

NZX, ASX AND MEDIA RELEASE

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SUMMERSET BUYS LAND TO EXTEND VILLAGE IN AUCKLAND

Retirement village operator Summerset has bought land adjoining its existing village in Karaka, which will see the village's footprint almost double, CEO Julian Cook said at the company's Annual Meeting today.

The purchase will help the company's growth as it anticipates bigger deliveries of retirement units, care apartments and care beds at multiple sites Mr Cook said.

Summerset will build around 250 retirement units this year, rising to 300 retirement units in 2015. Summerset built 209 retirement units in 2013.

The land purchase at Karaka, in the Auckland region, will add to Summerset's considerable land bank. Last year, land purchases New Plymouth, Lower Hutt, Trentham, Casebrook and Wigram boosted the company's land bank.

"Auckland has been a key region for us with villages in Warkworth and Manukau, Karaka and Hobsonville, and a greenfield site at Ellerslie. When these five villages are completed, we will have spent more than NZ\$500 million in the region and created homes for some 1,300 residents."

The Karaka village will increase from a 3.6ha site, to a 6.8ha site with this new acquisition. The village is in the early stages of construction.

Mr Cook said that the company's goal is to be the number one choice in retirement village and aged care services in New Zealand.

"Summerset's early goal of building 20 villages in 20 years is now within our grasp. After 17 years in the business, we have just launched our 18th village, the NZ\$120 million Hobsonville village – a truly special location on the waterfront in Auckland. With developments like this, I believe being number one choice is imminently achievable too."

He said Summerset has been named Best Retirement Village Operator in Australasia four years running because of its focus on the customer, and the challenge is to maintain that listening approach as the company grows.

"Ultimately we do all of this to create villages that enhance residents' lives, and I feel deeply about making sure older New Zealanders have an enjoyable retirement in communities built with their care and needs in mind."

Chairman Rob Campbell told investors at the Annual Meeting Summerset's acquisition of five sites last year has provided the company with a strong platform for future growth.

Summerset's land bank now stands at more than 2,000 retirement units and nearly 600 care beds.

"This is enough to provide seven years of growth at our targeted build rate of 300 retirement units per annum, which we plan to achieve in 2015," Mr Campbell said.

"We are on track to meet our targets, and are in a position to continue to develop more villages around the country taking our offering to new markets."

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For investor relations enquiries:

Scott Scoullar
Chief Financial Officer
scott.scoullar@summerset.co.nz
04 894 7317 or 029 894 7317

For media enquiries:

Kimberley Rothwell
Communications Advisor
kimberley.rothwell@summerset.co.nz
04 894 6993 or 027 601 2001

ABOUT SUMMERSET

- Summerset is a leading nationwide retirement village operator with a focus on providing residents with a continuum of care. The integration of care facilities into Summerset's villages provides residents with the knowledge that care is available for them should their needs change.
- Summerset is the third largest operator, and the second largest developer of retirement villages in New Zealand, with 18 villages across the country. In addition, Summerset has five quality land sites in Casebrook, Ellerslie, Lower Hutt, New Plymouth and Wigram bringing the total number of sites to 23.
- The company is continually evaluating new sites to support the development of further villages based on demand.
- It provides a range of living options and aged-care facilities and services to more than 2,600 residents.
- Summerset was named best retirement village operator in New Zealand and Australia at the Australasian Over-50s Housing Awards in 2010, 2011 and 2012 and 2013.
- Summerset's senior management team is led by CEO Julian Cook.
- The Summerset Group has villages in Aotea, Dunedin, Hamilton, Hastings, Havelock North, Hobsonville, Karaka, Katikati, Levin, Manukau, Napier, Nelson, Palmerston North, Paraparaumu, Taupo, Trentham, Wanganui and Warkworth.