

March 2005

Retirement Care Australia agreement with The Salvation Army with respect to its aged care centres

Retirement Care Australia is pleased to announce that it has signed a procurement agreement with The Salvation Army in relation to 14 of The Salvation Army's aged care hostels, nursing homes, and retirement living units across Victoria, South Australia, Western Australia, Tasmania and the Northern Territory, following an intensive tendering process.

A list of the 14 centres is included in this statement.

An acquisition of the facilities is subject to a number of conditions, including appropriate government approvals. Transfer of ownership of these centres is expected to take place in mid 2005.

Retirement Care Australia is a newly formed participant in the Australian aged care sector. Upon transfer of ownership, TriCare, a long-established aged care and retirement village provider, will provide management services to the 14 centres.

TriCare has reached agreement with respect to the acquisition of one centre, the Hayville retirement village in Box Hill, Melbourne, in its own right.

Macquarie Bank has acted as financier and sponsor to Retirement Care Australia including providing financial advice and assistance and arranging debt and equity in connection with the transaction. TriCare will hold an interest in Retirement Care Australia.

Spokesperson for Retirement Care Australia and CEO of TriCare, Mr Jim Toohey, said Retirement Care Australia was delighted to have reached agreement with The Salvation Army.

Mr Toohey said that the group would draw on TriCare's expertise to provide residents in its care with quality services that meet the high standards expected by the community and government.

"We are dedicated to building a strong retirement care and accommodation business based on the highest quality aged care. An acquisition of these centres will be the first step in that process," he said.

"TriCare will add its experience as a leading private sector aged care provider with over 30 years of operational experience and a strong accreditation record."

TriCare currently operates 16 aged care centres and hostels and five retirement villages in Queensland, providing quality accommodation and care for around 2,200 people with varying high and low care needs, and employs approximately 1,600 staff.

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Retirement Care Australia will work closely with The Salvation Army during an initial phase, which is expected to lead to a full transfer of ownership by mid 2005, subject to a number of conditions including Commonwealth Government licensing processes.

“Our primary task in this phase will be to get to know residents and staff across the centres and at the same time undertake a comprehensive operational review of all facilities.

We aim to make the transition as smooth as possible, being sensitive to the needs of all involved,” Mr Toohey said.

Mr Toohey explained that as part of this process, Retirement Care Australia, together with The Salvation Army, would hold meetings at each centre and would provide detailed information to residents and their families and staff.

ENDS

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LIST OF FACILITIES

Facility	Location
Alton Court Senior Citizens Residence	Altona, Victoria
Bethany Senior Citizens Residence	Camberwell, Victoria
Gilgunya Village Senior Citizens Residence	Coburg, Victoria
Inala Senior Citizens Residence	Blackburn, Victoria
Kardinia Hostel for the Aged	Belmont, Victoria
Weeroona Senior Citizens Residence	East Malvern, Victoria
Darwin Nursing Home	Stuart Park, Northern Territory
Edenfield Aged Care Facility	Parafield Gardens, South Australia
Parklyn Senior Citizens Residence	Linden Park, South Australia
Sunset Lodge Senior Citizens Residence	Kingswood, South Australia
Hillcrest Aged Care Facility	North Fremantle, Western Australia
Hollywood Senior Citizens Residence	Nedlands, Western Australia
Levenbank Aged Care Facility	Ulverstone, Tasmania
Tyler Village Senior Citizens Residence	Prospect Vale, Tasmania