

## MEDIA RELEASE

31 January 2008

### **Principal Healthcare Group acquires Domain Aged Care**

Principal Healthcare Group (PHG) today announced it is acquiring 100 per cent of Domain Aged Care (Domain), making PHG the largest owner of for-profit aged care in Australia.

Principal Healthcare Group is owned by funds managed by AMP Capital Investors.

Following the acquisition, PHG will hold approximately 9 per cent of the for-profit market and approximately 3 per cent of the total aged care market.

Domain Aged Care owns 16 residential aged care facilities in Queensland, NSW and Victoria, with four more facilities under development. It comprises 1,558 operational beds, with a further 483 beds under construction and due for completion in the next 18 months.

Combined with PHG's existing beds and facilities, the total group will comprise more than 5,000 operational beds spread across 58 facilities.

AMP Capital Head of Infrastructure, Australia and New Zealand, Dr Greg Roder said:  
"Domain Aged Care is a leading provider of high quality aged care services, characterised by modern facilities, a committed and caring work force and a clear vision for the future.

"Domain's experienced management team, reputation for quality, solid growth track record, and substantial property portfolio makes this a very attractive investment," he said.

Key investment features include:

- Low volatility and growing cashflows from accommodation bonds, which are attached to 60 per cent of all beds;
- Stable revenues underpinned by regulated Government funding;
- Substantial freehold property portfolio in Queensland, Victoria and NSW, providing development, structuring and portfolio enhancement opportunities; and
- Sound track record of acquiring and developing high quality new facilities on time and on budget.

"This substantial acquisition represents a further commitment to the sector by AMP Capital clients," Dr Roder said.

AMP Capital's aged care investment vehicle, Principal Healthcare Group, will comprise two separate portfolios of facilities – Principal Aged Care and Domain. Principal Aged Care facilities are operated by Moran under a management agreement and Domain will continue to operate under the expertise of its experienced management team.

Domain's exiting investors include mezzanine debt provider MFS, and private shareholders.

The acquisition is being funded via a rights issue to existing PHG unit holders, which includes AMP Capital's flagship Infrastructure Equity Fund and a number of other AMP Capital managed clients, as well as investments from AMP Capital's retail Core Infrastructure Fund and other clients, plus debt.

**Media enquiries:**

Lara Daniels

Ph: 02 9257 1113

M: 0424 034 059

E: [lara.daniels@ampcapital.com](mailto:lara.daniels@ampcapital.com)