



FORSTYH BARR PRESENTATION

October 2018

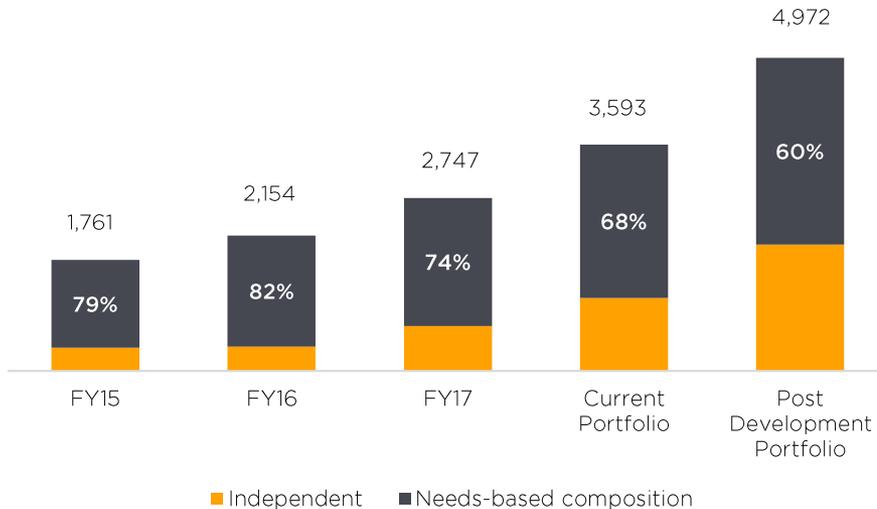


ARVIDA IS CARE FOCUSED

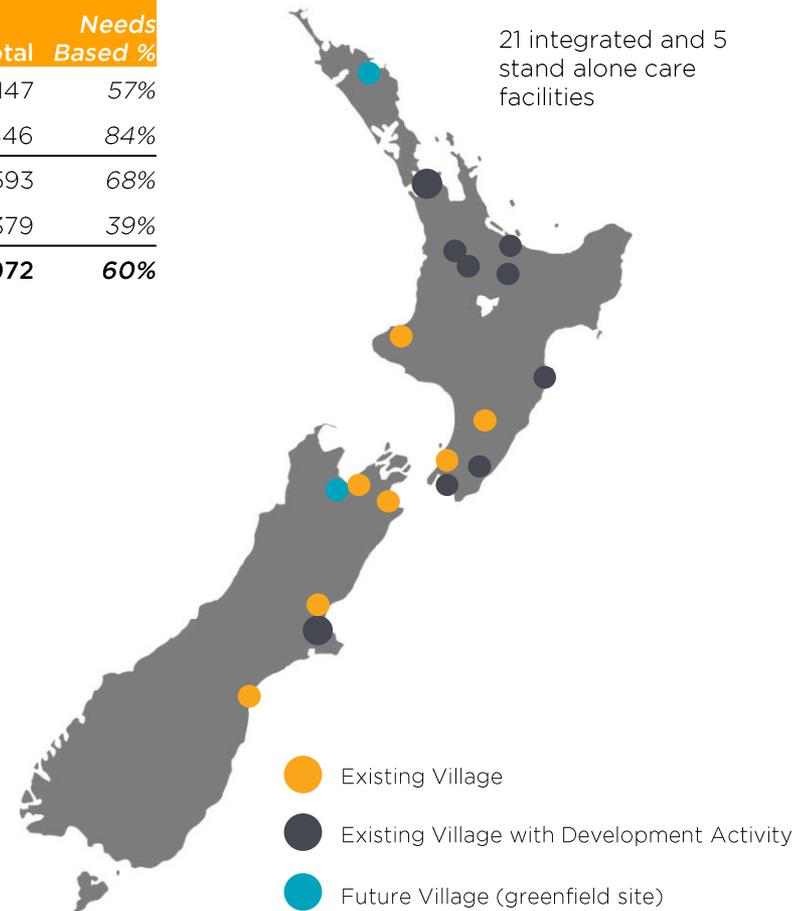
Current and post-development pipeline portfolio composition

	Care Beds	Care Suites	Serviced Apts	Needs Based	RV Units	Total	Needs Based %
North Island	907	14	293	1,214	933	2,147	57%
South Island	836		381	1,217	229	1,446	84%
Total	1,743	14	674	2,431	1,162	3,593	68%
Development Pipeline		458	76	534	845	1,379	39%
Total Post Development	1,743	472	750	2,965	2,007	4,972	60%

Needs-based portfolio composition



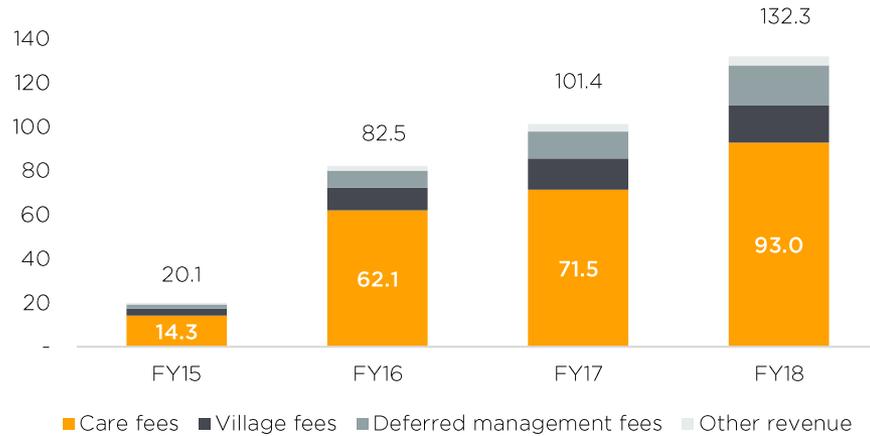
Arvida Locations



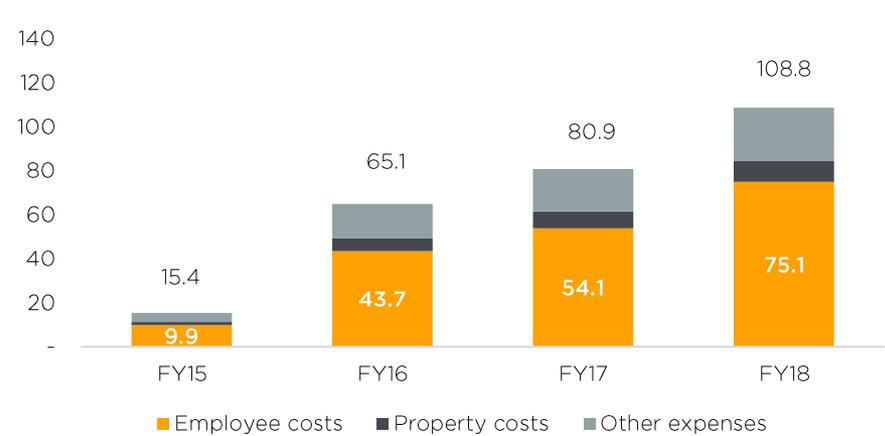


FINANCIAL OVERVIEW

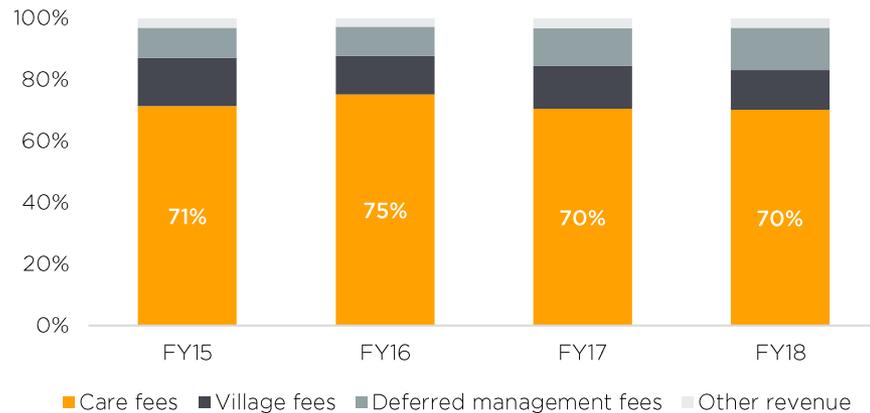
Revenue (\$m)



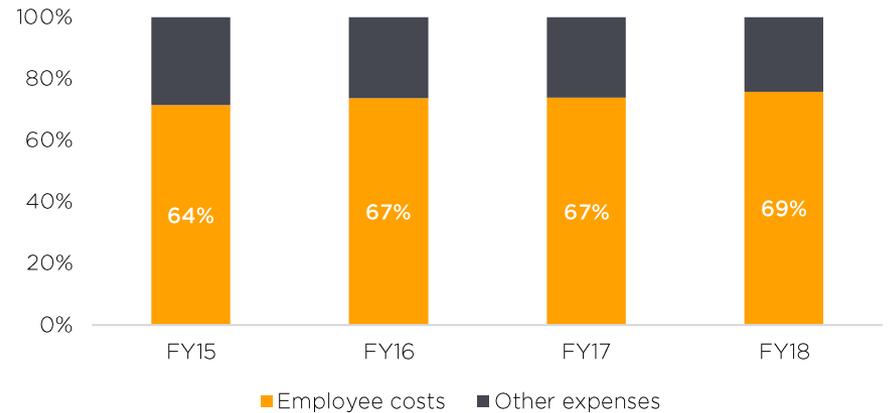
Expenses (\$m)



Revenue composition



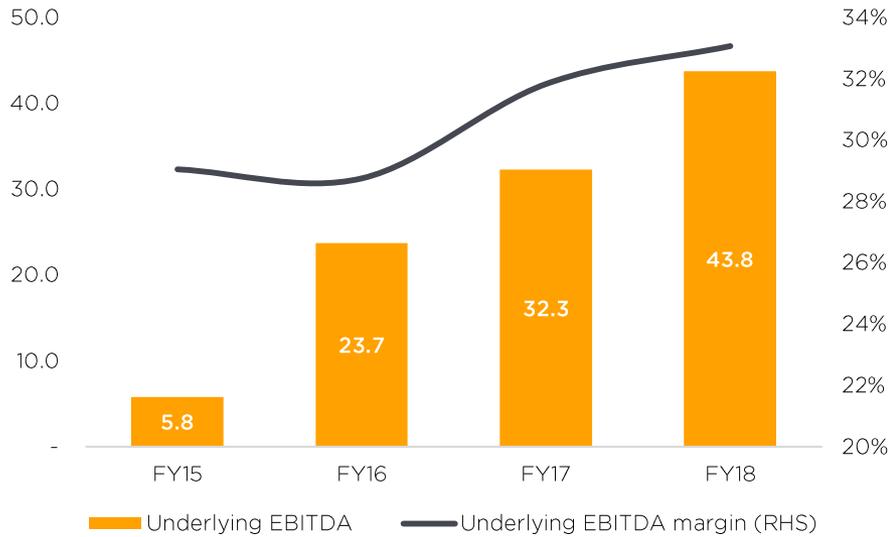
Expense composition



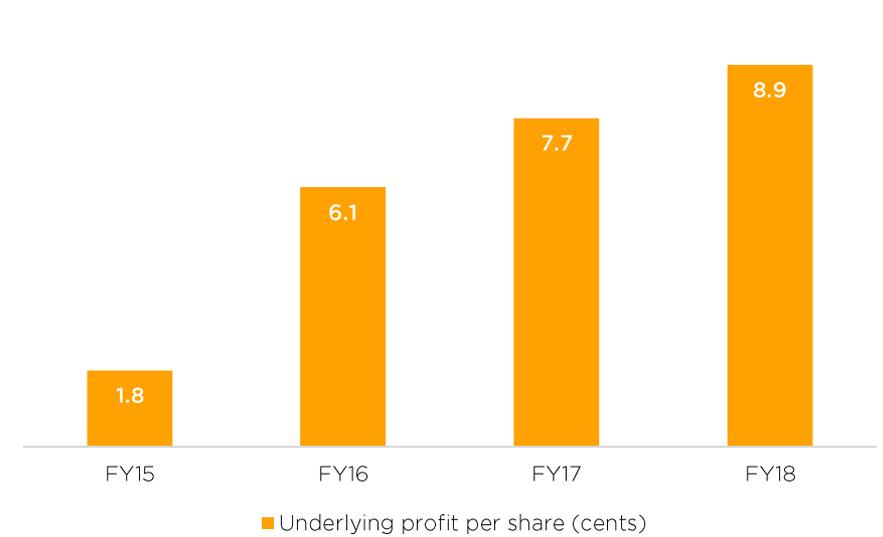


FINANCIAL PERFORMANCE

Underlying EBITDA (\$m)



Underlying Profit per Share (cents)





OUR STATED STRATEGY

LIVING WELL

Our Vision

is to improve the lives and wellbeing of our residents by transforming the ageing experience.

Our commitment

is to challenge ourselves to make our residents' lives better with everything we do.

BUILDING WELL

Brownfield

development activity within existing villages.

Greenfield

development where we see value.

BUYING WELL

Acquisition

criteria are

location, quality of assets and current management, opportunities for development and immediately earnings accretive.

ENGAGING WELL

Customer focused

approach to health service delivery in the broader community.



AGED CARE STRATEGY

1. Retain high needs-based portfolio composition

2. Excellence in care

3. Increase PAC rates on care beds

4. Introduce premium care suite offering in key urban areas

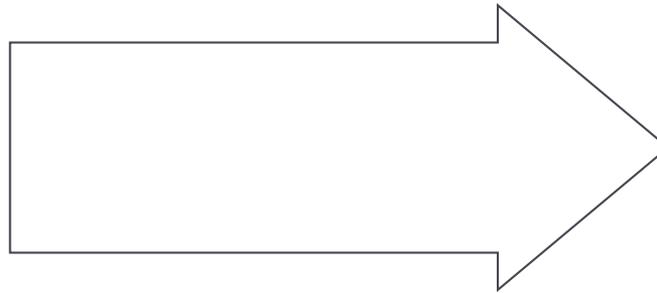
5. Conversion of existing care beds and certification of serviced apartments

 **OUR VISION...** transform the ageing experience

From:



Traditional care provider



To:



Attitude of Living Well



ARVIDA'S MODEL OF CARE

The Attitude of Living Well

EATING WELL

Healthy fresh food prepared daily

- Choice
- Variety
- Taste
- Smell
- Experience

MOVING WELL

Encouraging your choice of movement

- Mobility
- Balance
- Strength
- Choice
- Flexibility

RESTING WELL

Rest and relaxation

- Quiet
- Peace
- Early bird
- Night owl
- Sleep in

THINKING WELL

Engage your mind

- Wisdom
- Learning
- Discovery
- Mindfulness

ENGAGING WELL

Engage with friends, family and local community

- Connection
- Purpose
- Belonging
- Sharing



BRINGING THE ATTITUDE OF LIVING WELL TO LIFE

Small groups of residents are supported by self-led, highly-valued, decentralised teams of employees that together create home, nurture relationships, determine their own lives and build community

- > Changes the pace and rhythm of the day, strives for normality of daily life while supporting activities of daily living and providing clinical care
- > Removes 'us' and 'them' mentality

Strives to provide...

- > A rich and more meaningful life for residents
- > Increased satisfaction for staff



HOW ARE WE DOING THIS?

- > We have developed the Arvida Living Well model of care supported by an Attitude of Living Well Leadership programme, Wellness leaders and Wellness teams in each Village and a new staffing structure to support household living
- > The aim is to support residents to live their best life in a home like environment where they set the pace and rhythm of their day
- > Staff are empowered to act as support partners, providing help and support where needed and allowing choice and autonomy as much as practicable



ATTITUDE ...it's not just what you do, but how you do it that counts





CONTINUED INVESTMENT & IMPROVEMENT

INPUTS

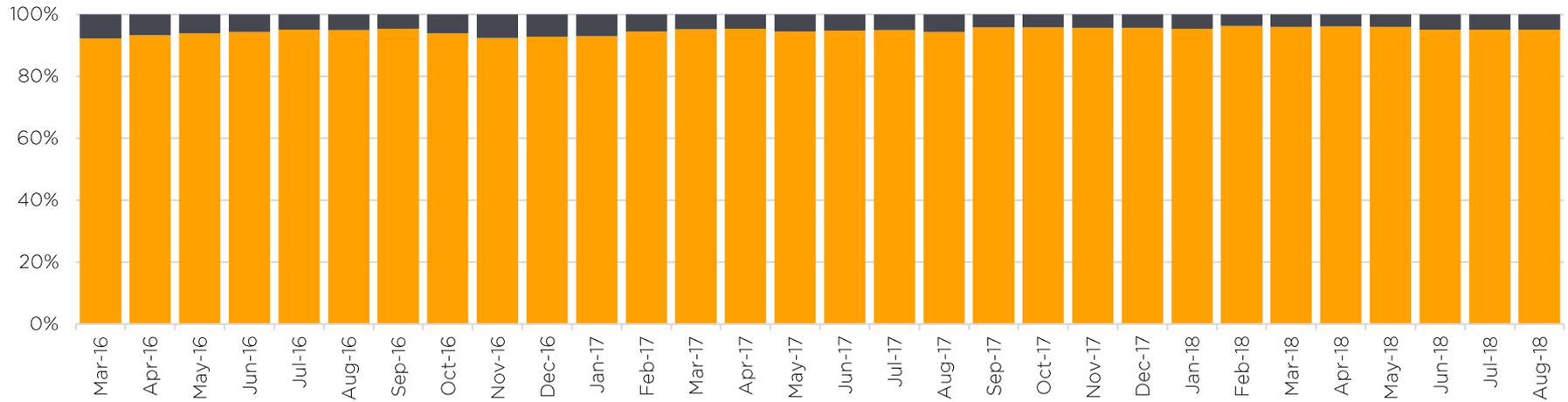
- Research & Development
- + Employee training
- + Retaining talent
- + Organisational culture
- + Management systems
- + Capex on PPE / Specialised Equipment

OUTCOMES

1. Improved resident experience
2. Improved staff satisfaction
3. Bottom line improvement
 - > leads to re-investment
4. Overall community benefit
 - > lower draw on health costs

KEY PERFORMANCE INDICATORS

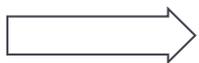
Care Facility Occupancy



Care Facility Ministry of Health Certification

	FY17	FY18
Certification period (group average)	3.35	3.42
Average Continuous Improvements per site	0.9	1.1
Average Partial Attainments per site	1.4	1.1
Negligible or low risk		
Moderate risk or above	0.6	0.2

Care Facility Net Promoter Score



54% of care facilities now with 4 year certification
 Significant improvement under Arvida ownership / Attitude of Living Well model of care

NZ AGED CARE SECTOR CHALLENGES

1. Funding: funding growth has not tracked wage inflation
2. Staff: government policy impacting available skilled workforce
3. Quality: margin pressure on smaller entities forcing cost cutting
4. Approach: future changes to DHB funding approach
5. Demographics: ageing population & govt policy leading to higher acuity

 **WILL LEAD TO INNOVATION & NEW MODELS OF CARE**

APPENDICES

Aged Residential Care

INDUSTRY PROFILE 2017-18

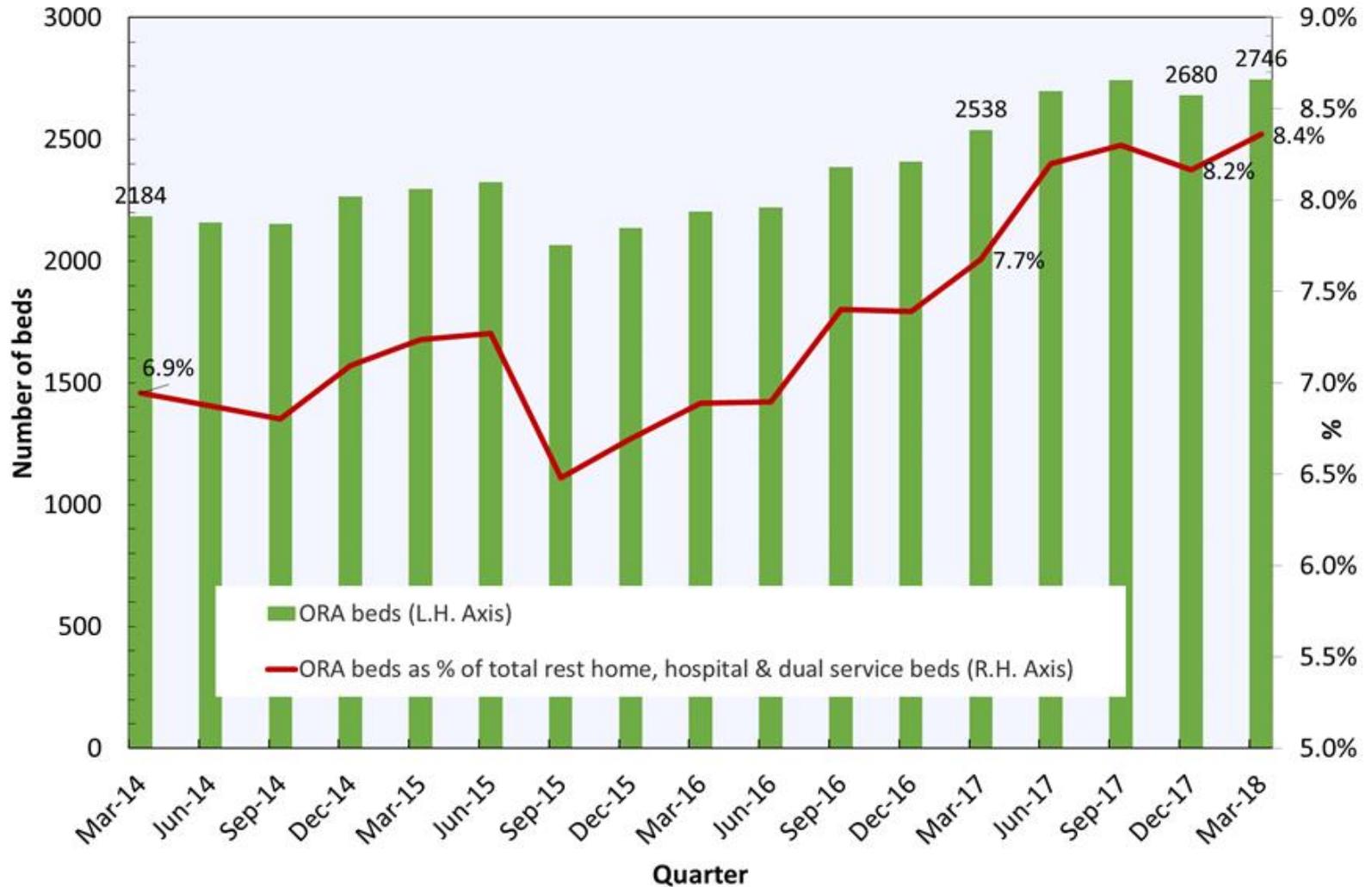




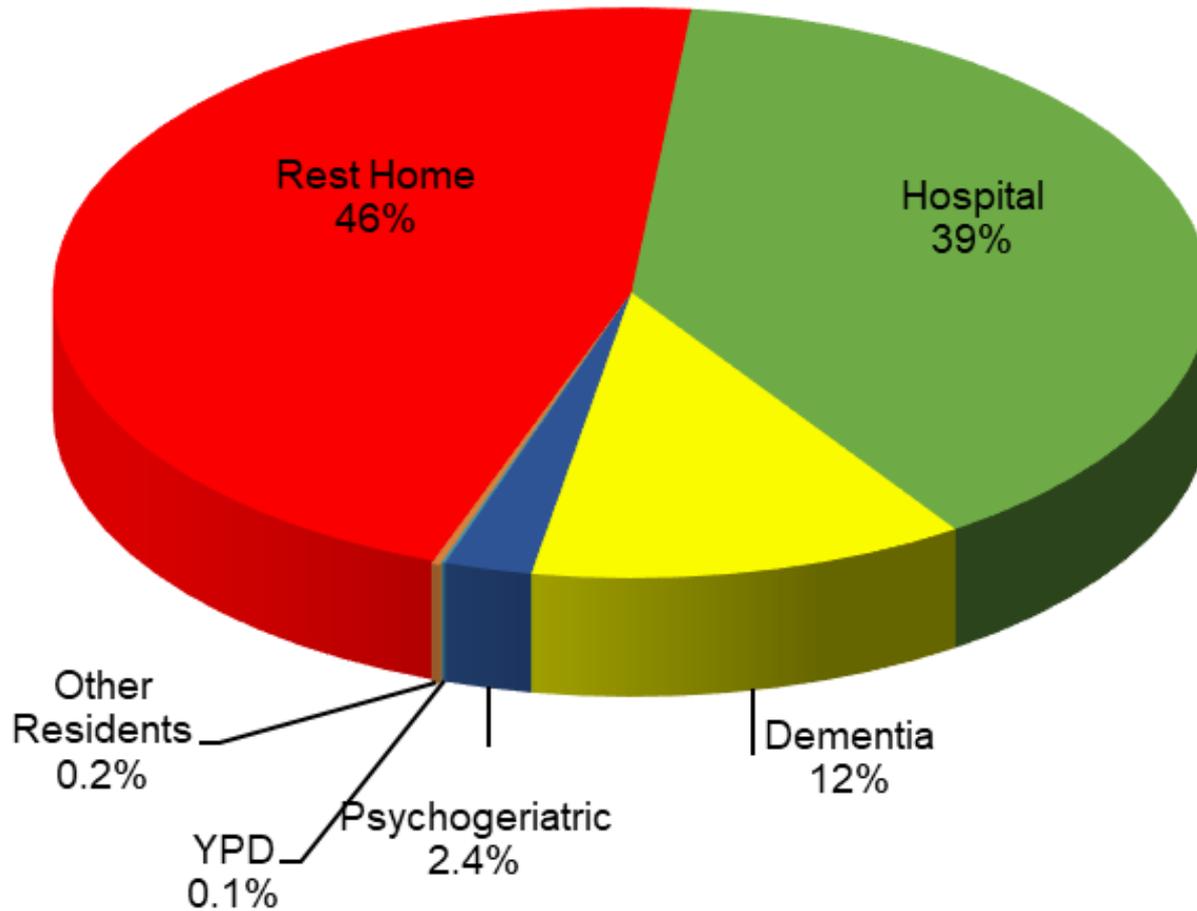
Name	Month of Closure	Location	Beds
Rendell on Reed	Aug-17	Oamaru	55
Caughey Preston Hospital	Sep-17	Auckland	108
Cameron House Rest Home	Sep-17	Gore	20
Peria House	Sep-17	Opotiki	31
Wesleyhaven Village	Sep-17	Lower Hutt	114
Kilmarnock Heights Home	Mar-18	Wellington	40
Nazareth Rest Home & Hospital	Apr-18	Whanganui	46
Mission Rest Home Limited	Jul-18	New Plymouth	31
Ruawai Resthome	Aug-18	Feilding	19
Total			464



ORA bed supply 2013–18

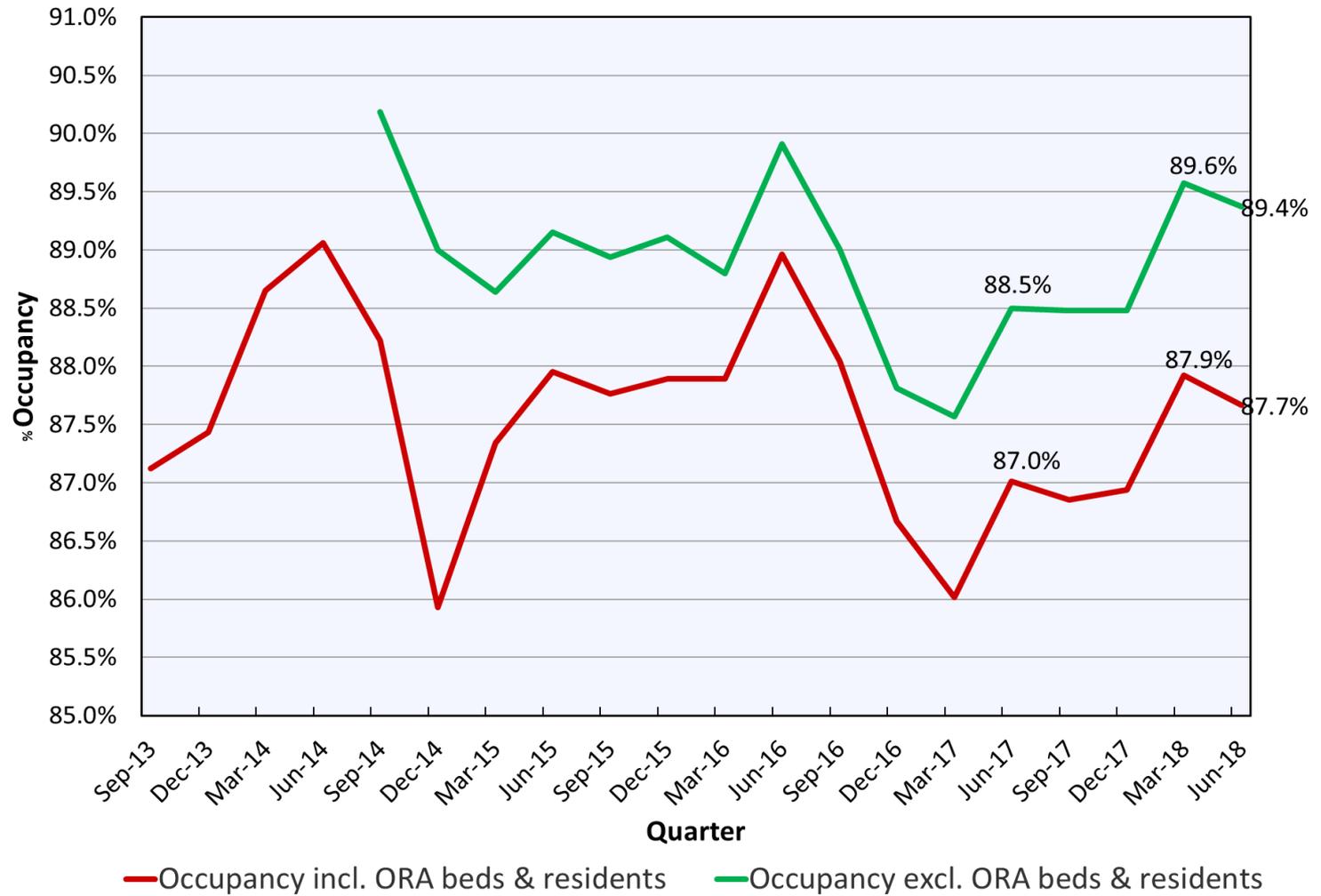


Residents by care level



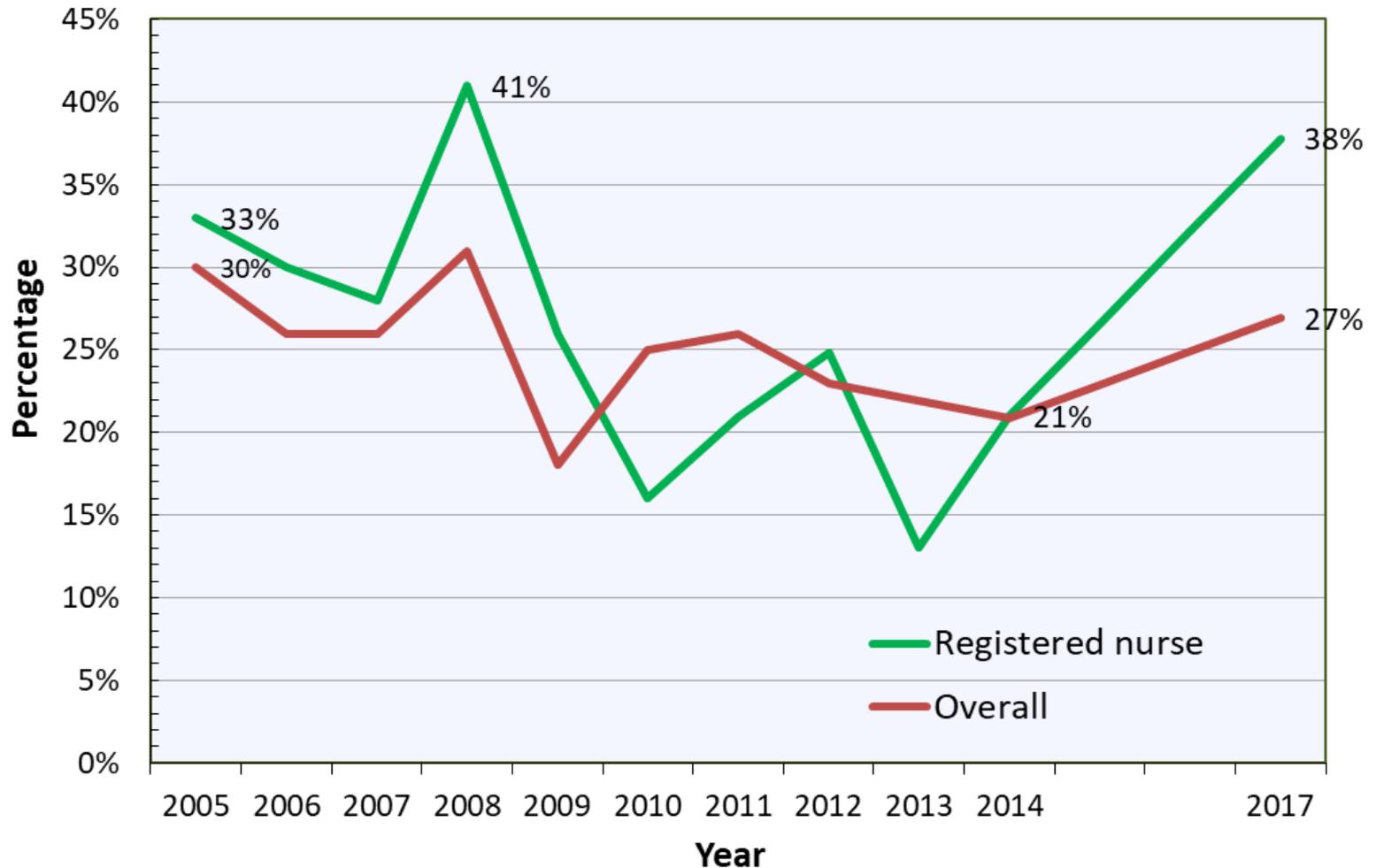


National occupancy to June 2018

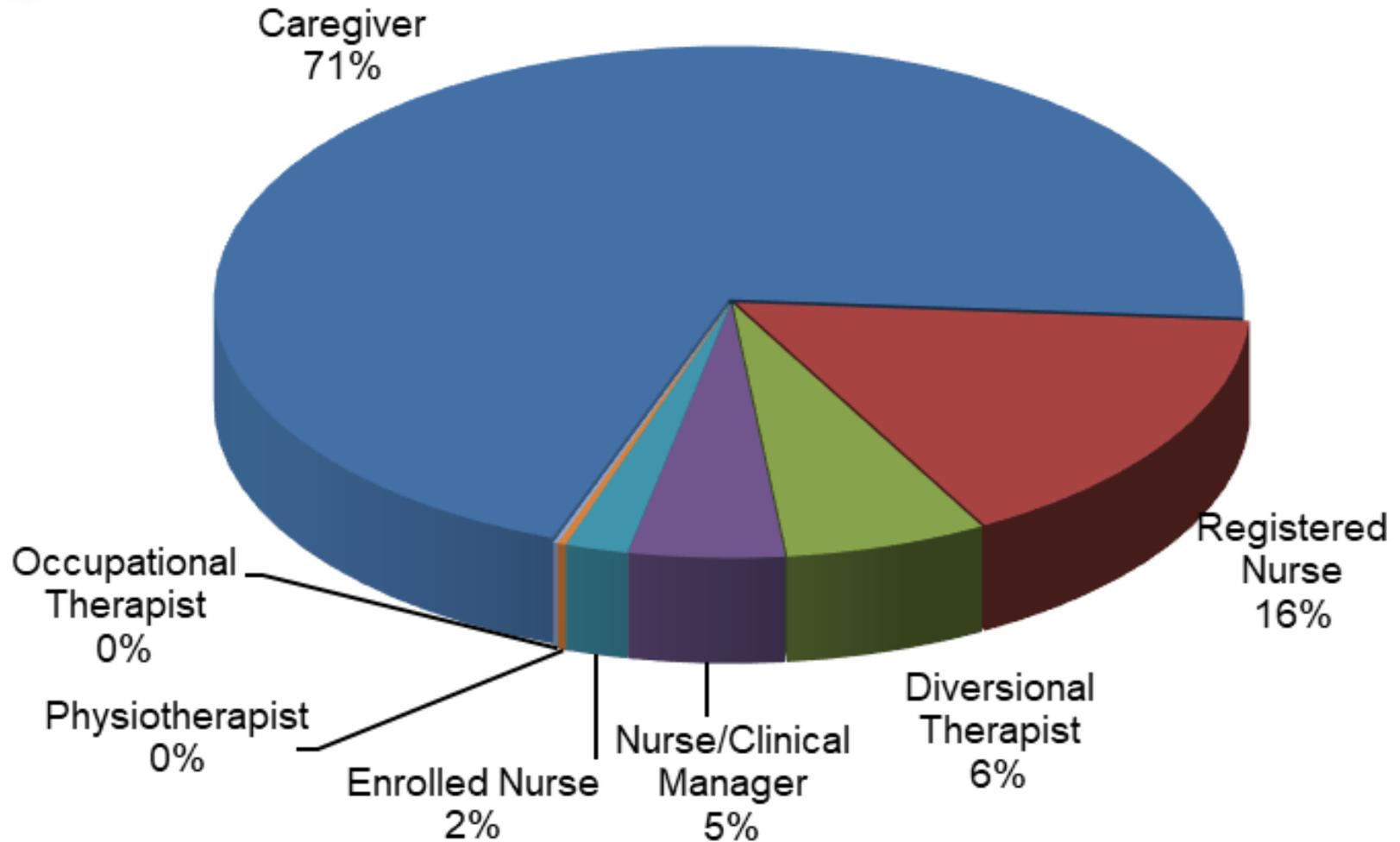




Trend in annual turnover of the ARC workforce



Composition of the care staff workforce in 2017



- Registered Nurses
- Immigration Policy
- ARC Funding Model Review
- Qualifications Pathway Review
- Caring for our older Kiwis



Australian Government
Aged Care Complaints Commissioner

Resolve.
Protect.
Improve.

 Lodge a complaint

 1800 550 552

HOME

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MAKING A COMPLAINT ▾

YOUR RIGHTS ▾

RESOURCES ▾

LATEST NEWS

FEEDBACK ▾

Pause

Welcome to the Aged Care Complaints Commissioner site

The Aged Care Complaints Commissioner provides a free service for anyone to raise their concerns about the quality of care or services being delivered to people receiving aged care services subsidised by the Australian Government.

Click [here](#) to watch our video on what the Aged Care Complaints Commissioner can do for you.

You can view information about the Royal Commission into Aged Care Quality and Safety on the [Ageing and Aged Care](#) website.

Complaints are important.
We are here to listen



1800 550 552

Lodge Online

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