PRESENTATION OF FY2018 RESULTS

Arvida Group Limited
Year Ended 31 March 2018

28 May 2018

FY18 RESULT HIGHLIGHTS

Financial Performance

Reported NPAT at $58m; 43% increase in Underlying Profit[1] to $33m

Accretive Acquisitions

Three quality villages integrated into Group; immediately earnings accretive and performing well

Development Activity

97 new units delivered; expanded development programme and development team

Financial Position

Assets now over $1.1b with conservative capital structure; $77m rights issue successfully completed to fund acquisitions

Strong Care Demand

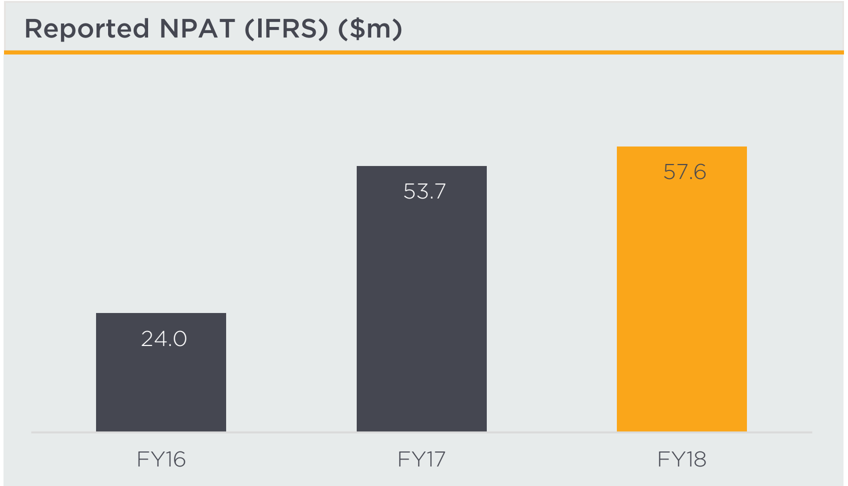
Care facility occupancy remains very high at 96% well above industry average; 70% of total revenue underpinned by care fees

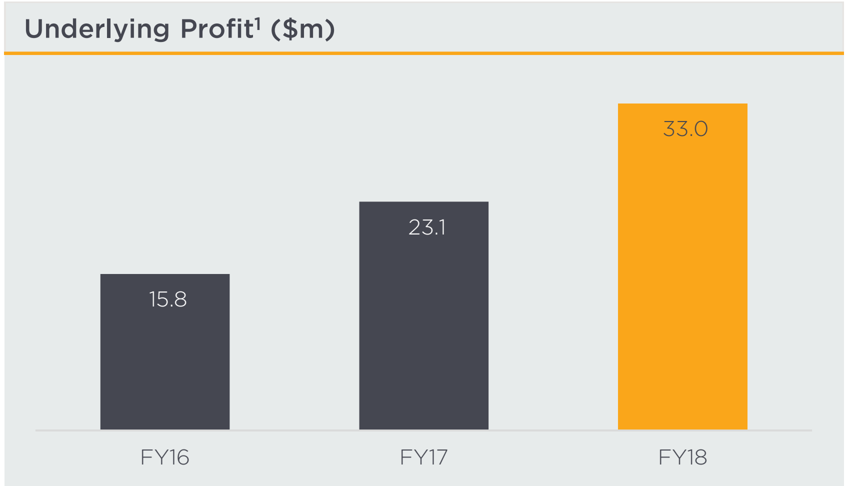
Positive Outlook

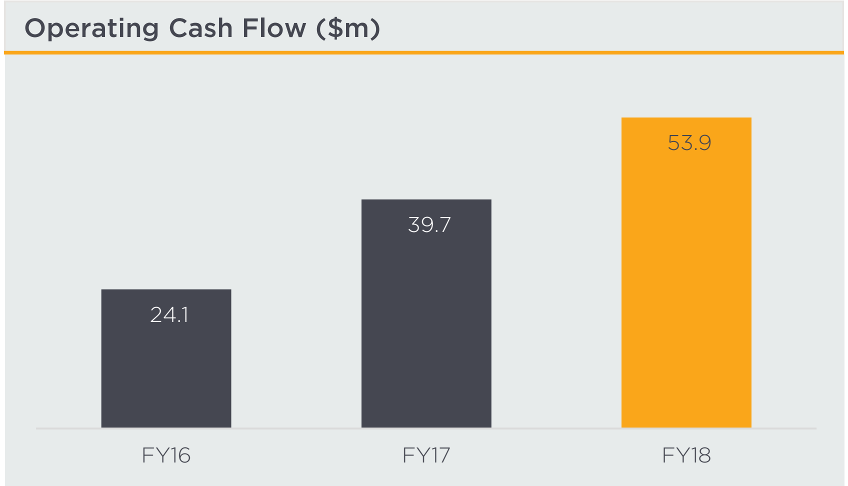
Exceptional NPS result; increased dividend declared plus special dividend

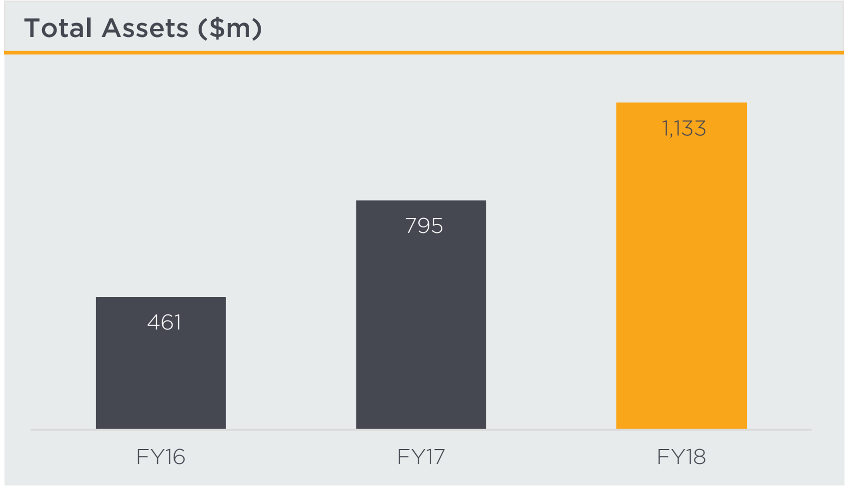
1. Underlying Profit is a non-GAAP (unaudited) financial measure and differs from NZ IFRS net profit after tax. A reconciliation to Reported Net Profit after Tax is provided on page 19 and definition on page 28.

STRONG TRENDS CONTINUE









1. Underlying Profit is a non-GAAP (unaudited) financial measure and differs from NZ IFRS net profit after tax. A reconciliation to Reported Net Profit after Tax is provided on page 19 and definition on page 28.

BUSINESS OVERVIEW

OUR STATED STRATEGY

Strategy Update

LIVING WELL

Our Vision
is to improve the lives and wellbeing of our residents by 1 transforming the ageing experience.

Our commitment
is to challenge ourselves to make our 2 residents' lives better with everything we do.

BUILDING WELL

Brownfield
development activity within existing villages.

Greenfield
development where we see value.

BUYING WELL

Acquisition criteria are
location, quality of assets and current management, opportunities for development and immediately earnings accretive.

ENGAGING WELL

3 **Customer focused**
approach to health service delivery in the broader community.

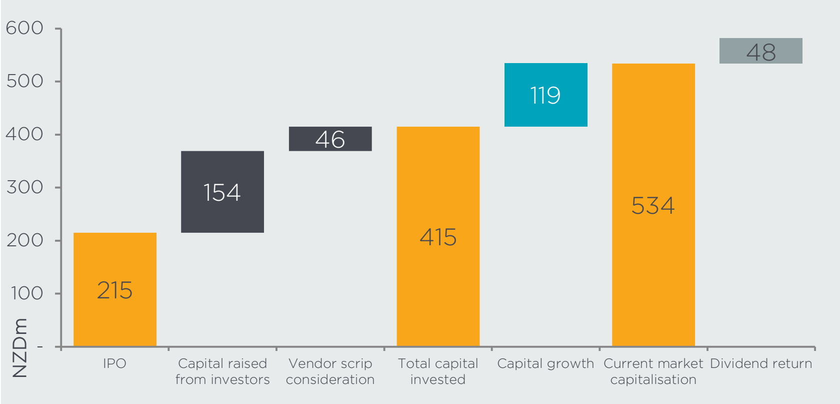
1. Attitude of Living Well model emphasises resident autonomy, engagement and relationship-centred care. Comprises five wellness pillars – eating, thinking, resting, moving and engaging well – that encourage holistic practice and excellence in clinical care in an environment that supports living well
2. Resident survey of both retirement village and care facilities measures our performance annually
3. Incorporates the community aspects of the Attitude of Living Well model where we help the resident regain connection to the wider community:
   - Continue to develop product that integrates with the community, allowing better connections and relationships
   - Better positions the business for the next wave of customers; the Baby Boomers

SNAPSHOT OF ARVIDA

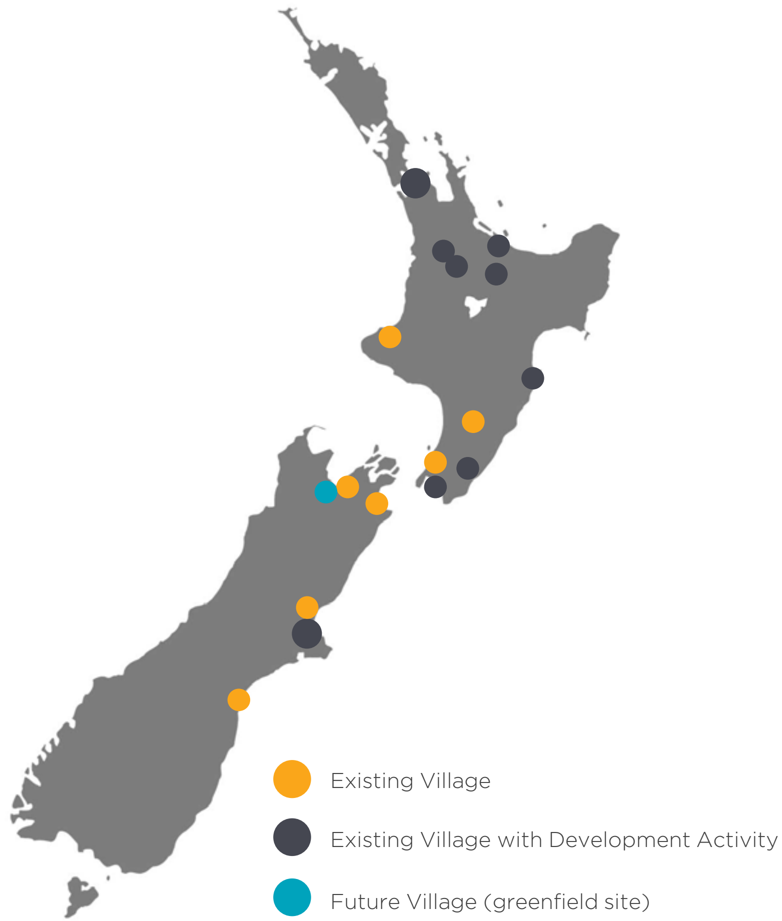
Overview

- Listed on NZX in December 2014
- Balance sheet growth of 250% since listing
- Nearly 4,000 residents across 29 villages
- High needs-based portfolio
- 1,850 retirement units; including villas, apartments, serviced apartments and care suites
- 1,743 care beds; including rest home, dementia and hospital-level care
- Brownfield development in progress at 8 villages, earthworks underway at first greenfield development
- Development pipeline of 1,000+ units at 31 March 2018

Gross Returns (since IPO)



Village Locations

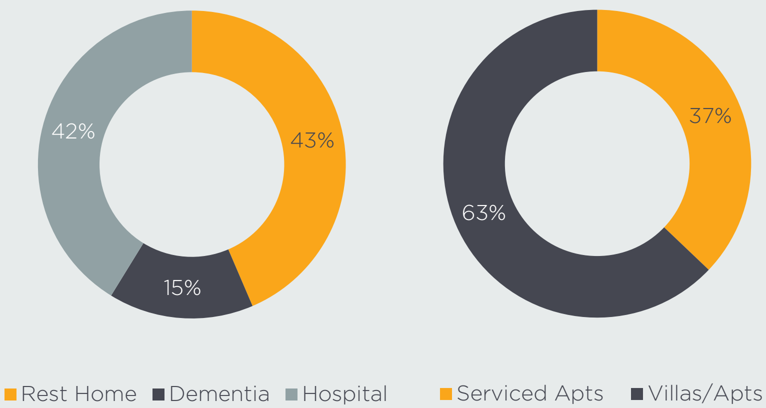


PORTFOLIO COMPOSITION AT 31 MARCH 2018

Portfolio Composition[1]

	FY17	DEV	ACQ	ADJ	FY18
Rest Home	714	-	49	-20	743
Dementia	150	-	117	-	267
Hospital	582	-	140	+11	733
Total Aged Care	**1,446**	**-**	**306**	**-9**	**1,743**
Serviced Apts/Suites	588	4	97	-1	688
Villas/Apts	713	97	354	-2	1,162
Total Retirement Units	**1,301**	**101**	**451**	**-3**	**1,850**
Total Units/Beds	**2,747**	**101**	**757**	**-12**	**3,593**
Development	907				1,099

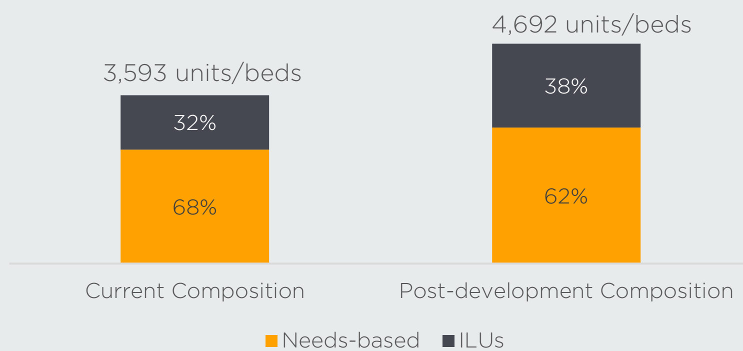
Aged Care Composition



Commentary

- 4 care suite conversions at Mary Doyle and Village at the Park since acquired
- 97 new units developed over the period
- Other adjustments in accommodation mix reflect a combination of swing beds and decommissioning for development

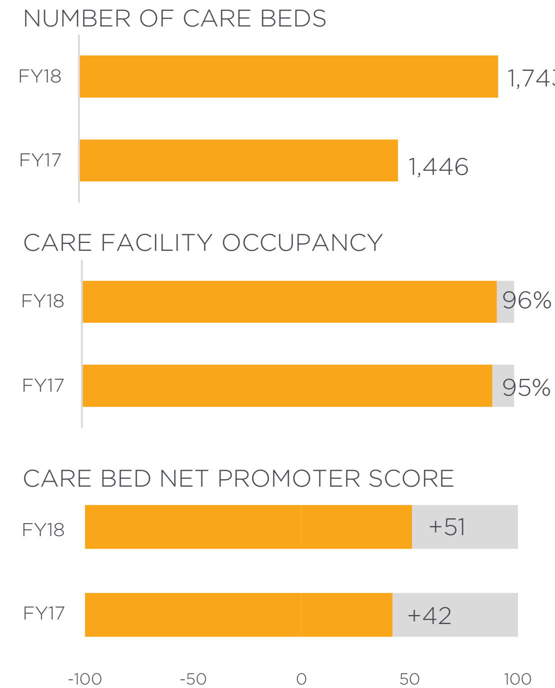
Needs-based Composition



1. Figures include 100% of Village at the Park. The Group has a 50% interest in Village at the Park.

EXCELLENCE IN CARE

- Care facility occupancy in March 2018 higher at 96% with average for last 12 months at 95% across our 26 care facilities (1,743 beds)
- Continued excellent Ministry of Health audit results with 12 facilities now achieving the gold standard of 4 years certification:
  - 83% of certification audits completed this year achieved extended 4 year period
  - 13 facilities have 3 years certification and only one facility has 2 year certification (to be audited later this year)
  - Clinical standard is substantially above national level, where nationally 21% of aged care facilities^ hold 4 year certification relative to 46% of Arvida's facilities
- Exceptional resident survey exceeding last year's inaugural result on higher participation:
  - Net Promoter Score of +53 in villages and +51 in care facilities, much higher than industry context



^ HDANZ Aug 2017, designated audit agency for approximately 55% NZ aged care.

OPERATIONAL HIGHLIGHTS

- Continue to invest in our people providing training and development opportunities:
  - Introduced aged care specific educational videos – a first for aged care in NZ with over 10,000 courses completed
  - Launched leadership programme for care teams across the Group to support the Attitude of Living Well
- Developing additional services that reflect The Attitude of Living Well to support village residents to receive in-home care as part of the Living Well model
- SafePlus audit of seven villages found high level of Health & Safety practices in place:
  - Achieved ACC Workplace Safety Management Practices level 3 across Group
  - National Health & Safety Manager recently appointed
- Rollout of resident management system across group progressing well – now in 23 villages
- Integration of Strathallan and Mary Doyle completed – JV at Village at the Park operating well
- Nutrition and healthy food options focus across Group by National Dietitian:
  - Providing opportunities for resident engagement with foodservice and dining experiences that promote companionship
  - Food control plan templated across Group and independently verified by external audit

DEVELOPMENT

Artist impression of Richmond, Nelson

DEVELOPMENT ACTIVITY

FY18 New Unit Delivery	Villas	Apts	S. Apts	Total
Copper Crest	13	-	-	13
Mary Doyle	5	-	-	5
Lauriston Park	22	-	-	22
Lansdowne Park	5	-	-	5
Village at the Park	-	28	-	28
Oakwoods	24	-	-	24
Total	**69**	**28**	**-**	**97**

Sales Analysis	FY18	FY17	YoY change	FY16
New Sales				
Villas	73	16	*356%*	10
Serviced apartments	2	16	*(88%)*	10
Care suites	4	-	*nm*	-
Total new units sold	79	32	*146%*	20
Value $m	41.7	14.0	*197%*	9.3
Av. value per new sale $000	**527.8**	**438.7**	*20%*	**465.0**
Development gain $m	6.5	2.4	*180%*	1.5
Development margin %	19%	17%	*200bp*	16%

Commentary

- In November 2017, guidance for FY18 was provided that Arvida expected to:
  - Deliver a total of 95 new units
  - Settle 73 new sales (with 70 over 2H18)
- For FY18, Arvida:
  - Delivered 97 new units across 6 villages
  - Settled sales of 79 new units during the year, which included 73 of the new units delivered in FY18
- Despite the delivery of new units being in the second half of the year, the sales team achieved a significant proportion of presales to enable the settlement of 73 of the 97 new units developed within the year
- Gross sale proceeds for the year were $41.7m, with average value per new sale up 20% to $528k
- Total development gains for the year were $6.5m, up from $2.4m in FY17. This included $1.9m of gains on 31 new sales at the villages acquired during the year
- Development margin improved to 19%, up from 17% in FY17
- Note: The sales analysis includes sales from Village the Park, which is 50% owned by Arvida. The “Value $m” line includes 100% of the value and the “Development gain $m” line includes 50% of gains

EXPANDED DEVELOPMENT TEAM

- Development processes are well established with new unit delivery occurring and a sizeable pipeline of over 1,000 new units identified to develop, representing a 30% increase in the current portfolio
- With the strong development pipeline within the Waikato and Bay of Plenty regions – a demographic 'Golden Triangle' for retirement living and aged care – changes have been made to our construction delivery in the region:
  - Arvida will now deliver head contractor functions in-house to complete multi-level construction in the region, enabling Arvida to capture additional construction margin
  - Builds on and strengthens Arvida's in-house project management capability and provides a blueprint for expansion of in-house construction functions across the country
  - Development team expanded with a number of strategic hires in the region, including Senior Project Manager, Quantity Surveyor, Site Manager, Quality Assurance Manager and National Health & Safety Manager
  - Team has significant experience with multi-level construction and brings a depth of local knowledge and industry relationships
  - Villa construction will continue to be through local house builders
- An internal Construction Risk Committee has been established to provide governance over in-house construction projects:
  - The Committee is tasked with reviewing construction progress, reviewing trade tendering and monitoring risks
  - Appointed an independent adviser to the Committee that has over 40 years' experience in the commercial construction industry in NZ
- Significant care and apartment developments in the planning phase in the region are: Copper Crest in Tauranga; Lauriston Park in Cambridge; and Cascades in Hamilton

CURRENT DEVELOPMENT PROGRAMME

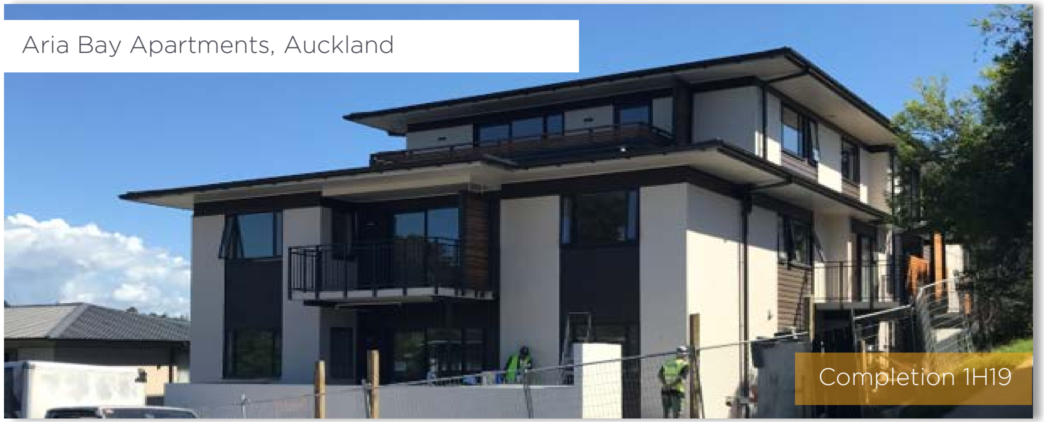
Planned delivery of 111 new units in FY19

Village	Location	Status	Villas	Apts	FY20+
Aria Bay	Auckland	Under construction	-	25	-
Copper Crest	Tauranga	Under construction	25	-	5 villas
Copper Crest	Tauranga	Construction to commence (consented)	-	-	79 Apts/Care
Lauriston Park	Cambridge	Construction to commence (consenting)	-	-	12 villas
Mary Doyle	Havelock North	Under construction	10	-	32 Villas
Village at the Park	Wellington	Under construction	-	-	24 Apts
St Albans	Christchurch	Under construction	-	-	45 Apts/Care
Park Lane	Christchurch	Under construction	-	28	51 Apts
Rhodes on Cashmere	Christchurch	Under construction	-	23	50 Apts/Care
Richmond	Nelson	Enabling works commenced	-	-	77 Villas/Apts
Total FY19 Delivery			**35**	**76**	375 units / beds

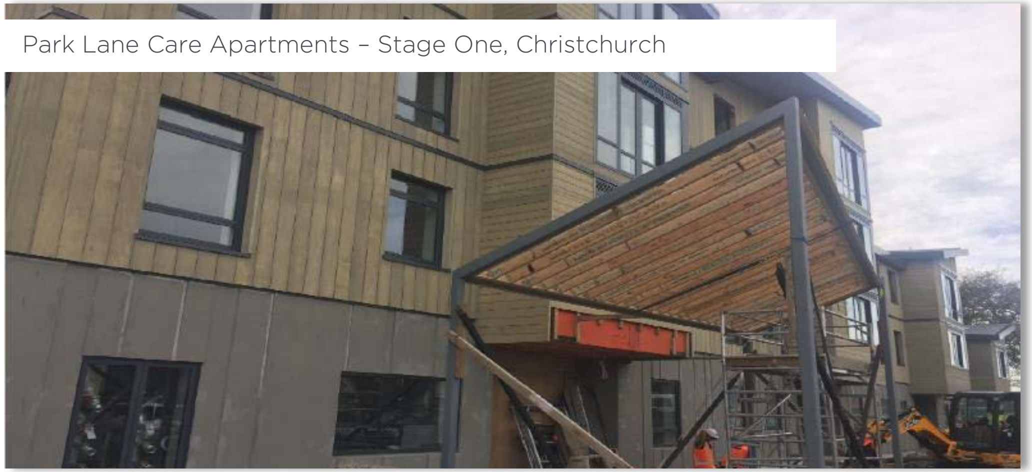
- A further 613 units/beds are in the early stages of planning for construction on existing land:
  - Includes 109 villas/apartments and 81 care suites planned at Richmond

Note, figures are gross units expected to be delivered (nil decommissions in current programme).

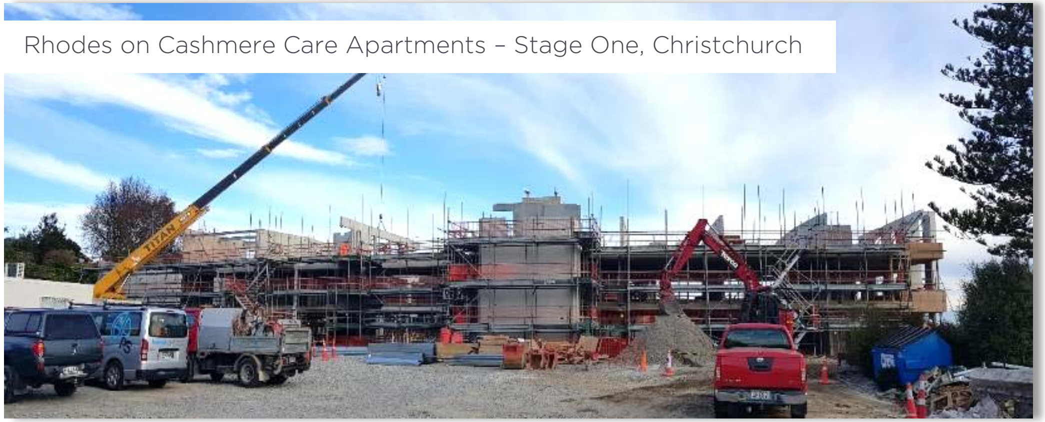
DEVELOPMENT ACTIVITY



DEVELOPMENT ACTIVITY


Park Lane Care Apartments – Stage One, Christchurch


Completion 1H19


Rhodes on Cashmere Care Apartments – Stage One, Christchurch


Completion 2H19

FY18 FINANCIALS

REPORTED PROFIT (IFRS)

NZ$m	FY18	FY17	YoY change	FY16
Care & village service fees	109.9	85.7	*28%*	72.4
Deferred management fees	18.1	12.3	*48%*	7.8
Other revenue	4.3	3.4	*24%*	2.3
Total revenue	**132.3**	**101.4**	*30%*	**82.5**
Gain on acquisition of subsidiaries	0.0	3.2	*(100%)*	0.0
Changes in fair values	42.0	40.1	*5%*	16.0
Share of profit arising from JV (net of tax)	5.1	0.0	*nm*	-
Total income	**179.4**	**144.7**	*24%*	**98.5**
Operating expenses	(108.8)	(80.9)	*35%*	(65.1)
Depreciation	(4.3)	(3.4)	*24%*	(2.9)
Total expenses	**(113.1)**	**(84.3)**	*34%*	**(68.0)**
Operating profit before financing, one-off costs	**66.3**	**60.4**	*10%*	**30.5**
Financing costs	(2.2)	(1.3)	*70%*	(0.9)
Impairment of goodwill	(1.2)	0.0	*nm*	0.0
One-off items	(1.0)	(1.0)	*2%*	(1.4)
Profit before income tax	**61.9**	**58.1**	*7%*	**28.2**
Income taxation	(4.3)	(4.4)	*(4%)*	(4.2)
Net profit after tax	**57.6**	**53.7**	*7%*	**24.0**

Commentary

- NPAT of $57.6m up 7% on last year
- Higher revenue for the year from a combination of new acquisitions, higher care bed rates and maturing deferred management fee profile. Care fees totalled $93m.
- Changes in fair value predominantly driven by strong increase in the value of retirement villages that delivered new stock during the year and continuing increase in land values for care facilities
- The JV share of profit mainly arose from an increase in the value of the retirement village
- Operating expenses increased due to new acquisitions, pay equity settlement and higher corporate costs
- Of the 21 cash generating units ('CGU') with goodwill attached, two CGU's were unable to support the carrying value and were impaired
- Income tax at a similar level to FY17 due to higher tax shield from development activity

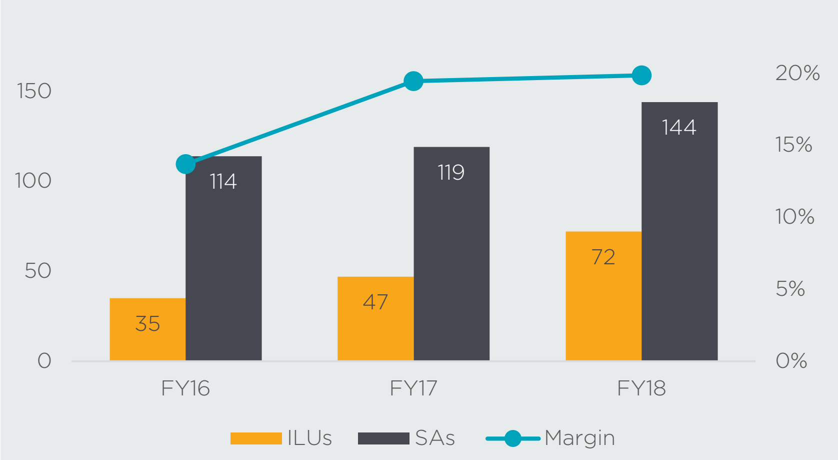
ORA RESALES

Sales Analysis	FY18	FY17	YoY change	FY16
Resales				
Villas	72	47	*53%*	35
Serviced Apartments	144	119	*21%*	114
Total resales	216	166	*30%*	149
Value $m	67.0	45.5	*47%*	36.5
Av. value per resale $000	**310.0**	**274.1**	*13%*	**244.9**
Resale gains $m	13.3	8.9	*49%*	5.0
Resale margin %	20%	19%		14%

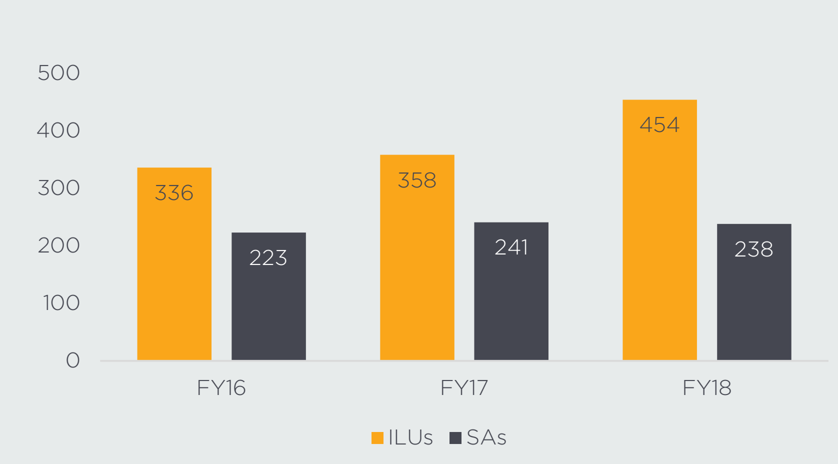
Commentary

- Resale of 216 units, 30% up on FY17
- Occupancy remains high, with around 40 units available for resale or 2% of total portfolio
- Gross proceeds of $67.0m, with average value per resale up 13% to $310k
- Realised $13.3m of resale gains, and an improvement in resale margins to 20%. This includes $1.8m of gains from 26 resales at the village acquired during the year
- Note: The sales analysis includes sales from Village the Park, which is 50% owned by Arvida. The "Value $m" line includes 100% of the value and the "Resale gains $m" line includes 50% of gains

Resale Volumes and Margins



Average Resale Prices ($000)



UNDERLYING PROFIT RECONCILIATION

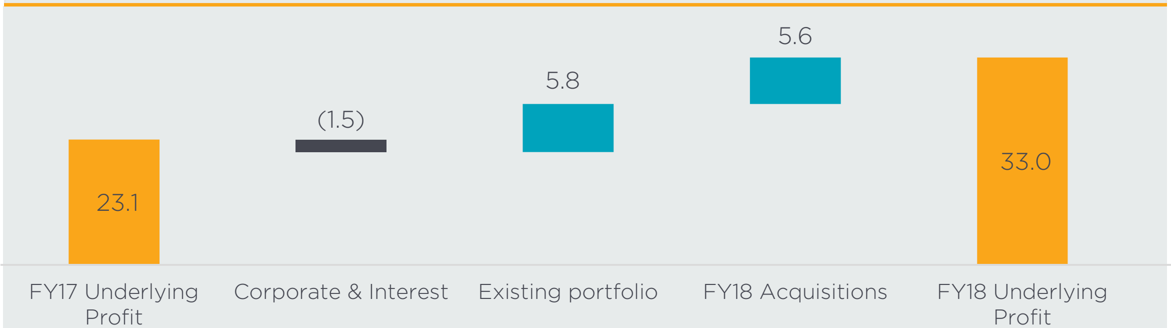
NZ$m (Unaudited)	FY18	FY17	YoY change	FY16
Net profit after tax	57.6	53.7	*7%*	24.0
Less: Change in fair values	(46.9)	(40.0)	*17%*	(16.0)
Add: Deferred tax	0.3	0.5	*(29%)*	(0.1)
Add: Impairment of goodwill	1.2	-	*nm*	-
Less: Gain on acquisition of subsidiaries	0.0	(3.2)	*(100%)*	0.0
Add: One-off costs	1.0	1.0	*2%*	1.4
Underlying operating profit	**13.2**	**11.8**	*11%*	**9.3**
Add: Gains on resales	13.3	8.9	*50%*	5.0
Add: Gain on sale of new units	6.5	2.4	*167%*	1.5
Underlying profit[1]	**33.0**	**23.1**	*43%*	**15.8**

1. Underlying Profit is a non-GAAP (unaudited) financial measure and differs from NZ IFRS net profit after tax. A definition is provided on page 28.

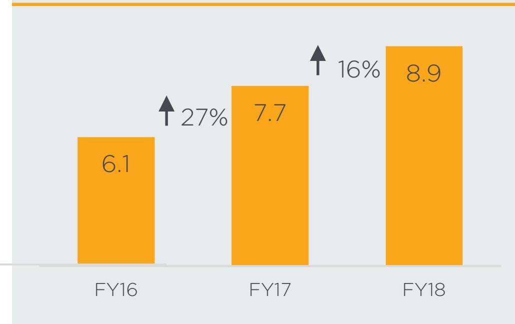
Commentary

- Underlying Profit increased 43% to $33.0m
- On a cents per share basis, the increase in Underlying Profit was 16%
- The key drivers were:
  - The acquisition of new villages during the year strongly contributed to the underlying profit; and
  - Total ORA of 295 sales (up 49% on FY17) and improved development and resale margins drove increase in total gains (up 75% on FY17)

Movements in Underlying Profit $m



Underlying Profit (cents per share)



BALANCE SHEET

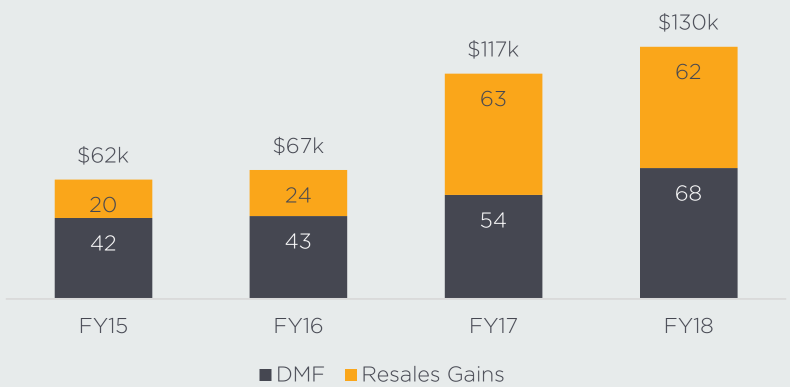
NZ$m	FY18	*HY18*	FY17
Cash and cash equivalents	3.1	*1.9*	1.3
Property, plant and equipment	225.4	*189.9*	156.5
Investment property	806.3	*585.7*	569.9
Investment in JV	21.2	*0.0*	0.0
Goodwill	55.7	*51.1*	51.1
Other assets	21.0	*18.1*	16.7
Total Assets	**1,132.7**	***846.7***	**795.5**
External debt	122.5	*109.8*	73.5
Residents' loans	415.2	*294.6*	290.9
Deferred tax liability	30.6	*21.4*	20.8
Other liabilities	53.9	*42.2*	38.7
Total Liabilities	**622.2**	***468.0***	**423.9**
Net Assets	**510.5**	***378.7***	**371.6**

Commentary

- Total asset base now in excess of $1.1b
- All care facilities and retirement villages were revalued in FY18
- The value of Investment Property increased $220.6m (vs HY18) as a result of:
  - Settlement of acquired villages
  - Fair value movements at existing and completed villages
- A valuation panel was used for the first time. CBRE valued 22 sites and Jones Lang LaSalle valued 7 sites
- A comparison of the valuation assumptions used are contained within the appendix
- $93m of new share capital was issued during the year to fund the acquisition of three villages

EMBEDDED VALUE

Embedded Value ($000 per unit)



Commentary

- Total embedded value (EV) in the portfolio was up $69 million or 45% since 31 March 2017 to $222 million:
  - $47 million relates to acquired villages (measured at 31 March 2018)
- EV per unit increased to $130,000; up from $117,000 per unit at the beginning of FY2018. Includes:
  - $68,000 of DMF cash flows per unit to be realised
  - $62,000 of resale gains per unit
- On a per share basis, EV represents 54.1 cents per share:
  - 18% increase on the comparative period
- EV is an indicator of the potential future cash flows from realised resale gains and deferred management fee receivables

Embedded Value Composition

Average EV per unit ($000)	Villas	SAs	Total
Resale Gains	84	33	62
DMF	78	54	68
Total EV	162	87	130

- Calculation is based on independent valuation reports:
  - Resale Gain EV is calculated by the current unit price less the ingoing unit price less any capital gain sharing
  - DMF EV is calculated by the contractual amount owed at valuation date
- Unit titled or company-owned units previously excluded from calculation of EV have been included in FY18

CAPITAL STRUCTURE

Bank Debt Facilities	
NZ$m	**Drawn**
General facility	122.5
Cash	(3.1)
Total Net Debt	119.4
Gearing (ND / ND + E)	19%

Financial Covenants	
Interest Cover	2.25x
Loan to Value	50%

Commentary

- Total net debt of $119m includes development project work in progress of $56m and development land of $34m
- All bank debt facility financial covenants met
- The debt facility of $150m is split evenly between two tranches with expiry dates of June 2020 and June 2022
- Arvida is currently in the process of negotiating an extension to the bank debt facility limit and tenure

NZ$m	FY18	FY17	YoY change
Investment Property	807	570	*42%*
Less: ORA / DMF	(436)	(306)	*42%*
Retirement Villages	371	264	*41%*
Add: Care Facilities	201	178	*13%*
Independent Valuation	572	443	*29%*
Add: Investment in JV	21	0	*nm*
Add: Work in Progress	56	20	*180%*
Implied Value	**649**	**463**	*40%*
Less: Net Debt	(119)	(72)	*67%*
Net Implied Value	**530**	**391**	*34%*
Net Implied Value per Share	**$1.28**	**$1.17**	*9%*

CASH FLOWS

NZ$m	FY18	FY17	YoY change	FY16
Receipts from residents for care fees and village services	113.1	90.3	*25%*	70.8
Residents' loans	91.3	62.4	*46%*	41.3
Repayment of residents' loans	(37.7)	(26.0)	*45%*	(20.4)
Payments to suppliers and employees	(106.3)	(76.8)	*39%*	(63.7)
Other operating cash flows	(0.0)	(3.3)	*(100%)*	(0.2)
Financing costs	(1.9)	(1.1)	*75%*	(0.9)
Taxation	(4.6)	(5.8)	*(21%)*	(2.8)
Net cash flow from operating activities	**53.9**	**39.7**	*36%*	**24.1**
Bank overdraft acquired from subsidiaries	3.0	(0.2)	*nm*	0.1
Purchase of investment property	(12.1)	(19.2)	*(37%)*	(11.4)
Purchase of property, plant and equipment	(66.2)	(23.3)	*184%*	(3.3)
Payments for investments in subsidiaries	(43.8)	(66.5)	*(34%)*	(29.3)
Net advances to joint venture	(11.9)	0.0	*nm*	0.0
Net insurance claim proceeds	0.0	0.9	*(100%)*	17.8
Capitalised interest paid	(1.9)	(0.3)	*620%*	0.1
Net cash flow from investing activities	**(132.9)**	**(108.6)**	*22%*	**(26.0)**
Net cash flow from financing activities	**80.9**	**68.3**	*18%*	**1.8**
Closing cash balance	3.1	1.3		1.8

Commentary

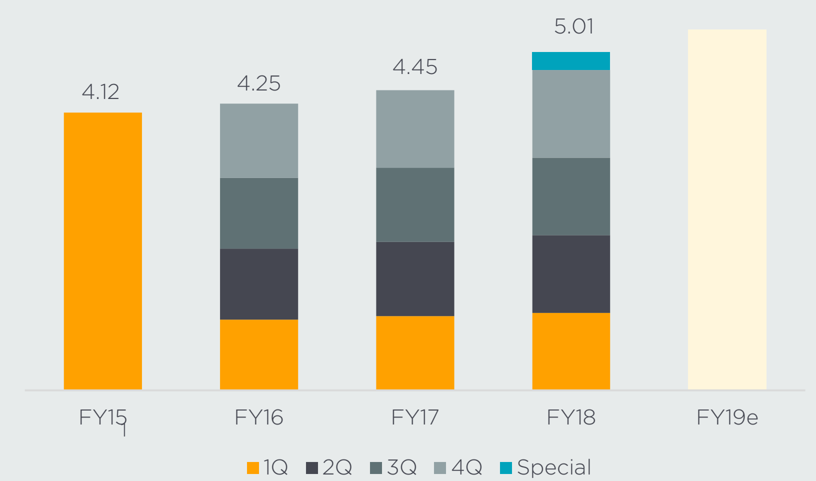
- Operating cash flow improved 36%, mainly due to the increase in ORA transactions during the year. Cash flows of $91m were received from new resident loans (split $63m from resales and $28m from new sales). Repayments of resident loans totalled $38m
- Investing cash flow was spent on the acquisition of three new villages and the continuation of the development program. During the year $65m was spent on development projects; $6m on retirement village upgrades, $5m on unit title and adjoining land purchases, $2m on care facility upgrades (including the completion of the refurbishment at St Allisa)
- Financing cash flow comprised $77m raised in the rights issue, an increase in debt and $17m of dividends paid to shareholders

FY18 FINAL DIVIDEND AND OUTLOOK

Commentary

- 4Q dividend of 1.56 cps declared. Dividend comprises regular ordinary dividend of 1.30 cps and special dividend of 0.26 cps
- Brings total dividend for FY18 to 5.01 cps, 13% up on FY17
- Full year dividend payout ratio at 60% consistent with lower end of policy band
- Record date for payment is 13 June 2018, payment on 21 June 2018:
  - Ordinary dividend partially imputed with 0.25 cps of imputation credits
  - Supplementary dividend of 0.13 cps for non-resident shareholders
- Lift in regular dividend paid for 4Q sustainable for FY19 with momentum in revenue and earnings continuing whilst retaining balance sheet capacity to fund current development pipeline
- Labour cost pressures to remain:
  - Pay equity funding deficit likely to persist with our caregivers having a level of qualification higher than the industry average. We are active with industry bodies to ensure Ministry of Health/DHB funding levels fairly contribute to the increased wage cost
  - Flow on affect to broader workforce in conjunction with tightening labour market from immigration policy
- Continue to monitor property sector outlook with house price growth slowing and construction market remaining tight:
  - Retain timing flexibility on development programme to achieve hurdles

Dividend (cents per share)



1. Annualised. Arvida paid a dividend of 1.03 cps in respect of the FY15

APPENDIX

PORTFOLIO AT 31 MARCH 2018

	Village	Region	Villas	Apts	SA	CS	RH	Hospital	Dementia	FY19	FY20+	Planning^
1	Aria Bay Retirement Village	Auckland	-	9	24	-	57	-	-	25	-	115 (51)
2	Aria Gardens	Auckland	-	-	-	-	42	91	20	-	-	-
3	Aria Park Retirement Village	Auckland	-	-	46	-	40	44	-	-	-	-
4	Cascades Retirement Village	Hamilton	-	5	32	-	45	32	-	-	-	120
5	Lauriston Park Retirement Village	Cambridge	171	-	-	-	-	-	-	-	12	90
6	Views Lifecare	Tauranga	-	-	-	-	30	38	20	-	-	-
7	Copper Crest Retirement Village	Tauranga	130	-	-	-	-	-	-	25	84	-
8	Glenbrae Village	Bay of Plenty	78	-	26	-	17	21	-	-	-	22
9	Mary Doyle Lifecare	Havelock North	144	48	40	5	26	60	64	10	32	-
10	Olive Tree Village and Olive Tree Apartments	Palmerston North	95	-	48	-	28	-	17	-	-	-
11	Molly Ryan Retirement Village	New Plymouth	35	-	28	-	20	13	-	-	-	-
12	Waikanae Country Lodge Village	Kapiti Coast	4	-	20	-	21	36	-	-	-	-
13	Lansdowne Park Lifestyle Village	Masterton	69	-	29	-	29	21	-	-	-	-
14	Village at the Park Lifecare #	Wellington	38	107	-	9		42	33	-	24	16
15	Ashwood Park Retirement Village	Blenheim	18	-	35	-	47	48	26	-	-	-
16	The Wood Retirement Village	Nelson	5	-	38	-	30	46	-	-	-	-
17	Oakwoods Retirement Village	Nelson	116	-	45	-	26	22	-	-	-	-
18	Richmond Site	Tasman	-	-	-	-	-	-	-	-	77	190
19	Bainlea House	Waimakariri	-	-	-	-	-	-	27	-	-	-
20	Bainswood on Victoria	Waimakariri	-	-	-	-	26	32	-	-	-	-
21	Bainswood Retirement Village	Waimakariri	4	-	14	-	26	-	-	-	-	-
22	Wendover Retirement Village ^	Christchurch	-	-	11	-	43	-	-	-	-	60
23	St Albans Retirement Village ^	Christchurch	-	-	53	-	-	18	-	-	45	-
24	Ilam Lifecare	Christchurch	-	-	45	-	22	34	20	-	-	-
25	Mayfair Retirement Village	Christchurch	11	-	23	-	28	36	-	-	-	-
26	Maples Retirement Village	Christchurch	-	-	25	-	49	3	-	-	-	-
27	St Allisa Rest Home	Christchurch	-	-	-	-	55	34	20	-	-	-
28	Park Lane Retirement Village	Christchurch	8	-	45	-	26	16	-	28	51	-
29	Rhodes on Cashmere	Christchurch	-	16	-	-	-	-	-	23	50	-
30	Strathallan Lifecare	Timaru	51	-	47	-	10	46	20	-	-	-
	TOTALS		**977**	**185**	**674**	**14**	**743**	**733**	**267**	**111**	**375**	**613**

^ Gross units expected to be delivered (expected decommissions shown in brackets). Subject to final investment decision approval.
# Portfolio metrics presented as if a 100% interest held. Arvida has a 50% interest in Village at the Park.

FY18 PORTFOLIO VALUATION ASSUMPTIONS

Discount Rates (retirement village)	CBRE	JLL	*FY17*
High	16.5%	15.5%	*16.0%*
Low	13.5%	12.3%	*12.5%*

Long Term Property Price Growth	CBRE	JLL	*FY17*
High	3.5%	3.5%	*3.5%*
Low	2.0%	2.5%	*2.0%*

Short Term Property Price Growth	CBRE	JLL	*FY17*
High	2.0%	3.0%	*2.5%*
Low	0.0%	1.5%	*0.0%*

Tenure – ILUs (yrs)	CBRE	JLL	*FY17*
High	9.0	8.0	*9.0*
Low	6.3	6.8	*6.2*

Tenure – Serviced Apt (yrs)	CBRE	JLL	*FY17*
High	4.8	5.0	*4.9*
Low	4.0	4.0	*4.0*

EBITDA per Bed $000	CBRE	JLL	*FY17*
High	23.0	21.5	*20.8*
Low	9.4	14.6	*10.4*

Independent Living Units	CBRE	JLL	*FY17*
Av. Ingoing Age	77 yrs	78 yrs	*76 yrs*
Av. Current Age	82 yrs	83 yrs	*80 yrs*
Av. Current Price	$488k	$445k	*$411k*

Serviced Apt	CBRE	JLL	*FY17*
Av. Ingoing Age	84 yrs	84 yrs	*84 yrs*
Av. Current Age	87 yrs	87 yrs	*87 yrs*
Av. Current Price	$245k	$311k	*$245k*

DEFINITIONS

Underlying Profit (or Underlying NPAT)

Underlying Profit is a non-GAAP unaudited financial measure used by Arvida to monitor financial performance and determine dividend distributions.

Arvida calculates Underlying Profit by making the following adjustments to Reported Net Profit after Tax:

- Removing the change in fair value of investment properties, property, plant and equipment and derivatives (from the Statement of Comprehensive Income);
- Removing any impairment of goodwill;
- Removing any loss on disposal of chattels from the decommissioning of development sites;
- Removing any gains on acquisition of subsidiaries;
- Adding back the Directors' estimate of realised gains on occupation right agreement units;
- Adding back the Directors' estimate of realised development margin on the cash settlement of the first sale of new ORA units following the development or conversion to an ORA unit;
- Adding back the deferred taxation component of taxation expense so that only current tax expense is reflected; and
- Adding back transaction costs.

Resale Gain

The Directors' estimate of realised gains on resales of ORA is calculated as the net cash flow received by Arvida on the settlement of the resale of pre-existing ORAs (i.e. the difference between the ORA licence payment received from the incoming resident and the ORA licence payment previously received from the outgoing resident).

Development Margin

The Directors' estimate of realised development margin is calculated as the cash received on settlement of the first sale of new ORA units less the development costs associated with developing the ORA units.

Development costs include:

- Construction costs directly attributable to the relevant project, including any required infrastructure (e.g. roading) and amenities related to the units (e.g. landscaping) as well as any demolition and site preparation costs associated with the project. The costs are apportioned between the ORA units, in aggregate, using estimates provided by the project quantity surveyor. The construction costs for the individual ORA units sold are determined on a pro-rated basis using gross floor areas of the ORA units;
- An apportionment of land valued based on the gross floor area of the ORA units and care suites developed. The value for brownfield development land is the acquisition cost or the estimated fair value of land at the time a change of use occurred (from operating as a care facility or retirement village to a development site), as assessed by an external independent valuer. Greenfield development land is valued at historical cost; and
- Capitalised interest costs to the date of project completion apportioned using the gross floor area of ORA units developed.

Development costs do not include:

- Construction, land (apportioned on a gross floor area basis) and interest costs associated with common areas and amenities or any operational or administrative areas.

IMPORTANT NOTICE

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Forward-looking statements are subject to any material adverse events, significant one-off expenses or other unforeseeable circumstances.

The information in this presentation is of a general nature and does not constitute financial product advice, investment advice or any recommendation. Nothing in this presentation constitutes legal, financial, tax or other advice.