



**FOR IMMEDIATE RELEASE  
TO ASX AND MEDIA**

10 August 2010

Company Announcements Office  
Australian Securities Exchange  
Level 4, 20 Bridge Street  
Sydney NSW 2000

### **Letter to Shareholder – reject inadequate offer**

Today the company posted a letter to shareholders – advising them to reject the offer from Stockland.

A copy of letter is attached.

**Graham Lenzner**  
Chairman

**Steve Mann**  
Managing Director

**About Aevum Limited**

Aevum Limited is a long established owner, operator and developer of retirement villages and aged care facilities. Today it manages 30 facilities across NSW, Victoria, Queensland, South Australia and Western Australia providing retirement accommodation and services to over 3,100 units, for Australian seniors. Aevum also has four aged care facilities with 367 beds. Aevum employs over 600 dedicated and committed staff.

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Shareholder Address Line 1  
Shareholder Address Line 2  
Shareholder Address Line 3  
Shareholder Address Line 4  
Shareholder Address Line 5  
Shareholder Address Line 6

Dear fellow Aevum shareholder,

### **Aevum rejects inadequate takeover offer from Stockland**

On 2 August 2010, Stockland Corporation Limited ("Stockland") announced that it proposed to make a conditional takeover offer for Aevum Limited ("Aevum") for \$1.50 cash per share.

Aevum's Board have rejected the offer and strongly believe that Stockland's offer is highly opportunistic and significantly undervalues Aevum.

In particular, Aevum notes that Stockland's offer price of \$1.50 cash per share:

- Is at a significant discount to Aevum's NTA per share;
- Is highly opportunistic in light of Aevum's recent significant profitability and operating cash flows upgrade, well performing recent merger with IOR and in light of Aevum's strong operating cash flow potential;
- Does not reflect the strategic value of Aevum's business given it is one of the largest pure retirement living and aged care companies listed on the ASX and has a significant presence in NSW; and
- Does not reflect the fact that Stockland would derive substantial synergies from the proposed acquisition.

Further details which support the Board's rejection of Stockland's offer will be provided in Aevum's Target's Statement, which is expected to be sent to shareholders in September.

Aevum strongly advises shareholders to take no action in relation to Stockland's offer. The offer must remain open for at least one month from the date it is dispatched to shareholders.

Thank you for your ongoing support for Aevum and we will continue to keep you updated about any further developments.

If you have any queries please contact the Aevum Shareholder Information Line on 1800 704 395 (Toll Free) or +61 2 8256 3393 (callers outside Australia).

Yours sincerely,

Graham Lenzner  
Chairman