

ESTIA HEALTH UNAUDITED**FULL YEAR 2015 RESULTS****Highlights**

- FY2015 Pro Forma NPAT of \$44.6m, 5% ahead of Prospectus
- EBIT of \$61.8m and Revenue of \$297.5m, both ahead of Prospectus
- Strong cash flow with Net Refundable Accommodation Deposit (RAD) of \$88.5m, \$55.8m above Prospectus
- Total acquisition of 550 places above Prospectus during FY15
- Proposed acquisition of 48 bed facility due for completion on 1 Oct 2015
- Projected ROCE of 28.2% (initial cash) and 16.8% (long term) for 921 places acquired in CY15
- Targeting NPAT and EPS growth of over 20% in FY2016
- Final dividend of \$0.14 per share, Dividend Reinvestment Plan in place

Estia Health Limited (ASX: EHE) ("Estia" or the "Company") released its unaudited full year results for the financial year ended 30 June 2015. Pro Forma NPAT was \$44.6m, 5% ahead of Prospectus forecast with Pro Forma EBIT of \$61.8m and Revenue of \$297.5m, both ahead of Prospectus forecast. Full statutory results to be announced on 18 August 2015.

Estia's cash flow was significantly boosted by net RAD receipts of \$88.5m for the year against Prospectus forecast of \$32.7m. This was due to the increase in consumer preference towards RADs, with 64% of new residents electing to pay RADs during the year. The corresponding change in the mix of RAD versus DAP payments had a short term impact on earnings, with EBITDA 99.3% of Prospectus forecast at \$69.7m.

The timing of completion of Prospectus acquisitions coupled with the additional 550 operating places added post IPO, meant that the overall operating place days were essentially in line with Prospectus (+1.2%). Total occupancy for the year was 93.6% (-1.2pp) with the exit rate of mature occupancy at 96.3%, just shy of the mature target of 96.5%.

Estia further consolidated its industry leading figure of single room operating places during the second half to 94% across its portfolio of 48 facilities and 4,010 places. Independent research has shown that this is the single most important factor for consumers and their families when selecting aged care facilities and will underpin further growth in occupancy levels in FY2016.



The Chief Executive Officer of Estia Health, Paul Gregersen said: "These strong results, with NPAT 5% ahead of our prospectus target along with the significant outperformance on a cash flow basis demonstrates the strength of our business. Our growth strategy is clear and the acquisitions since listing give us a solid platform for continued strong performance in FY2016."

Today, Estia is pleased to announce the proposed acquisition of a 48 place facility which is due to complete in October 2015. Estia has now acquired 921 new operating places since listing, taking the total number of operating places to 4,441. The return on capital employed for these acquisitions is projected to be 28.2% (initial cash) and 16.8% (long term).

Paul Gregersen commented: "Single site acquisitions continue to be earnings accretive and offer great value creation for Estia. Our integration team is highly competent with 13 single facilities successfully brought onto our operating systems since October 2014. We are well set to achieve our target of reaching 10,000 beds by 2020. "

Recently, Estia signed a strategic partnership with Living Choice Australia, one of Australia's leading retirement village companies to develop more than 500 additional greenfield places by the end of FY2019. The first two of these facilities have been confirmed, located at Twin Waters and Maroochydore.

Since the year end, Estia appointed former Barclays Australia Managing Director, Steven Boggiano as Director of Strategy to help drive the Company's transformational change agenda. The Company also announced the extension of its debt term facility by 12 months and put in place an accordion facility of \$150m to fund its pipeline of acquisitions and organic development opportunities. The Estia Board implemented a Dividend Reinvestment Plan (DRP) to provide shareholders the opportunity to reinvest dividends in additional Estia shares. The Board elected to pay a final dividend of \$0.14 for the 2015 financial year.

Paul Gregersen said: "With the mature business performing well and with the upside of acquisitions made over the past eight months, we are confident of achieving NPAT and EPS growth of over 20% in FY2016. Reflecting this confidence in the future, the Board has declared a final dividend for FY2015 of \$0.14 per share, ahead of Prospectus forecast."

The Estia Health management team is hosting an investor teleconference briefing today, Wednesday 12th August for Australian, New Zealand and US investors at 8.45am AEST. A second conference call for UK and Asian investors will be held at 5.30pm AEST.

The details for the 8.45am teleconference are below.

-ENDS-

For further information:



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Investor Teleconference Details

Participants can dial in using the numbers below to join the teleconference briefing. For countries not listed below, the international number can be used. You will also need to quote the conference ID provided.

Synchronised slides are available to be viewed at:
<http://bit.ly/1KePau6>

Dial in numbers:

1800 123 296 (Australia)
+61 2 8038 5221 (International)
0800 452 782 (New Zealand)
1855 293 1544 (USA)
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