

A dark grey banner with the text 'media:release' in a light blue, lowercase, sans-serif font. The background of the banner shows a blurred image of a stock market ticker with various numbers and text like 'Australian Stock Exchange' and 'Share Price'.

24 October 2008

## Principal Healthcare Group acquires 25 per cent stake in Blue Cross Community Care Services

Principal Healthcare Group (PHG), Australia's largest for-profit aged care owner, is acquiring 25 per cent of leading Victorian aged care operator, Blue Cross Community Care Services.

PHG is owned by funds managed by AMP Capital Investors. The Group holds 9 per cent of the for-profit aged care market and approximately 3 per cent of Australia's total aged care sector.

Blue Cross is a privately owned and operated aged care business that runs 20 residential aged care facilities and cares for over 1300 residents primarily in metropolitan Melbourne. The group also has an attractive development and redevelopment pipeline and operates Community Care services, providing services at home for 1000 clients in Melbourne.

Yesterday PHG signed an agreement to subscribe for new securities in Blue Cross.

AMP Capital Head of Infrastructure Australia Dr Greg Roder said: "This investment gives our investors further exposure to the attractive social infrastructure sector."

Blue Cross Managing Director, Mr David Eccles said "Blue Cross is positioned as a long term participant in the industry. The PHG investment represents the next step in Blue Cross' development and is a strong endorsement of the business strategy and efforts of the staff and employees of Blue Cross".

"Blue Cross is an appealing investment because of its experienced and dedicated staff and management team, its concentration of aged care facilities in well established Melbourne suburbs, high occupancy, and its high quality care and systems that underpin its accreditation," Dr Roder said.

"PHG's investment will support Blue Cross' growth plans which involve developing three new facilities totalling 245 beds and the redevelopment of a number of existing sites. PHG currently owns and operates 13 aged care facilities in Victoria and they will continue to operate independently of Blue Cross," he said.

Principal Healthcare Group looks forward to working with Blue Cross management as it grows its portfolio and aged care services to residents.

AMP Capital has been investing in the aged care sector since 1999.

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