

Date 15 October 2010

Subject nib confirms final number of shares proposed to be cancelled

nib holdings limited (**nib**) wishes to update the market on the final number of shares held in the nib Overseas Policyholders and Unverified Policyholders Trust (**Trust**).

Under the terms of the Trust Deed, eligible nib policyholders had until 1 October 2010 to verify their details. If they did not verify their details before 1 October 2010 they would no longer be eligible to receive nib shares.

Accordingly, the final number of shares held in the Trust is 27,078,540 shares, which represents approximately 5.5% of nib's issued share capital.

As soon as reasonably practicable after the third anniversary of the Demutualisation Date (1 October 2010), the Trustee must dispose of all of the Trust property (which includes the shares held by the Trustee, the dividends paid by nib on the shares held by the Trustee and the interest income) in such manner as directed by the Board of nib.

The nib Board has recommended the cancellation of the shares held by the Trust for nil cash consideration. Shareholder approval for the cancellation of the shares held by the Trust will be sought at nib's 2010 Annual General Meeting (26 October 2010), with subsequent steps to effect the share cancellation to proceed as soon as reasonably practical thereafter.

MEDIA AND INVESTOR RELATIONS

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