

18 February 2015

Immediate release to the ASX

Lifestyle Communities reports another solid first-half result

Affordable housing provider Lifestyle Communities Limited (ASX:LIC) has achieved underlying profit attributable to shareholders of \$7.2 million for the half-year ended 31 December 2014, an 11% increase on the same period last year.

In announcing the result Lifestyle Communities' Managing Director, Mr James Kelly, said: "The half-year result was particularly pleasing given the Company's results are expected to be skewed to the second half of FY2015. This is mainly due to the large supply of homes being delivered for settlement at our communities in Chelsea Heights and Hastings. As of January 2015 both Lifestyle Chelsea Heights and Lifestyle Hastings are fully sold-out and this has enabled the acceleration of home construction to meet demand."

Highlights

- Underlying net profit after tax attributable to shareholders increased by 11% to \$7.2 million
- Revenue from home site annuity rentals increased by 38% to \$4.5 million
- Revenue from deferred management fees increased by 106% to \$0.8 million
- Net annuity cash flows increased by 52% to \$3.2 million
- 98 homes settled during the half-year taking the total number of home sites under management to 1,004
- Continue to expect on or around 230 home settlements for FY2015

Mr Kelly went on to say that "the next 12 months represent an exciting time for the Company as we transition from our sold out communities at Warragul, Cranbourne, Chelsea Heights and Hastings to our newer communities at Wollert, Geelong and Officer while continuing to sell and deliver homes at Shepparton."

"We were pleased to settle our 1,000th home in December 2014. Our 1,000+ homes are providing a sustainable and growing annuity income stream that will help underpin future earnings growth and dividends."

"The key focus for the organisation is to increase the rate of sale for each community thus enabling capital to be recycled at a greater rate and the development of more communities. This will allow growth in the rental annuities pool at a faster rate without the need for further equity".



“Feedback from residents on our product offering is very supportive with a recent survey indicating that 93% would recommend Lifestyle Communities to their friends and family. Another positive trend is that over 33% of settlements came from resident referral and this has been steadily increasing. Also just under 50% of leads are now coming from the internet which increases the efficiency of the sales process and our marketing spend”.

“The outlook for the remainder of FY2015 is positive and subject to no adverse change in market conditions we continue to expect profits to be higher in FY2015 compared to FY2014 and we also expect to declare a final dividend at the time of the full year 2015 results announcement.”

Conference call details

Both James Kelly and Geoff Hollis (CFO) will be available for a conference call at 3.00pm (AEDT) today the 18th February 2015.

Details for the conference call are as follows:

From Australia:

Call 1800 268 560 (pin 292005#)

From New Zealand

Call 0800 466 125 (pin 292005#)

International

Call +61 2 8047 9300 (pin 292005#)

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