

1 August 2018

**Immediate release to the ASX**

**Update on FY2018 profit**

Lifestyle Communities Limited (ASX code: LIC) has finalised the year end valuation process for its portfolio of 16 communities that are fully developed, partially developed or waiting to commence development.

Due to strong new home settlements achieved in FY2018, higher than expected prices for existing home sales (which leads to higher deferred management fees being used for valuation purposes) and a 0.25% reduction in the capitalisation rate used by the independent valuers (from 7.75% to 7.5%), there has been a material uplift in the value of the Company's property portfolio and this will impact the statutory profit result for FY2018.

Subject to the finalisation of the year end audit, the Company expects to report:

- Underlying net profit after tax attributable to shareholders of \$33-34 million; and
- Statutory net profit after tax attributable to shareholders of \$52-53 million.

New home settlements for FY2018 were 321.

The Company will announce its audited FY2018 financial results on 15 August 2018 and further details will be provided at this time.

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**About Lifestyle Communities**

Based in Melbourne, Victoria, Lifestyle Communities develops, owns and manages affordable independent living residential land lease communities. Lifestyle Communities has sixteen residential land lease communities in planning, development or under management.