

ASX ANNOUNCEMENT

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nib holdings limited (asx: nhf)

31 October 2017

nib completes acquisition of GU Health

nib holdings limited (ASX: NHF) has announced the completion of the acquisition of GU Health from Australian Unity.

nib acquired GU Health for a total consideration of \$155.5 million¹, representing an acquisition multiple of approximately 15.0x FY18E adjusted pro forma NPAT pre-synergies which are anticipated to reduce due to benefits from future capital efficiencies.

The acquisition is expected to be immediately EPS accretive². EPS accretion² is expected to be more than 3% in the first full year of ownership excluding any future capital release and before fully phased long-run synergies. Annual synergies are expected to be in excess of \$3 million once fully integrated.

nib's Managing Director, Mark Fitzgibbon, said the acquisition of GU Health delivers on nib's strategic ambitions to increase its presence in the corporate group market.

"We are excited to formally take ownership of the business. From day one, we have been impressed with the calibre of their people and the business overall. We think GU Health is a great strategic fit for nib and supports our plans to increase our presence in the corporate group market," Mr Fitzgibbon said.

nib funded the transaction through a combination of an institutional placement, a Share Purchase Plan and a new debt facility. Further details regarding the equity placement and Share Purchase Plan have been lodged with the ASX.

nib has maintained its FY18 underlying operating profit guidance of at least \$155 million² (statutory operating profit in FY18 is expected to be approximately \$143 million).

Media and Investor Relations

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¹ The final purchase price will be adjusted for movements in net asset value based on completion accounts

² Excludes one-off transaction costs and amortisation of acquired intangibles.