

Date 22 April 2009

Subject nib updates FY09 guidance

nib holdings limited (nib) today indicated that based upon experience for the first three quarters of FY09 (unaudited pre-tax underwriting profit of \$27m), it expected its pre-tax net underwriting result for the full year would be in the range of \$35-40m.

nib's previous FY09 guidance was in the order of \$33m, based upon a net underwriting margin of 4% and policyholder growth of 4%.

nib's Managing Director, Mark Fitzgibbon said nib's latest guidance of \$35-40m was premised upon a number of factors.

"Our current expectation is that both our underwriting margin and policyholder growth for the full year would be slightly better than earlier forecasts," Mr Fitzgibbon said.

"In particular the one-off cost of the replacement of our loyalty program appears to be lower than originally expected."

Mr Fitzgibbon added that the company had also shifted its policy with regards to providing guidance.

"We have shifted our policy on guidance towards a range rather than set numbers for margins and growth as we think ranges are more appropriate given the implicit uncertainty and volatility in the economy. We cannot ignore that the GFC and increasing unemployment may yet impact policyholder numbers more than we are presently seeing."

nib's return on investment assets for the three months to 31 March 2009 was (0.3)%. Continued economic volatility means we are not in a position to provide guidance on forecast investment performance.

MEDIA AND INVESTOR RELATIONS

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