



2017

SHAREHOLDER HOLDER MEETING

7 JULY

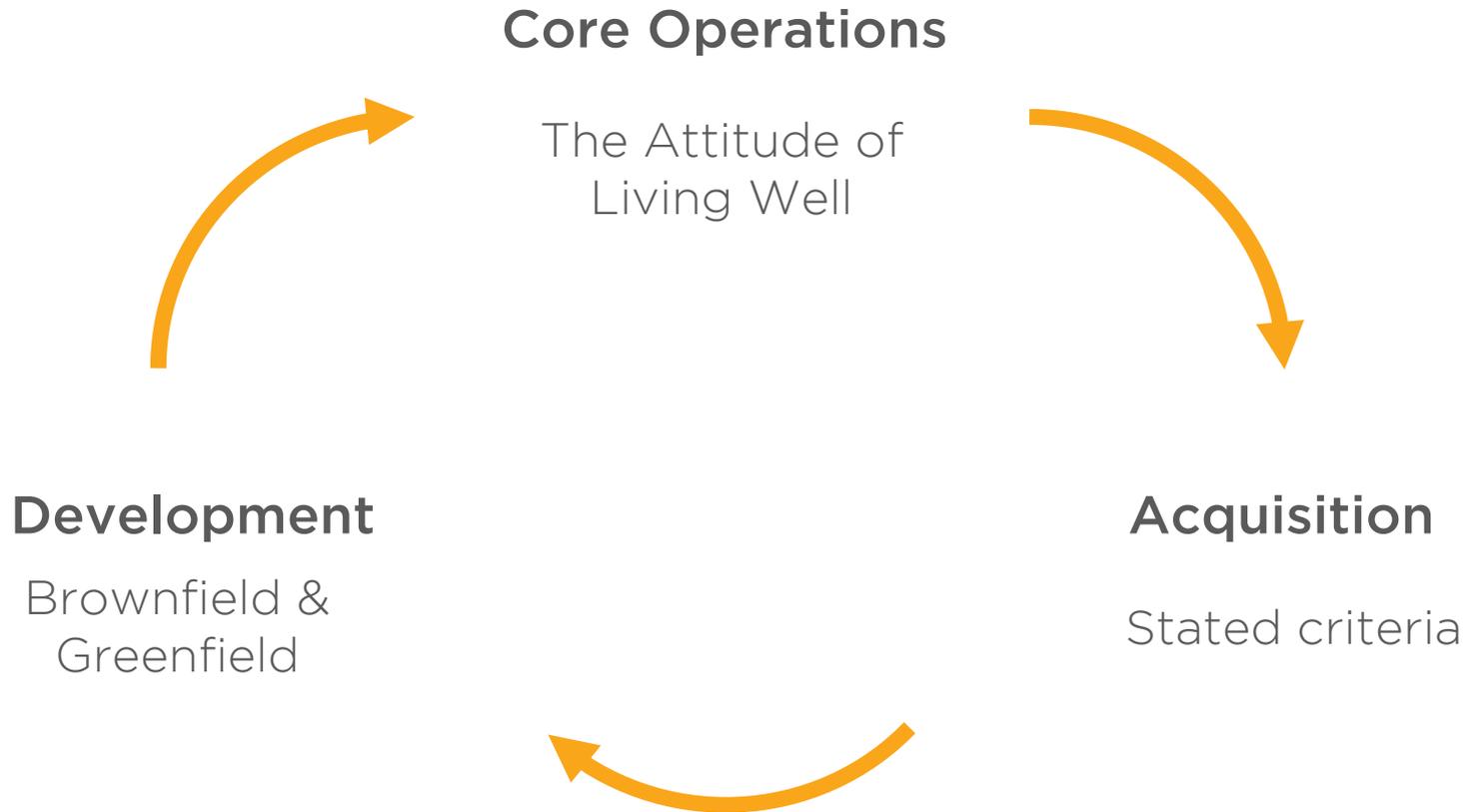


CEO'S REVIEW





STRATEGY UPDATE





OVERVIEW OF OPERATIONS

- Excellent result from our first resident survey
- Integration of the household model:
 - Multi-faceted approach bringing together philosophies of eating well, moving well, thinking well, resting well and engaging well
 - To create an environment that feels like home
- Initiatives will continue to take a needs-based focus
- Equal pay settlement announced:
 - Excellent outcome for caregivers
 - Impact neutral to earnings but positive to retention rates



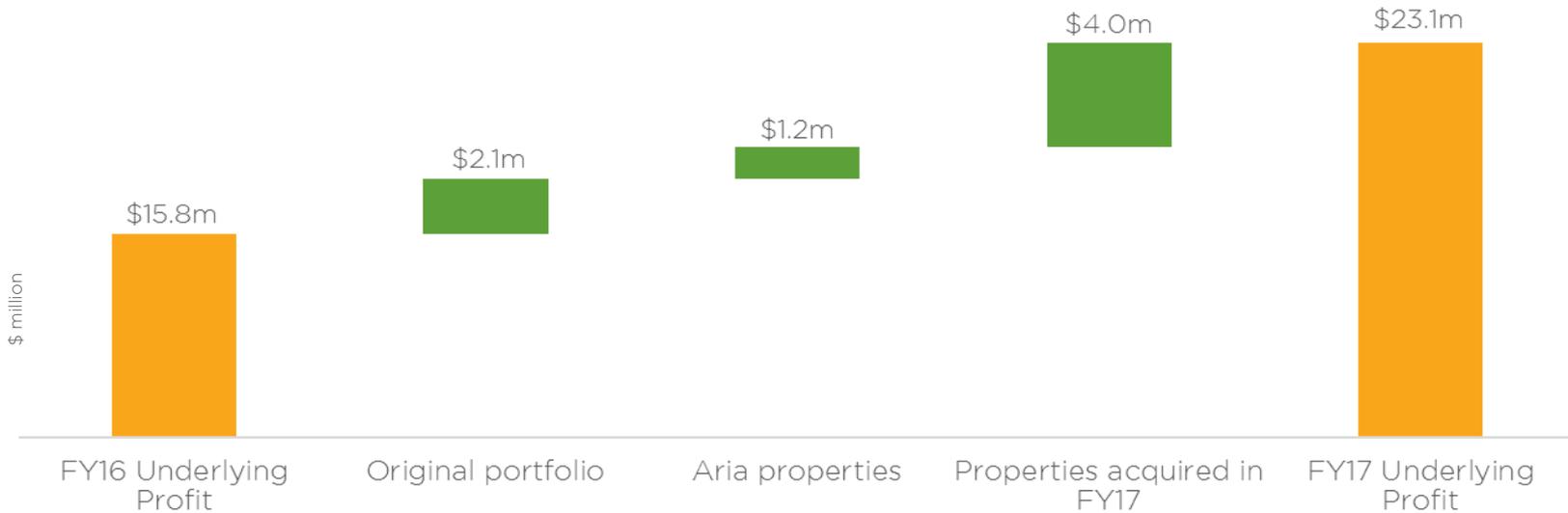
STRONG FINANCIAL PERFORMANCE

- Strong FY2017 result well above FY2016 on all measures
- 27% accretion in Underlying Profit per share
- Lift in care occupancy to 95%
- Total of 166 resales and 32 sales of new units completed in period:
 - Prices have continued to firm across villages
 - Low levels of vacant stock
- Strong operating cash flow reflects high care component



STRATEGY DELIVERS UPLIFT

Movements in Underlying Profit¹



1. Underlying Profit is a non-GAAP (unaudited) measure and differs from NZ IFRS net profit after tax by replacing the unrealised fair value adjustment in property values with the Board's estimate of realised components of movements in investment property value and to eliminate deferred tax and one-off items.

INCREASED ASSET BASE

- Investment property increased 92% or \$274m:
 - \$215m of investment property purchased as part of village acquisitions in FY2017
- Average price per unit increased 32% due to acquisition of higher value units and unit repricing strategy
- \$153 million of embedded value:
 - Strong growth since IPO enhanced by acquisition strategy
- Gearing remains conservative with headroom to undertake development programme



5 ACQUISITIONS ADDED 600+ UNITS

Cascades



Lauriston Park



Copper Crest



Bethlehem Views



Lansdowne Park





900+ UNITS IN DEVELOPMENT PIPELINE

	CARE	ILUs	TOTAL	NEEDS %
CURRENT	1,446	1,301	2,747	74%
Development in progress	36	226	262	49%
Future development	120	285	405	100%
Greenfield development	40	200	240	33%
Total development	196	711	907	68%
ON COMPLETION	1,642	2,012	3,654	73%



PARK LANE - CHRISTCHURCH





USE OF INNOVATIVE MATERIALS



- Cross laminated timber
- Seismic integrity
- Visually warm
- Thermal performance

PARK LANE





GREENFIELD DEVELOPMENT SITE





DIVIDENDS

4th Quarter FY2017
Dividend

1.15 cps

Imputed at 0.4 cps
Increase sustainable

Total Net FY2017
Dividend

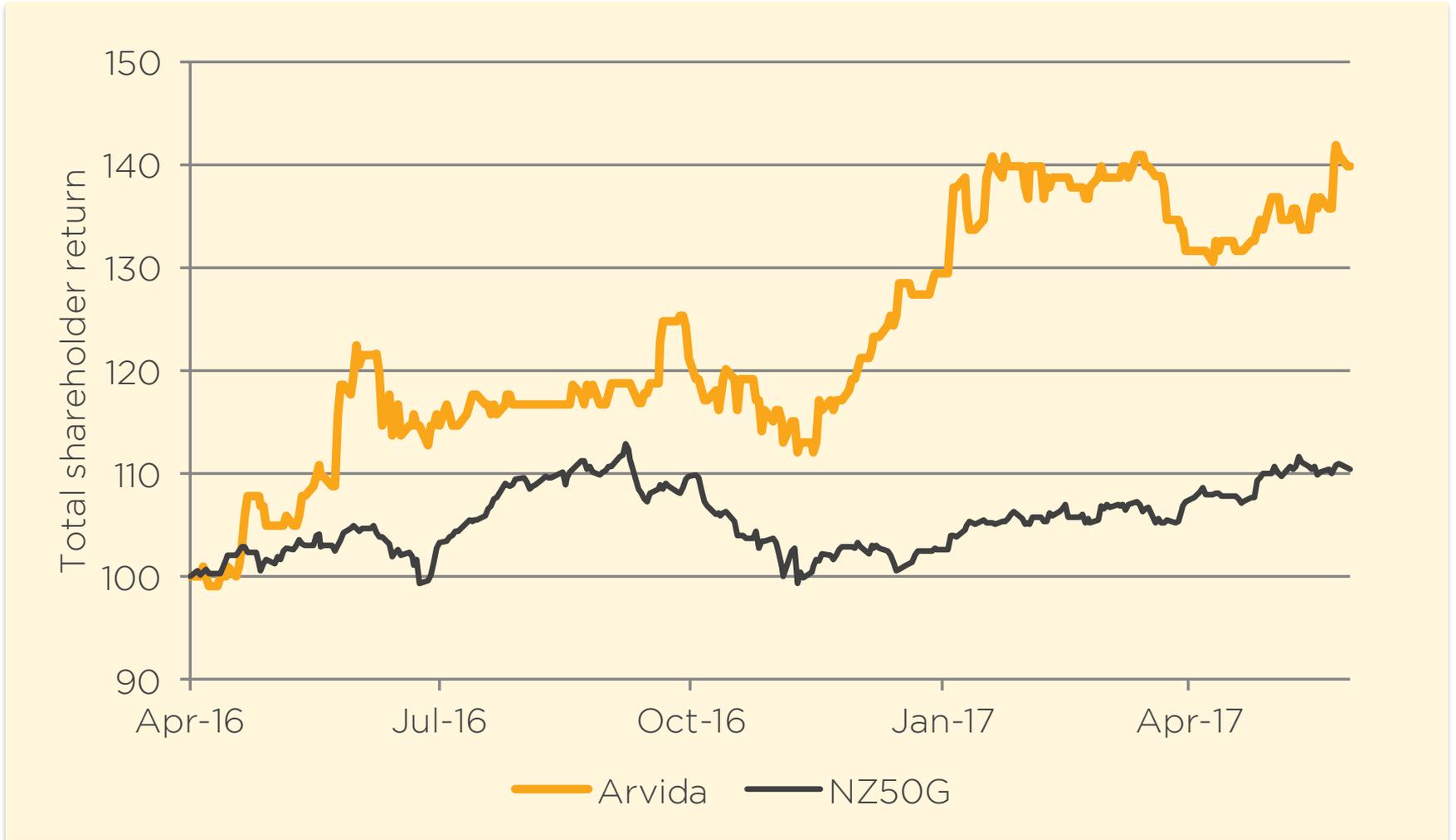
4.45 cps

5% up on last year
62% of Underlying Profit

- Momentum in revenue and earnings continuing
- Fundamentals continue to underpin sector outlook



PERFORMANCE UPDATE



Source: IRESS



THANK YOU