

4 April 2019

The Manager
Company Announcements
Australia Securities Exchange Limited
Level 4, Bridge Street
SYDNEY NSW 2000

Presentation to the Goldman Sachs Emerging Companies Conference – April 2019

Attached presentation delivered by nib at the Goldman Sachs Emerging Companies Conference (4 April 2019). Within the presentation (slide 9) nib has restated its current FY19 Guidance.

Yours sincerely,



Roslyn Toms
Company Secretary

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Goldman Sachs

Emerging Companies Conference

Michelle McPherson
Chief Financial Officer & Deputy CEO

4 April 2019



Racing the Red Queen Framework

1 Purpose alignment

2 Prepared minds

3 Natural selection



4 Amplification & divestment

5 Culture

Approach to strategic planning

The status quo is death

Change and experimentation must be constant in order to prepare/adapt to possible future scenarios

Businesses shouldn't 'bet the farm' on a specific future/strategy rather than have the dexterity to adapt to whatever scenarios arrive and amplify/divest

The digital age and rise of 'newer science' is allowing us to better understand possibilities (e.g. big data and behavioural science)

But a guiding 'Racing the Red Queen' style culture and framework is necessary

Business Strategy



Personalised healthcare

Harness data science and digital technologies to better “personalise” our relationship with members, the products and services we provide or connect them with and especially help them, their doctors and other clinicians make more informed healthcare decisions. Use “personalisation” as the bedrock of enhancing our member value proposition, differentiating us in the market, improving individual and population health and better managing costs.



Affordability and sustainability

Improve the affordability of our financial protection through improved operating efficiency, disciplined benefits management and helping members better manage their health and healthcare decisions. Ensure governance and operations across the Group are sensitive and responsive to our broader social, economic and the environmental responsibilities.



Grow the core (arhi)

Strive for above “system” organic growth with measured brand and acquisition investment, prudent product design and combatting adverse risk selection, channel diversification and “personalising” the value proposition. Consider and pursue M&A as opportunities present.



Economies of scope

Leverage existing Group assets and capabilities to pursue adjacent business opportunities for the purposes of both growing enterprise value and diversifying risk. Amplify investment in growing our international workers and students, New Zealand, travel insurance and Chinese businesses and deliver identified new prospects.



Racing the Red Queen (RRQ)

Create competitive advantage across the Group through constant innovation, our RRQ principles around “natural selection”, having world class talent and prudent risk management.

From “sickcare” to “healthcare” system and “personalisation”

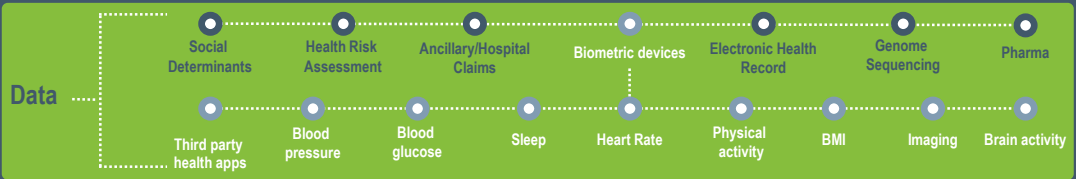
FINANCIAL PROTECTION
“stuff that pays for me”

CONNECTIVITY
“stuff that prevents and if I’m sick, manages and fixes”

VALUE PROPOSITION

EMPOWERMENT
“stuff that helps me engage and decide”

PERSONALISED HEALTH PLATFORM
“understanding individual needs for the purpose of financial protection, health risk prediction, management and treatment via data analytics, machine learning not IOT”



**LEADERSHIP
AND
GOVERNANCE**



**POPULATION
HEALTH**



**OUR
SUSTAINABILITY
PRINCIPLES
TO DELIVER
"YOUR BETTER
HEALTH"**

**ECONOMIC
DEVELOPMENT
AND EMPLOYMENT**



**NATURAL
ENVIRONMENT**



**COMMUNITY SPIRIT
AND COHESION**





Australian residents health insurance

Australian market remains tepid but with near term market agitation and growth opportunity due to reforms.

Net margins within target 5-6% range from FY20 with some risk associated with 2x2 proposal.

Medium/long term pressure for industry consolidation.



International workers and students health insurance

Ongoing organic growth with strong margins.

Expansion into other foreign markets for students.



New Zealand health insurance

Market growth remains challenging but margins strong.

Additional population health opportunities via Maori tribes (iwi).



Travel insurance

Growing international sales and capture of supply chain value.

Difficult market and trading conditions in Australia but with QBE Travel acquisition adding momentum.



China


JV expected to commence selling private health insurance second half CY2019 (but not underwriting).

Not expected to be profitable until FY22.

FY19 UOP forecast to be at least \$195m

Statutory operating profit of at least \$178m

- Ordinary dividend payout ratio 60% – 70% of full year NPAT



(\$m)	FY19
Statutory operating profit	~178
One-off transactions and M&A costs	~7.7
Amortisation of acquired intangibles	9.5
GU Health	2.7
IMAN	0.8
nib travel Group (WNG/QBE)	2.7
NZ	3.3
Underlying operating profit	~195