

18 August 2016

Immediate release to the ASX

Lifestyle Communities delivers another record profit

Affordable housing provider Lifestyle Communities Limited (ASX:LIC) has achieved profit attributable to shareholders of \$19.3 million for the 2016 financial year, a 16% increase on the prior year (and a 2% increase in underlying profit on the prior year).

In announcing the result Lifestyle Communities' Managing Director, Mr James Kelly, said: "We were pleased to settle 202 homes during the year taking total homes under management to 1,348 with a total portfolio of 2,445 homes under management, under development or subject to planning. The ongoing management of our communities and the satisfaction of our homeowners remains a key focus for the Company. Our 1,995 homeowners remain our biggest advocates with approximately one in three settlements coming from referrals."

Highlights

- Net profit after tax attributable to shareholders increased by 16% to \$19.3 million;
- Revenue from home site annuity rentals increased by 21% to \$11.1 million;
- Revenue from deferred management fees increased by 57% to \$2.5 million;
- Net annuity cash flows increased by 17% to \$7.5 million;
- 202 homes settled during the year taking the total number of home sites settled under management to 1,348;
- Completion of a five-year, \$80 million debt facility with Westpac;
- Final dividend of 1.5 cents per share fully franked taking total dividends in respect of the 2016 financial year to 2.5 cents per share up from 1.5 cents per share in the 2015 financial year; and
- Acquisition of sites at Bittern and Ocean Grove and the expansion of Shepparton during the year taking the total portfolio of home sites to 2,445.

Mr Kelly went on to say that “we were delighted with the acquisition of two new sites during the year located at Bittern and Ocean Grove. Bittern is located on Melbourne’s Mornington Peninsula and Ocean Grove is located on Geelong’s Bellarine Peninsula and we are confident these sites, along with current developments will provide a strong platform to grow the business in the 2017 financial year and beyond.”

“The Company will pay a fully franked final dividend on 1.5 cents per share in respect of the 2016 financial year taking total dividends in respect of the 2016 financial year to 2.5 cents per share, up from 1.5 cents per share in respect of the prior year. We expect total dividends in respect of the 2017 financial year to again increase. This is in accordance with our aim of delivering a growing level of dividends from operating cash flows provided by sites under management.”

“The Company has previously released guidance that settlements are expected to be in the range of 250 to 270 for the 2017 financial year. The increase in settlements, coupled with an expected increase in contribution from community management, is expected to result in profit attributable to shareholders being materially higher in the 2017 financial year.”

Conference call details

Both James Kelly and Geoff Hollis (CFO) will be available for a conference call at 3.00pm (AEDT) today the 18th August 2016.

Details for the conference call are as follows:

From Australia:

Call 1800 268 560 (pin 571912#)

From New Zealand

Call 0800 466 125 (pin 571912#)

International

Call +61 2 8047 9300 (pin 571912#)

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