

# EXTENDICARE

3000 Steeles Avenue East, Markham, Ontario L3R 9W2  
Tel: (905) 470-4000 Fax: (905) 470-5588

## NEWS RELEASE

FOR IMMEDIATE RELEASE

March 16, 2009

### Extencicare REIT Declares March 2009 Distribution

MARKHAM, ONTARIO – Extencicare Real Estate Investment Trust (“Extencicare REIT” or the “REIT”) (TSX: EXE.UN) today announced that it has declared a cash distribution of C\$0.07 per unit of the REIT (the “REIT Units”) for the month of March 2009, which is payable to unitholders of record at the close of business on March 31, 2009, and will be paid on April 15, 2009.

Extencicare Limited Partnership (the “Partnership”) also announced that it has declared a cash distribution of C\$0.07 per Class B limited partnership unit (the “Exchangeable LP Units”) for the month of March 2009, which is payable to unitholders of record at the close of business on March 31, 2009, and will be paid on April 15, 2009.

The current annualized distribution rate of the REIT and Partnership is C\$0.84 per unit, payable in monthly distributions of C\$0.07 per unit. In accordance with the distribution policy of both the REIT and the Partnership, unitholders of record at the close of business on the last business day of each calendar month will be paid a distribution on or about the 15<sup>th</sup> day of the following month.

Management estimates that approximately 70% of the 2009 distributions of the REIT and Partnership will be characterized as tax deferred returns of capital for Canadian residents. To the extent the remaining 30% of distributions of the REIT and Extencicare LP to be made in 2009 are taxed as dividends, those paid to Canadian residents are eligible dividends as per the *Income Tax Act* (Canada). The REIT is not required to, and does not, calculate its “earnings and profits” pursuant to the *United States Internal Revenue Code of 1986*, as amended, and therefore no portion of its distributions represent qualified dividend income for U.S. tax purposes.

The REIT has a Distribution Reinvestment Plan, which provides Canadian resident holders of REIT Units and Exchangeable LP Units with the opportunity to increase their respective investments at a 3% discount to the volume weighted average trading price of the REIT Units on the TSX for the five trading days immediately preceding the distribution payment date. A copy of the Plan package is available under the investors section of the REIT’s website.

#### About Us

Extencicare REIT is a leading North American provider of long-term and short-term senior care services through its network of owned and operated health care centers. We employ 39,100 qualified and experienced individuals dedicated to helping people live better through a commitment to quality service that includes post-acute care, rehabilitative therapies and home health care services. Our 266 senior care centers in North America have capacity for approximately 30,000 residents.

#### Forward-looking Statements

*Information provided by Extencicare REIT from time to time, including this release, contains or may contain forward-looking statements concerning anticipated financial events, results, circumstances, economic performance or expectations with respect to the REIT and its subsidiaries, including its business operations, business strategy, and financial condition. Forward-looking statements can be identified because they generally contain the words “expect”, “intend”, “anticipate”, “believe”, “estimate”, “plan” or “objective” or other similar expressions. Forward-looking statements reflect management’s beliefs and assumptions and are based on information currently available, and the REIT assumes no obligation to update or revise any forward-looking statement, except as required by applicable securities laws. These statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements of the REIT to differ materially from those expressed or implied in the statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on the REIT’s forward-looking statements. Further information can be found in the disclosure documents filed by Extencicare REIT with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com) and on the REIT’s website at [www.extencicare.com](http://www.extencicare.com).*

For further information, contact:

Douglas J. Harris  
Senior Vice President and Chief Financial Officer  
Phone: (414) 908-8855  
Fax: (905) 470-4003  
Email: [djharris@extencicare.com](mailto:djharris@extencicare.com)  
[www.extencicare.com](http://www.extencicare.com)