

ESTIA 1H FY2015 RESULTS

HIGHLIGHTS

- On track to meet Prospectus Forecast FY2015 Pro Forma NPAT, EBIT and Revenue
- 1H FY2015 Pro Forma NPAT \$19.9m, EBIT \$28.5m, Revenue \$137.5m
- Strong revenue growth driven by total occupancy increasing to 94.1% in December 2014, and 91.3% of all residents receiving high care subsidies
- High occupancy levels in turn primarily driven by clear patient preference for single rooms - 92% across Estia's portfolio (supported by market research released today)
- Aged Care Funding Instruments (ACFI) subsidies increased to \$170.56 per day in Dec 2014, \$165.75 for 1H FY2015
- Average equivalent new Refundable Accommodation Deposit (RAD) of \$327,274 up from 1H FY2015 forecast of \$238,000
- 43 facilities successfully integrated into 8 networks
- Full implementation of IT systems and successful integration of support functions

Estia Health Limited (ASX:EHE) today released First Half results for 2015 and reaffirmed the company is on track to meet its FY2015 Prospectus Forecast Pro Forma EBIT, NPAT and Revenue.

1H FY2015 Pro Forma NPAT of \$19.9m is above 1H FY2015 prospectus forecast. Pro Forma EBIT of \$28.5m and Revenue of \$137.5m were led by total occupancy levels increasing to 94.1% in December 2014, and 91.3% of residents receiving higher care subsidies. Occupancy levels for 1H FY2015 were at 93.4%, up from 89.3% in FY2014 Actual.

Estia also performed strongly on two other key operating metrics with Aged Care Funding Instruments (ACFI) subsidies increasing to \$170.56 per day in Dec 2014, and \$165.75 for HY2015, and average equivalent new RAD of \$327,274, up from 1H2015 forecast of \$238,000.

Estia maintained an industry leading figure of 92% single beds across the Company's portfolio of 45 homes with 3,693 places. The Group's growth strategy is sitting above prospectus target with the previously announced 80 bed acquisition in Metro Adelaide to be finalised in May 2015.

Managing Director of Estia Health, Mr Paul Gregersen said: “This strong result and the considerable progress we have made in a relatively short time frame is a great credit to our team. We have successfully integrated 43 facilities into 8 networks across Australia. Key support functions have been centralised and the company has also rolled out and implemented new IT systems across the Group.”

“We are on track to meet our full year prospectus forecast numbers and longer term are well positioned for growth in an industry that is expecting strong future demand for high quality aged care places across Australia.”

The company also today released independent market research from over 500 consumers to better understand what drives decision making in aged care. Significantly, 71% of all respondents ranked “Room Type” as the number 1 factor in choosing a quality aged care home – ahead of quality of environment, payment options and location. The research shows that consumers are much less concerned about the quality of fittings and furnishings and the location of the home than they are about the room configuration.

Paul Gregersen said: “What is undeniable is that consumers want single ensuite rooms which places Estia in a really strong position in the growing aged care market given our portfolio with 92% single rooms.”

Estia has also announced the appointment on assignment of Mr Mark Brandon as Chief Quality Officer until the end of November 2015. Mark’s role is to lead the development of the next generation of Quality Management System across Estia Health to provide seamless employee engagement across Estia’s network of aged care facilities. Mark is an internationally recognised leader on strategy, quality, accreditation, government relations and organisation transformation. His experience included working for 11 years as Chief Executive Officer of the Australian Government’s Aged Care Standards and Accreditation Agency.

Estia will provide an investor teleconference briefing today Thursday 19 February 2015 at 8.45am AEDT. Teleconference details are below.

19 February 2015

-ENDS-

For Further Information:

Peter Brookes, Citadel Communications +61 (0) 407 911 389

or investor@estiahealth.com.au

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 also available to be viewed at:

<http://event.on24.com/r.htm?e=940785&s=1&k=AA74ED0129F166515EE83551A3A2E22C>

Dial in numbers:

1800 558 698 (Australia)
 +61 2 9007 3187 (International)
 0800 453 055 (New Zealand)
 800 966 806 (Hong Kong)
 800 101 2785 (Singapore)
 1855 8811 339 (USA & Canada)
 0800 051 8245 (UK)

Conference ID: 295946

FINANCIAL PERFORMANCE

Summary Pro Forma Income Statement		
	Actual ²	Forecast ¹
\$ million	1H FY2015F	1H FY2015F
Total Revenue ⁶	137.5	137.8
EBITDA ³	33.0	32.8
EBIT ⁴	28.5	28.2
NPAT ⁵	19.9	19.7

Summary Statutory Income Statement		
	Actual ²	Forecast ¹
\$ million	1H FY2015F	1H FY2015F
Total Revenue ⁶	124.7	125.1
EBITDA ³	(0.2)	(0.9)
EBIT ⁴	(4.1)	(4.9)
NPAT ⁵	(32.8)	(27.5)



1. Pro Forma Historical Financial and Forecast Financial Information is consistent with the information disclosed in the Prospectus lodged 3 December 2014.
 2. Pro Forma Actual are non-statutory, unaudited and have been prepared consistent with the basis set out in the Prospectus lodged 3 December 2014.
 3. Earnings before Interest, Tax, Depreciation and Amortisation ("EBITDA") is a non-statutory disclosure and has been prepared consistent with the basis set out in the Prospectus lodged 3 December 2014.
 4. Earnings before Interest and Tax ("EBIT") is a non-statutory disclosure and has been prepared consistent with the basis set out in the Prospectus lodged 3 December 2014.
 5. Net profit after tax (NPAT) has been prepared consistent with basis set out in the Prospectus lodged 3 December 2014.
 6. Total Revenue is a non-statutory disclosure and includes revenue from operations and other income. Note: the Company considers Total Revenue to be an appropriate measure due to industry focus on government and resident funding for delivery of aged care services.