METLIFECARE 1H18

RESULTS PRESENTATION
26 FEBRUARY 2018

THERE'S MORE TO COME AT Metlifecare

AGENDA

- Summary of the FY18 Interim Result
- Company Overview
- Development Programme
- Financial Results
- Appendices

RESULTS SUMMARY

THERE'S MORE TO COME AT Metlifecare

Financial Performance + Dividend

- Net Profit after tax $56.4m
- Fair value movement in Investment Properties $59.8m
- Underlying Operating Cash Flow $18.0m
- Underlying Profit $36.2m
- Total Assets $3.1b
- Embedded value per unit $277,000
- Village occupancy 98%
- New units and care beds delivered 94
- Development margin 29.9% ($6.2m)
- Net tangible assets per share $6.63
- Dividend 3.25 cents

Development Activity on track

- On track to deliver 254 units and care beds in FY18 (300+ units p.a. from FY20)
- 69 care beds and 25 units completed in 1H18
- 160 units scheduled for delivery in Q4 FY18
- Civil works commenced in Dec-17 on a 283 unit development at Red Beach; 58 units to be completed in FY19
- 2.4 hectare Botany Road land acquisition settled; first units deliver in FY20
- 5.3 hectare Orion Point land acquisition (conditional)
- Development land bank stands at 1,443 units and 318 care beds

RESULTS SUMMARY

THERE'S MORE TO COME AT Metlifecare

Operational Highlights

- Care home occupancy remains high for the period (93% excluding Greenwich Gardens and Somervale). Cluster model working well at villages without care homes:
  - Greenwich Gardens opened during the period and is now 94% occupied with strong premium charging
  - Somervale opened in Dec-17 and is expected to be full by Jun-18
- Improved refurbishment cost/quality and turnaround times – operating metrics show realised gains (including and excluding refurb/sales costs) per settlement are well up
- Remediation programme under way at Dannemora Gardens, Waitakere Gardens and Coastal Villas; investing $6-7 million p.a. on average for the next seven years, which will include a significant level of betterment and asset value improvement
- Increasingly competitive ORA terms:
  - removal of village fee charging after vacation date
  - introduction of an option to receive a $20k cash advance to assist with costs while arrangements are being made for resale of units – an industry first

METLIFECARE OVERVIEW AND STRATEGY

THERE'S MORE TO COME AT Metlifecare

Village location enables

ORA prices - Resale Gain - Embedded value

24
VILLAGES

371
CARE BEDS and CARE SUITES

4
NEW VILLAGE SITES

1,761
LAND BANK OF UNITS, CARE APARTMENTS AND CARE BEDS

3,738
ILUs and ILAs

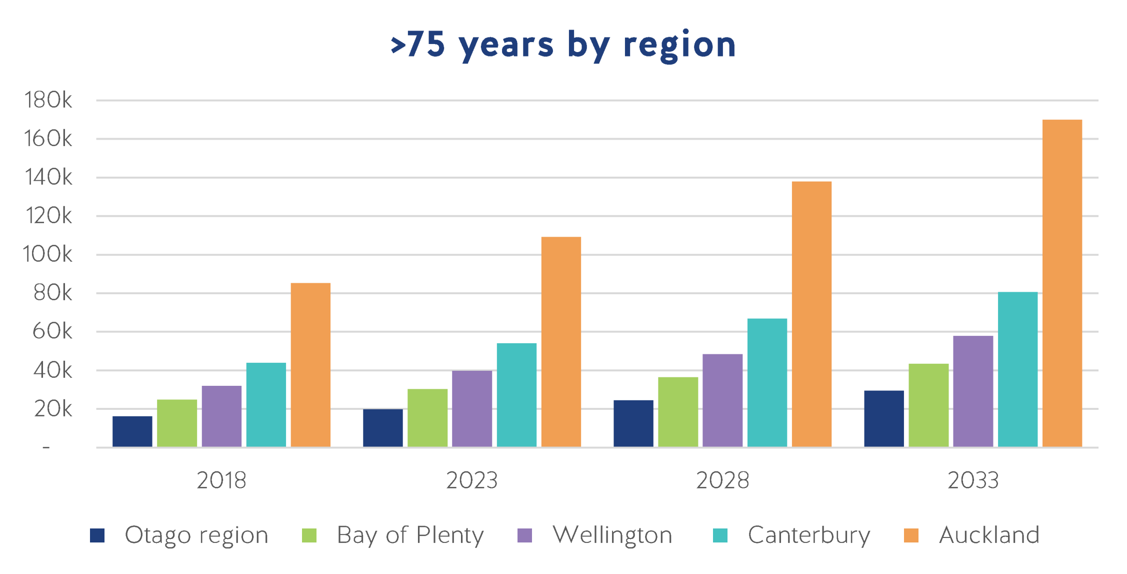
295
UNDER CONSTRUCTION

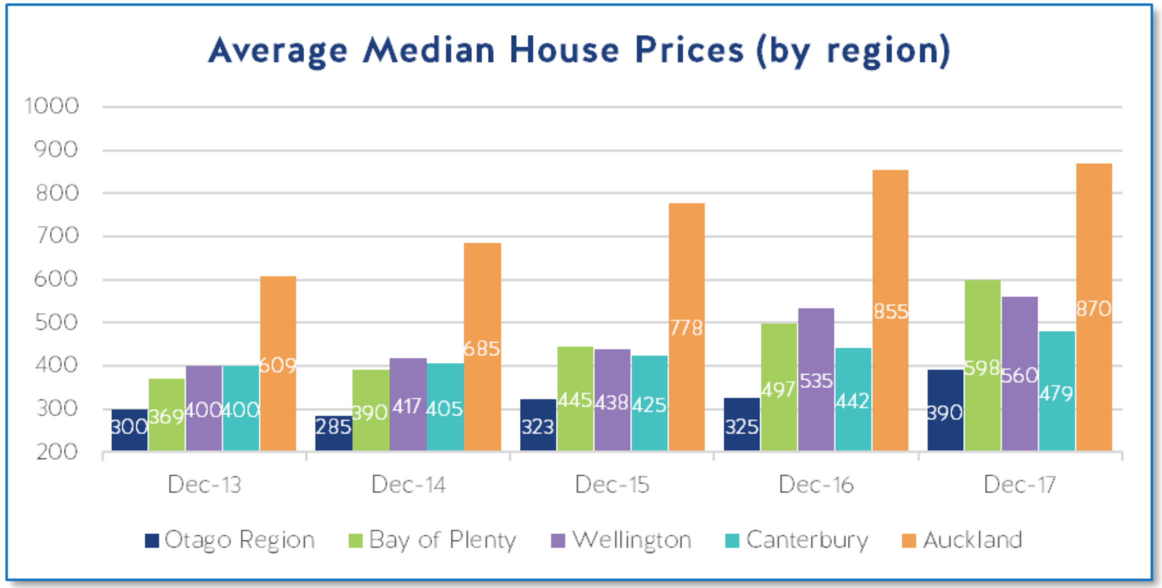
492
CARE APARTMENTS

5,200+
RESIDENTS

METLIFECARE OVERVIEW AND STRATEGY

THERE'S MORE TO COME AT Metlifecare





Value Proposition

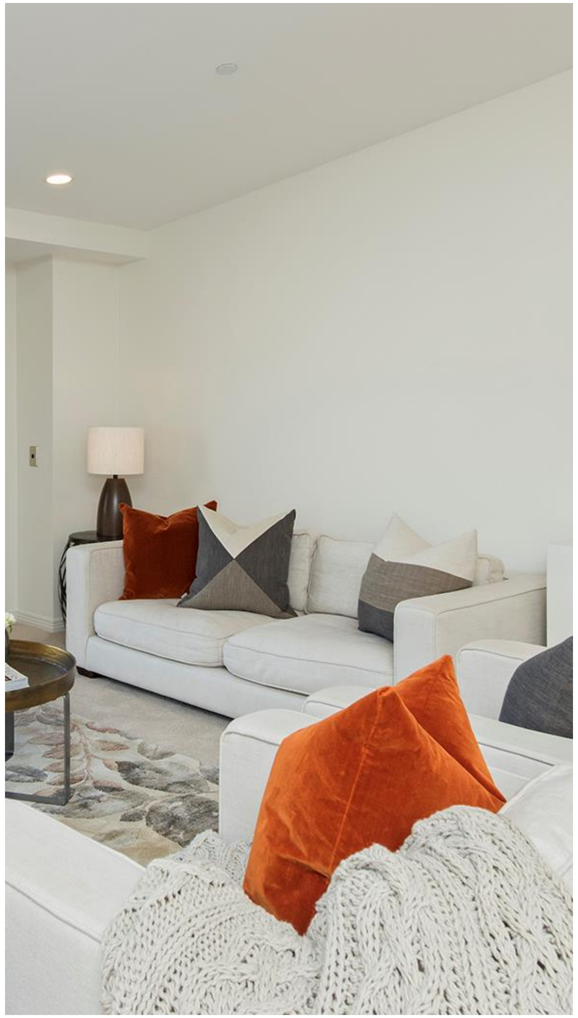
- Portfolio of villages located in areas with strong local economies, excellent growth rates and high median house prices driving:
  - reliable current and future DMF earnings and resale margins
  - high Embedded Values
  - strong development margins
- Land bank that supports delivery of 300+ units p.a.
- Stable revenue for “needs based” services delivered by:
  - full care continuum at all new developments and 8/24 existing villages
  - cluster approach enabling care delivery at remaining villages

POSITIVE PROGRESS TOWARDS COMMERCIAL GOALS

THERE'S MORE TO COME AT Metlifecare

Accelerated Growth through	1H18 Performance
1. A land acquisition strategy with clear investment parameters, targeting optimal locations and opportunities • At least one new site acquired	• New Orion Point site
2. A robust and scalable development strategy matched by strong development capability • 254 new units and beds delivered • Development team with strong in-house capability	• 94 units and beds delivered; on track to achieve 254 target • Strengthening of development team completed
3. Optimised supply chain management and construction delivery • Minimum 15% margin on development units • Contractor management and prequalification framework • Rigorous audit process	• 29.9% margin achieved • In place • Independent auditor appointed

Greater commercial intensity through	1H18 Performance
1. Superior sales capability and market knowledge • Pricing uplift over list price/market average	• Average selling prices achieved ~4% above valuation
2. Optimised customer mix and asset turnover • Strong focus on increasing average age of entry	• 81.0 years (+1.0 years)
3. Fit for purpose refurbishment programme • Reduced turn-around times and better cost	• Average: less than 70 days



POSITIVE PROGRESS TOWARDS CUSTOMER EXPERIENCE GOALS

THERE'S MORE TO COME AT Metlifecare

Enhancing our Competitive Positioning through	1H18 Performance
1. Villages designed to integrate with their local communities and enhance our residents' experience • New homestead-style care homes opened at Greenwich Gardens and Somervale; • Modernisation of common areas in older villages	• Care homes completed • Target occupancy exceeded
2. Highly engaged and qualified staff • Comprehensive training programmes designed to raise the bar on Customer Service Principles and Resident-directed care • New company-wide health and safety frameworks and processes introduced, with improved outcomes • Collective bargaining agreement completed	• Customer Service principles complete • Resident-directed care 3/5 modules • CEA ratified Nov-17
3. Understanding and meeting the needs of existing and future residents • New ORA terms introduced (resident driven) • Resident-directed care philosophy provided throughout all villages with care services • Care cluster strategy for villages without care homes	• Introduced Feb-18 • In place • In place
4. A significantly enhanced food and dining experience • Simon Gault training for all kitchen teams • New texture-modified diets being introduced across all villages • Increased dining facility use by residents and families	• Completed • Completed - now being introduced across all villages • Extended hours in selected villages

DEVELOPMENT PROGRAMME

THERE'S MORE TO COME AT
Metlifecare

Expected Practical Completion Dates

Under Construction   Consented   Planned

Unit Development	FY18	FY19	FY20	FY21
Somervale	16 (complete)			30
Oakridge	9 (complete) 20			
Papamoa Beach	30	29		
Greenwich Gardens	62	48	48	48
Red Beach		58	50	50
Crestwood		13		
Pinesong	48			
Pakuranga			44	
Botany			60	64
Orion Point			75	50

Care Development	FY18	FY19	FY20	FY21
Somervale	69 (complete)			
Oakridge		36		
Papamoa Beach		40		
The Avenues		30		
Pakuranga			24	
Botany				36
Red Beach				36
Orion Point				36

1H18 Update

- Somervale Care home opened in December 2017 and 16 Serviced Apartments completed
- Stages 3 and 6 at Greenwich Gardens (62 units), Pinesong (Manukau) building (48 units) and Stage 5 at Papamoa (30 units) and the remainder of Stage 6 at Oakridge (20 units) are all on track for practical completion in Q4 FY18
- Resource consent was achieved in Oct-17 for the 30 bed care home at The Avenues. Building consent is expected in Feb-18
- The Orion Point land conditional acquisition was announced in Oct-17. The 5.3 hectare site supports ~264+ unit/bed development. 1st Stage completion planned for FY20 (~75 units)
- The land bank supports the development of a further 1,443 units and 318 care beds

DEVELOPMENT PROGRAMME (CONT'D)

THERE'S MORE TO COME AT Metlifecare

SOMERVALE 69 bed Care Home and 16 SAs

Now complete

GREENWICH GARDENS 62 units (Stages 3 & 6) due to complete Jun-18

On time, on budget

PINESONG 48 unit multi-level redevelopment due to complete May-18

On time, on budget

PAPAMOA BEACH 30 units (Stage 5) due to complete Jun-18

On time, on budget

DEVELOPMENT PROGRAMME (CONT'D)

THERE'S MORE TO COME AT Metlifecare

RED BEACH – Civil works has commenced on Stage 1 (58 units, FY19)

PAKURANGA – Final planning stage (44 units, 24 care beds, FY20)

OAKRIDGE VILLAS – 29 units (Stage 6) due to complete by Jun 18

THE AVENUES AND CRESTWOOD Consents obtained

The Avenues

- Resource consent received in Oct-17 to build a 30 bed care home
- Practical completion Q4FY19

Crestwood

- 13 additional villas to be built on the eastern edge of Crestwood Village overlooking the Titirangi golf course
- Practical completion mid-2019

ADDITION OF PREMIUM SITES TO DEVELOPMENT LANDBANK

BOTANY

- 2.4 hectare land purchase at 197 Botany Road, East Auckland
- Acquisition supports the delivery of 124 units and 36 care beds
- To be built over two stages with the first 60 units to be delivered in FY20

ADDITION OF PREMIUM SITES TO DEVELOPMENT PIPELINE

THERE'S MORE TO COME AT Metlifecare

ORION POINT

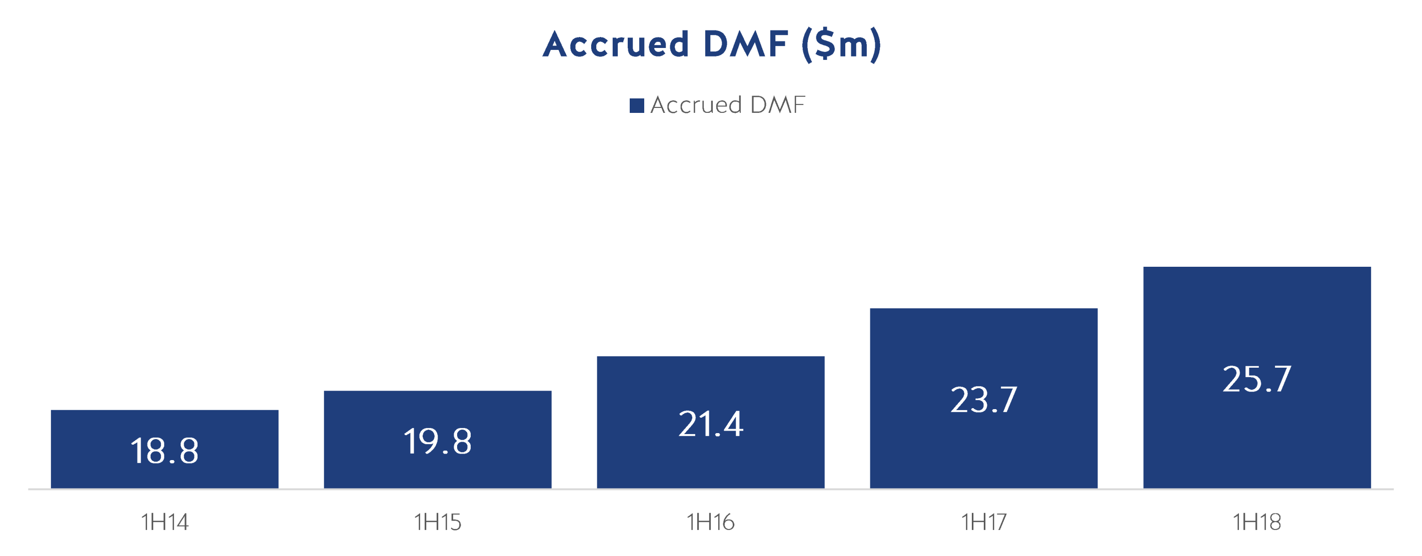
- 5.3 hectare conditional land purchase at Orion Point (Hobsonville)
- Acquisition supports the delivery of 264+ units and care beds
- To be built over three stages with the first 75 units planned for FY20 and the care home expected to be delivered in FY21

FINANCIAL RESULTS

DMF AND CARE REVENUE GROWTH CONTINUES

THERE'S MORE TO COME AT Metlifecare

Six months ended 31 Dec 17 (NZDm)	1H18	1H17	Change	FY17
Total Revenue	56.6	54.0	4.7%	109.1
Fair Value Movement of Investment Property	59.8	170.7	-65.0%	258.8
Joint Venture Share of Profit	0.8	1.5	-46.5%	2.5
Expenses	49.5	43.4	-14.1%	90.2
Resident Share of Capital Gain	2.5	6.0	59.0%	9.3
Impairment of PPE	0.2	3.7	94.4%	6.2
Depreciation and Amortisation	1.8	1.4	-36.3%	3.0
Finance Costs	0.0	0.2	89.9%	0.2
Net Profit Before Tax	63.1	171.6	-63.2%	261.5
Tax Expense	6.7	6.6	2.2%	10.0
Net Profit After Tax	56.4	165.0	-65.8%	251.5



Commentary

- Net Profit after Tax reflects a lower increase in the Fair Value of Investment Property relative to 1H17 due to asset valuation growth returning to levels more reflective of long run averages
- Total revenue includes village fees and care revenue ($29.2m) and deferred management fees ($25.7m)
- Accrued DMF increased $2m relative to the prior corresponding period reflecting higher prices achieved on new ORAs
- The fair value movement in IP reflected slower price growth relative to 1H17 reflective of the wider real estate market
- Care homes and development land were not revalued at the half year
- Expenses included:
  - the impact of higher wage and salary costs, including the impact of pay equity
  - initial start up costs at new care homes
  - an increase in long term maintenance and refurbishment expenses
- There were no material impairments in the period; 1H17 included care home impairments at Pakuranga and Greenwich Gardens ($3.7m)

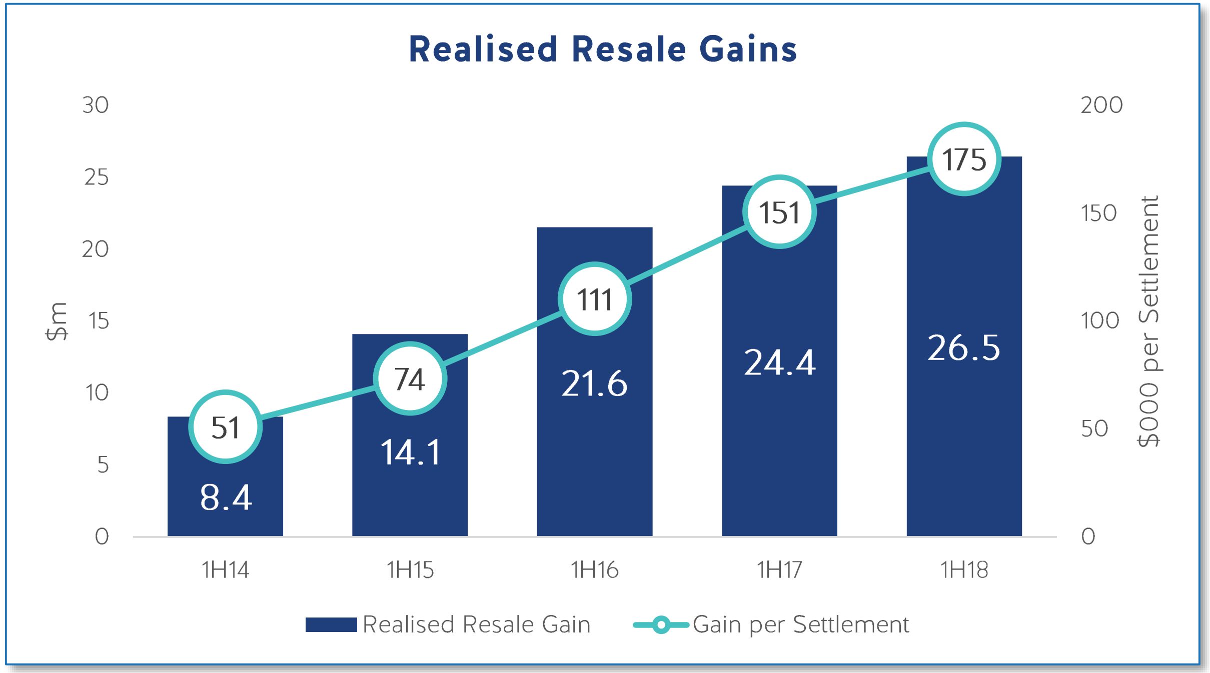
REALISED RESALE GAINS +8.3%

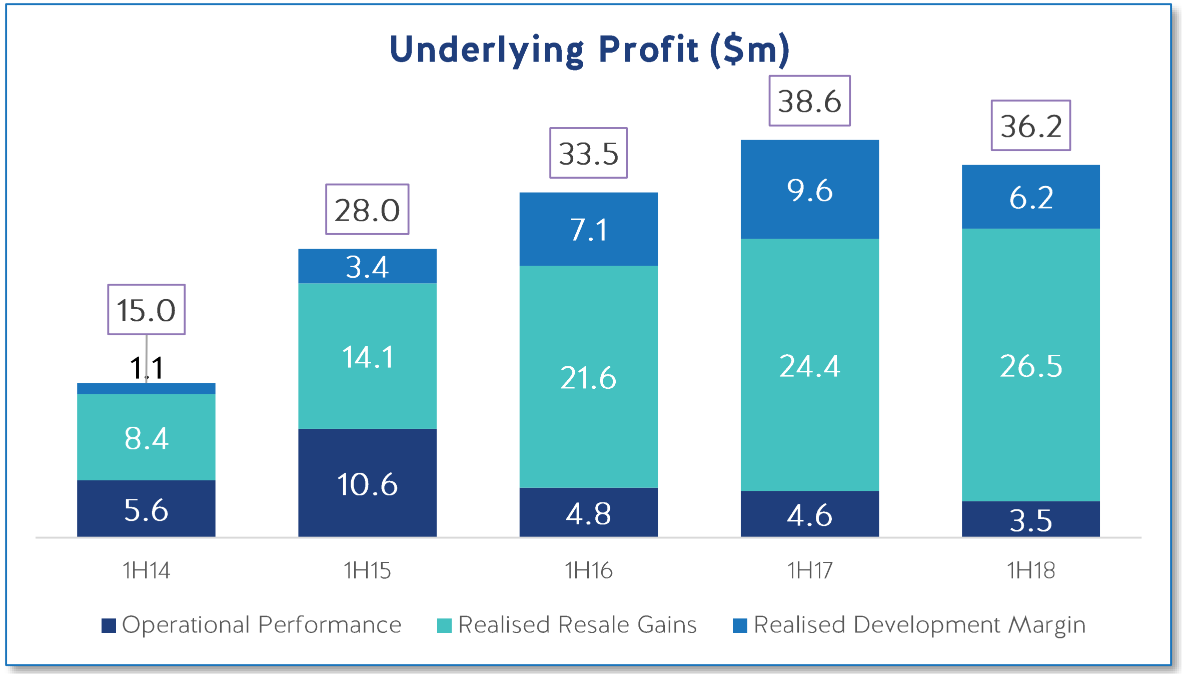
THERE'S MORE TO COME AT Metlifecare

Six months ended 31 Dec 17 (NZDm)	1H18	1H17	Change	FY17
Reported Net Profit After Tax	56.4	165.0	-65.8%	250.4
Fair Value Movement of Investment Property	(59.8)	(170.7)	-65.0%	(258.8)
Impairment of PPE	0.2	3.7	-94.4%	6.2
Tax Expense	6.7	6.6	2.2%	10.0
Realised Resale Gains	26.5	24.4	8.3%	55.3
Realised Development Margin	6.2	9.6	-35.4%	19.0
Underlying Profit Before Tax	36.2	38.6	-6.2%	82.1

Commentary

- Sustained selling prices have continued to support increases in realised resale gains
- Cash generation from resales remains a strength of the Metlifecare portfolio
- Tax expense in 1HFY18 includes a $2m prior period adjustment ($4.7m excl. the adjustment)



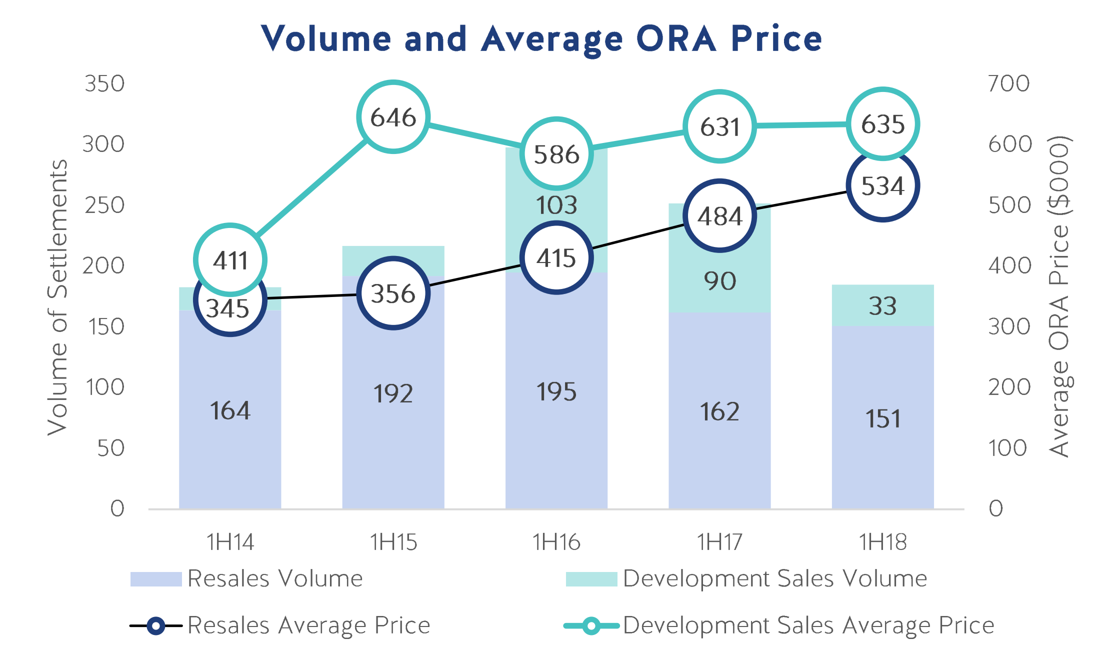


RESALE AND DEVELOPMENT MARGINS STRONG

THERE'S MORE TO COME AT Metlifecare

Six months ended 31 Dec 17	1H18	1H17	Change	FY17
Resales				
ILU	106	117	-9.4%	233
SA	45	45	0.0%	89
Total Resales (units)	151	162	-6.8%	322
- Value ($m)	80.6	78.3	2.9%	162.2
- Realised Resale Gains ($m)	26.5	24.4	8.3%	55.3
- Realised Resale Margin	32.9%	31.2%	5.3%	34.1%
- Realised DMF ($m)	13.6	11.9	14.2%	23.9
Resales Stock (units)				
Contracted (ILU/SA)	67	60	11.7%	54
Uncontracted (ILU/SA)	89	69	29.0%	76
Total Resales Stock	156	129	20.9%	130

Six months ended 31 Dec 17	1H18	1H17	Change	FY17
New Units sold				
- Value ($m)	21.6	56.8	-62.0%	82.5
- Average Value per Settlement ($'000)	635	631	0.7%	635
- Development Margin ($m)	6.2	9.6	-35.6%	19.0
- Development Margin	29.9%	16.9%	72.1%	23.0%
Development Stock (units)				
Contracted (ILU/SA)	28	17	64.7%	19
Uncontracted (ILU/SA)	54	29	103.4%	71
Total Development Stock	82	46	89.1%	90



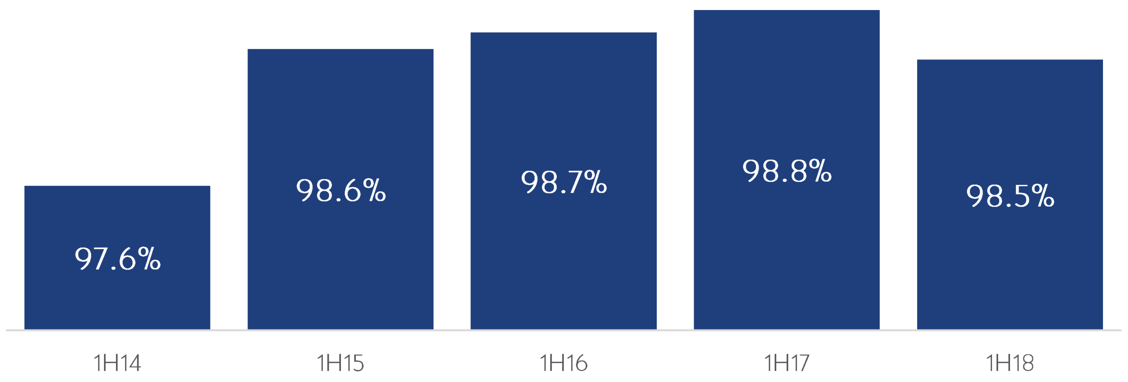
Commentary

- Despite fewer development sales settlements, margin was strong supported by continued good sales prices
- Average resale prices achieved were significantly higher than 1H17 despite a similar volume and mix of ILUs and SAs returned
- 41 stock units worth $11.1m were bought back during the period to facilitate remediation and regeneration. These units are not included in available resales stock for reporting purposes

ILU AGE OF ENTRY HAS INCREASED BY >2.5 YEARS

THERE'S MORE TO COME AT Metlifecare

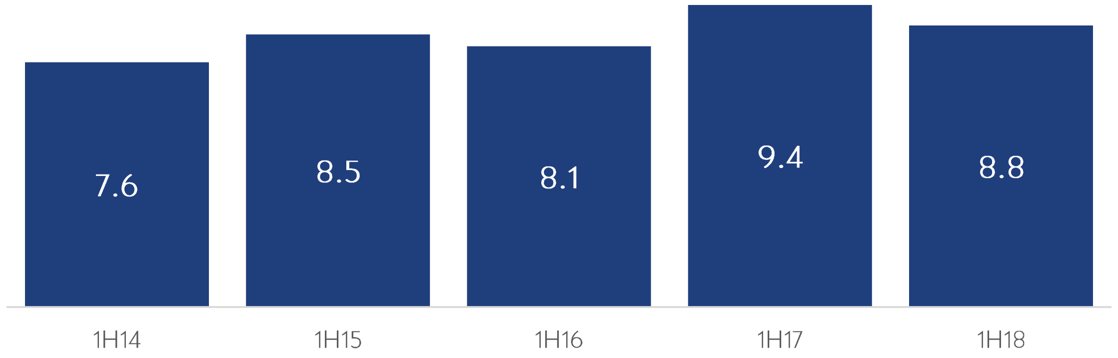
Resale Occupancy (including Contracted)



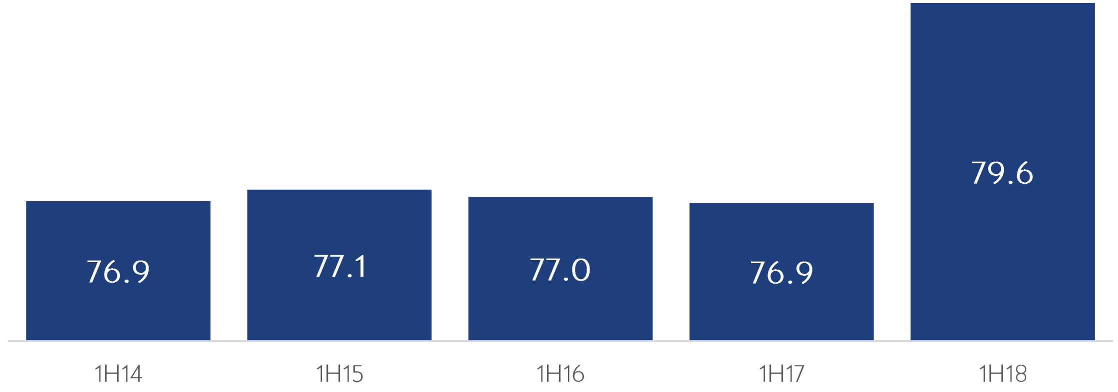
Commentary

- While resale volumes were slightly lower relative to prior periods, occupancy has remained consistently high in both ILUs and SAs
- Average length of stay in SAs has remained largely consistent with prior periods but the average age of entry into ILUs has increased from 76.9 years to 79.6 years
- Overall age of entry has increased from 80 years to 81 years given that ILUs comprise >85% of total inventory

Average Length of Stay (years) of Contracts Refunded during Period



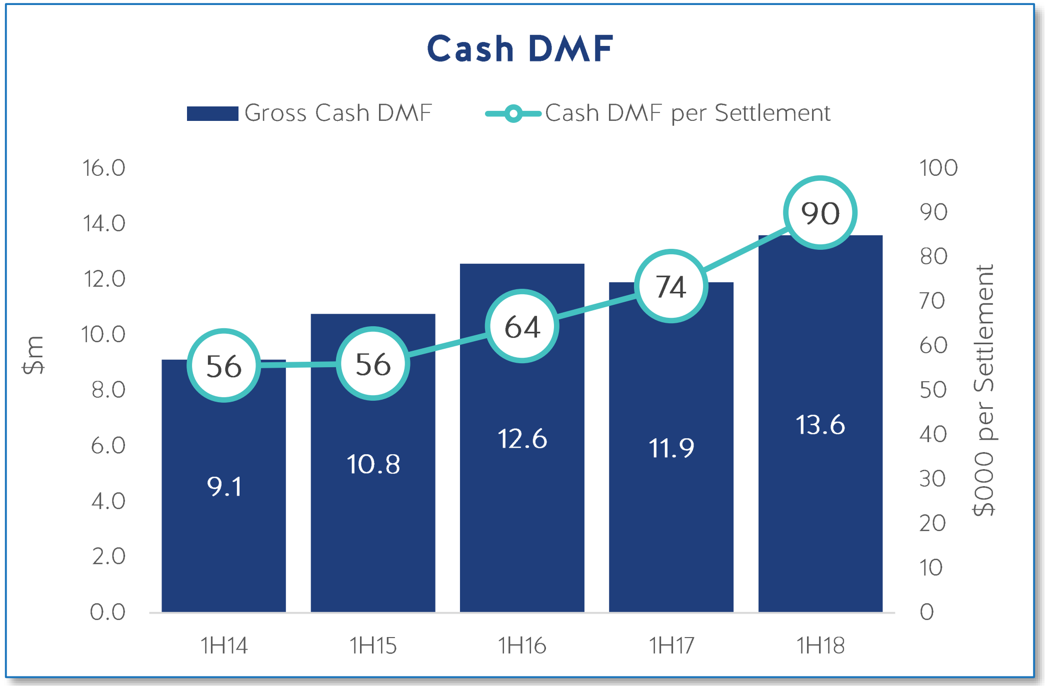
ILU Average Age of Entry (years)



SOLID UNDERLYING OPERATING CASH FLOWS

THERE'S MORE TO COME AT Metlifecare

Six months ended 31 Dec 17 (NZDm)	1H18	1H17	Change	FY17
Resident receipts	43.9	42.0	4.5%	83.0
(New) Development Sales	20.3	56.8	-64.3%	82.5
Receipts from Resales of Refundable ORA	80.7	79.2	1.9%	163.2
Repayment of Refundable ORA	(54.3)	(54.7)	0.7%	(107.9)
Payments to Suppliers and Employees	(53.2)	(44.7)	-19.0%	(88.2)
GST	1.0	0.7	43.1%	1.2
Net Financing Costs	0.0	(0.1)	90.6%	(0.1)
Buyback Costs	(11.1)	(4.3)	-160.8%	(4.3)
Net Operating Cash Flow as reported	27.2	74.8	-63.7%	129.6
Realised Resale Gains	26.5	24.4	8.3%	55.3
Operating Activities	(8.5)	(2.0)	-329.4%	(3.7)
Interest Paid	(0.0)	(0.2)	89.8%	(0.3)
Underlying Operating Cash Flow	18.0	22.3	-19.3%	51.3
(New) Development Sales	20.3	56.8	-64.3%	82.5
Buyback Costs	(11.1)	(4.3)	-160.8%	(4.3)
Net Operating Cash Flow as reported	27.2	74.8	-63.7%	129.6

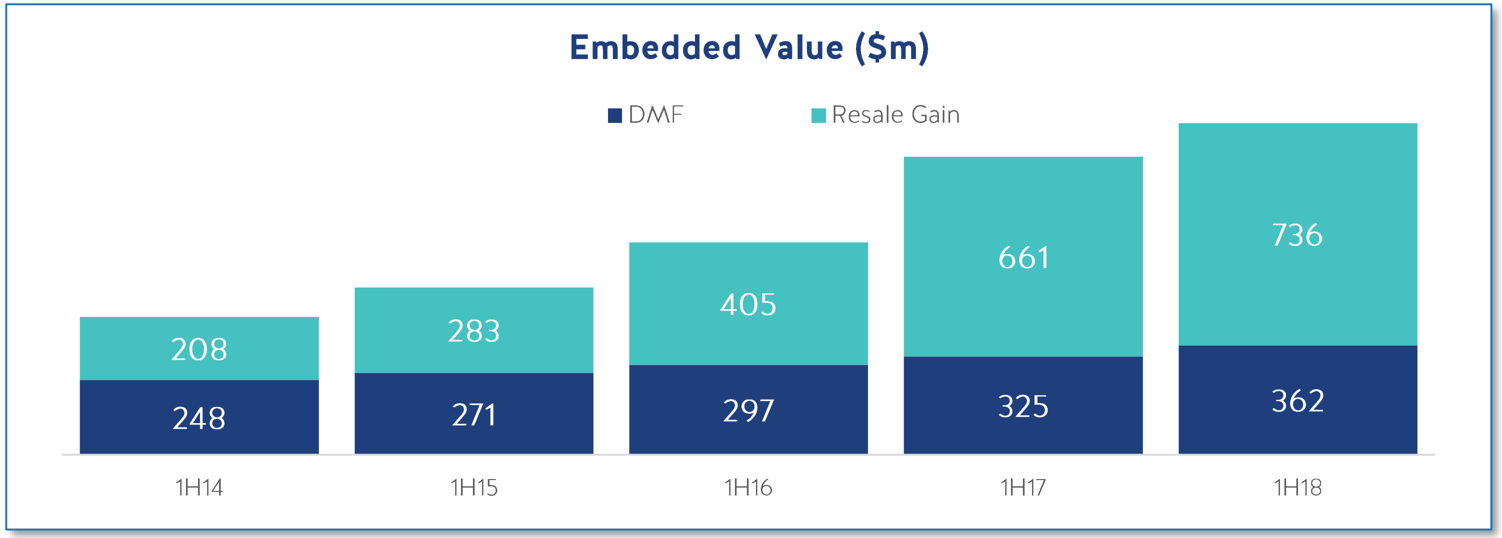


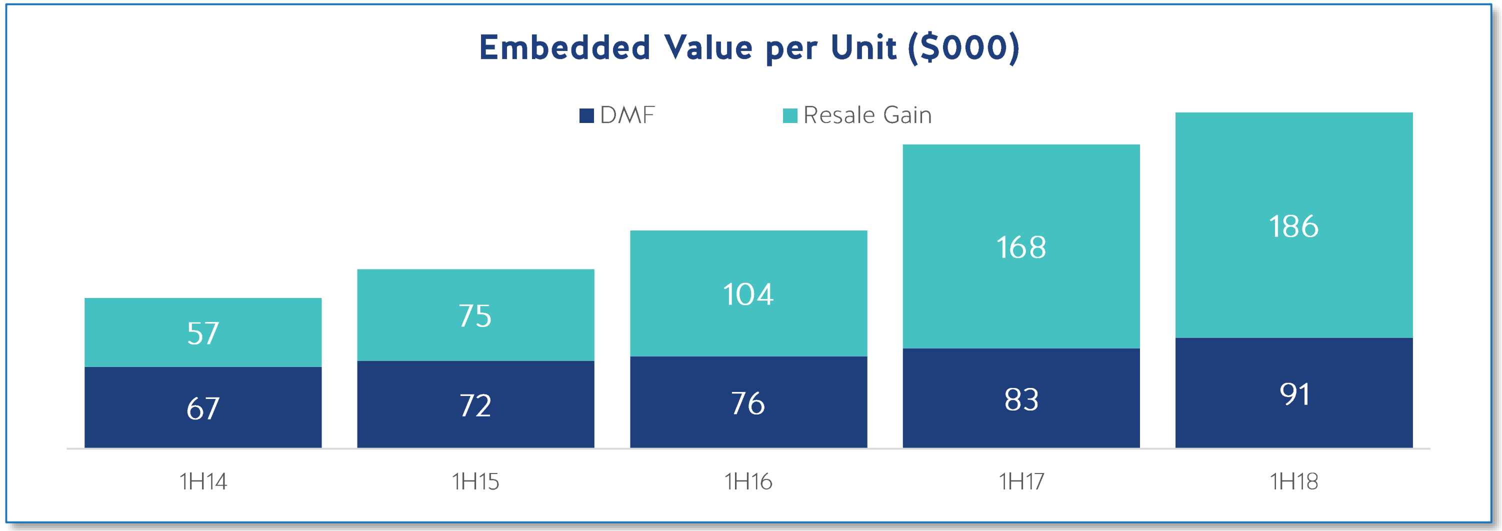
Commentary

- Receipts from residents increased by 4.5% ($1.9m) on 1H17 due to higher cash DMF (+21.6% or $1.7m) and higher care home revenue (+0.5m) on strong occupancy, premium charging and additional DHB funding following the Government's pay equity settlement
- Reduced receipts from development sales reflected differences in the sell down profile of new developments; 1H17 benefitted from the completion and sell down of the first stages at Greenwich Gardens
- Despite lower volumes, resales receipts were up 1.9% ($1.5m) on strong prices
- Cash payments reflected:
  - higher salary and wage costs partly reflecting the pay equity settlement affecting care workers (offset by additional DHB revenue)
  - higher property related costs including rates, insurance and maintenance
  - initial start-up costs at the new care homes
  - a significant reduction in net working capital since 30 June 2017
- The increased investment in property maintenance costs during the period represent investment in growth and long term value creation

HIGH VALUE LOCATIONS DRIVE EMBEDDED VALUE GAINS

THERE'S MORE TO COME AT Metlifecare





Commentary

- Embedded value per unit provides an indication of the potential future cash generation per settlement for the portfolio in terms of realised resale gains and DMF
- Embedded value takes the sum of the CBRE valuation prices of all units and subtracts the value of all resident liabilities
- Embedded value has continued to grow strongly reflecting unit price growth which is largely driven by property price growth at village geographic locations; higher value areas lead to higher levels of embedded value

NET ASSET VALUE UP TO $6.63 PER SHARE

THERE'S MORE TO COME AT Metlifecare

Six months ended 31 Dec 17 (NZDm)	1H18	1H17	Change	FY17
Cash and Other Assets	24.4	20.6	18.4%	23.0
Property, Plant and Equipment	52.4	41.2	27.4%	48.2
Investment Properties	3,005.7	2,744.1	9.5%	2,889.4
Total Assets	**3,082.5**	**2,805.9**	**9.9%**	**2,960.6**
Trade and Other Payables	26.5	23.1	-15.0%	49.9
Interest Bearing Liabilities	141.3	76.1	-85.6%	72.6
Deferred Membership Fees	109.8	99.1	-10.8%	104.6
Refundable Occupation Right Agreements	1,280.9	1,219.0	-5.1%	1,260.2
Deferred Tax Liability	109.8	99.9	-7.9%	103.1
Total Liabilities	**1,668.3**	**1,517.1**	**-9.8%**	**1,590.4**
Total Equity	**1,414.2**	**1,288.7**	**9.7%**	**1,370.2**
Net Assets per Share ($)	$ 6.63	$ 6.04	9.8%	$ 6.43

Six months ended 31 Dec 17 (NZDm)	1H18	1H17	Change	FY17
Development Land	87.0	64.5	34.7%	84.5
Investment Properties under Development	74.5	42.7	74.5%	36.9
Completed Investment Properties	1,447.2	1,314.9	10.1%	1,398.9
Total Valuation	1,608.8	1,422.0	13.1%	1,520.3
Plus Refundable Occupation Right Agreements	1,617.8	1,517.8	6.6%	1,577.1
Plus Residents' Share of Capital Gains	34.7	33.5	3.7%	35.2
Plus Deferred Membership Fee	109.8	99.1	10.8%	104.6
Less Membership Fee Receivables	(361.9)	(325.3)	11.2%	(344.4)
Less Occupation Right Agreement Receivables	(3.5)	(2.9)	21.3%	(3.4)
Total Investment Properties	3,005.7	2,744.1	9.5%	2,889.4

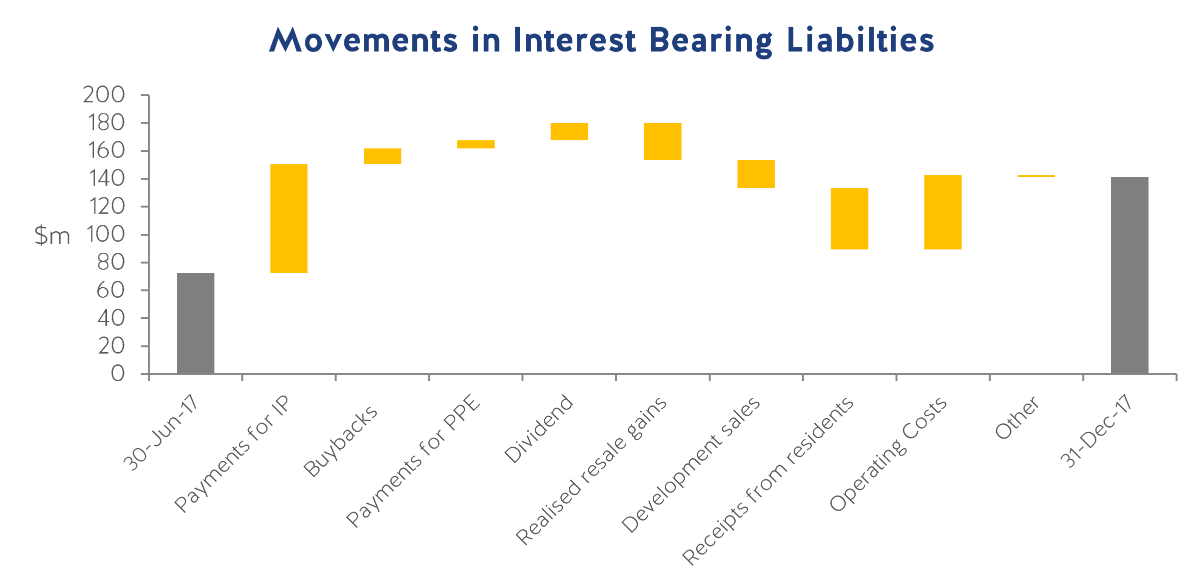
Commentary

- A desktop valuation of the portfolio (excluding care homes) was performed by CBRE at 31 Dec-17
- The value of Investment Properties has increased by $116.1m (vs 30 Jun-17) as a result of:
  - Botany land settlement
  - costs capitalised to development work-in-progress
  - fair value movements at existing / completed villages; and
  - net movements in refundable ORAs, accrued DMF and residents' share of capital gains
  - increase in the value of Property, Plant and Equipment reflecting the capitalised costs of the Somervale care home

INCREASED FUNDING ENABLES ACCELERATED DEVELOPMENT

Debt Facilities (NZDm)	1H18	1H17	Change	FY17
Available	352.0	252.0	39.7%	252.0
Drawn	141.3	76.0	86.0%	72.9
Cash and Cash Equivalents	2.8	2.3	21.4%	2.9
Net Interest Bearing Liabilities	138.5	73.7	88.0%	70.0
Gearing*	9%	6%	62.8%	5%

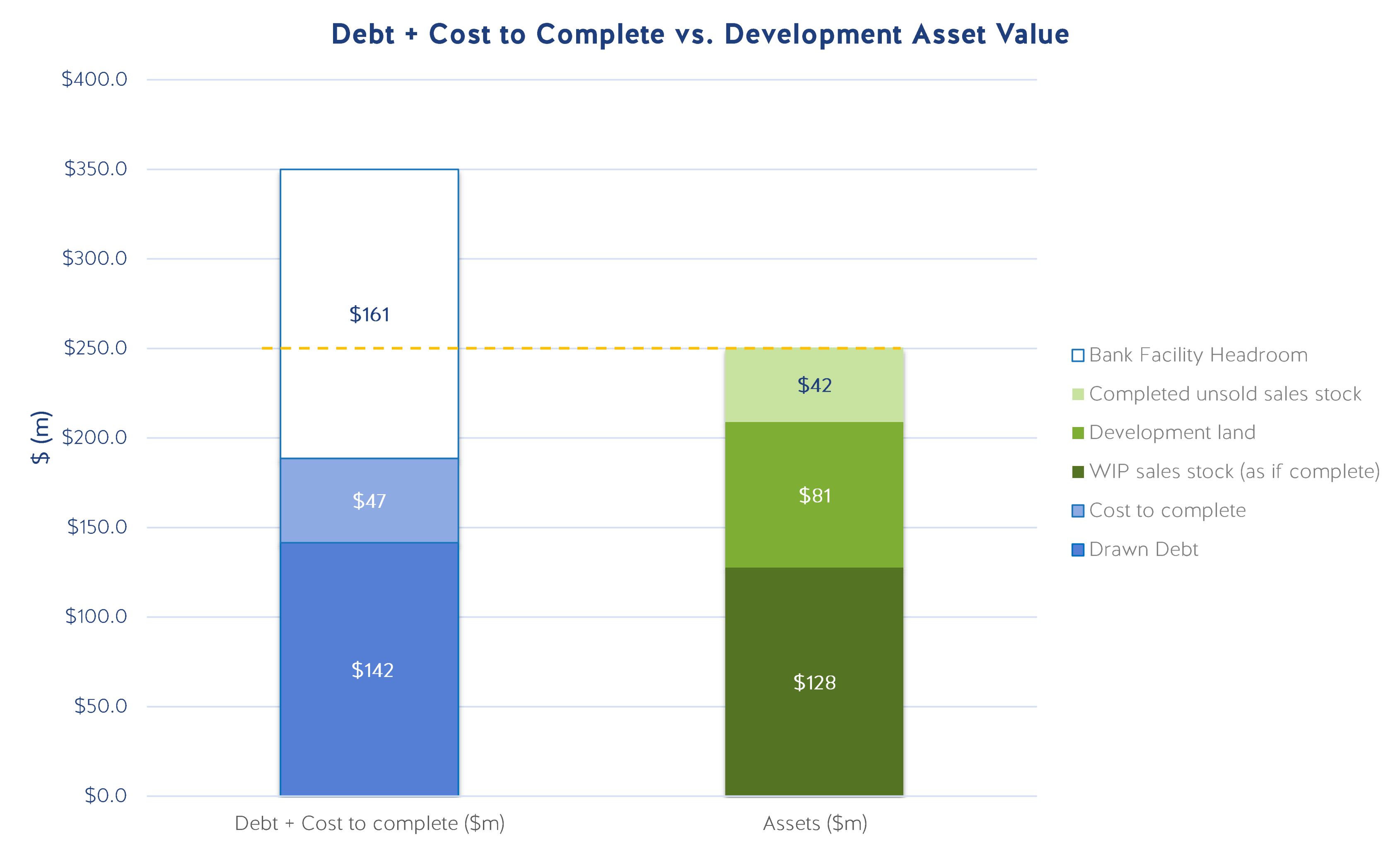
*Net Interest Bearing Liabilities/Net Interest Bearing Liabilities + Equity



Commentary

- The company's funding arrangements were reviewed during the period and successfully increased by $100m to $352m of which $141.5m was drawn at 31 Dec-17
- Maturity dates of October 2019 ($83.3m), October 2020 ($83.3m) and October 2021 ($183.3m). A further $2m overdraft facility is available
- $175m of bank debt is associated with development activity in progress and $175m is available for land acquisition and general working capital requirements
- Interest bearing liabilities have increased reflecting payments for investment property including the Botany land purchase ($19.0m), payment of the FY17 final dividend ($12.4m) and buyback costs ($11.1m)

BORROWINGS ARE WELL SUPPORTED BY ASSET VALUES



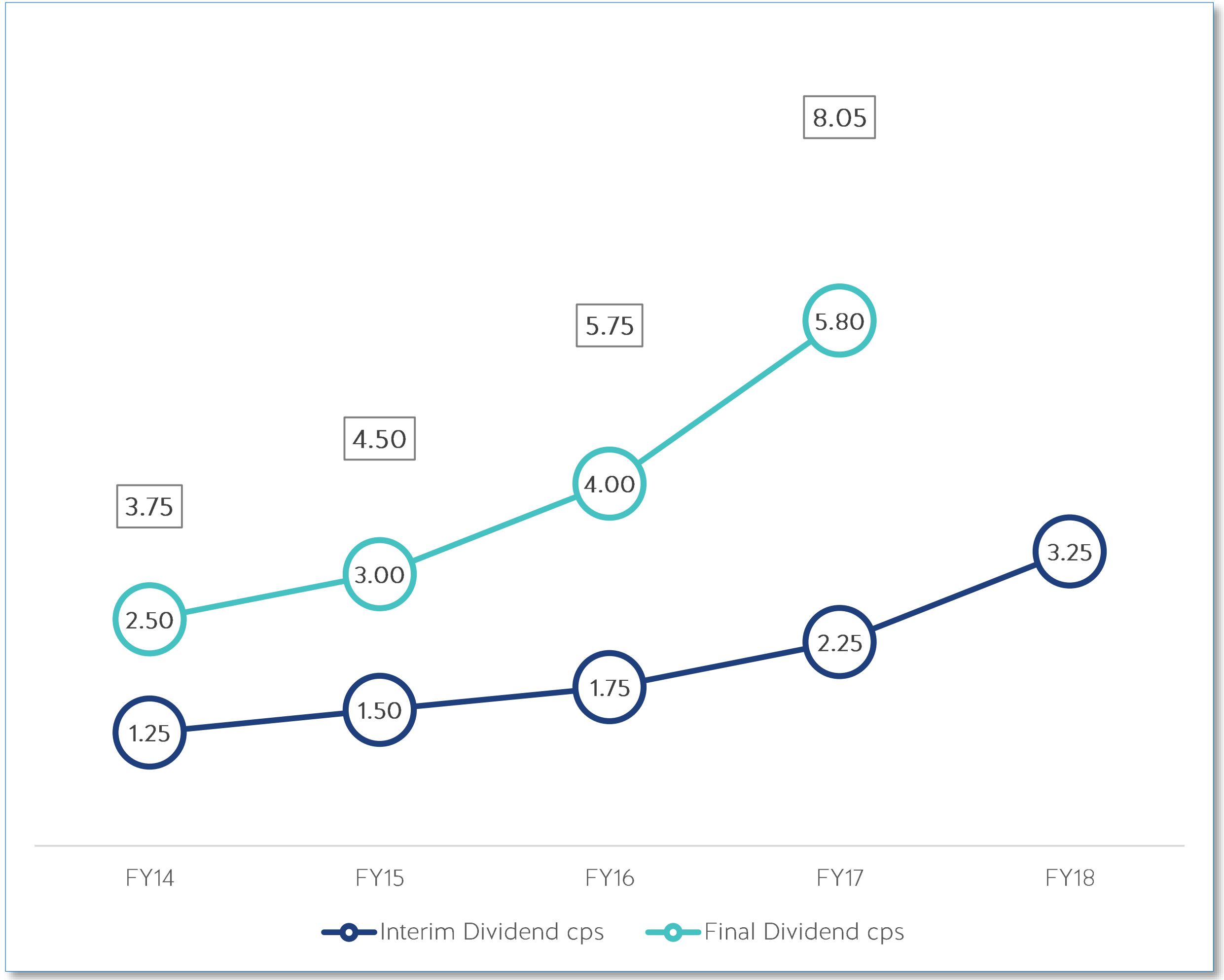
Commentary

- Current borrowings plus costs to complete are well supported by the completed asset values and development land.
- Significant additional bank facility headroom exists to support the future development pipeline

THERE'S MORE TO COME AT Metlifecare

INTERIM DIVIDEND

- An interim dividend of 3.25 cps has been declared
- Record date of 15 March 2018
- Payment date of 29 March 2018
- The company is targeting a dividend pay-out ratio of 30% to 50% of underlying operating cash flow; development sales are excluded on the basis that they are utilised to repay development debt associated with the construction of new villages and are, therefore, not available for distribution to shareholders
- On completion of development projects any surplus cash available will be considered for distribution



THERE'S MORE TO COME AT Metlifecare

OUTLOOK

- Market conditions have firmed since December 2017 and the company has signed more sales and resales applications for settlement 2H18 than at the equivalent time last year
- Development unit delivery and sales are skewed to the second half of FY18
- The planned buyback of the units required to enable the remediation programme is now largely completed. These units will be returned to the market in due course.
- The company expects to deliver a stronger second half performance. Underlying operating cash flow[1] and underlying profit[2] are expected to be in line with FY17 for the full year

[1] *Underlying operating cash flow is a preferred indicator of operating performance as it includes cash DMF, cash realised resale gains and cash tax paid.*

[2] *Underlying profit is a non-GAAP measure that is difficult to present consistently across the industry as it requires high level judgements to be applied including:*
- *the allocation of development costs associated with offices, common areas and care homes and therefore, likely differences in the way realised development margin is calculated;*
- *differences in the recognition of resales and development sales (Metlifecare recognises on a cash basis, some operators measure on an accrued basis);*
- *timing differences between accrued DMF (as reported in Underlying Profit) and cash DMF (as included in operating cash flows); and*
- *differences between realised development margin and the full impact on future cash flows.*

APPENDICES

THERE'S MORE TO COME AT Metlifecare

APPENDIX A – PORTFOLIO SUMMARY

THERE'S MORE TO COME AT Metlifecare

Villages	Independent Living Units	Care Apartments	Total	Care Beds	Care Suites	Total	Future Units	Future Care Beds	Total	Overall Total
Crestwood	121	14	135	41	-	41	46	40	86	262
Dannemora	201	-	201	-	-	-	-	-	-	201
The Orchards	96	-	96	36	-	36	-	-	-	132
Hibiscus Coast	221	48	269	-	-	-	-	-	-	269
Hillsborough Heights	176	42	218	-	-	-	-	-	-	218
Highlands	129	70	199	41	-	41	-	-	-	240
Longford Park	151	42	193	-	-	-	-	-	-	193
Pakuranga	69	18	87	-	-	-	44	24	68	155
Pinesong	329	27	356	-	10	10	48	-	-	366
Powley	46	34	80	45	-	45	-	-	-	125
Poynton	242	15	257	-	5	5	-	-	-	262
7 Saint Vincent	82	12	94	-	2	2	-	-	-	96
Greenwich Gardens	109	16	125	48	-	48	251	-	251	424
Waitakere Gardens	324	-	324	-	-	-	-	-	-	324
Red Beach	-	-	-	-	-	-	283	36	319	319
Albany	-	-	-	-	-	-	310	40	350	350
Orion Point							228	36	264	264
Botany	-	-	-	-	-	-	124	36	160	160
Auckland Total	2,296	338	2,634	211	17	228	1,334	212	1,546	4,408
The Avenues	90	-	90	-	-	-	-	30	30	120
Bayswater	215	17	232	-	6	6	-	-	-	238
Greenwood Park	229	11	240	-	-	-	-	-	-	240
Papamoa Beach	109	-	109	-	-	-	59	40	99	208
Somervale	83	27	110	69	-	69	30	-	30	209
Bay of Plenty Total	726	55	781	69	6	75	89	70	159	1,015
Coastal Villas	161	49	210	30	-	30	-	-	-	240
Kapiti	225	-	225	-	-	-	-	-	-	225
Palmerston North	49	50	99	38	-	38	-	-	-	137
Oakridge Villas	83	-	83	-	-	-	20	36	56	139
Forest Lake Gardens	198	-	198	-	-	-	-	-	-	198
Other Total	716	99	815	68	-	68	20	36	56	939
Total	3,738	492	4,230	348	23	371	1,443	318	1,761	6,362

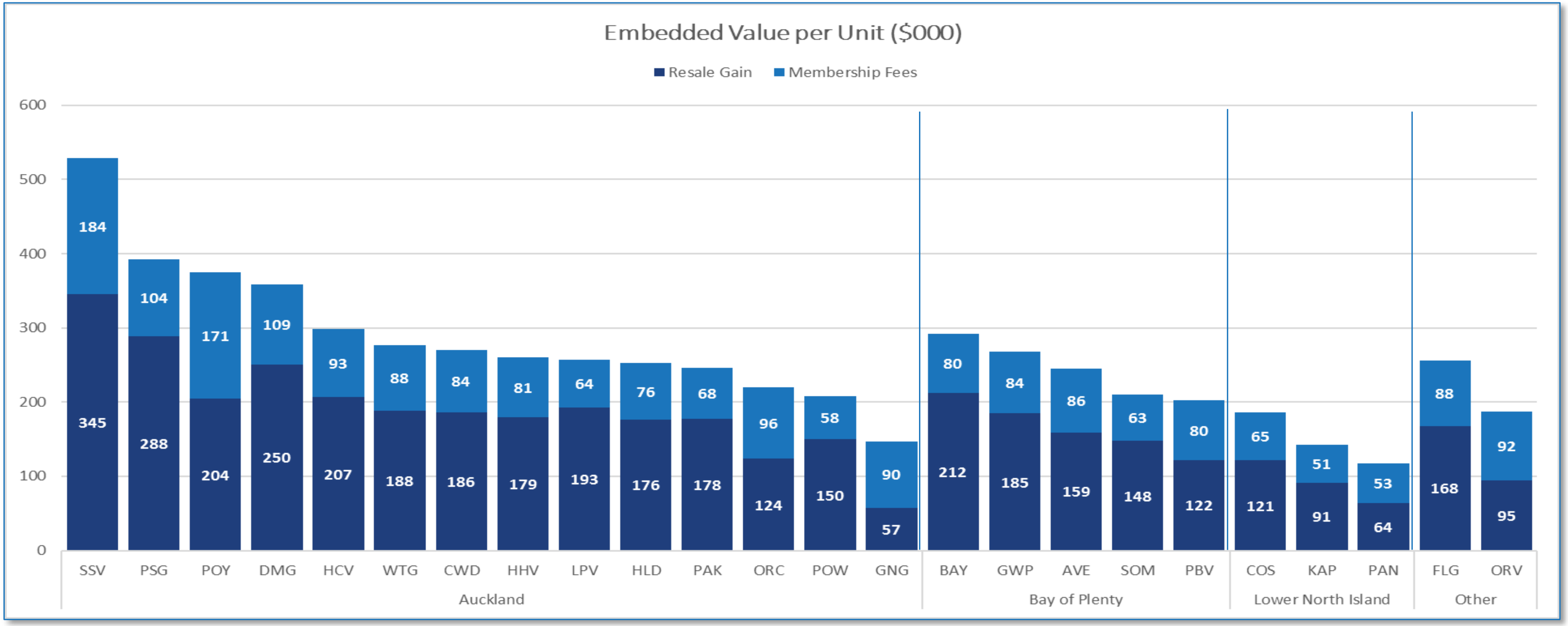
APPENDIX B – PORTFOLIO VALUATION ASSUMPTIONS

THERE'S MORE TO COME AT Metlifecare

Villages	Resident Average Age	Valuation at 31 Dec-17 $m	CBRE Nominal Unit Price Inflation Assumption					
			1	2	3	4	5+	Discount Rate
The Avenues	80.98	31.8	0.0%	1.0%	2.0%	3.0%	3.5%	13.00%
Bayswater	82.77	84.7	0.0%	1.0%	1.0%	2.8%	3.5%	13.25%
Coastal Villas	83.04	49.1	0.0%	1.0%	1.0%	2.8%	3.3%	14.25%
Crestwood	82.25	45.4	0.4%	1.0%	2.0%	2.9%	3.4%	13.50%
Dannemora Gardens	80.18	85.3	0.5%	1.0%	2.0%	3.0%	3.5%	12.75%
Forest Lake Gardens	81.69	63.5	0.0%	1.0%	2.0%	2.5%	3.5%	12.75%
Greenwich Gardens	77.31	68.7	0.0%	0.3%	1.0%	2.9%	3.4%	15.25%
Greenwood Park	82.79	76.2	0.0%	1.0%	1.0%	3.0%	3.3%	13.25%
Hibiscus Coast Village	82.47	93.3	0.3%	1.0%	1.0%	2.8%	3.4%	13.75%
Hillsborough Heights Village	82.04	70.8	0.4%	1.0%	2.0%	2.9%	3.4%	13.50%
Highlands	83.93	66.5	0.0%	0.7%	1.7%	2.8%	3.3%	13.50%
Kapiti	80.63	43.0	0.0%	1.0%	2.0%	3.0%	3.5%	14.25%
Longford Park	83.36	63.2	0.4%	1.0%	2.0%	2.5%	3.4%	13.00%
The Orchards	78.32	29.1	0.5%	1.0%	2.0%	3.0%	3.5%	14.50%
Oakridge Villas	78.47	20.5	0.0%	0.5%	1.0%	2.5%	3.0%	15.50%
Pakuranga Village	82.69	26.2	0.4%	1.0%	2.0%	2.9%	3.4%	14.50%
Palmerston North Village	84.77	19.4	0.0%	1.0%	2.0%	2.7%	3.2%	13.50%
Papamoa Beach Village	77.07	35.7	0.0%	1.0%	1.5%	2.0%	3.0%	15.00%
Powley	84.59	20.9	0.3%	1.0%	2.0%	2.8%	3.3%	14.50%
The Poynton	80.74	124.1	0.0%	1.0%	1.5%	3.0%	3.5%	13.00%
Pinesong	81.57	163.9	0.5%	1.0%	1.0%	2.9%	3.5%	13.25%
Somervale	85.67	31.3	0.0%	1.0%	2.0%	2.5%	3.0%	14.50%
7 Saint Vincent	85.76	73.2	0.4%	1.0%	2.0%	2.9%	3.4%	12.50%
Waitakere Gardens	80.80	100.2	0.5%	1.0%	2.0%	3.0%	3.5%	12.75%
Red Beach		19.0						
Albany		24.9						
Botany		21.1						
Total	81.77	1550.7	0.2%	1.0%	1.9%	2.8%	3.4%	13.55%

APPENDIX C – EMBEDDED VALUE DETAIL

THERE'S MORE TO COME AT
Metlifecare



APPENDIX D – DEFINITIONS

THERE'S MORE TO COME AT Metlifecare

Development Sale(s)	The first time sale of an ORA (new stock)
Resale:	The sale of an ORA where a sale has previously been completed
Realised Resale Gain	The difference between the resale and repurchase of occupation right agreements
ORA	Occupation Right Agreement including ILU's, ILA's and Care Apartments
ILU	Independent Living Unit
ILA	Independent Living Apartment
SA	Care Apartment or Serviced Apartment
pcp	Prior Comparable Period
Unit	Independent Living Units, Independent Living Apartments and Care/Serviced Apartments
DMF	Deferred Management Fees
CPS	Cents Per Share
LTM	Long Term Maintenance
IP	Investment Properties
PPE	Property, Plant and Equipment

APPENDIX E – IMPORTANT NOTICE

THERE'S MORE TO COME AT Metlifecare

- Underlying operating cash flow removes the cash flows derived from the first time sale of occupation right agreements from statutory operating activities in the financial statements. Development sales cash flows are used to repay debt so underlying operating cash flow excluding development sales is a measure of the free cash flows. Underlying operating cash flow also excludes cash outflows associated with units bought back by the company to enable remediation and regeneration activities. These cash outflows are of an abnormal and temporary nature and will reverse in subsequent periods.

- Underlying profit removes the impact of unrealised fair value movements on investment properties, impairment of property, plant & equipment and excludes one-off gains and losses and taxation. It is a non-GAAP financial measure and is not prepared in accordance with NZ IFRS. Note 2.2 of the Financial Statements has additional detail.

- Realised development margin is the margin obtained on cash settlement of an occupation right agreement following the development of the unit. The calculation includes construction costs, non-recoverable GST, capitalised interest to the date of completion, land apportionment at cost and infrastructure costs but excludes construction costs associated with offices, common areas and amenities. Margins are calculated based on when a stage is completed. Margins presented are on the basis of the settled units during the period. Note 2.2 of the Financial Statements has additional detail.

- Total settlement figures include resale settlements for Metlifecare Palmerston North which under the changes to NZ IFRS 11 in relation to joint venture accounting are excluded when calculating average settlement values in the operational section. In 1H18 resale settlements for Metlifecare Palmerston North were ILU's 2 and SA's 2 (1HFY17 ILU's 3 and SA's 10). DMF and realised resale gains figures exclude resale settlements for Metlifecare Palmerston North when calculating average settlements.

- Embedded value is calculated by taking the sum of the CBRE unit prices of units across the portfolio, deducting the resident refundable loan liability as per the balance sheet and company-owned stock items. The embedded value is a combination of Resale Gains and Deferred Management Fee receivable. The value of the Deferred Management Fee receivable is as per note 3.1 of the Financial Statements and the balance is Embedded Resale Gains. The per unit calculations have been adjusted for the Palmerston North joint venture accounting changes. Embedded value assists readers to understand the potential future cash flows from Realised Resale Gains and Deferred Management Fee Receivables.

- Percentages changes refer to movements to the pcp unless otherwise stated.

APPENDIX F – DISCLAIMER

THERE'S MORE TO COME AT Metlifecare

- The presentation includes non-GAAP financial measures for topics including embedded value, development sales, resales and occupancy which assist the reader with issues such as understanding the volumes of units settled during the period and the impact that development sales and resales during the period had on occupancy as at the end of the period.
- Percentage movements may differ due to rounding.
- The information in this presentation is an overview and does not contain all information necessary to make an investment decision. It is intended to constitute a summary of certain information relating to the performance of Metlifecare Limited ("Metlifecare") for the six month period ended 31 December 2017. Please refer to the Financial Statements for the six month period ended 31 December 2017 that have been released with this presentation.
- The information in this presentation does not purport to be a complete description of Metlifecare. In making an investment decision, investors must rely on their own examination of Metlifecare, including the merits and risks involved. Investors should consult with their own legal, tax, business and/or financial advisors in connection with any acquisition of financial products.
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