

## Arvida Group Limited (ARV)

### Market Release

7 JULY 2017

## ANNUAL MEETING MATERIALS

Arvida Group Limited is pleased to provide the Annual Meeting materials for today's meeting. The text of the Chairman's address is included below and the Annual Meeting presentation is attached. The results of the voting at the meeting will be published by the close of business today.

Chairman's Address:

Good Morning Ladies and Gentlemen, and thank you for joining us. My name is Peter Wilson and I am the Chairman of Arvida Group.

I am pleased to confirm that we have a quorum in attendance and therefore declare the 2017 Annual Meeting of Arvida Group Limited open.

Welcome to the annual meeting of shareholders for Arvida Group. Before we start the meeting I would like to make the following introductions.

Joining me at the front table is our Board of Directors – Susan Paterson, Michael Ambrose, Anthony Beverley and Paul Ridley-Smith. Bill McDonald, our Chief Executive Officer and Jeremy Nicoll, our Chief Financial Officer are also at the front table.

Our group auditors, Ernst & Young, are present and are represented by Brent Penrose. Our share registrar, Computershare, is represented by Rosalind Johnston. And Nick Letham from Chapman Tripp is also present.

In the event of a siren sounding we are asked to vacate the room through the doors used for entry and assemble as directed by the Centre's staff.

Bathrooms are located at the end of the corridor outside the room and to your right.

The minutes of the 2016 Annual Meeting were approved by the Board on 26 September 2016. A copy of those minutes are available from the Registrar if required.

The Notice of Meeting was provided within the time required under the Company's constitution and I propose to note that the notice be taken as read.

I will provide some introductory remarks after which I will hand over to Bill to provide you with an update on the strategy and performance of the group.

Following Bill's presentation, we look forward to answering any questions you may have on the Annual Report and Accounts.

In terms of the formal business, we will cover each resolution in turn and invite questions specific to those items. It will then be time to vote on the resolutions. I will outline the process for discussion and voting on the resolutions at that point in the agenda.

Following the resolutions, there will be an opportunity to raise any other questions relating to Arvida.

Your Board is pleased to be able to report on a very good year for Arvida Group Limited.

The objectives we had for the 2016/2017 year have been largely achieved with the outcomes meeting or exceeding our expectations. The challenge will be to maintain this momentum into the current and future years – but we consider we are up for that challenge.

We have delivered a strong financial result with Net Profit after tax increasing to \$52.5 million, underlying profit increasing from \$15.8 million to \$23.3 million and earnings per share lifting 27% to 7.7 cents per share. This has enabled us to distribute dividends totalling 4.45 cents per share for the year. What is also gratifying is the continued progress we have made in our operating objectives that are strongly focused on care of our residents.

Importantly, the Board was very pleased to see the benefits of our acquisition strategy translating into strong accretion in earnings with villages acquired exceeding financial expectations.

Bill McDonald will talk to you about the progress made in providing an innovative approach to quality of care for our residents, where we look to enhance their overall wellbeing in a more homely environment. Maintaining resident independence, expanding their areas of interest and maintaining links to their communities are being very well received, with survey results indicating a high level of resident satisfaction.

We have also been able to deliver on our growth objective with a further 5 villages being acquired in the last year. The investment we have made in developing our integration skills has enabled a seamless expansion. Much of the credit goes to our employees who have readily embraced the training and skill development programmes required to meet the expectations of our residents and the regulatory standards for resident care.

We were pleased with the strong response to the capital raising last year. While we have a disciplined approach to growth, we do expect that from time to time shareholders will be asked to support acquisitions with new capital. Our projected “brownfields” developments with some 900 units in the pipeline has been budgeted to be funded from existing bank funding arrangements. The recent conditional purchase of a “greenfield” development site in Richmond will also be funded through existing facilities.

Looking ahead, the care of our ageing population will require additional resourcing, whether that is support in the home or through continuum of care offerings in retirement villages. It will be important, in our view, to strive for the right balance between real estate facility development and the provision of overall care and wellbeing of the residents. Arvida’s focus on care is a point of difference and one we will further invest in.

Our front-line staff and our management teams are to be thanked for their efforts and their enthusiasm to lead change. Arvida has strong leadership and commitment. Their efforts and those of my Board colleagues are acknowledged.

I will now ask Bill McDonald to address you after which Bill and I will be pleased to answer your questions.

- ENDS -

**For more information contact:**

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**About Arvida:**

Arvida Group Limited (**Arvida**) is a retirement village group with an emphasis on providing a continuum of care from independent living through to high quality aged care services. Arvida has 26 villages across New Zealand comprising: Aria Bay, Aria Gardens and Aria Park, Auckland; Copper Crest and Views, Tauranga; Cascades, Hamilton; Lauriston Park, Cambridge; Glenbrae, Rotorua; Molly Ryan, New Plymouth; Lansdowne Park, Masterton; Olive Tree, Palmerston North; Waikanae Lodge, Waikanae; Oakwoods and The Wood, Nelson; Ashwood, Blenheim; Ilam, The Maples, Mayfair, Park Lane, Rhodes on Cashmere, St Albans, St Allisa and Wendover, Christchurch; and Bainlea House, Bainswood House and Bainswood on Victoria, Rangiora. Arvida’s shares trade on the NZX Main Board under the code ARV. See [www.arvida.co.nz](http://www.arvida.co.nz)

