

Media Release
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Lifestyle Communities delivers a record full year profit result

The increasing demand for affordable seniors housing has led to Lifestyle Communities Limited (ASX Code: LIC) announcing a 23% increase in Net Profit Before Tax (NPBT) of \$10.4 million (compared with \$8.5 million last year).

Commenting on the growth in sales and profits, Managing Director James Kelly said "With the number of Australians over 65 years of age expected to doubly by 2021, and expected to double again by 2051, we are confident our market segment will continue to expand."

Despite ongoing turbulence in the global economy and an uncertain residential property market, Victoria's leading provider of affordable seniors housing, Lifestyle Communities, recorded growth in all aspects of its business including, sales, settlements and revenue from village operations.

Annuity rental income increased by 55% during the year and continues to grow as more homes are occupied in the communities under management.

Given the strong financial result, Lifestyle Communities has declared a fully franked dividend of ½ cent per share.

Lifestyle Communities now has 1,421 homes completed, under development or in the pipeline across 8 villages in Victoria

"Lifestyle Communities is moving strongly towards its target of over 2,500 homes under development or management by 2020." Mr. Kelly added.

In May this year, the company executed an agreement with a major institutional investor for a \$50 million long-term debt facility providing certainty for new site funding.

"The funding agreement has allowed us to recycle the capital from mature projects into new projects, enabling us to grow the number of units under management and to increase operational income at a faster rate than otherwise possible," Mr Kelly said.

Looking forward

Lifestyle Communities currently manages five affordable seniors communities in Melton, Tarneit, Warragul, Cranbourne and Shepparton with three further developments planned for Chelsea Heights, Hastings and Drouin.

Victoria's ageing population presents a stable and long lasting opportunity for the company to build secure homes for seniors particularly for the market segment that are not in a position to afford traditional retirement accommodation.



There are more than 700,000 people aged over 65 with assets of \$200k - \$450k, representing the largest segment of the retirement community, which requires an alternative to the more expensive traditional retirement villages.

"Lifestyle Communities is operating within a market that will continue to grow for the foreseeable future. We are confident in our strategic direction, and with the security of our long term financing, the organisation is well positioned to take advantage of the best possible development opportunities," concluded Managing Director, James Kelly.

About Lifestyle Communities

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable, independent seniors housing communities. The company has more than 1,400 homes under management or in various stages of development (including land held for development) across Victoria.

For further information, please contact:

Bruce Carter or Dael Perlov
Lifestyle Communities
Phone: (03) 9682 2249
Email: info@lifestylecommunities.com.au

Media inquiries:

Genevieve Brannigan
icon.pr
Phone: (03) 9642 4107
Email: genevieve@iconpr.com.au