

28 August 2015

Australian Unity expands its Home Care operations with successful Home Care NSW tender

Australian Unity has signed an agreement with the NSW Government to accept the transfer of the Home Care Service of NSW (Home Care) to Australian Unity.

Home Care provides in-home care services to more than 50,000 clients across NSW and has 4,000 employees.

Under the agreement, staff and clients will transfer to Australian Unity and Australian Unity will continue to provide all services.

“This is an opportunity for Australian Unity to fulfil its vision to create Australia’s leading home care business based on a true continuum of client-directed care,” Mr Mead said.

The transfer will result in Home Care becoming one of the largest areas of operation within the Australian Unity Group and one of the largest home care providers nationally.

Australian Unity is a mutual company, with a 175 year history of offering community services, with no external shareholders and with customers and staff as its members. It reinvests profits into expanding services.

The Government’s key objective has been to select a provider who can deliver continuity of service and prepare Home Care for the national aged care reforms and the NDIS.

The specialist area within Home Care that provides care to the Aboriginal community, Aboriginal Home Care, will retain its important and unique identity, delivering culturally appropriate services across NSW.

Under the conditional agreement, Australian Unity will pay \$114 million, subject to adjustments usual for a transaction of this kind. The transfer is expected to be finalised by early in 2016.

Australian Unity has provided home care services for more than ten years and has accreditations across a number of federal, state government and external accreditation bodies.

ASX code:
AYU

Notes on Issue:
1,200,000

Issuer:
Australian Unity Limited
ACN 087 648 888

Enquiries:
Australian Unity Notes
registry
1300 554 474

Contact details:
Australian Unity Limited
114 Albert Road
South Melbourne VIC 3205
Tel: 13 29 39

The listing of Australian Unity Notes on the ASX does not affect Australian Unity Limited’s status as a mutual organisation

Derek McMillan, the company's senior executive with responsibility for the area, said Australian Unity would not only honour the requirement of the NSW government for continuity of service of the Home Care operations, but also seek to provide increased levels of care as clients' needs change.

"Australian Unity has long been committed to providing a continuity of care in Australia," he said. "This means that as clients' needs change, they can continue to receive the right levels of care within their preferred environment—where possible their own home."

Mr McMillan said Australian Unity's Better Together model of care, which is based on a true person-centred model of decision-making, would be combined with the broad experience of Home Care to create the "best of both" organisations.

"Our focus will be on ensuring the best possible outcomes for clients," he said.

He said at the moment, Home Care clients often had to transfer to other service providers when their needs changed as the operations were not always able to provide higher levels of care.

"We see the extensive range of services as one of the key benefits we bring to clients of Home Care."

In addition to its current Home Care business, Australian Unity operates a portfolio of wellbeing-related businesses, including aged care, retirement living, health insurance, financial advice, estate and administration services, banking and investment products.

Part of the portfolio is Remedy Healthcare, a wholly-owned subsidiary of the Australian Unity Group. Remedy has developed evidenced-based hospital-in-the-home and chronic disease management programs that are evidence-based and designed to prevent hospitalisations or re-hospitalisations as a result of chronic disease.

The Group operates with a strong social purpose, centred on providing solutions to the demographic challenges facing Australia from the ageing population and rise of chronic disease.

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Mr Mead said the Group's wide operational experience across home care, allied health and disability care would allow it to invest in expanded services and to continue to provide high quality services to Home Care clients.

Under the transfer agreement, Home Care staff will transfer to Australian Unity with their existing employment terms and conditions.

Verran Fehlberg
Company Secretary

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Enquiries: Verran Fehlberg, General Counsel and Company Secretary
(03) 8682 6802

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