Sunrise Completes Trinity Hospice Acquisition

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Sunrise Senior Living, Inc. (NYSE: SRZ) today announced that it completed its acquisition of Trinity Hospice, Inc., the eighth largest provider of hospice services in the United States. Through Trinity, Sunrise has entered the fast-growing hospice care industry that is expected to grow to more than $10 billion in revenue in 2006.

Trinity is now a wholly-owned subsidiary of Sunrise, which will enable it to focus on operating its successful hospice business while leveraging the new resources and opportunities available to it through Sunrise. The subsidiary is headquartered in Dallas, Texas and currently operates 24 hospice programs in nine states (Ariz., La., Kan., Mo., Miss., Okla., Pa., Tenn. and Texas). Mr. Dino Eliopoulos, formerly Trinity's COO and CFO, has been appointed president of the company. Trinity is expected to generate approximately $60 million in revenue in 2006.

"This combination supports our mission of championing quality of life for all seniors by expanding the number of services we offer to seniors and their families," said Tiffany Tomasso, chief operating officer at Sunrise Senior Living. "Our goal is to grow Trinity nationally by positioning it in the top 30 major U.S. markets where Sunrise communities currently operate. By doing this we will be able to directly provide quality end-of-life care to Sunrise residents as well as seniors living in the greater community."

The aggregate purchase price for this transaction was approximately $68 million plus approximately $5 million for cash and working capital items and $3 million in transaction costs for a total of approximately $76 million. Sunrise expects the transaction to be accretive to EPS in 2007 and has funded this acquisition through its existing cash balances and corporate credit facility. Accelerated growth at Trinity is expected to help Sunrise maintain its growth rate by capturing new revenue and also enable more Sunrise residents to remain in a community for a longer period of time while benefiting from palliative care.

About Sunrise Senior Living

Sunrise Senior Living, a McLean, Va. based company, employs approximately 40,000 people. As of June 30, 2006, Sunrise operated 423 communities in the United States, Canada, Germany and the United Kingdom with a combined capacity for approximately 50,000 residents. Sunrise also had 45 communities under construction in these countries with a combined capacity for more than 6,000 additional residents. Sunrise offers a full range of personalized senior living services, including independent living, assisted living, care for individuals with Alzheimer's and other forms of memory loss, nursing and rehabilitative care and hospice care. Sunrise's senior living services are delivered by staff trained to encourage the independence, preserve the dignity, enable freedom of choice and protect the privacy of residents. To learn more about Sunrise, please visit https://www.sunriseseniorliving.com/.

Forward Looking Statements

Estimates of future earnings are by definition, and certain other matters discussed in this press release may be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although Sunrise believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, there can be no assurances that its expectations will be realized. Sunrise's actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including, but not limited to, its ability to successfully integrate the Trinity transaction into the Company's operations, completion of Sunrise's accounting review and finalization of the restatement of its financial statements, the integration and performance of the Company's other recent acquisitions, development and construction risks, acquisition risks, licensing risks, business conditions, competition, changes in interest rates, our ability to manage our expenses, market factors that could affect the value of our properties, the risks of downturns in general economic conditions, satisfaction of closing conditions and availability of financing for development and acquisitions. These and other risks are detailed in the Company's annual report on Form 10-K filed with the Securities and Exchange Commission. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.


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