

# FINANCIAL REVIEW

SE	Companies and Markets
HD	<b>Estia \$1b IPO priced and launched</b>
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WC	289 words
PD	22 November 2014
SN	The Australian Financial Review
SC	AFNR
ED	First
PG	38
LA	English
CY	Copyright 2014. Fairfax Media Management Pty Limited.
LP	<p>Aged care operator Estia Health has launched its bookbuild and will raise \$725 <b>million</b> from its initial public offering.</p> <p>As revealed by afr.com, shares were offered at \$5.75, or a multiple of 21-times forecast net profit, which would give the <b>company</b> a market value of \$1.035 <b>billion</b>. It's understood the book is well covered and the offer has been underwritten by the joint <b>lead</b> managers, Deutsche Bank, Morgan Stanley and UBS.</p>
TD	<p>There was strong demand from offshore and local institutions, while retail demand had to be materially scaled back. Major shareholder Quadrant Private <b>Equity</b> will retain around 20 per cent of Estia after it is listed on December 5. The forecast dividend yield is 4.8 per cent.</p> <p>The offer is a slight discount to listed aged care companies Japara Healthcare and Regis Healthcare, which have both performed well after floating this year.</p> <p>Quadrant acquired the core Estia business, which was then just 13 facilities in Victoria, in October 2013. It has been expanding aggressively with acquisitions into SA, NSW and Queensland. The combined group has 39 facilities and 3600 beds.</p> <p>As revealed by Street Talk on Financial Review Sunday, the indicative share price range had been set at \$5.17 to \$6.96 reflecting a multiple of 20-times to 23-times forecast net profit.</p> <p>Estia's team met with fund managers in Singapore, <b>Hong Kong</b>, Boston, New York, London, Sydney and Melbourne over the past fortnight.</p> <p>Estia is the fifth <b>company</b> Quadrant has listed in the past 18 months. The others – Virtus Health, Burson Auto Parts, iSentia and APN Outdoor – have all traded higher in the secondary market.</p>
CO	ehepty : Estia Health Pty Ltd.   qpeqpl : Quadrant Private Equity Pty. Ltd.   rgsacp : Regis Healthcare Ltd.
IN	i81502 : Trusts/Funds/Financial Vehicles   i8150203 : Private Equity   i951 : Health Care/Life Sciences   i95108 : Nursing/Residential Care   ialtin : Alternative Investments   ifinal : Financial Services   iinv : Investing/Securities   iphnp : Healthcare Provision
NS	c1711 : Initial Public Offerings   ccat : Corporate/Industrial News   c02 : Corporate Changes   c14 : Stock Listings   c17 : Funding/Capital   c171 : Share Capital   cactio : Corporate Actions   ncat : Content Types   nfact : Factiva Filters   nfcpin : C&E Industry News Filter
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AN	Document AFNR000020141121eabm0000n