



# Aged care market analysis 2026

Analysis of Australia's top  
25 home care and residential  
aged care providers

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# Our approach

For the past nine years, KPMG has published an analysis of the aged care market in Australia. Similar to previous years, our analysis for 2026 focuses on the top 25 providers by market share across in-home and residential aged care.

To inform this report, we have analysed aged care service list data published by the Australian Institute of Health and Welfare (AIHW) between FY18 and FY25.<sup>1</sup> This data has been updated as necessary to accurately reflect market activity throughout each financial year. These updates are undertaken on a best endeavours basis and rely on other publicly available data sources.

Insights into the characteristics and trends of the Australian aged care market have been derived by filtering this data according to various factors, including year, care type, provider type, and location. This report focuses on activity and market composition from 1 July 2024 to 30 June 2025.

For the Home Care Package (HCP) market (now Support at Home), market share has been determined by calculating the proportion of total government funding received by a provider. For the residential aged care market, market share has been determined by the number of residential places attributed to a provider. Multiple publicly available datasets report expenditure and spend by program type. However, this analysis relies on a dataset compiled by KPMG, which draws on GEN data. While differences between these data sources may limit direct comparability, they are not considered material and are noted here for completeness.

# Market overview

The Australian Government spent \$39.2 billion on aged care during FY25, representing an increase of 9.6% compared to FY24, with residential aged care and home care accounting for most of the increase. This expenditure covered a range of services, including home care, home support, flexible care, and other aged care programs. Of this amount, over 60% was allocated to residential aged care, which received the largest share of funding at \$24 billion (+\$2.7 billion from FY24), followed by HCP at \$9.9 billion (+\$1.1 billion from FY24) and the Commonwealth Home Support Programme\* (CHSP) at \$3.3 billion.<sup>2</sup>

Service utilisation continued to grow over the year. A total of 260,772 people received residential aged care, while 352,733 accessed an HCP, an increase of 17,425 people since 30 June 2024. CHSP remains the largest aged care program by volume, with 838,694 people receiving entry level home support delivered by more than 1,330 providers.<sup>3</sup> Although the aged care system is supporting more people, costs are rising faster than the demand, meaning overall the government is spending more per person to deliver care.

The provider market remains sizeable, though it continues to evolve. There were 636 residential aged care providers and 873 providers delivering HCP during the period. Publicly available information on applications for approved provider (now registered provider) status remains limited; however, FY25 saw 14 new HCP providers enter the market and begin receiving funding, along with a further 49 providers that have registered but are not yet funded. No new residential aged care providers entered the market during this period, likely due to the capital-intensive business model and high construction costs.

Looking ahead, future demand for residential aged care and home care services will be shaped by ongoing changes in how people engage with, and access support across the aged care system. Over the next 20 years, residential aged care demand, covering both permanent and respite care is projected to increase by approximately 10,600 residents per year, reaching around 410,000 people in residential care by 2044. This equates to an average annual growth rate of 3.7%. Over the same time frame, demand for home care is expected to grow by approximately 34,500 people per year, resulting in an estimated 1,820,000 people requiring home care by 2044, representing an average annual growth rate of 2.4%.<sup>4</sup>

Overall, these figures highlight the government's growing investment in aged care, with significant ongoing support for residential aged care and continued expansion of home based and flexible care options to meet the evolving needs of older Australians.<sup>5</sup>

\*Although this overview includes data on CHSP and other aged care programs, the focus of this analysis is on HCP and residential aged care.

# Home care services

At 30 June 2025, 292,911 people were receiving an HCP, representing a 6.3% increase over the previous 12 months. Of these, 73% were supported through Level 2 or Level 3 packages, with 36.5% at each level.<sup>6</sup> The growth in HCP aligns with an uplift in government funding, which increased by 15% compared with FY24. This increase reflects both the ongoing preference among older people to remain living at home and government policy settings aimed at enabling people to stay at home for longer, thereby delaying or avoiding entry into residential aged care. Despite the ongoing investment, 96,709 people were waiting in the National Priority System (NPS) for an HCP at their approved level, an increase of 28,123 people, or 41%, when compared to FY24.<sup>7</sup> This figure highlights growing pressure on the aged care system, where demand is increasingly outstripping supply, despite government policy to support people to age at home and ongoing investment in in-home supports.



## Provider landscape

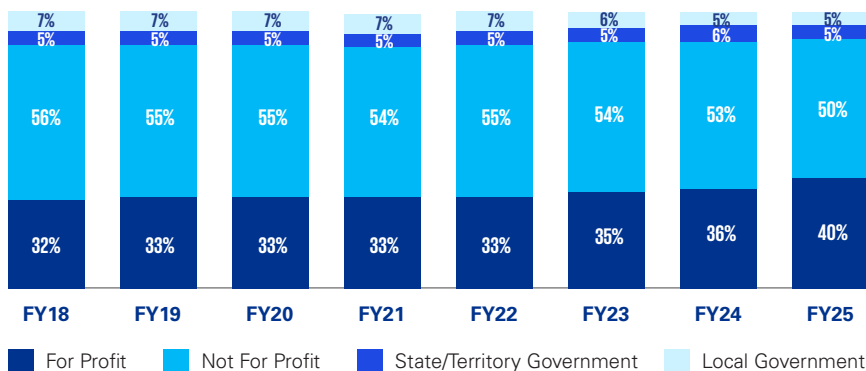
The HCP market is made up of four main provider types: not for profit organisations, for profit providers, state and local government services. Since FY18, the share of not for profit providers has fallen by 6%, and local government providers have decreased by 2%. Interestingly, the proportion of for profit providers has grown by 8% over the same period, while state government representation has remained steady at 5%.

## Number of HCP providers

Between FY18 and FY25, the HCP provider landscape experienced steady, if modest, growth. Provider numbers lifted from 818 to 873, a 6.7% increase over the period, despite some clear year to year shifts. After reaching an early peak of 867 providers in FY21, the sector dipped to 846 in FY22, before regaining momentum through FY23 and FY24 and ultimately setting a new high in FY25. Overall, the trend points to measured expansion rather than consolidation, with the market gradually adding providers while adjusting to policy change, demand growth and emerging competitive pressures.

As noted above, FY25 saw a comparatively high number of new entrants into the HCP market, with 14 new providers identified. The majority of these entrants were established organisations expanding their service portfolios to include HCP services. Many of the new providers were already operating in adjacent sectors, most commonly as National Disability Insurance Scheme (NDIS) providers or as providers of nursing, medical, and allied health services.

Figure 1: HCP by ownership type, FY18 – FY25



Source: KPMG, 2025 (using data from GEN Aged Care)

### Provider size

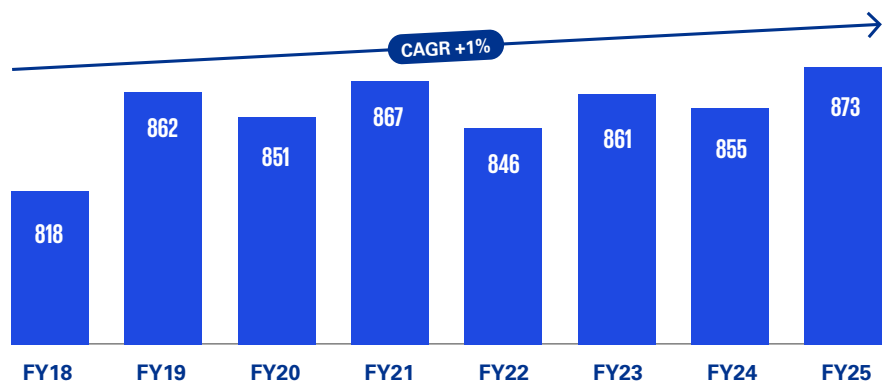
There are a significant number of small providers within the HCP market, with 61.1% of all providers receiving less than \$5 million in funding. This accounts for less than 10% of total HCP funding. However, the market is dominated by a small number of large providers, with the 15 largest providers, or top 1.7%, accounting for more than 30% of total HCP funding.

### Overall financial performance of HCP providers

The FY23/24 financial year saw a strong improvement in home care because funding increased faster than costs. Income rose 12.5% per care recipient per day, supported by a 13.8% rise in claim days, higher package utilisation at 82.7%, an 11.9% subsidy increase, and a 28.8% expansion in subcontracted services. At the same time, expenses grew more modestly at 9.6%, largely due to wage rises from Fair Work decisions and additional care hours. Internal care costs increased 9.5% and external care costs 12.5%, while care management fees remained efficient, making up 17.7% of income but only 10.5% of costs.<sup>8</sup> Looking ahead, Support at Home may shift these funding and cost dynamics, but the full impact will only emerge as the new arrangements take hold and providers reshape their operating models.

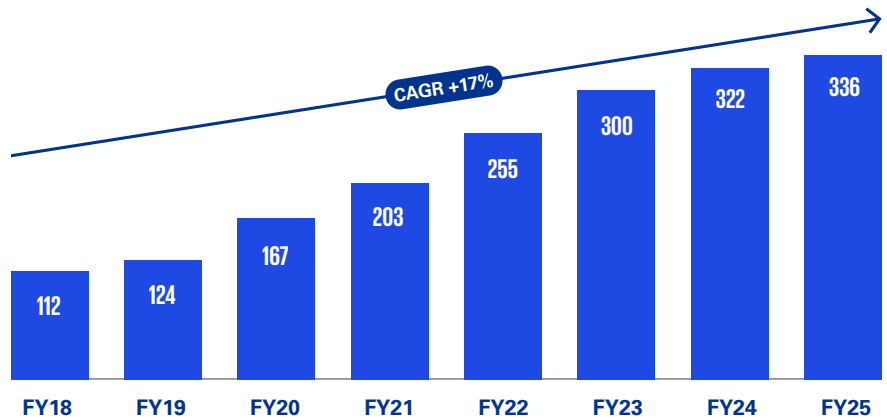
While there was modest growth in the total number of HCP providers, funding growth continues to be strong. Data for FY25 indicates an additional \$1.1 billion in funding has flowed to HCP providers, with data indicating a CAGR of 24% across the analysis period with annual finding now approaching \$10 billion.

**Figure 2: Number of HCP providers, FY18 – FY25**



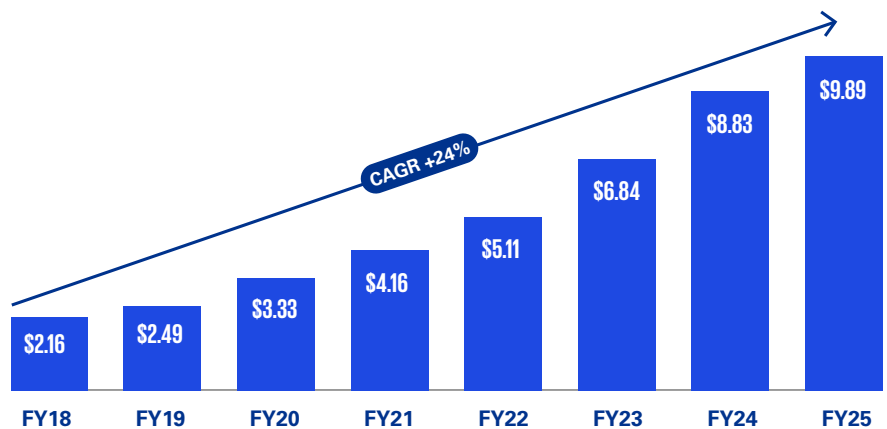
Source: KPMG, 2025 (using data from GEN Aged Care)

**Figure 3: Average number of older people receiving HCPs per provider, FY18 – FY25**



Source: KPMG, 2025 (using data from GEN Aged Care)

**Figure 4: Government funding for HCP, FY18 – FY25**



Source: KPMG, 2025 (using data from GEN Aged Care)

**Table 1: HCP funding**

Funding level	Number of providers	% of providers	Total funding (\$m)	% of funding
\$0 to \$5m	549	61.1%	\$943.78	9.5%
\$5m to \$15m	210	23.4%	\$1,823.65	18.4%
\$15m to \$25m	59	6.6%	\$1,168.93	11.8%
\$25m to \$50m	46	5.1%	\$1,618.99	16.4%
\$50m to \$100m	19	2.1%	\$1,339.81	13.6%
\$100m+	15	1.7%	\$2,991.25	30.3%

Source: KPMG, 2025 (using data from GEN Aged Care)

**Table 2: Financial performance of residential aged care providers**

Funding level	2020–21	2021–22	2022–23	2023–24	Change from 2022–23
<b>Total income (\$m)</b>	\$3,972.20	\$4,689.80	\$5,787.20	\$7,427.90	28.30%
<b>Total expenses (\$m)</b>	\$3,724.30	\$4,492.40	\$5,601.50	\$7,004.90	25.10%
<b>EBITDA (\$m)</b>	\$283.60	\$240.10	\$236.10	\$476.10	101.60%
<b>Net profit before tax (\$m)</b>	\$247.80	\$197.40	\$185.70	\$423.00	127.80%
<b>EBITDA (PCRPD)</b>	\$4.91	\$3.38	\$2.76	\$4.88	76.80%
<b>Net profit before tax (PCRPD)</b>	\$4.29	\$2.78	\$2.17	\$4.33	99.70%
<b>EBITDA margin</b>	7.1%	5.1%	4.1%	6.4%	2.30%
<b>Net profit before tax margin</b>	6.2%	4.2%	3.2%	5.7%	2.50%

Source: KPMG, Financial Report on the Australian Aged Care Sector 2023–24



## Top 25 providers in the HCP market

The leading providers showed minimal movement from FY24, suggesting their positions in the market have become firmly entrenched. While funding trended upward for most providers, some experienced a noticeable plateau in FY25, potentially driven by workforce constraints, integration or technology transitions, or strategic portfolio adjustments.

Not-for-profits continue to dominate the top 25 cohort, accounting for 16 of the 25 providers, with 9 for-profit providers. This is in line with previous years and reflects the broader national profile in which not-for-profit organisations historically form the majority of home care providers.

Australian Unity remains firmly in the number one position as Australia's largest home care provider by government funding, a position strengthened through a series of major acquisitions, including the NSW Government's Home Care Service in 2015 (a \$114 million transaction transferring more than 4,000 staff and ~50,000 clients) and the acquisition of the myHomecare Group in March 2024, which added ~20,000 clients and more than 1,000 additional healthcare workers to its Home Health division. Following these transactions, Australian Unity now holds a market share of approximately 7.3%, which is 3.9 percentage points ahead of Trilogy Care's 3.4%.<sup>9</sup>

Trilogy Care has overtaken UnitingCare Queensland to claim the second-highest position. Trilogy Care's rapid rise is widely attributed to its low-fee, innovative, self-managed care model, which have become distinctive advantages in acquiring and retaining consumers.<sup>10</sup>

**Figure 5: Number of HCP providers (left-hand side) and the share of total HCP funding received by the top 25 providers (right-hand side)**



Source: KPMG, 2025 (using data from GEN Aged Care)

Trilogy's model continues to position it as one of the most significant disruptors in the home care market, with sustained high growth through FY25.

Eight providers improved their position within the top 25 ranking in FY25. Of particular note is Self Managed Support, which advanced five places from its FY24 position to reach 12th place, demonstrating the accelerating momentum of self-managed service models.

Market fragmentation has increased gradually over FY18–FY25. While there has been a small increase in the overall number of providers, totalling 6.1% over FY18–FY25, the top 25 funding share has declined from 45.3% in FY18, to 39.8% in FY23 with only a modest stabilisation in FY24–FY25 at 40.5%. This trend suggests that funding continues to shift toward operators outside the largest tier, supported by new entrants and differentiated service models.

Despite ongoing interest in growth and scale, this has not resulted in a more concentrated market. While larger operators benefit from efficiency and technology investments, smaller and mid-sized providers are maintaining competitiveness through service specialisation, niche and innovative offerings and strong local relationships.

In reality, what matters most is how well providers deliver care. The providers that offer a great service experience, consistently achieve high quality outcomes, and keep their costs under control are the ones that are able to hold onto, and organically grow their market share.

**Table 3: 25 largest HCP providers by government funding in FY25**

FY23 Rank	FY24 Rank	FY25 Rank	FY24-FY25 change	Provider	Government Funding (\$m)						Sparklines	Compound Annual Growth				
					FY19	FY20	FY21	FY22	FY23	FY24		FY25	By provider	Total industry	Variance	FY25 Marketshare
2	1	1	0	Australian Unity	\$73.28	\$127.53	\$166.97	\$210.14	\$242.39	\$704.00	\$720.90		39%	22%	17%	7.3%
7	3	2	1	Trilogy Care Pty Ltd	\$0.00	\$0.00	\$1.10	\$21.61	\$116.83	\$245.23	\$340.01		215%**	22%	193%**	3.4%
3	2	3	-1	UnitingCare QLD	\$103.28	\$133.06	\$148.89	\$165.11	\$223.64	\$281.73	\$308.01		17%	22%	-5%	3.1%
4	4	4	0	Home Instead Senior Care Group	\$22.37	\$40.20	\$61.71	\$96.15	\$142.70	\$200.86	\$222.84		39%	22%	17%	1.9%
5	5	5	0	Silver Chain Group	\$52.48	\$69.41	\$85.38	\$109.72	\$136.25	\$173.09	\$191.10		20%	22%	-2%	1.6%
14	8	6	2	Dementia Caring Australia	\$2.65	\$6.84	\$15.40	\$35.44	\$79.56	\$133.93	\$161.17		80%	22%	58%	1.5%
8	7	7	0	Bolton Clarke	\$51.03	\$66.74	\$74.48	\$99.60	\$116.50	\$144.09	\$152.79		17%	22%	-5%	1.5%
9	9	8	1	BaptistCare	\$52.56	\$63.41	\$71.72	\$75.29	\$111.26	\$132.75	\$148.21		16%	22%	-6%	1.5%
6	6	9	-3	HammondCare	\$53.07	\$58.76	\$82.30	\$99.72	\$129.43	\$151.96	\$146.57		16%	22%	-6%	1.4%
16	12	10	2	Right at Home Group	\$10.17	\$19.82	\$28.78	\$44.27	\$72.64	\$107.68	\$137.55		45%	22%	23%	1.3%
11	10	11	-1	The Uniting Church in Australia Property Trust (Victoria)	\$22.23	\$39.73	\$51.81	\$71.35	\$94.10	\$119.56	\$136.67		30%	22%	8%	1.2%
32	17	12	5	Self Managed Support	\$0.00	\$0.00	\$0.04	\$7.38	\$42.14	\$82.34	\$120.55		387%**	22%	365%**	1.2%
10	11	13	-2	The Uniting Church in Australia Property Trust (NSW) + Wesley Community Services Limited	\$73.91	\$79.16	\$88.47	\$97.62	\$103.55	\$115.62	\$117.05		7%	22%	-15%	1.2%
15	16	14	2	Resthaven Inc	\$28.26	\$36.43	\$42.07	\$58.04	\$76.27	\$94.98	\$115.21		22%	22%	0%	1.1%
19	15	15	0	FiveGoodFriends	\$6.13	\$14.10	\$20.21	\$35.89	\$64.79	\$97.46	\$114.41		52%	22%	30%	1.0%
13	14	16	-2	The Corporation of the Synod of the Diocese of Brisbane	\$40.99	\$50.04	\$65.09	\$62.24	\$81.74	\$97.65	\$107.63		15%	22%	-7%	1.0%
12	13	17	-4	Baptcare	\$45.72	\$54.01	\$62.40	\$71.45	\$92.42	\$106.89	\$102.28		12%	22%	-10%	0.9%
29	22	18	4	Pearl Home Care	\$3.87	\$6.66	\$8.15	\$18.26	\$45.68	\$71.69	\$90.33		57%	22%	35%	0.9%
18	20	19	1	Ozcare	\$46.19	\$51.19	\$57.43	\$60.92	\$67.21	\$77.32	\$89.57		10%	22%	-12%	0.9%
21	19	20	-1	ECH Inc	\$19.61	\$23.23	\$25.75	\$35.23	\$59.49	\$80.83	\$85.52		23%	22%	1%	0.8%
17	18	21	-3	KinCare Health Services	\$51.36	\$56.63	\$56.69	\$54.52	\$68.02	\$81.08	\$82.06		7%	22%	-15%	0.8%
20	21	22	-1	Mercy Aged and Community Care	\$45.58	\$52.21	\$56.96	\$58.54	\$63.19	\$73.19	\$79.94		8%	22%	-14%	0.8%
26	23	23	0	Just Better Care Australia Group	\$9.10	\$13.37	\$20.48	\$31.33	\$50.23	\$70.45	\$78.33		36%	22%	14%	0.7%
27	26	24	2	Suncare Community Services	\$7.19	\$14.54	\$21.34	\$30.20	\$46.51	\$64.81	\$74.66		40%	22%	18%	0.7%
23	24	25	-1	Catholic Healthcare Limited	\$32.96	\$37.40	\$39.87	\$42.24	\$55.75	\$69.49	\$73.93		12%	22%	-10%	0.7%

Source: KPMG, 2025 (using data from GEN Aged Care)



## How is the HCP market changing?

There is increasing interest in the HCP environment under Support at Home, driven by both private equity firms and established providers seeking to scale and achieve greater operational efficiencies. While seller valuation expectations remain high, buyers are prioritising organisations with efficient, and technology enabled operating models that demonstrate strong performance and resilience.

The introduction of Support at Home in November 2025 is expected to reshape the market in 2026 as the new program and funding model stabilise. Providers will need to reassess their service mix, operating structures, and compliance settings in line with the revised registration categories and regulatory expectations.

KPMG anticipates a period of structural adjustment, with some smaller providers exiting the market, while medium sized organisations focus on organic growth to strengthen their competitive positioning. At the same time, we expect more strategic operators to actively pursue inorganic growth opportunities to build scale and enhance capability, enabling them to better meet rising consumer expectations.

**“We are seeing significant renewed investor appetite for in-home aged care businesses from existing players in the sector as well as private equity funds as the implementation of the Support at Home reforms have now provided clarity on the pricing and funding model. Home care providers that have a strong technology backbone, high quality clinical governance and workforce compliance are attracting premium valuations.”**

**Helen Sutherland**  
Partner, Aged Care M&A Specialist  
KPMG Australia

# Residential aged care

At 30 June 2025, 196,313 people were accessing permanent residential aged care, an increase of 3.4% (or 6,429 people) from FY23/24. Across the full financial year, 260,772 people received permanent residential aged care at some point, reflecting sustained demand. The states with the highest proportions of people accessing permanent residential aged care were NSW (63,132 residents), Victoria (51,142), and Queensland (39,438), together accounting for nearly 78% of all permanent residents nationally.

Australian Government expenditure on residential aged care reached \$24 billion in FY24/25, a 12.8% increase from the previous year, underpinned by higher AN-ACC funding, increased care minute requirements and wage uplifts for the workforce.<sup>11</sup>

## Provider landscape

The residential aged care market continued to show signs of quiet consolidation over the past year, accompanied by increasing pressure on available capacity. The number of providers declined by 0.9%, closely

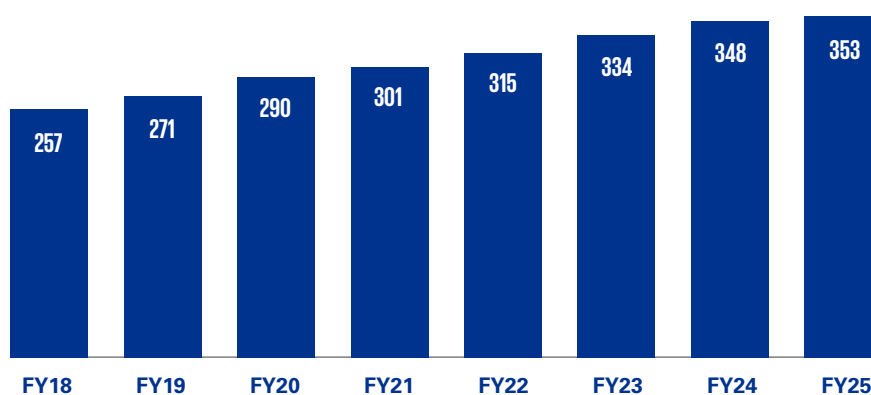
matched by a 0.9% reduction in the number of homes operating nationally, highlighting the ongoing rationalisation occurring across the market. Yet, despite fewer providers, the total number of operational places still inched upward (+0.4%), suggesting that expansion is being driven by incremental bed activation within existing homes rather than the development of new homes.

The most significant shift emerged in the sharp 15.5% fall in unoccupied operational places – from 26,843 to 22,674 – pushing average operational occupancy up to 89.9%.<sup>12</sup> Independent sector benchmarking further reinforces this story, with occupancy levels climbing to around 94% when measured against available beds rather than all operational places.<sup>13</sup>

This adjustment removes temporary offline capacity such as refurbishment downtime and beds unavailable due to staffing constraints. Taken together, these patterns point to growing pressure on bed availability despite only marginal gains in overall capacity.

Longer-term trends reinforce this story of consolidation. The number of providers has steadily declined from 807 in FY18 to 636 in FY25. Over the same period, the largest operators have continued to expand their share of the market: the top 25 providers increased their share of operational places from 36.1% in FY19 to 46.4% in FY25. Collectively, the data shows a sector with fewer providers overall and an increasing concentration of places among the largest operators.

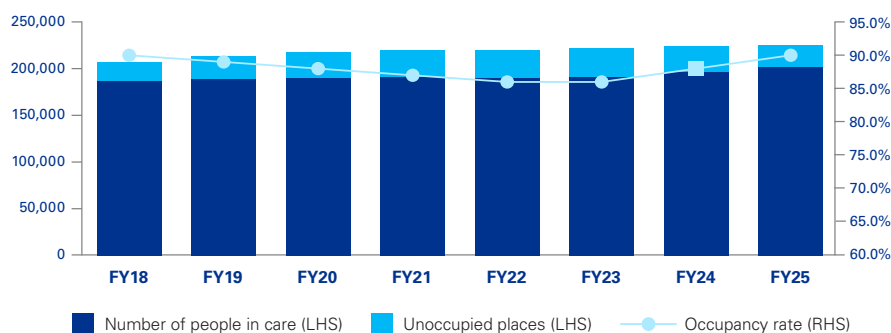
**Figure 6: Average number of residential aged care operational places per provider from FY18 – FY25**



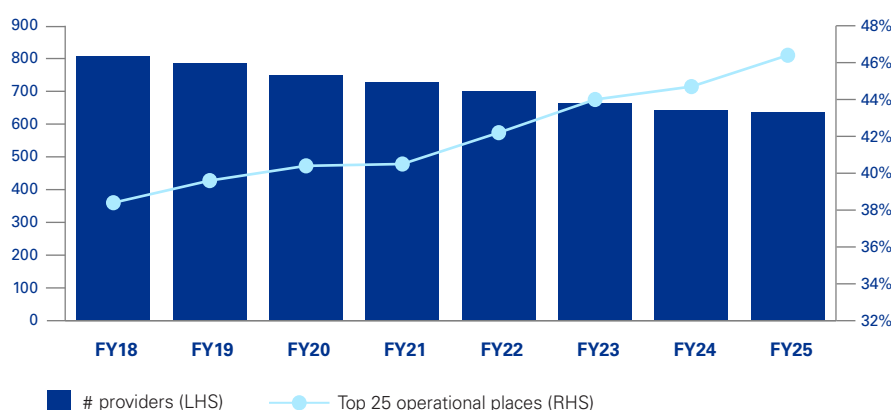
Source: KPMG, 2025 (using data from GEN Aged Care)

**Table 4: Number of permanent residential aged care residents**

	FY24	FY25	% change FY24 – FY25
<b>Permanent residential aged care residents at 30 June 2025</b>	189,884	196,313	3.4%
<b>Providers</b>	642	636	-0.9%
<b>Homes</b>	2,606	2,583	-0.9%
<b>Operational places</b>	223,691	224,493	0.4%
<b>Unoccupied operational places</b>	26,843	22,674	-15.5%

**Figure 7: Total occupied and unoccupied residential aged care places FY18 – FY25**

Source: KPMG, 2025 (using data from GEN Aged Care)

**Figure 8: Number of providers (left-hand side) and share of total operational places operated by the top 25 providers (right-hand side)**

Source: KPMG, 2025 (using data from GEN Aged Care)

## Shape of the market

The residential care market is characterised by a large number of relatively small providers competing with a small number of large providers. Providers with less than 250 places account for more than 75% of all providers, with 315 providers having less than 100 operational places. Despite being a large proportion of providers, this small provider group (less than 250 places) only account for 20.4% of all operational places. There are currently 46 providers, or 7.2% of total providers, that have more than 1,000 operational places. These providers account for 59.4% of the residential care market.

## Financial performance of providers

The residential aged care sector delivered a major financial recovery in FY23/24, shifting from a \$1.7 billion loss to a \$410.9 million profit, with NPBT improving from -\$25.31 to +\$5.78 per resident per day. This turnaround was driven by a 28.9% rise in income, boosted by 24.7% growth in care income as AN-ACC prices increased through the year and new supplements, hotelling, 24/7 registered nursing, and outbreak management were introduced.

**Table 5: Residential aged care places by provider size**

Residential places	Number of providers	% of providers	Total places	% of places
0 to 100 places	315	61.1%	18,405	8.2%
100 to 250 places	184	23.4%	27,418	12.2%
250 to 500 places	54	6.6%	18,696	8.3%
500 to 750 places	23	5.1%	14,404	6.4%
750 to 1,000 places	14	2.1%	12,295	5.5%
1,000+ places	46	1.7%	133,275	59.4%
<b>Total</b>	<b>636</b>		<b>224,493</b>	

Source: KPMG, 2025 (using data from GEN Aged Care)

Expenses rose more slowly at 18.6%, despite strong pressure from 22.9% higher labour costs and a 29.8% increase in other care expenses. EBITDA strengthened sharply, climbing to \$2.5 billion, with EBITDA per resident per day lifting from \$7.57 to \$35.61, and 58.7% of providers returned to profit. Care services generated a solid surplus, but hotelling and accommodation remained loss making, and \$820.8 million in bed licence amortisation continued to weigh on NPBT, particularly for for profit providers.<sup>14</sup> Importantly, this improved operating environment has also contributed to a resurgence of investor interest in residential aged care.



## Top 25 providers in the residential aged care market

This year there was no movement in the top 11 providers, with rankings remaining stable. Interestingly, only two providers, St Vincent's Care and RSL LifeCare dropped in ranking, while eight providers improved their positions. This stability at the top reflects an increasingly mature residential aged care market, where major operators such as Opal, Bolton Clarke, Estia, and Regis maintained their leadership positions. Below this top tier, Calvary and Arcare emerge as clear standouts, delivering meaningful expansion in FY25. Uniting (NSW/ACT) continues its steady year-on-year uplift. In contrast, several mid-tier not-for-profits, including Blue Care, BaptistCare NSW/ACT, Catholic Healthcare, St Vincent's Care Services, RSL LifeCare, and Churches of Christ, were flat or slightly down in FY25.

The private providers continue to dominate, accounting for the four out of the five top positions, with 18% of total residential aged care places. However, not-for-profits continue to make up majority of the top 25 with 13 providers represented, with these providers accounting for almost 10% of total places.

A standout in the rankings is For Purpose Aged Care Australia, which has climbed nine positions to reach 24th place, the largest leap among all top providers. The organisation has expanded rapidly, now operating

more than 2,000 aged care beds with a further 800 beds in development, positioning it as one of the fastest-growing not-for-profit providers in the country, backed by For Purpose Investment Partners.<sup>15</sup>

FY24/25 saw several major consolidation moves in the market, led by Pacific Equity Partners' acquisition of AMP Capital's 50% stake in Opal HealthCare, a transaction estimated at \$1 billion.<sup>16</sup>

**“The providers who continue to grow are those able to offer a standout service experience, maintain high quality, and manage rising costs, a combination that is increasingly difficult to achieve without the right systems and support in place.”**

**Lauren Frost**  
Director, Health, Ageing & Human Services  
KPMG Australia

The market experienced one of its largest not-for-profit restructures, with multiple BaptistCare entities merging into a single unified organisation spanning NSW, the ACT, WA, Victoria, South Australia and Tasmania, enhancing scale.<sup>17</sup> The period also saw rapid expansion by Respect, which completed a major acquisition of seven BlueCare homes and four co-located retirement villages across Queensland, marking one of the most extensive multi-site transfers of FY25.

Regis continued its acquisition momentum in FY25, securing OC Health's two aged care homes in October, four Rockpool facilities in July, and BodeWell Community Care in January, a transaction that effectively doubled its home care revenue.<sup>18</sup>

**“Recent years have seen only a small number of bolt-on acquisitions, but they have helped restore confidence in residential aged care valuations. Private capital is once again prepared to back scaled platforms, and we expect continued private-equity-led consolidation in 2026, particularly in metropolitan areas where it remains cheaper to buy than build.”**

**Stewart May**  
Partner, Deals Advisory  
KPMG Australia

**Table 6: Financial performance of residential care providers**

	2020–21	2021–22	2022–23	2023–24	Change from 2022–23 (%)
<b>Total income (\$m)</b>	\$21,478.5	\$22,074.5	\$24,239.7	\$31,216.30	28.8%
<b>Total expenses (\$m)</b>	\$22,332.1	\$24,338.6	\$25,976.8	\$30,805.30	18.6%
<b>EBITDA (\$m)</b>	\$712.6	(\$8.7)	\$519.8	\$2,532.10	387.1%
<b>Net profit before tax (\$m)</b>	(\$853.7)	(\$2,264.1)	(\$1,737.1)	\$410.90	123.7%
<b>EBITDA (PRPD)</b>	\$10.33	(\$0.13)	\$7.57	\$35.61	370.4%
<b>Net profit before tax (PRPD)</b>	(\$12.38)	(\$32.97)	(\$25.31)	\$5.78	122.8%
<b>EBITDA margin</b>	3.3%	0.0%	2.1%	0.081	285.7%
<b>Net profit before tax margin</b>	(4.0%)	(10.3%)	(7.2%)	0.013	118.1%

Source: KPMG, Financial Report on the Australian Aged Care Sector 2023–24



**Table 7: 25 largest residential aged care providers by operational places in FY25**

FY24 Rank	FY25 Rank	FY24-FY25 change	Provider	Operational Places						Sparklines	Compound Annual Growth				
				FY19	FY20	FY21	FY22	FY23	FY24		FY25	By provider	Total industry	Variance	FY25 Marketshare
1	1	0	Opal	7262.0	7525.0	8002.0	8575.0	9487.0	10565.0	13977.0		10%	1%	9%	6.2%
2	2	0	Bolton Clarke	2510.0	2511.0	2511.0	6685.0	8841.0	8965.0	8722.0		19%	1%	18%	3.9%
3	3	0	Estia	6142.0	6267.0	6376.0	6262.0	6852.0	7219.0	8717.0		5%	1%	4%	3.9%
4	4	0	Regis	7241.0	7424.0	7338.0	7338.0	7266.0	7197.0	7286.0		0%	1%	-1%	3.2%
5	5	0	Bupa	7363.0	7363.0	6586.0	6219.0	6219.0	6099.0	5979.0		-3%	1%	-4%	2.7%
6	6	0	Uniting Care	5322.0	5311.0	5330.0	5754.0	5820.0	5860.0	5862.0		1%	1%	0%	2.6%
7	7	0	Calvary	1214.0	1214.0	1215.0	5880.0	5787.0	5717.0	5229.0		23%	1%	22%	2.3%
8	8	0	Arcare	3666.0	3883.0	4289.0	4551.0	4814.0	5042.0	5209.0		5%	1%	4%	2.3%
9	9	0	Blue Care	4895.0	4895.0	4895.0	4895.0	4852.0	4867.0	4792.0		0%	1%	-1%	2.1%
10	10	0	BaptistCare	1807.0	1941.0	1946.0	1946.0	3056.0	3058.0	3220.0		9%	1%	8%	1.4%
11	11	0	Catholic Healthcare	2668.0	2900.0	3014.0	3088.0	3088.0	3039.0	3039.0		2%	1%	1%	1.4%
13	12	1	Aegis	2152.0	3013.0	2887.0	2887.0	2840.0	2852.0	2786.0		4%	1%	3%	1.2%
17	13	4	Hall & Prior	2224.0	2347.0	2677.0	2677.0	2677.0	2810.0	2755.0		3%	1%	2%	1.2%
16	14	2	Mercy Health	1661.0	2073.0	2073.0	2598.0	2598.0	2598.0	2681.0		7%	1%	6%	1.2%
15	15	0	Anglicare (Sydney)	2364.0	2364.0	2492.0	2440.0	2469.0	2530.0	2531.0		1%	1%	0%	1.1%
14	16	-2	St Vincent's Care Services	2701.0	2701.0	2664.0	2485.0	2401.0	2487.0	2458.0		-1%	1%	-2%	1.1%
19	17	2	Ozcare	1290.0	1728.0	1789.0	2084.0	2247.0	2472.0	2405.0		9%	1%	8%	1.1%
21	18	3	Respect Group	2381.0	2439.0	2519.0	2491.0	2356.0	2356.0	2366.0		0%	1%	-1%	1.1%
18	19	-1	RSL LifeCare Limited	1630.0	1630.0	2057.0	2057.0	2105.0	2265.0	2356.0		5%	1%	4%	1.0%
20	20	0	IRT	2000.0	2000.0	1960.0	1842.0	2114.0	2114.0	2114.0		1%	1%	0%	0.9%
25	21	4	Infinite Care	755.0	854.0	996.0	1587.0	1659.0	2058.0	1951.0		15%	1%	14%	0.9%
22	22	0	Churches of Christ in Queensland	2105.0	2145.0	2134.0	1992.0	1994.0	1974.0	1946.0		-1%	1%	-2%	0.9%
24	23	1	TLC Aged Care	1143.0	1220.0	1327.0	1737.0	1742.0	1938.0	1926.0		8%	1%	7%	0.9%
33	24	9	FP Aged Care Australia Ltd	1464.0	1604.0	1724.0	1779.0	1926.0	1926.0	1904.0		4%	1%	3%	0.8%
26	25	1	The Whiddon Group	682.0	1230.0	1230.0	1619.0	1909.0	1925.0	1896.0		16%	1%	15%	0.8%

Source: KPMG, 2025 (using data from GEN Aged Care)

## + Home care

### Home care demand continues to rise

More older Australians are receiving HCP (Support at Home) driven by rising demand from an ageing population, a preference for living at home longer, and increased demand for more personalised support.



## + The top 25 HCP providers

### Government funding has increased by 15%

HCP funding rose by \$1.1 billion in FY25 to \$9.9 billion in total. The top 25 HCP providers retained 40.5% of funding, stabilising after years of decline.

**40.5%** → **40.5%**  
FY24 FY25

## + Occupancy

### Higher occupancy levels in residential aged care

The residential aged care market experienced increased pressure on bed availability. Unoccupied residential aged care places fell sharply by 15.5% in FY25, as sector-wide occupancy lifted to 89.9%.



## + Market

### Market consolidation accelerates

The top 25 residential aged care providers operate 46.4% of all places, up from 44.7% last year. With no new providers entering the market, consolidation continues as major operators expand through acquisitions and mergers.

**46.4%** ↑ **44.7%** from FY24

## + HCP market

### Rising expectations

The HCP market continues to expand rapidly. Growth is being driven by rising demand and heightened expectations for personalised, seamless and technology enabled support delivered at home.

### Investor interest

Investor appetite is returning to the sector with increasing interest in Support at Home from private equity and established providers seeking scale and operational efficiencies.

## Support at Home reforms

The introduction of Support at Home in November 2025 is expected to reshape the market, with impacts including:

Smaller providers entering and exiting the market as regulation and funding models change

Strategic operators pursuing acquisitions to build scale and capability

Medium-sized organisations prioritising organic growth to strengthen competitiveness

## + Residential aged care market

**Sustained demand for residential care** is evident in the 3.4% increase in people accessing permanent care from FY24.

**Capacity pressure persists despite limited new development.** Total places increased only slightly, driven by incremental bed activation within existing homes rather than new builds.

**Market consolidation continues** with overall provider numbers falling again in FY25. The top 25 operators expanded their share of residential places, signalling increasing concentration across the sector.

**Financial performance rebounded** as the sector shifted from a \$1.7 billion loss to a \$410.9 million profit in FY23/24, primarily supported by higher AN-ACC funding and other new supplements.

## + Key considerations for providers

- 1 **Digitise to unlock new value** – use technology and AI to reduce admin, support virtual care, and guide informed decisions.
- 2 **Pursue sustainable scale** – consider partnerships, niche specialisations, and inorganic growth to build efficient operating models and a competitive edge.
- 3 **Design around consumer expectations** – offer more personalised services and contemporary accommodation aligned with best practice.

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# How we can help

To discuss these insights or explore how we can support your organisation, please contact Lauren Ffrost using the details below.

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March 2026. 4348741566IGH