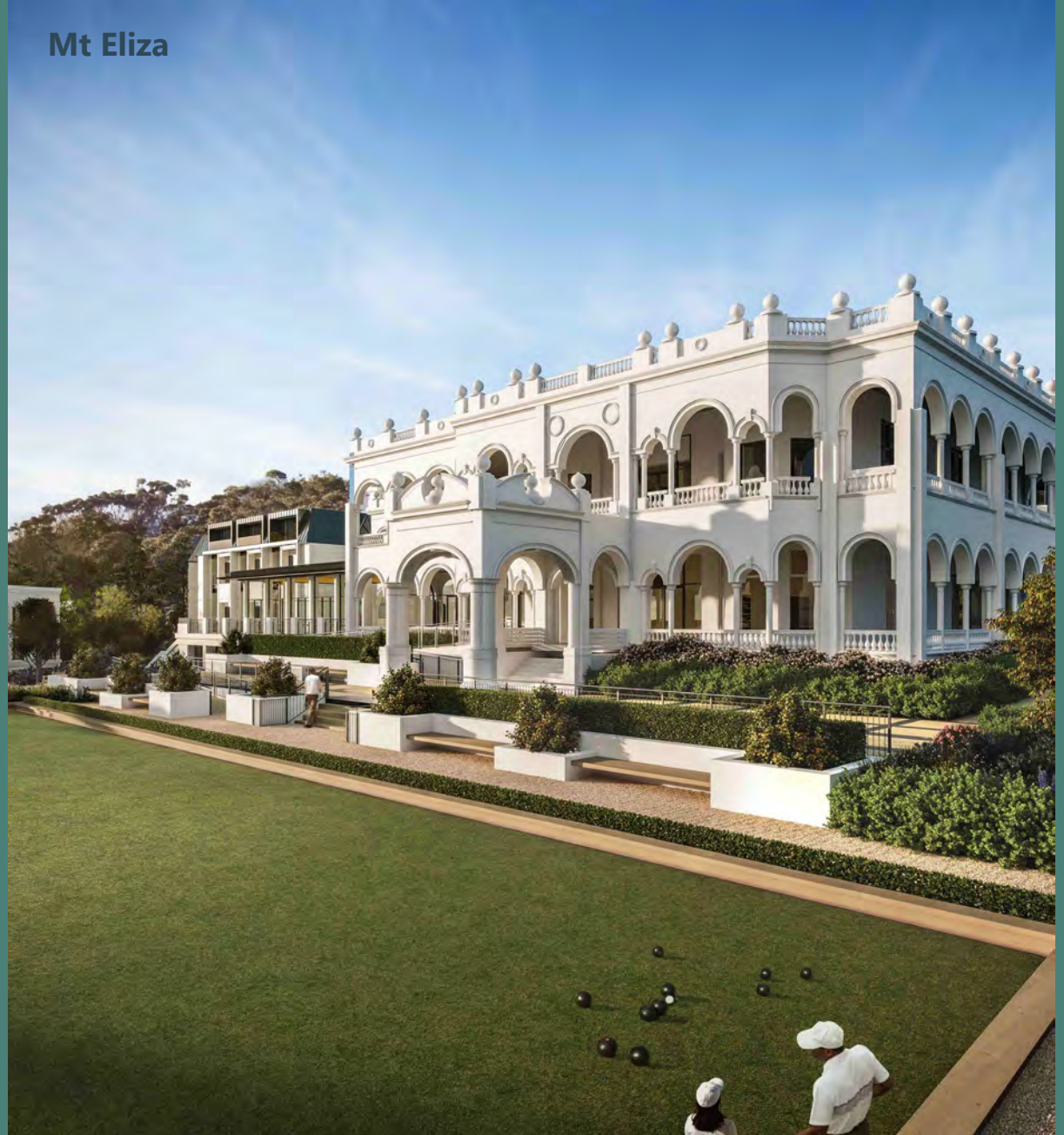
Land bank of 6,595 beds and units



Karori



Mt Eliza



Mt Martha



Construction activity (March 2019)



Nellie Melba



Murray Halberg



William Sanders



Linda Jones



Burwood East



Lincoln Road



Havelock North



Highton



Aberfeldie



Hobsonville



Ocean Grove



Riccarton Park



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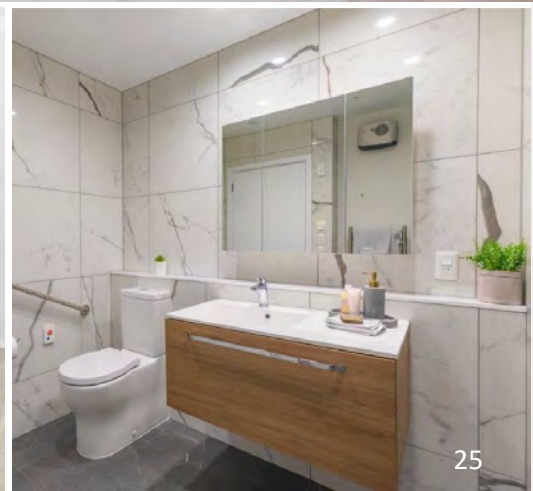




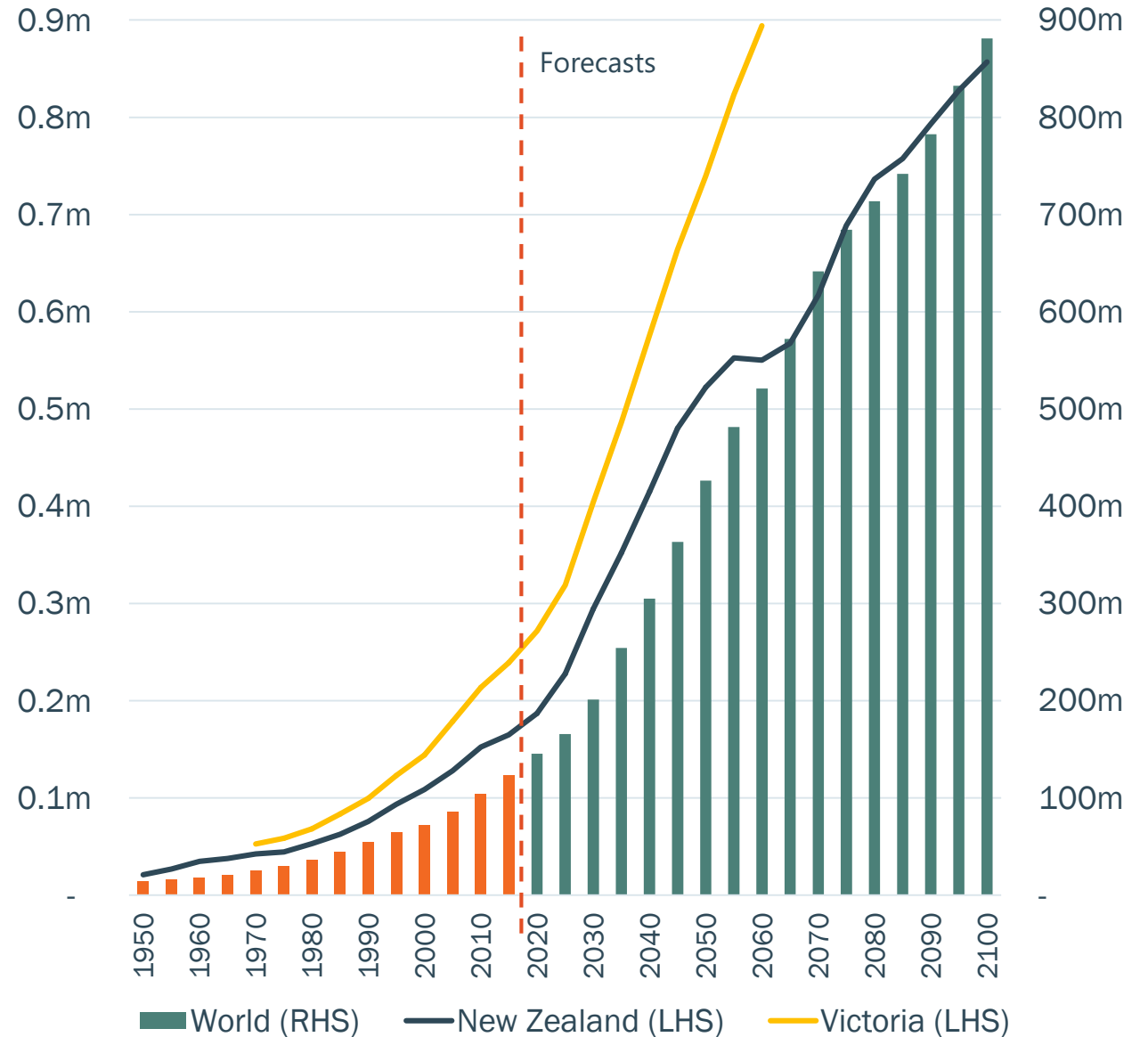
Linda Jones
Hamilton – January 2019



Linda Jones
Hamilton – March 2020



World population growth 80+



Source: United Nations World Population Prospects 2019, Australian Bureau of Statistics (Series A). Victoria data projections end 2060.

Reported profit

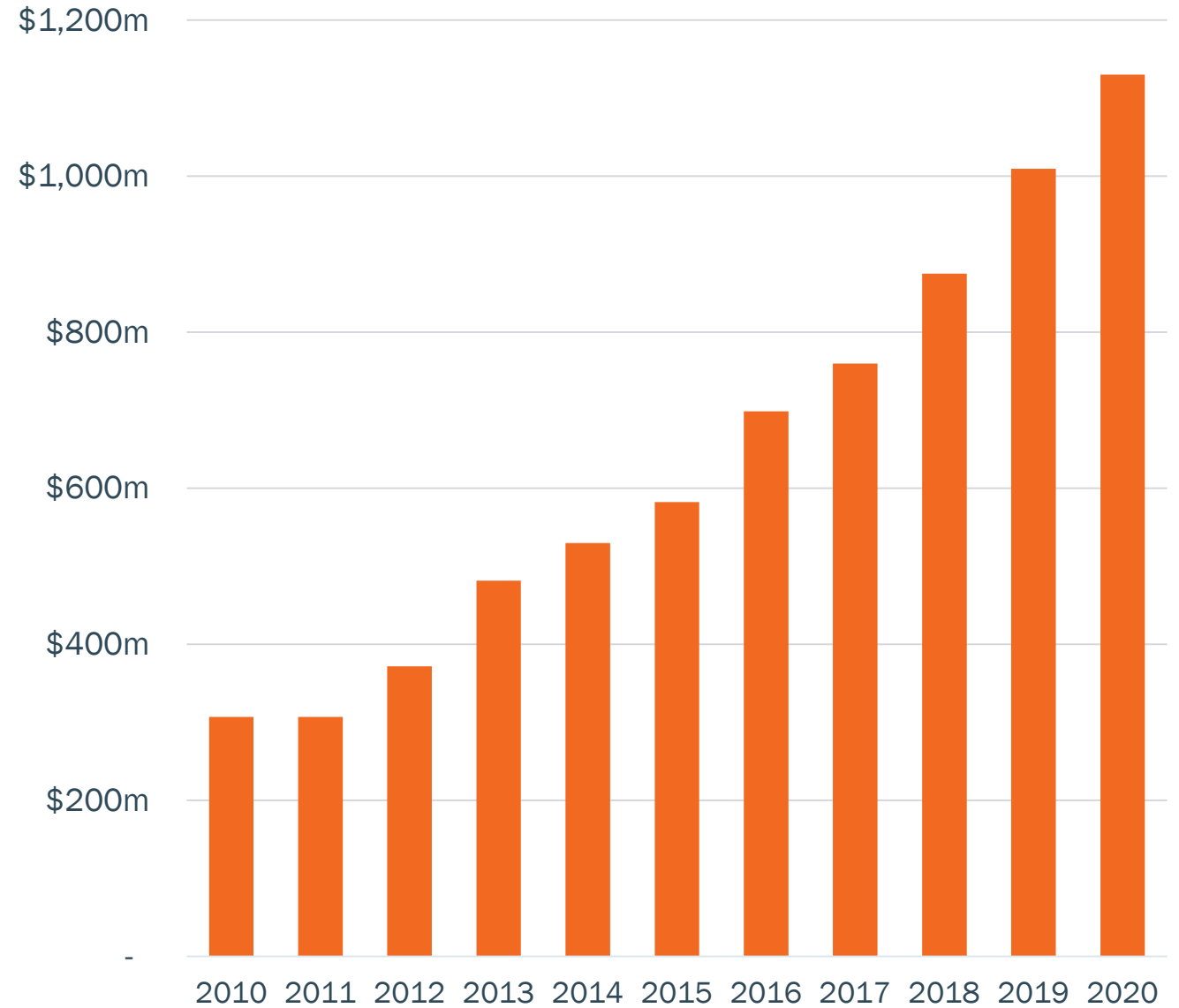
	Mar 20	Mar 19
Underlying profit (non-GAAP)	\$242.0m	\$227.0m
Unrealised revaluations of investment properties	-\$70.9m	+\$102.4m
Deferred tax credit / expense	+\$93.6m	-\$3.4m
Reported net profit	\$264.7m	\$326.0m

Underlying profit is a non-GAAP (Generally Accepted Accounting Principles) measure and differs from NZ IFRS profit for the period. Underlying profit does not have a standardised meaning prescribed by GAAP and so may not be comparable to similar financial information presented by other entities.

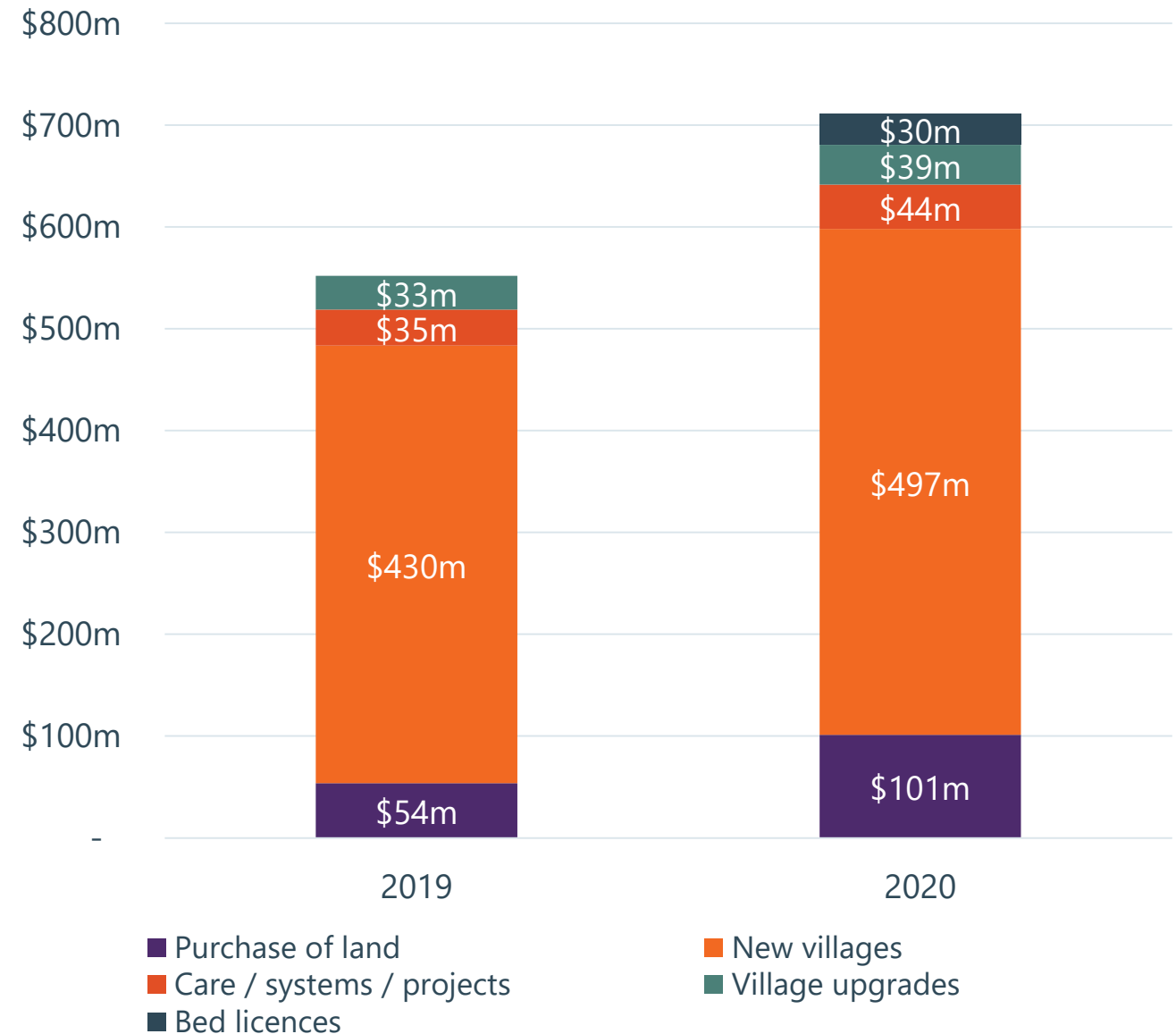
The Group uses underlying profit, with other measures, to measure performance. Underlying profit is a measure that the Group uses consistently across reporting periods.

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

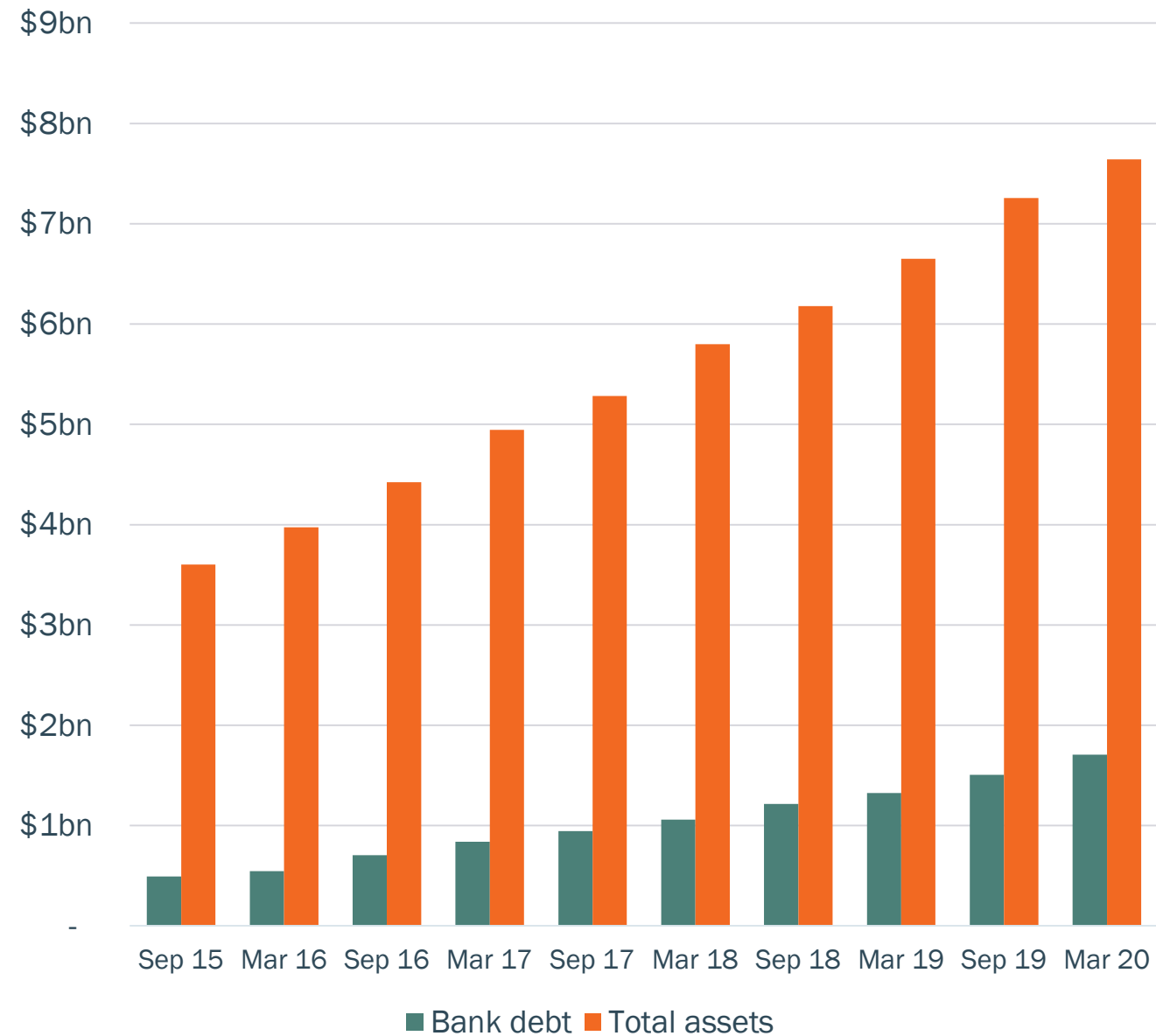
Cash receipts from residents



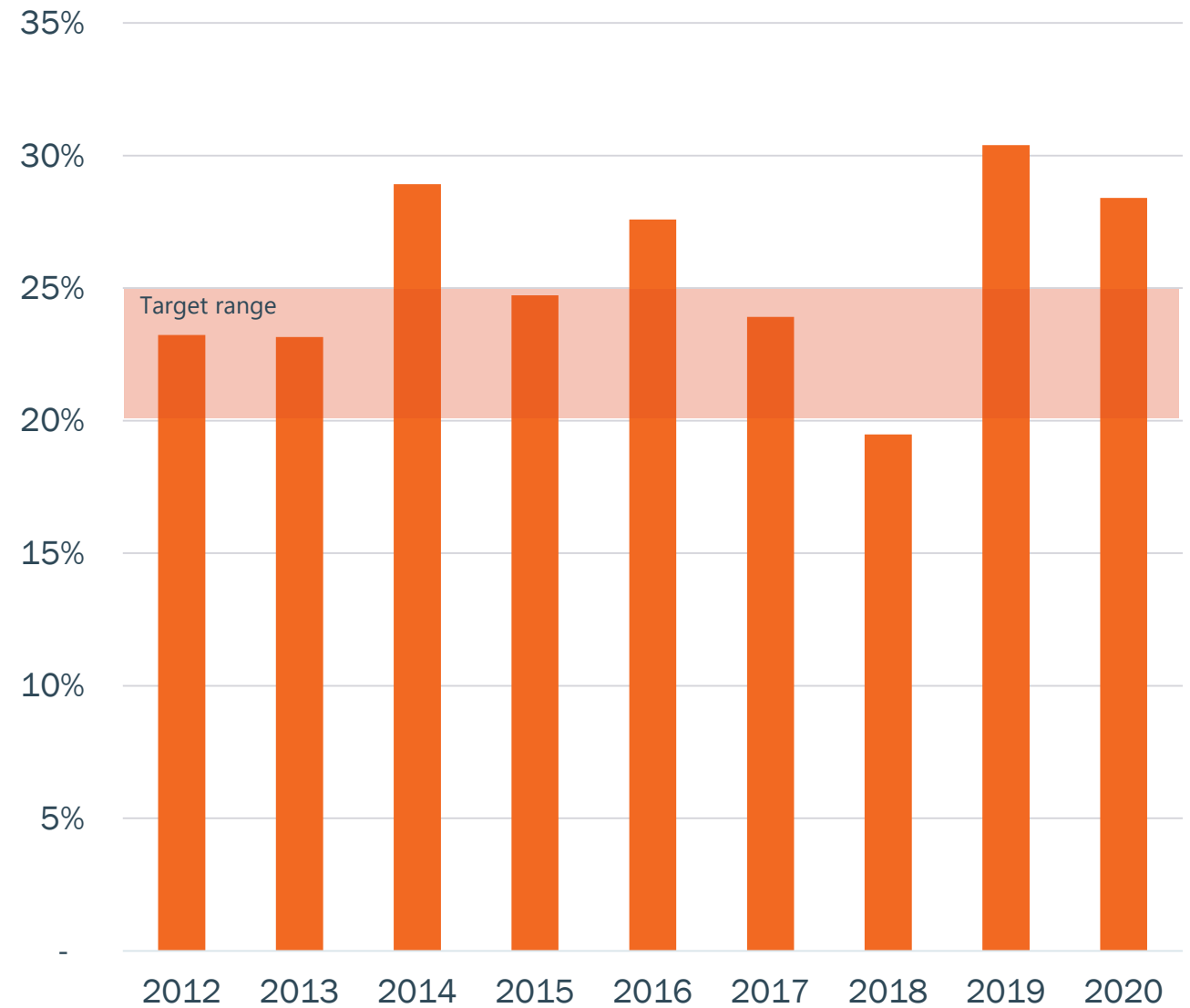
Investing cash flows \$711 million



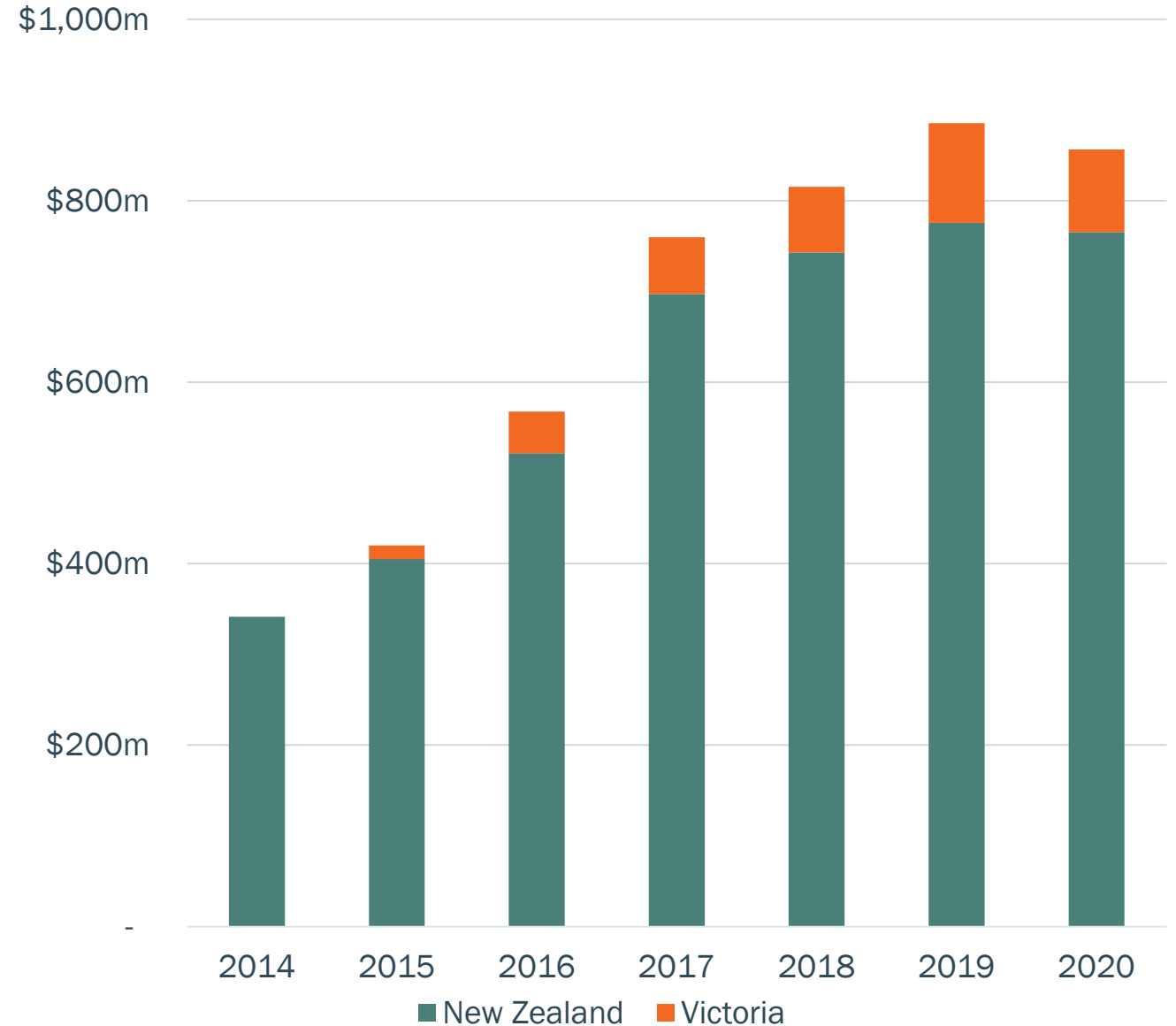
Total assets



Development margin

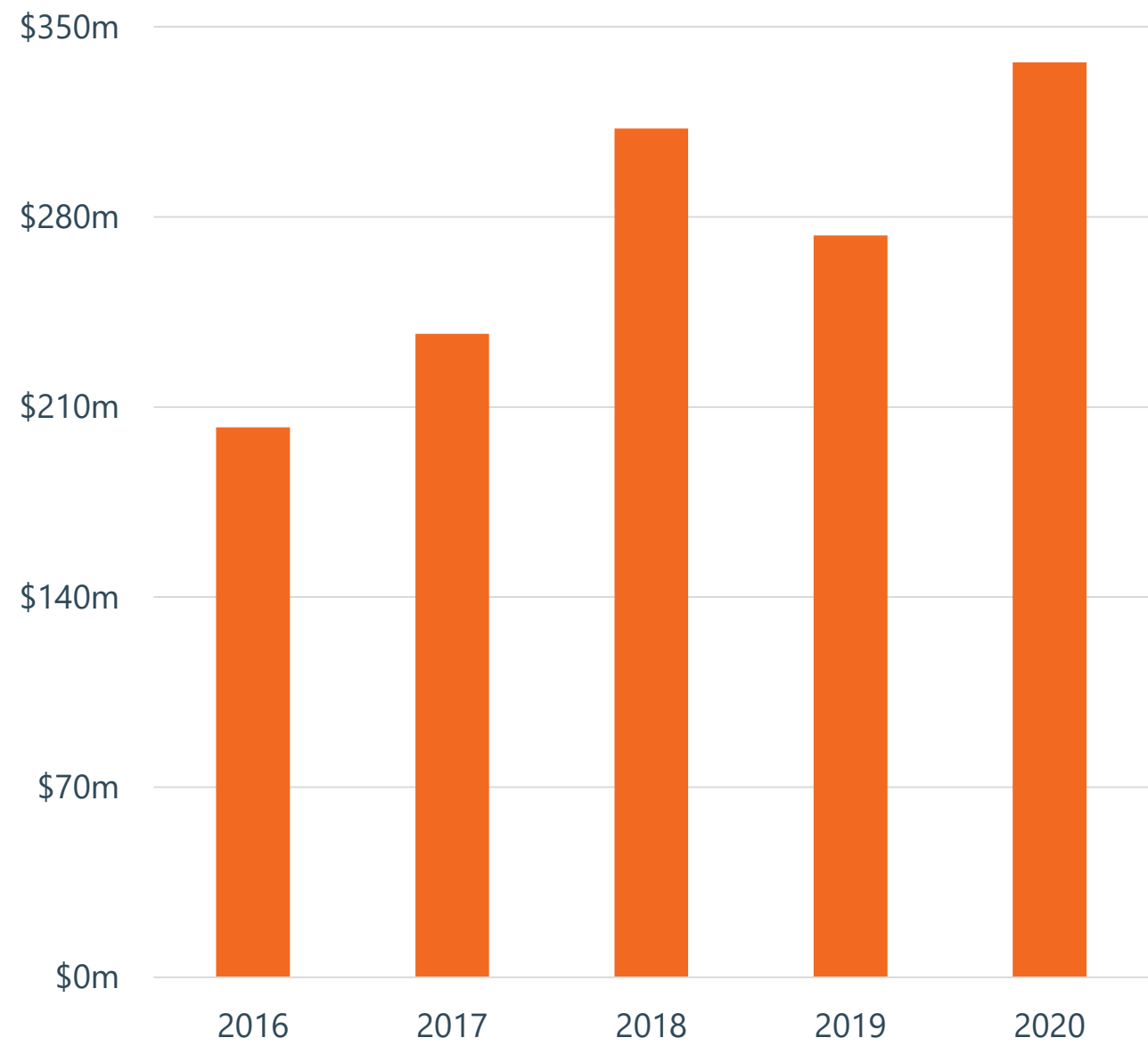


\$856 million resales bank



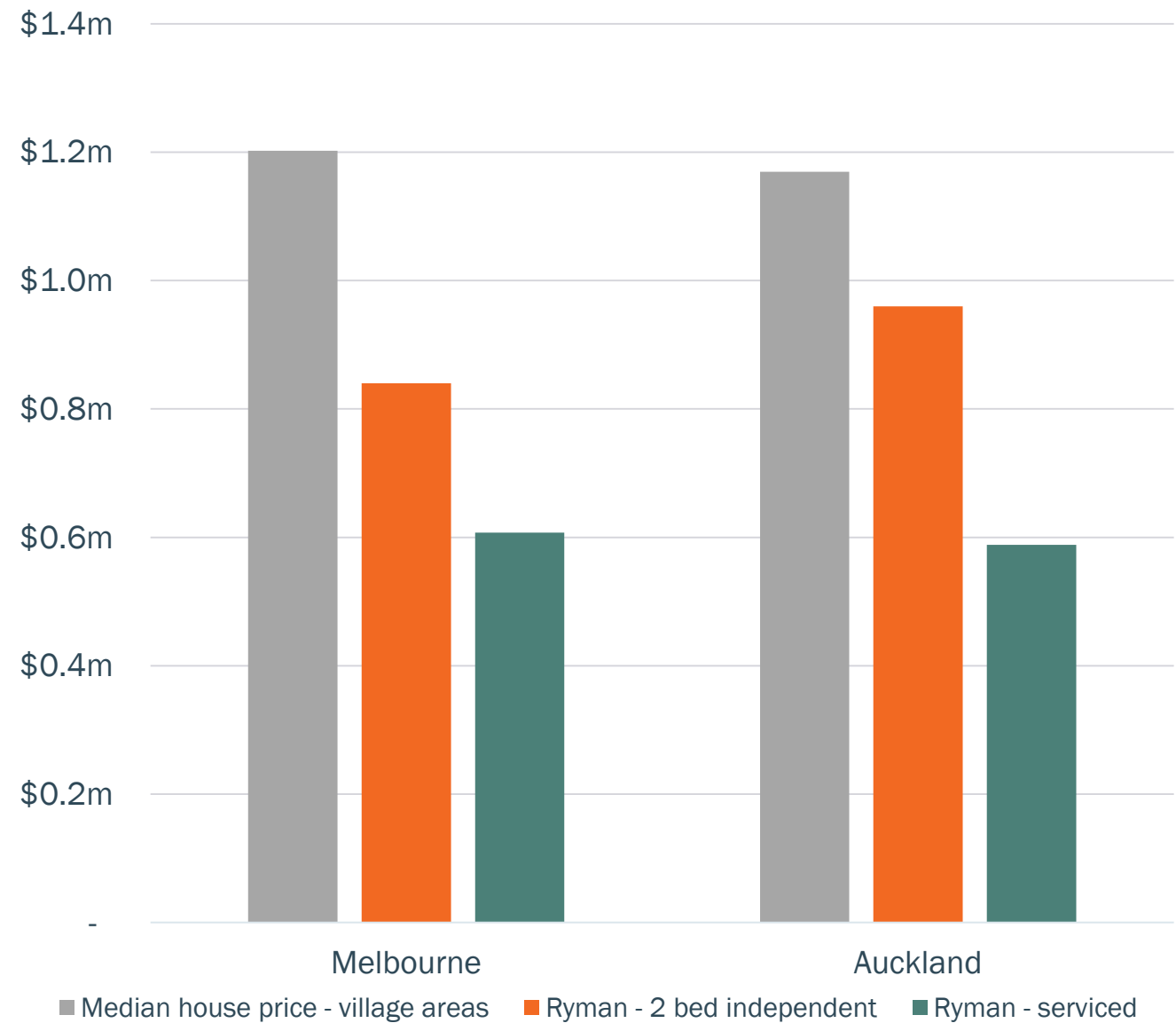
Note: The resale bank represents the extent that the current price exceeds the price paid by the current resident for the unit's occupancy rights.

Value of contracts not settled



Contracts not settled are unconditional occupation-right agreements which have been entered into by residents but have not been settled as the resident has not yet occupied the unit.

Sales price vs median house price



The median house price reflects the average median house price over the last 6 months in the area surrounding our villages.



Long-term capital efficiency

\$25 million raised at IPO in 1999

Invested \$4.4 billion in portfolio
since 1999 with no fresh capital

Dividends of over \$920 million
paid since float*

Self-funded growth

Strong balance sheet

* Includes final dividend of 12.7 cents per share that has been declared and is payable on 10 July 2020.



RYMAN HEALTHCARE

Questions

31 March 2020





Appendix 1: Full year highlights

Underlying profit of \$242 million, up 6.6%

Reported (IFRS) profit of \$265 million, down 19%

Full year dividend increased to 24.2 cents, in line with growth in underlying profit

Operating cash flows of \$449.8 million, up 12%

Cash receipts of \$1.13 billion, up 12%

Total assets of \$7.68 billion, up 15%

841 units and beds built, up 11%

Record \$711 million invested in the portfolio



Appendix 1: Full year highlights

Significant investment in keeping residents and staff safe from COVID-19

Continued strong demand for villages with only 1.7% of resale stock unsold

98% occupancy at established care centres

Seven new villages approved by councils totalling 2,029 beds and units

Another seven new village applications lodged

Land bank of 6,595 beds and units

Construction underway on 12 new villages

Appendix 2: Sale of occupation rights

	Mar 20	Mar 19
Existing units		
Independent	425	378
Serviced	498	446
	923	824
New units		
Independent	426	302
Serviced	87	112
	513	414
Total	1,436	1,238

Appendix 3: Development

	Mar 20	Mar 19
Units and beds built		
Retirement village units added	545	464
Plus units demolished (Malvina Major)*	45	0
Aged care beds built	251	293
Total units and beds built	841	757
Total retirement village units		
Independent	5,264	4,915
Serviced	2,159	1,963
	7,423	6,878
Total aged care beds	3,911	3,660
Total retirement village units and beds	11,334	10,538

* Units demolished at Malvina Major reflect redevelopment of Figaro block following Kaikoura earthquakes.

Appendix 4: Margins

		Mar 20	Mar 19
	Reference	\$000s	\$000s
New sales			
Realised fair value movement	(Note 7)	105,757	87,866
Sale of occupation rights	(Key statistics)	386,673	290,701
Gross development margin		27%	30%
Resales			
Realised fair value movement	(Note 7)	109,565	102,600
Resale of occupation rights	(Key statistics)	483,190	417,358
Gross resales margin		23%	25%

Appendix 5: Cash management fees

		Mar 20	Mar 19
	Reference	\$000s	\$000s
Accrued management fees – opening	(Note 13)	376,161	321,631
Less: Accrued management fees – closing	(Note 13)	(439,636)	(376,161)
Movement in accrued management fees		(63,475)	(54,530)
Plus: DMF income	Income statement	88,713	78,944
Plus: Revenue in advance movement	(Note 22)	6,456	5,890
Plus: GST / accommodation credit adjustment	Not disclosed	(599)	(105)
Plus: Movement in resident loan	Not disclosed	13,486	8,914
Cash management fees		44,581	39,113

Appendix 6: Investment property summary

As at 31 March 2020	CBRE unit price inflation assumption					Discount rate
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5+	
Auckland	-1.5%	0.2%	2.1%	3.0%	3.5%	12.9%
Rest of New Zealand	-1.0%	0.3%	2.0%	2.7%	3.4%	13.5%
Melbourne	0.0%	0.6%	2.8%	3.7%	4.1%	14.6%

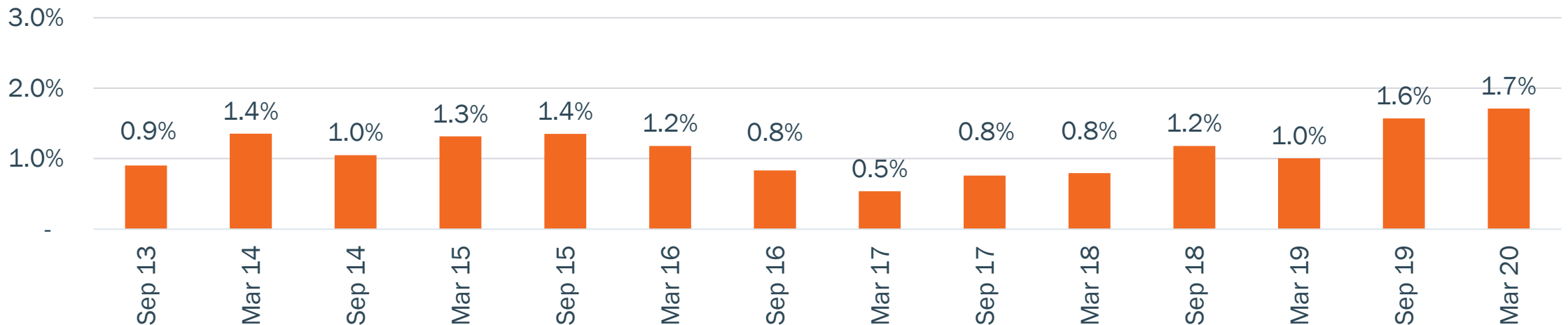
As at 31 March 2019	CBRE unit price inflation assumption					Discount rate
	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5+	
Auckland	0.9%	1.8%	2.2%	2.7%	3.2%	12.5%
Rest of New Zealand	0.8%	1.4%	1.9%	2.7%	3.2%	13.3%
Melbourne	0.7%	2.6%	3.6%	4.0%	3.9%	14.1%

Appendix 7: Operating cash flows

	Mar 20	Mar 19
	\$000s	\$000s
Resident receipts	333,476	302,046
Refundable accommodation deposits (net)	41,120	3,807
Development sales	305,540	300,351
Resales	449,797	403,292
Total receipts from residents	1,129,933	1,009,496
Interest received	573	588
Payments to suppliers and employees	(345,765)	(306,234)
Payments to residents	(315,903)	(283,736)
Interest paid	(19,047)	(18,689)
Net operating cash per the cash flow statement	449,791	401,425

Appendix 8: Available resale stock

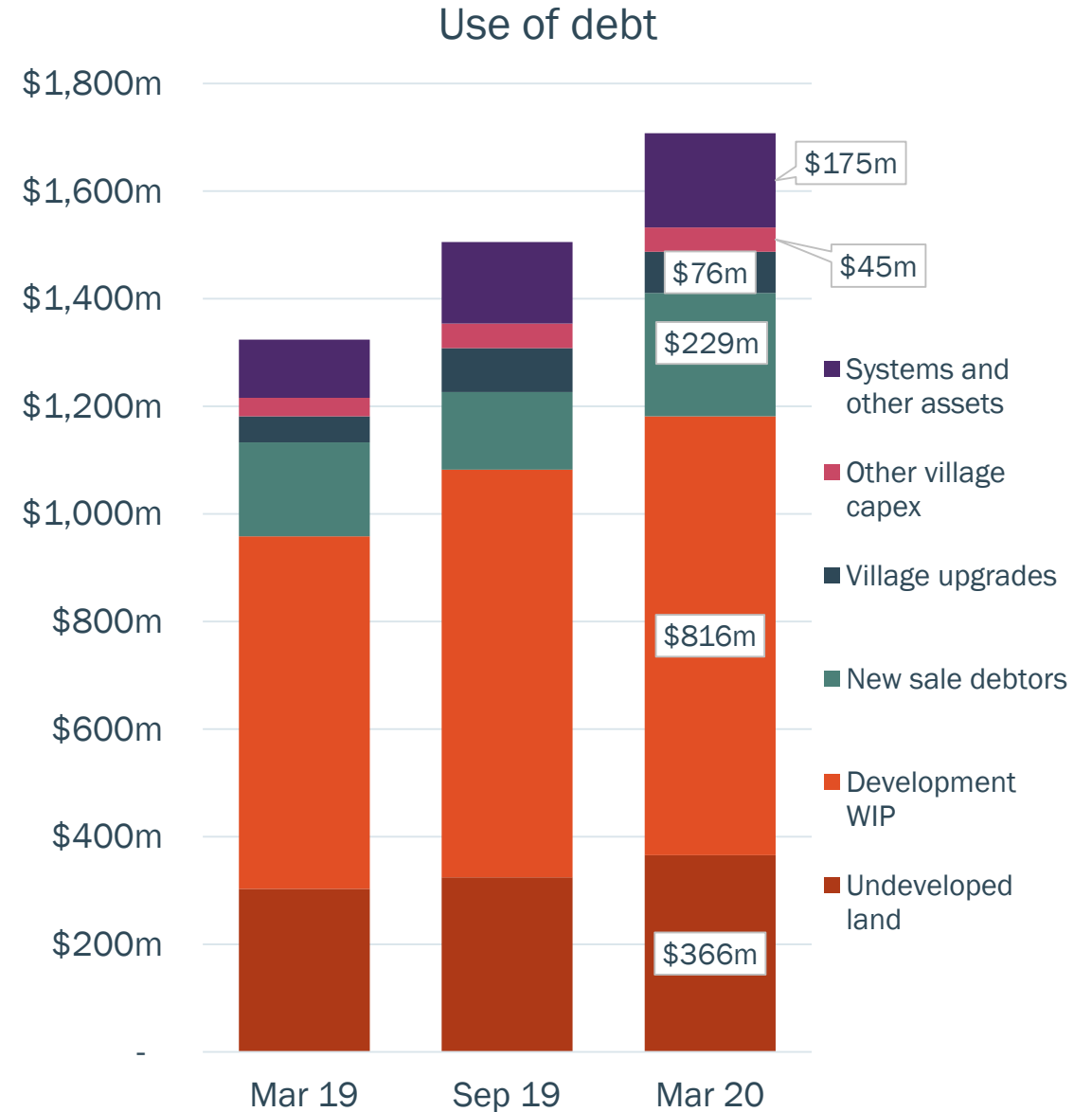
	Mar 20	Sep 19	Mar 19
Independent living units	60	48	29
Serviced apartments	67	63	40
Total resales stock	127	111	69
Total retirement portfolio	7,423	7,071	6,878
Uncontracted stock percentage *	1.7%	1.6%	1.0%



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

Appendix 9: Capital management

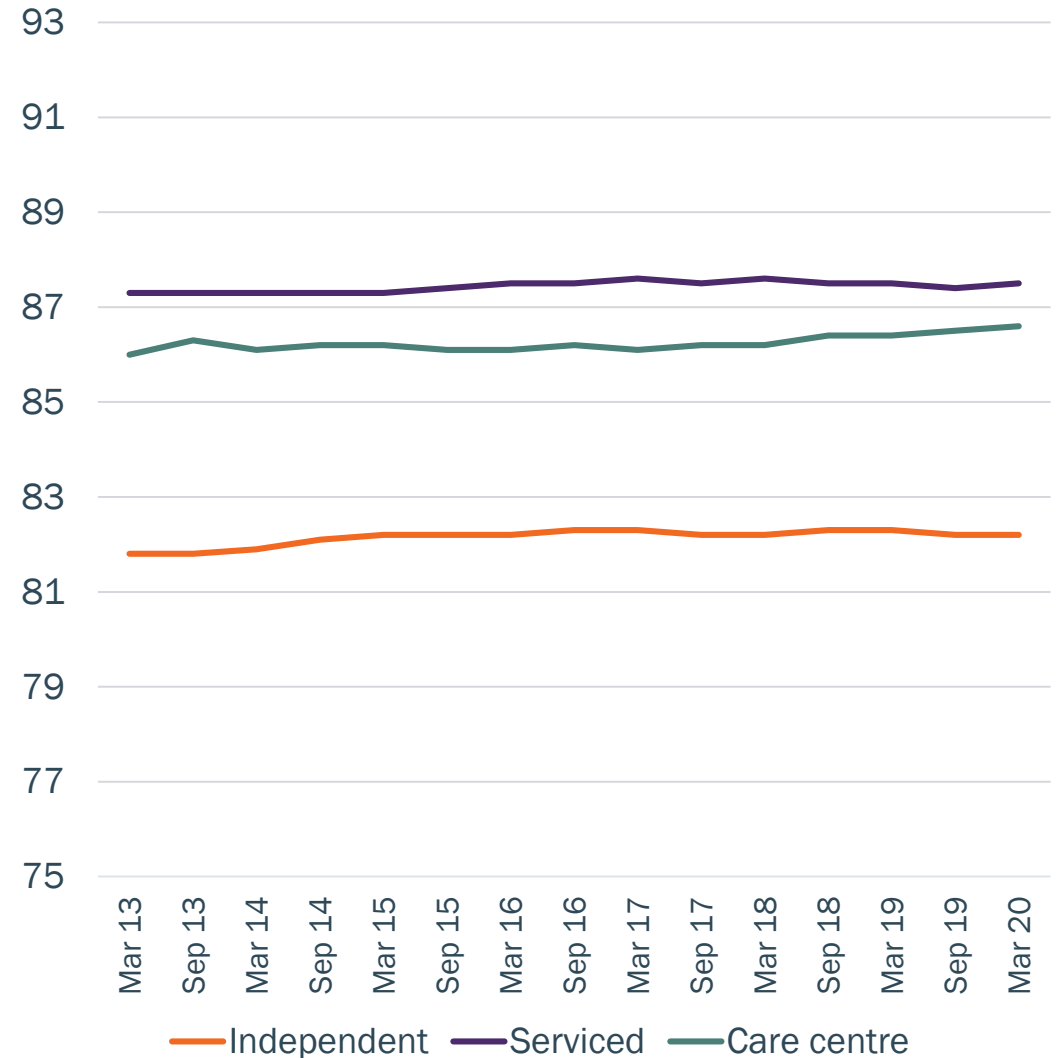
Gearing (\$m)	Mar 20	Mar 19
Bank debt	\$1,707	\$1,324
Net assets	\$2,301	\$2,170
Total asset	\$7,677	\$6,651
Bank debt/(bank debt + eq)	42.6%	37.9%
Bank debt/total assets	22.2%	19.9%



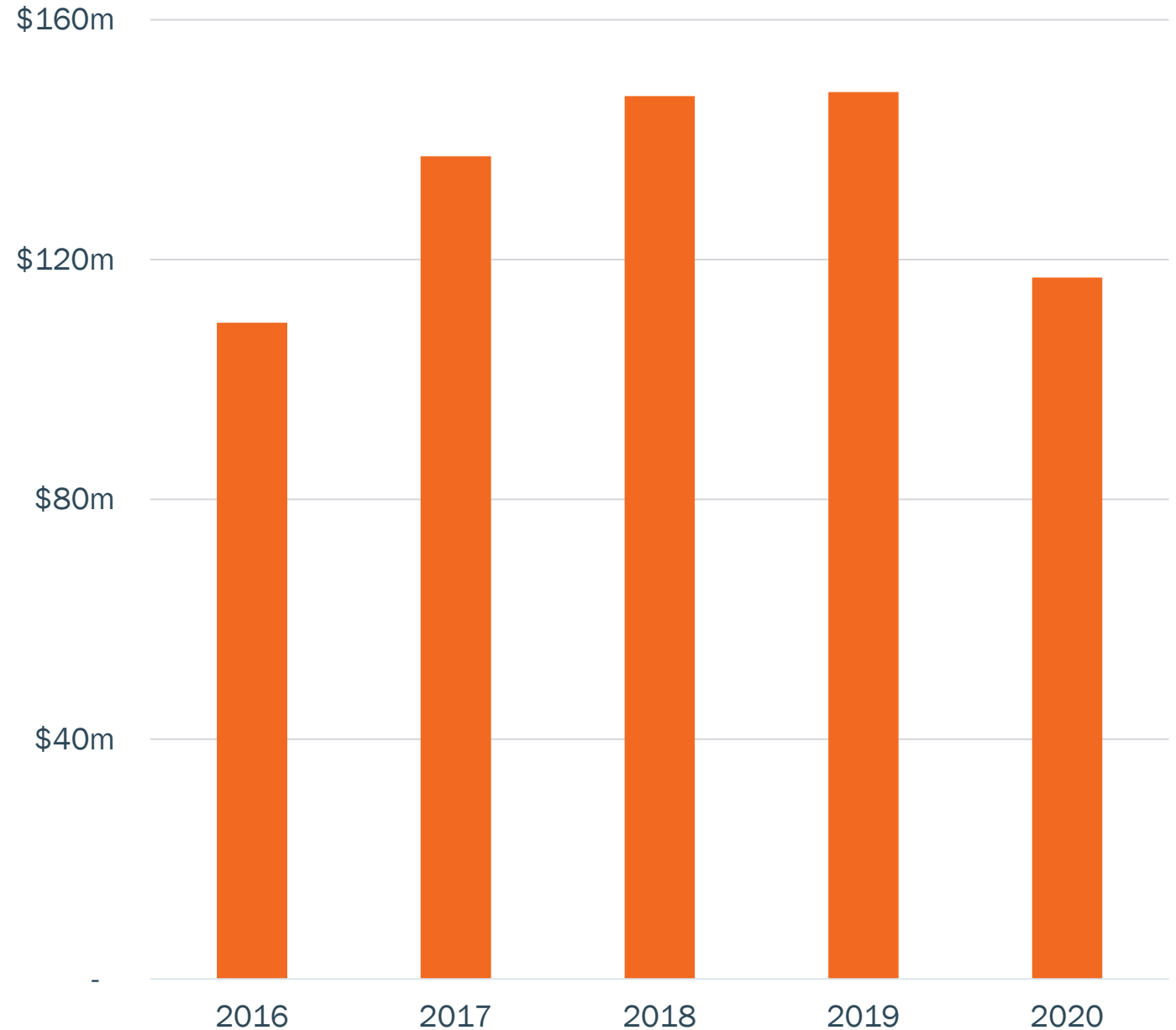
Appendix 10: Resident average age and tenure (years)

Average age	Mar 20	Mar 19
Independent	82.2	82.3
Serviced	87.5	87.5
Care centre	86.6	86.4

Average tenure - vacated units	Mar 20	Mar 19
Independent	5.7	5.5
Serviced	3.0	2.6

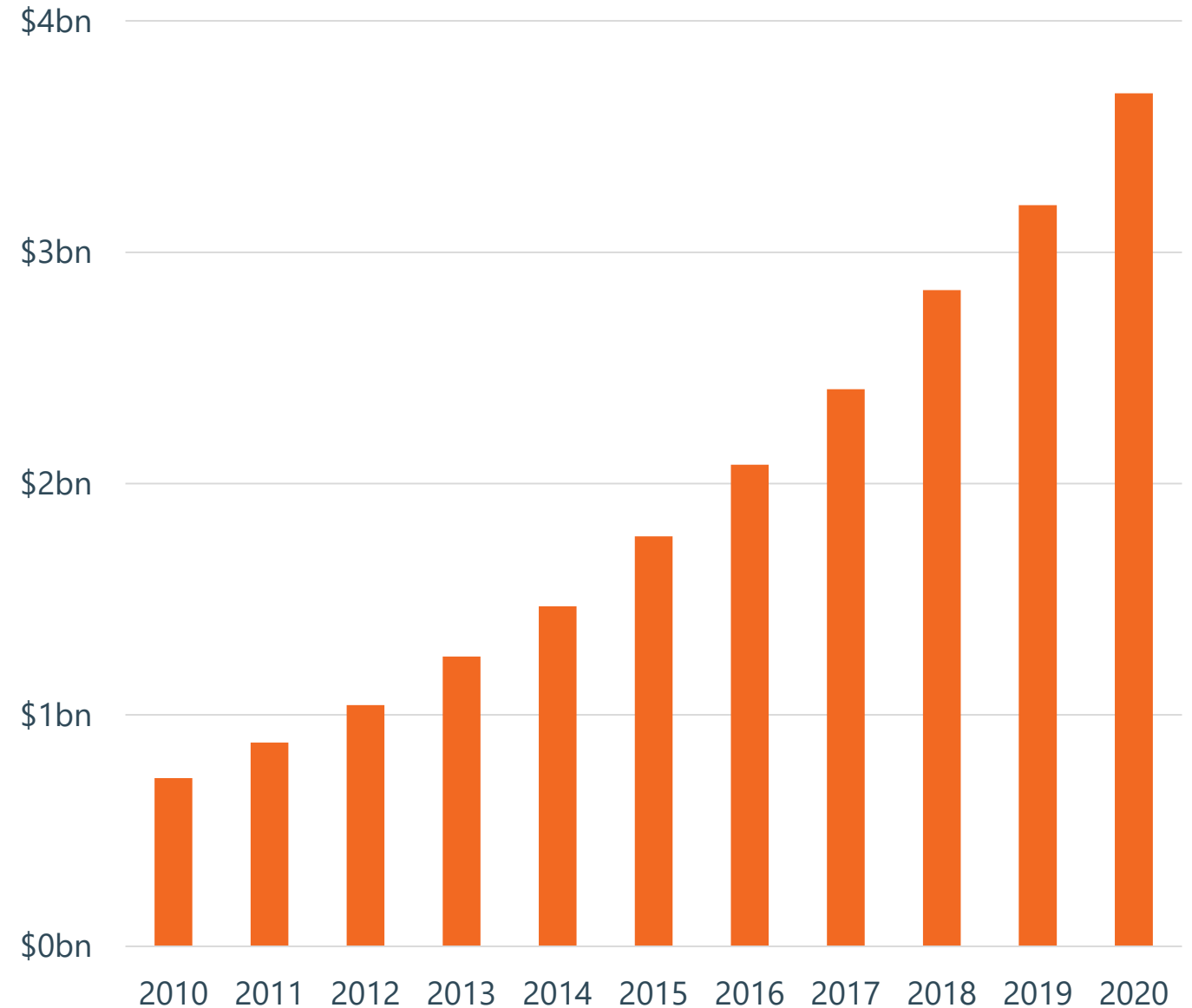


Appendix 11: Value of contracts not booked

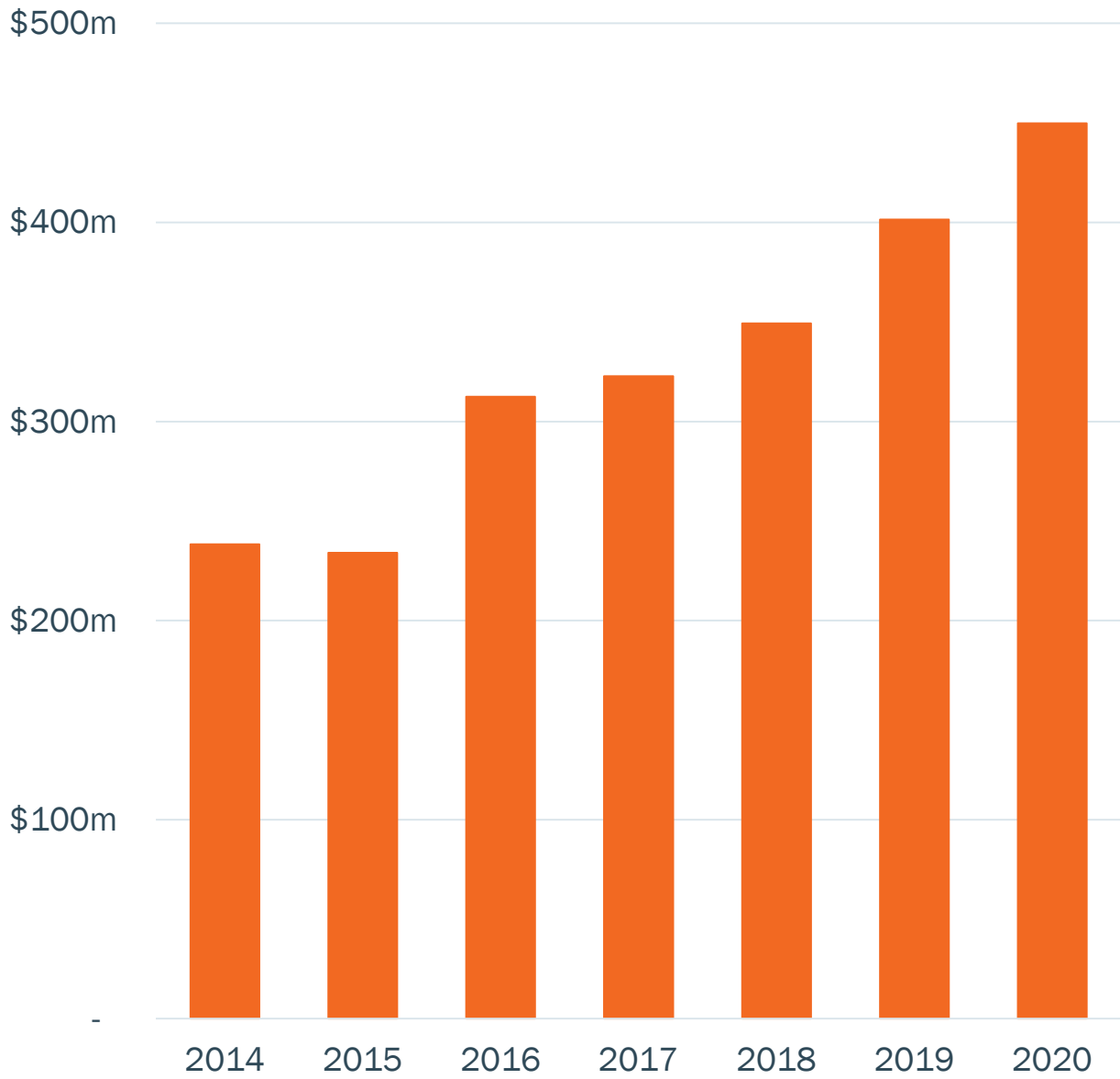


Presales are unconditional occupation right agreements which have been entered into by residents but have not been booked as the unit is not yet near complete.

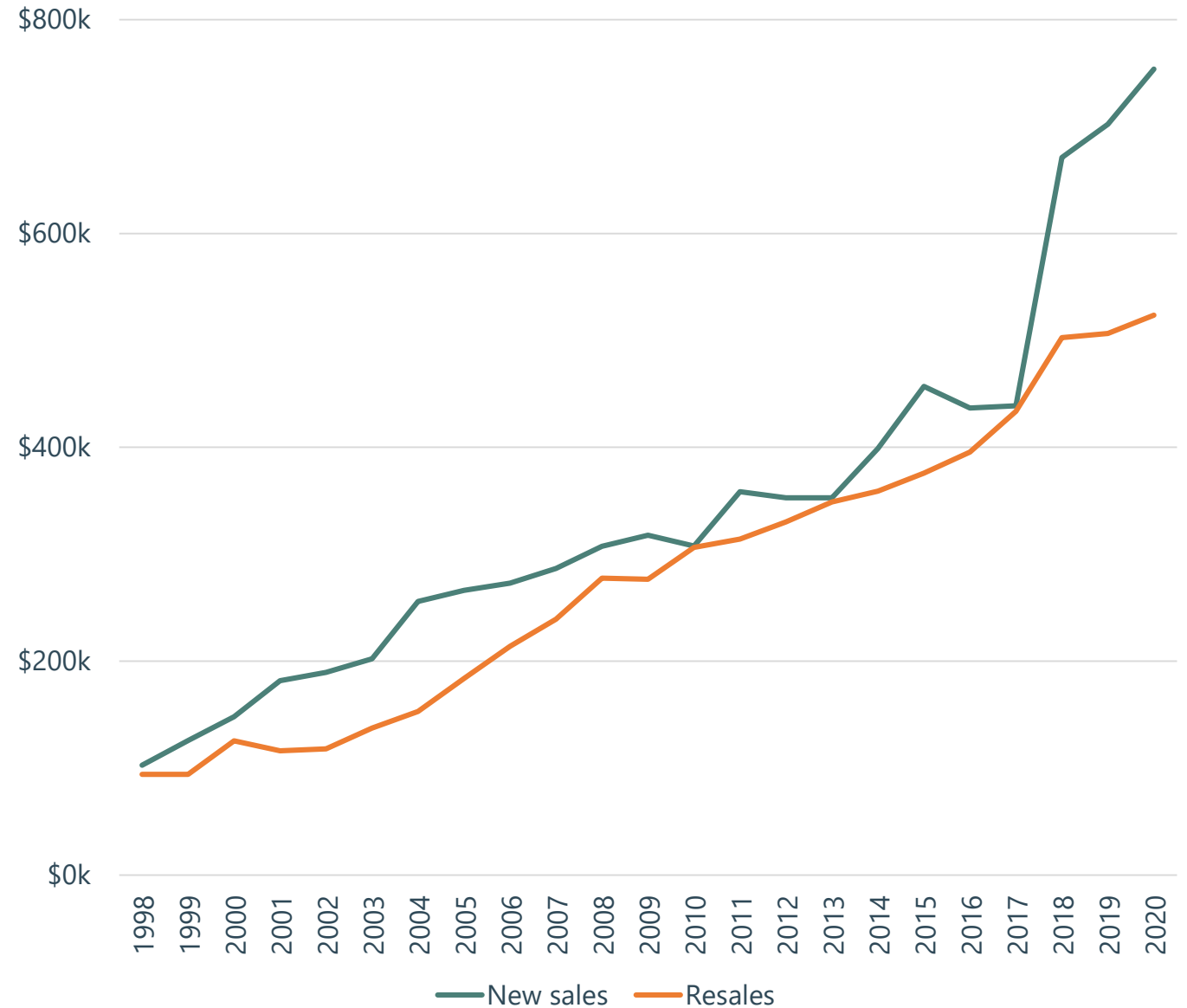
Appendix 12: Gross occupancy advances



Appendix 13: Operating cash flow



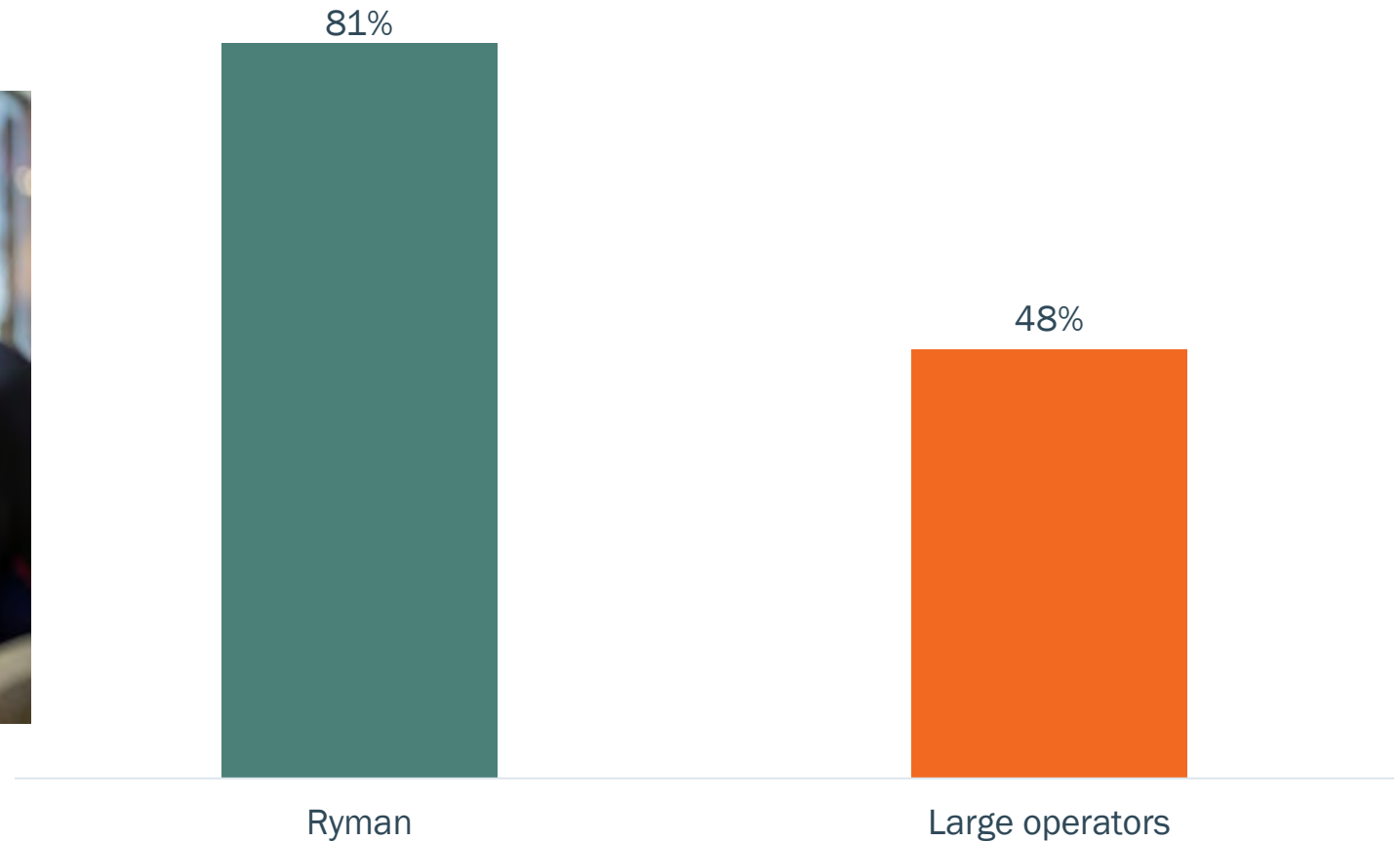
Appendix 14: Average new and resale prices



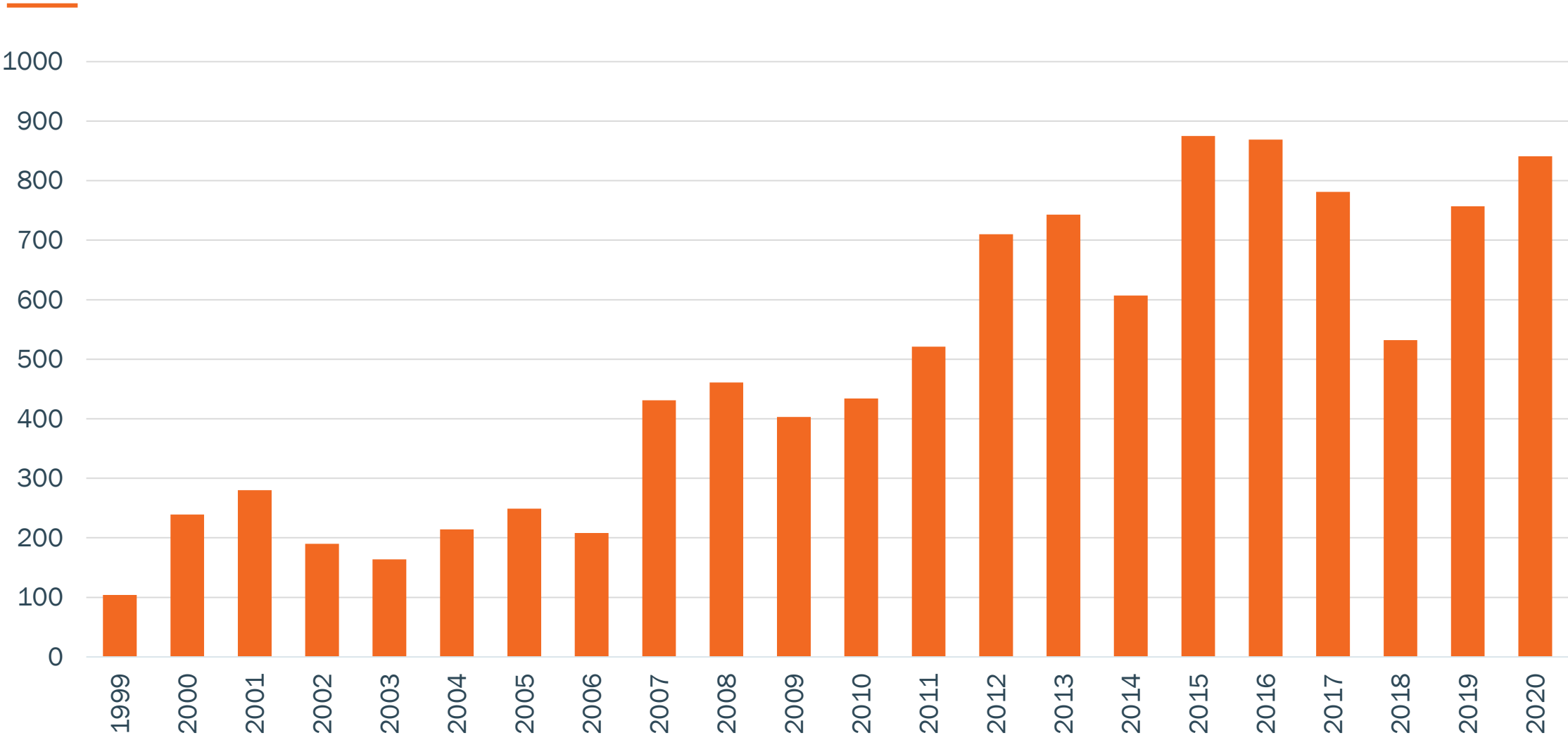
Appendix 15: The 'gold standard' of care 4 year certification



Source: Ministry of Health. Large operators reflects aged care providers with 15 or more care centres. Data at 29 May 2020.



Appendix 16: Our build rate





Appendix 17: Eleven sites in Victoria



Appendix 18: 13 sites in Auckland

Appendix 19: 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	254	457
Charles Fleming	Waikanae	40	40	40	79	201	400
Charles Upham	Rangiora	40	40	40	93	261	474
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
Frances Hodgkins	Dunedin	-	-	51	32	42	125
Havelock North	Hawkes Bay	-	-	-	-	25	25
Hilda Ross	Hamilton	68	40	43	51	167	369
Jane Mander	Whangarei	60	32	20	71	183	366
Jane Winstone	Whanganui	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	105	262
Linda Jones	Hamilton	40	-	40	20	107	207
Malvina Major	Wellington	90	-	30	39	123	282
Margaret Stoddart	Christchurch	-	-	46	20	20	86
Ngaio Marsh	Christchurch	81	-	30	40	119	270
Princess Alexandra	Napier	60	24	24	54	70	232
Rita Angus	Wellington	49	-	20	49	99	217
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)		1,152	523	838	1,337	3,093	6,943

Appendix 19: Asset base

Auckland

Village	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Bert Sutcliffe	Birkenhead	40	40	40	81	225	426
Bruce McLaren	Howick	41	40	42	74	192	389
Edmund Hillary	Remuera	114	30	50	60	372	626
Evelyn Page	Orewa	60	37	20	66	248	431
Grace Joel	St Heliers	77	-	20	80	69	246
Lincoln Road	Auckland	-	-	-	-	30	30
Murray Halberg	Lynfield	42	42	40	86	111	321
Logan Campbell	Greenlane	43	30	43	80	116	312
Possum Bourne	Pukekohe	40	40	40	84	259	463
William Sanders	Devonport	40	36	36	77	81	270
Total units & beds Auckland		497	295	331	688	1,703	3,514
Total units & beds New Zealand		1,649	818	1,169	2,025	4,796	10,457

Victoria

Village	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Weary Dunlop	Melbourne	30	20	32	48	200	330
John Flynn	Melbourne	-	-	-	-	53	53
Nellie Melba	Melbourne	80	39	74	86	215	494
Total units & beds Victoria		110	59	106	134	468	877

New Zealand and Victoria

Total units & beds	1,759	877	1,275	2,159	5,264	11,334
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	Total	% of asset base
Care (hospital, dementia, resthome and serviced)	6,070	53.6%
Independent	5,264	46.4%

Appendix 20: Land bank (New Zealand)

Existing villages	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Diana Isaac	Christchurch	-	-	-	-	30	30
Grace Joel	Auckland	-	-	-	-	96	96
Havelock North	Hawkes Bay	35	35	20	76	122	288
Jean Sandel	New Plymouth	-	-	-	-	59	59
Lincoln Road	Auckland	42	37	42	77	156	354
Linda Jones	Hamilton	-	40	-	73	141	254
Murray Halberg	Auckland	-	-	-	-	230	230
William Sanders	Auckland	-	-	-	-	111	111
Total existing villages		77	112	62	226	945	1,422

New sites	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Hobsonville	Auckland	40	40	40	101	276	497
Karori	Wellington	20	20	20	84	178	322
Kohimarama	Auckland	20	40	20	78	125	283
Takapuna*	Auckland	15	15	15	31	67	143
Newtown	Wellington	20	15	20	56	40	151
Northwood	Christchurch	30	30	30	60	156	306
Park Terrace / Bishopspark	Christchurch	36	40	40	79	130	325
Riccarton Park	Christchurch	40	40	40	66	226	412
Total new sites		221	240	225	555	1,198	2,439
Total land bank New Zealand		298	352	287	781	2,143	3,861

The land bank is subject to resource and building consent and various regulatory approvals.

* Site acquisition at Takapuna is subject to Overseas Investment Office approval.

Appendix 20: Land bank (Victoria)

Existing villages	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Nellie Melba	Melbourne	-	-	-	-	113	113
John Flynn	Melbourne	38	38	38	96	121	331
Total existing villages		38	38	38	96	234	444

New sites	Location	Hospital	Dementia	Resthome	Serviced	Independent	Total
Aberfeldie	Melbourne	25	25	24	27	64	165
Coburg	Melbourne	35	35	36	76	200	382
Highton	Victoria	40	20	40	60	80	240
Highett	Melbourne	30	30	20	37	94	211
Mount Eliza	Victoria	40	44	40	55	217	396
Mount Martha	Victoria	40	40	36	37	70	223
Ocean Grove	Victoria	40	40	40	53	83	256
Ringwood East	Melbourne	40	40	40	55	242	417
Total new sites		290	274	276	400	1,050	2,290
Total land bank Victoria		328	312	314	496	1,284	2,734

Total land bank New Zealand & Victoria		626	664	601	1,277	3,427	6,595
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The land bank is subject to resource and building consent and various regulatory approvals.



Disclaimer

This presentation

This presentation sets out information relating to Ryman Healthcare Limited's full year result for the period to 31 March 2020. It should be read in conjunction with all other material which we have released, or may release, to NZX from time to time. That material is also available on our website at www.rymanhealthcare.com.

Purpose of this presentation

This presentation is for information purposes only. It is not an offer of financial products, or a proposal or invitation to make any such offer. It is not investment advice or a recommendation in relation to financial products, and does not take into account any person's individual circumstances or objectives. Every investor should make an independent assessment of Ryman on the basis of expert financial advice.

Forward-looking statements

This presentation contains forward-looking statements and projections. These reflect our current expectations, based on what we think are reasonable assumptions. However, any of these forward-looking statements or projections may be materially different due to a range of factors and risks. Ryman gives no warranty or representation as to our future financial performance or any future matter.

Non-GAAP information

Some of the financial information in this presentation has not been prepared in accordance with generally accepted accounting principles (i.e. it is non-GAAP financial information). This includes, in particular, our 'underlying profit' which Ryman has used for many years as a means of showing our profit absent any unrealised valuation movements. Ryman has historically used underlying profit as the basis for determining dividend payments to shareholders. We show our underlying profit together with our reported profit based on NZ IFRS (a GAAP measure).

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