

RYMAN HEALTHCARE LIMITED		
Audited results for announcement to the market		
Reporting Period	Twelve months to 31 March 2015	
Previous Reporting Period	Twelve months to 31 March 2014	
	Amount (000s)	Percentage change
Revenue from ordinary activities	\$227,112	+ 11.8%
Total Income from ordinary activities	\$444,736	+ 17.9%
Underlying Profit ¹	\$136,316	+ 15.3%
Profit (loss) from ordinary activities after tax attributable to security holders	\$241,918	+ 24.2%
Net profit (loss) attributable to security holders	\$241,918	+ 24.2%
Final Dividend	Amount per security	Imputed amount per security
	7.30 cents	Not imputed
Record Date	12 June 2015	
Dividend Payment Date	26 June 2015	
Audit	The financial statements for the twelve months ended 31 March 2015 have been audited and are not subject to qualification.	
Comments	Refer to Media Release below	

¹ Underlying profit excludes deferred taxation, taxation expense and unrealised gains on investment properties, because these items do not reflect the trading performance of the company. Underlying profit determines the dividend payout to shareholders, and is reconciled to reported profit in the key statistics attached to this release.



Media release – May 22 2015

Ryman Healthcare reports record profit of \$136.3 million

Target set to open five villages in Melbourne by 2020

Ryman Healthcare today announced a record underlying profit of \$136.3 million thanks to unprecedented demand for new villages in Melbourne and Auckland. Valuation gains lifted the reported profit after tax to \$241.9 million.

“We achieved everything we set out to do and more in what was a landmark year for Ryman. We think the company is now poised for a terrific future in Australia and New Zealand thanks to growing demand and a significant landbank,” Chairman David Kerr said.

“We are pleased to pass this success on to our shareholders with a 15 per cent increase in the dividend to match the rise in underlying profits.”

Dr Kerr said it was the 13th consecutive year of growth in underlying profits and Ryman had again met its medium term target of growing underlying profits by 15 per cent a year. Sales reached a record 1175 units in the year, 20 per cent up on the year before.

Ryman has doubled in size in the past five years and is on track to keep on growing, Dr Kerr said.

“Our first village in Melbourne is one of our fastest selling ever. We’ve got ample proof that our expansion into Melbourne was the right thing to do.”

“As a result we have set a target of having five villages open in Melbourne by 2020.”

“We have also been pleasantly surprised by the level of demand we’re seeing for our New Zealand villages, particularly in Auckland.”

Dr Kerr said Ryman’s many years of reinvestment in its portfolio was paying off as villages matured and returns grew.

The company remained focused on improving the resident experience of living in a Ryman village. The growth in earnings helped fund additional investment in staff development and training, electronic care systems and improved caregiver pay.

Pay rates had been increased again and there were a range of initiatives under way to ensure that residents were constantly delighted by their decision to live in a Ryman village, Dr Kerr said.

Ryman shareholders will receive a final dividend of 7.3 cents per share which will be paid on June 26 2015, taking the total dividend for the year to 13.6 cents per share. The record date for entitlements is June 12 2015.

Ryman's construction team is busy with work continuing on five new villages including Wheelers Hill in Melbourne (Weary Dunlop), Howick (Bruce McLaren), Pukekohe, Birkenhead, and Petone (Bob Scott).

Ryman expects to start work on new villages in Rangiora and Greenlane in New Zealand in the year ahead. Work will also begin on its second Melbourne village at Brandon Park and Ryman is looking to expand its landbank again in Australia and New Zealand.

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

About Ryman: Ryman Healthcare was founded in Christchurch in 1984 and owns and operates 30 retirement villages in New Zealand and Australia. Ryman villages are home to 9000 residents, and the company employs 4000 staff.

Media advisory: For further information, photos, interviews or comment please contact Corporate Affairs Manager David King on +64 3 366 4069 or +64 21 499 602.

<p style="text-align: center;">RYMAN HEALTHCARE LIMITED KEY STATISTICS</p>
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	Mar 15 Full Year Audited	Mar 14 Full Year Audited
Underlying Profit (\$m)	136.3	118.2
Less: Tax expense(\$m)	-	-
Less: Deferred tax expense (\$m)	(0.1)	(8.5)
Plus: Unrealised fair value movement (\$m) (note 3)	105.7	85.1
Reported Profit after tax (\$m)	241.9	194.8
 Operating Cash Flows (\$m)	 234.0	 238.4
 Earnings per share (cents)	 48.4	 39.0
Dividend per share (cents)	13.6	11.8
Net Tangible Assets per share (cents)	220.3	185.3
 Sales of Occupation Right Agreements		
New Units (no.)	545	436
Existing Units (no.)	630	541
Total (no.)	1,175	977
 New Units (\$m)	 249.1	 174.0
Existing Units (\$m)	236.8	194.2
Total (\$m)	485.9	368.2
 Asset Base ¹		
Retirement Village Units (no.)	4,792	4,207
Residential Care Beds (no.)	2,807	2,517
Total (no.)	7,599	6,724
 Landbank - to be developed		
Retirement Village Units (no.)	3,088	3,213
Residential Care Beds (no.)	1,140	995
Total (no.)	4,228	4,208

¹ 607 units/beds built during 2014 offset by 74 units/beds which are being redeveloped

RYMAN HEALTHCARE LIMITED
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015

		31 Mar 2015 \$000	31 Mar 2014 \$000	Variance %
	Note			
Care fees		182,371	165,344	10.3%
Management fees		43,397	36,550	18.7%
Interest revenue		644	597	7.9%
Other income		700	732	-4.4%
Total revenue		227,112	203,223	11.8%
Fair value movement of investment properties	3	217,624	174,019	25.1%
Total income		444,736	377,242	17.9%
Operating expenses		(182,344)	(155,201)	17.5%
Depreciation		(10,767)	(9,045)	19.0%
Finance costs		(9,594)	(9,709)	-1.2%
Total expenses		(202,705)	(173,955)	16.5%
Profit before income tax		242,031	203,287	19.1%
Income tax expense		(113)	(8,482)	-98.7%
Profit for the period		241,918	194,805	24.2%
Earnings per share:				
Basic and diluted (cents per share)		48.4	39.0	24.2%

All profit and total comprehensive income is attributable to Parent Company shareholders and is from continuing operations.

The accompanying notes form part of these financial statements.

RYMAN HEALTHCARE LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2015

	31 Mar 2015 \$000	31 Mar 2014 \$000
Profit for the period	241,918	194,805
<u>Items that may be reclassified subsequently to profit or loss</u>		
Fair value movement of interest rate swaps	(2,864)	4,729
Movement in deferred tax related to interest rate swaps	802	(1,324)
Gain on hedge of foreign owned subsidiary net assets	1,765	293
(Losses)/Gains on translation of foreign operations	(2,081)	(293)
	<u>(2,378)</u>	<u>3,405</u>
<u>Items that will not be reclassified subsequently to profit or loss</u>		
Revaluation of property, plant and equipment (unrealised)	-	51,232
Deferred tax impact on revaluation reserve	-	-
	<u>-</u>	<u>51,232</u>
Other comprehensive income	(2,378)	54,637
Total comprehensive income	239,540	249,442

All profit and total comprehensive income is attributable to Parent Company shareholders and is from continuing operations.

The accompanying notes form part of these financial statements.

RYMAN HEALTHCARE LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2015

	Issued Capital \$000	Asset Revaluation Reserve \$000	Interest Rate Swap Reserve \$000	Foreign Currency Translation Reserve \$000	Treasury Stock \$000	Retained Earnings \$000	Total Equity \$000
Group							
Balance at 1 April 2013	33,290	125,574	(4,677)	-	(6,725)	587,007	734,469
Total comprehensive income for the period	-	51,232	3,405	-	-	194,805	249,442
Treasury stock movement	-	-	-	-	(2,165)	-	(2,165)
Dividends paid to shareholders	-	-	-	-	-	(55,000)	(55,000)
Closing Balance at 31 March 2014	33,290	176,806	(1,272)	-	(8,890)	726,812	926,746
Balance at 1 April 2014	33,290	176,806	(1,272)	-	(8,890)	726,812	926,746
Total comprehensive income for the period	-	-	(2,062)	(316)	-	241,918	239,540
Treasury stock movement	-	-	-	-	(2,465)	-	(2,465)
Dividends paid to shareholders	-	-	-	-	-	(62,500)	(62,500)
Closing Balance at 31 March 2015	33,290	176,806	(3,334)	(316)	(11,355)	906,230	1,101,321

The accompanying notes form part of these financial statements.

RYMAN HEALTHCARE LIMITED
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2015

		As at 31 Mar 2015 \$000	As at 31 Mar 2014 \$000
	Note		
Assets			
Cash and cash equivalents		409	1,754
Trade and other receivables		196,853	105,949
Advances to employees		3,549	2,828
Property, plant and equipment		676,706	583,934
Investment properties	3	2,434,631	2,034,549
Total assets		3,312,148	2,729,014
Equity			
Issued capital	6	33,290	33,290
Asset revaluation reserve		176,806	176,806
Interest rate swap reserve		(3,334)	(1,272)
Foreign currency translation reserve		(316)	-
Treasury stock		(11,355)	(8,890)
Retained earnings		906,230	726,812
Total equity		1,101,321	926,746
Liabilities			
Trade and other payables	8	100,986	116,145
Employee entitlements		12,090	10,660
Revenue in advance		32,081	27,282
Interest rate swaps		4,631	1,767
Refundable accommodation deposits	1	11,846	-
Bank loans (secured)		407,175	277,178
Occupancy advances (non-interest bearing)	4	1,580,172	1,306,701
Deferred tax liability (net)		61,846	62,535
Total liabilities		2,210,827	1,802,268
Total equity and liabilities		3,312,148	2,729,014

The accompanying notes form part of these financial statements.

RYMAN HEALTHCARE LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2015

		31 Mar 2015	31 Mar 2014
		\$000	\$000
	Note		
Operating activities			
Receipts from residents		582,085	529,772
Interest received		827	629
Payments to suppliers and employees		(184,719)	(151,358)
Payments to residents		(155,365)	(130,482)
Interest paid		(8,820)	(10,176)
Net operating cash flows	2	234,008	238,385
Investing activities			
Purchase of property, plant & equipment		(122,198)	(85,336)
Purchase of investment properties		(166,323)	(141,518)
Capitalised interest paid		(11,143)	(4,889)
Advances to employees		(721)	559
Net investing cash flows		(300,385)	(231,184)
Financing activities			
Drawdown of bank loans		129,997	51,191
Dividends paid		(62,500)	(55,000)
Purchase of treasury stock (net)		(2,465)	(2,165)
Net financing cash flows		65,032	(5,974)
Net (decrease)/increase in cash and cash equivalents		(1,345)	1,227
Cash and cash equivalents at the beginning of period		1,754	527
Cash and cash equivalents at the end of period		409	1,754

The accompanying notes form part of these financial statements.

**RYMAN HEALTHCARE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015**

I. SUMMARY OF ACCOUNTING POLICIES

Reporting entity

Ryman Healthcare Limited is a profit-oriented entity incorporated in New Zealand and develops, owns and operates integrated retirement villages, resthomes and hospitals for the elderly within New Zealand and Australia. Ryman Healthcare Limited is a Financial Markets Conduct reporting entity for the purposes of the Financial Reporting Act 2013 and the Financial Markets Conduct Act 2013, and its financial statements comply with these Acts.

The Company and its wholly owned subsidiaries comprise the Ryman Group ("the Group").

The Group is a Tier 1 for profit entity in terms of XRBA1.

Basis of preparation

These financial statements for the year ended 31 March 2015 have been extracted from the audited annual Group financial statements for the year ended 31 March 2015 and have been prepared to satisfy the Group's NZX reporting obligations.

With the exception of the new significant accounting policies and the changes in accounting policies noted below, the audited financial statements have been prepared under the same accounting policies and basis as those used in the prior year's interim and annual financial statements.

The financial statements were approved by the Board of Directors on 21 May 2015.

The information is presented in thousands of New Zealand dollars.

Adoption of new and revised Standards and Interpretations

In the current period, the Group adopted all mandatory new and amended Standards and Interpretations. None of the new and amended Standards and Interpretations had a material impact on these financial statements.

New accounting policy

The Group has adopted the following accounting policy from 1 April 2014.

Refundable accommodation deposits

Refundable accommodation deposits relate to deposits held on behalf of residents who reside in rooms in the care centre in Australia. Refundable accommodation deposits confer to residents the right of occupancy of the room for life, or until the resident terminates the agreement.

Amounts payable under refundable accommodation deposits are non-interest bearing and recorded as a liability in the balance sheet. As the resident may terminate their occupancy with limited notice, and the refundable accommodation deposit is non-interest bearing, it has demand features and is therefore carried at face value, which is the original deposit received.

RYMAN HEALTHCARE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

2. RECONCILIATION OF NET PROFIT AFTER TAX WITH NET CASHFLOW FROM OPERATING ACTIVITIES

	31 Mar 2015	31 Mar 2014
	\$000	\$000
Net profit after tax	241,918	194,805
<i>Movements in balance sheet items:</i>		
Occupancy advances	301,823	218,134
Refundable accommodation deposits	11,846	-
Accrued management fees	(27,222)	(23,537)
Revenue in advance	4,799	3,603
Trade and other payables	(2,622)	2,686
Trade and other receivables	(90,904)	(2,469)
Employee entitlements	1,430	1,655
<i>Non-cash items:</i>		
Depreciation	10,767	9,045
Deferred tax	113	8,482
Unrealised foreign exchange (gain)/loss	(316)	-
<i>Adjusted for:</i>		
Fair value movement of investment properties	(217,624)	(174,019)
Net operating cash flows	234,008	238,385

Net operating cash flows for the Group includes occupancy advance receipts from retirement village residents of \$390.7 million (2014: \$362.3 million). Net operating cash flows also include management fees collected of \$22.4 million (31 March 2014: \$16.8 million).

3. INVESTMENT PROPERTIES

	31 Mar 2015	31 Mar 2014
	\$000	\$000
At fair value		
Balance at beginning of financial year	2,034,549	1,684,183
 Additions	 182,458	 176,347
<i>Fair value movement:</i>		
Realised fair value movement:		
- New retirement village units	61,597	50,324
- Existing retirement village units	50,312	38,612
	111,909	88,936
Unrealised fair value movement	105,715	85,083
	217,624	174,019
 Net movement for the year	 400,082	 350,366
Balance at end of financial year	2,434,631	2,034,549

RYMAN HEALTHCARE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

3. INVESTMENT PROPERTIES (Continued)

The realised fair value movement arises from the sale and resale of occupancy advances to residents. Investment properties are not depreciated and are fair valued.

The carrying value of completed investment properties is the fair value as determined by an independent valuation report prepared by registered valuers CBRE Limited, as at 31 March 2015. Significant assumptions used by the valuer include long term house price inflation (which ranges from 1% to 3% nominal) and discount rate (which ranges from 13% to 16%). Principal assumptions are unchanged from the prior year. Investment properties include investment properties work in progress of \$40.8 million (2014: \$64.9 million), which has been fair valued at cost by CBRE Limited.

4. OCCUPANCY ADVANCES (non interest bearing)

Occupancy advances comprise the following balances:

	31 Mar 2015	31 Mar 2014
	\$000	\$000
Gross occupancy advances	1,771,851	1,470,028
Less: management fees & resident loans	(191,679)	(163,327)
Occupancy advances	1,580,172	1,306,701
<i>Movement in gross occupancy advances:</i>		
Opening Balance	1,470,028	1,251,894
Plus: Increases in occupancy advances:		
- New retirement village units	249,096	173,964
- Existing retirement village units	50,312	38,612
Increase in occupancy advances receivable	2,415	5,558
Closing balance	1,771,851	1,470,028

Gross occupancy advances are non interest bearing.

5. DIVIDEND

On 21 May 2015 a final dividend of 7.30 cents per share was declared and will be paid on 26 June 2015. The record date for entitlements is 12 June 2015.

6. SHARE CAPITAL

Issued and paid up capital consists of 500,000,000 fully paid ordinary shares (2014: 500,000,000). All shares rank equally in all respects.

Basic and diluted earnings per share has been calculated on the basis of 500,000,000 ordinary shares (2014: 500,000,000 shares).

Shares purchased on market under the senior share scheme are treated as treasury stock until vesting to the employee.

RYMAN HEALTHCARE LIMITED
SELECTED NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

7. COMMITMENTS

The Group had commitments relating to construction contracts amounting to \$26.3 million as at 31 March 2015 (2014: \$27.5 million).

8. TRADE AND OTHER PAYABLES

Trade payables are typically paid within 30 days of invoice date or the 20th of the month following invoice date. Other payables includes \$61.6 million (2014: \$81.3 million) in relation to the purchase of land.

9. OPERATING SEGMENTS

The Ryman Group operates in one industry, being the provision of integrated retirement villages for the elderly in New Zealand and Australia. The service provision process for each of the villages is similar, the class of customer and methods of distribution and regulatory environment is consistent across all the villages.

In presenting information on the basis of geographical segments, segment net profit, underlying profit, segment revenue is based on the geographical location of operations. Segment assets are based on the geographical location of the assets.

	New Zealand \$000	Australia \$000	Group \$000
Year ended 31 March 2015			
Revenue	222,005	5,107	227,112
Underlying profit	127,941	8,375	136,316
Less: Current tax expense	-	-	-
Plus: Unrealised fair value movement	94,281	11,434	105,715
Less: Deferred tax expense	(113)	-	(113)
Profit for the period	222,109	19,809	241,918
Non-current assets	2,931,711	179,626	3,111,337
Year ended 31 March 2014			
Revenue	203,223	-	203,223
Underlying profit	120,776	(2,572)	118,204
Less: Current tax expense	-	-	-
Plus: Unrealised fair value movement	85,083	-	85,083
Less: Deferred tax expense	(8,482)	-	(8,482)
Profit for the period	197,377	(2,572)	194,805
Non-current assets	2,553,049	65,434	2,618,483

10. SUBSEQUENT EVENTS

Other than the dividends as per note 5, there are no other subsequent events.