



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

NEWS RELEASE

FOR IMMEDIATE RELEASE
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Extendicare Provides Clarification on ALC Leases with LTC Properties

MARKHAM, ONTARIO – Extendicare Inc. (“Extendicare” or the “Company”) (TSX: EXE) provides clarification on a recent announcement made by LTC Properties, Inc. (LTC Properties) that it will not be renewing the lease agreements (the “LTC Master Leases”) entered into with Assisted Living Concepts, Inc. (ALC) and Extendicare’s U.S. subsidiary, Extendicare Health Services, Inc. (EHSI). The LTC Master Leases, which expire in December 2014, cover 37 assisted living centers operated solely by ALC and are not part of EHSI’s operations. As previously disclosed by the Company, following the separation of ALC from Extendicare in 2006, LTC Properties declined to remove EHSI as a co-tenant under the LTC Master Leases. The non-renewal of the LTC Master Leases will not have any financial impact on Extendicare’s financial results or operations since only ALC has a financial interest in the leased centers, as disclosed in the “commitments and contingencies” note to our consolidated financial statements.

About Us

Extendicare is a leading North American provider of post-acute and long-term senior care services. Through our network of owned and operated health care centers, our qualified and experienced workforce of 35,500 individuals is dedicated to helping people live better through a commitment to quality service that includes skilled nursing care, rehabilitative therapies and home health care services. Our 245 senior care centers in North America have capacity to care for approximately 27,000 residents.

Forward-looking Statements

Information provided by Extendicare 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 Extendicare and its subsidiaries, including, without limitation, statements regarding 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”, “project”, “plan” or “objective” or other similar expressions or the negative thereof. Forward-looking statements reflect management’s beliefs and assumptions and are based on information currently available, and Extendicare 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 Extendicare 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 Extendicare’s forward-looking statements. Further information can be found in the disclosure documents filed by Extendicare with the securities regulatory authorities, available at www.sedar.com and on Extendicare’s website at www.extendicare.com.

For further information, contact:

Dylan Mann

Senior Vice President and Chief Financial Officer

Phone: (414) 908-8623; Fax: (905) 470-4003

Email: dmann@extendicare.com

www.extendicare.com